

## **CABINET**

Minutes of the Cabinet meeting held at 9.30 a.m. on Tuesday 21 February, 2012 in Conference Room 1a, County Hall, Ruthin.

## **PRESENT**

Councillors: P.A. Dobb, Lead Member for Health, Social Care and Wellbeing; H.H. Evans, Leader; S. Frobisher, Lead Member for Environment and Sustainable Development; M.M. Jones, Lead Member for Welsh Language, Children, Young People and Leisure; P.J. Marfleet, Lead Member for Modernising the Council; D.A.J Thomas, Lead Member for Regeneration and Tourism, J. Thompson Hill, Lead Member for Finance and Efficiency and E.W. Williams, Lead Member for Education.

**Observers:** Councillors M.LI. Davies, G.C. Evans, E.R. Jones, and D.I. Smith

## **ALSO PRESENT**

Chief Executive (MM); Corporate Directors: Learning & Communities (HW); Demographics, Wellbeing & Planning (SE), and Business Transformation & Regeneration (BJ); Head of Legal and Democratic Services (RGW); Head of Finance and Assets (PM); Head of Housing Services (PM) Strategic Regeneration Manager (MD) and Committee Administrator (KEJ).

## **POINT OF NOTICE**

Councillor P.A. Dobb reported upon the British Red Cross, Gofal North Wales official launch on 17 February 2012 at which Mark Isherwood, MP was a guest speaker. Mr. Isherwood acknowledged the Council for a number of initiatives and Councillor Dobb had been pleased that others across Wales and the UK had heard how progressive and innovative Denbighshire was.

### **1 APOLOGIES**

There were no apologies.

### **2 DECLARATION OF INTERESTS**

Councillor D.A.J. Thomas declared a personal but non-prejudicial interest in the Housing Revenue Account Budget 2012/13 (Agenda Item No. 11) as he was a council tenant. Councillor M.L. Davies also declared a personal but non prejudicial interest in that item as he rented a council garage.

### **3 URGENT MATTERS**

No urgent matters had been raised.

### **4 MINUTES**

The minutes of the Cabinet meeting held on 24 January 2012 were submitted.

## **Matters Arising –**

Page 3 – Item No. 6 Ruthin Town Plan – Councillor P.A. Dobb had been pleased to note that councillors' comments had been taken on board and incorporated into the Town Plan prior to submission to the Area Members Group. The Ruthin Town Plan had since become the first Town Plan to be finalised.

Page 5 – Item No. 7 Finance Report – Councillor M.Ll. Davies thanked the Corporate Director Demographics, Wellbeing and Planning for providing him with a response to his query regarding asbestos removal.

**RESOLVED** that the minutes of the meeting held on 24 January 2012 be approved as a correct record and signed by the Leader.

## **5 REGIONAL SCHOOL EFFECTIVENESS AND IMPROVEMENT SERVICE PROJECT (RSEIS) – FULL BUSINESS CASE**

Councillor E.W. Williams presented the report seeking Cabinet approval for the Full Business Case for a new Regional School Effectiveness and Improvement Service (RSEIS) across the six North Wales authorities.

The project aimed to establish a regional service which would be central to school improvement in North Wales and drive good practise across the region ensuring challenge and support for schools. Councillor Williams highlighted that the new service would particularly strengthen Welsh Language in Denbighshire's schools and would promote school improvement across the board. He referred to the key developments for the Full Business Case including governance arrangements; deciding on the host authority; staffing and timescales for implementation. Reference was also made to the financial implications and savings which would be made. Finally Councillor Williams advised the Communities Scrutiny Committee had been content with the way the project was progressing but questions had been raised regarding future scrutiny arrangements which were under consideration.

Cabinet welcomed the comprehensive report on such an exciting project and congratulated those involved in production of the Full Business Case. Members felt that the RESIS project set out a clear direction and progressive way forward leading to school improvement whilst delivering value for money and sustainability for the future. During a detailed debate members sought clarification on a number of issues, particularly referring to the spend differential between local authorities and other financial considerations; timescales and implementation of the service; definition of 'host' and 'lead' authorities; future Estyn inspection arrangements for joint services, and the new service's Welsh Language policy.

Members also discussed future scrutiny arrangements for regional and collaborative projects and highlighted the need for clear processes to be established with a system in place prior to the RESIS project being fully implemented. The Chief Executive advocated local scrutiny of regional services and stressed the need for lead members and officers to be held to account. The Head of Legal and Democratic Services referred to provision in the Local Government Measure for joint

overview and scrutiny committees advising that draft guidance on that aspect was expected in the summer. Councillor Williams provided assurances regarding transparency of processes advising that the minutes of Board meetings would be made publicly available and an annual report produced to enable ongoing checks to be made.

***RESOLVED*** that Cabinet approve the Full Business Case for a new Regional School Effectiveness and Improvement Service.

## **6 REGIONAL COMMISSIONING, PROCUREMENT AND MONITORING HUB**

Councillor P.A. Dobb presented her joint report with Councillor M.M. Jones seeking Cabinet's agreement to the establishment of a Regional Commissioning, Procurement and Monitoring Hub (RCH) in North Wales to serve the six local authorities (education and social services) and Betsi Cadwaladar University Health Board (BCUHB) following completion of the Full Business Case.

The initial scope of services provided by the RCH had been limited to high cost, low volume residential care placements above £500 per week and would cover elements of the commissioning cycle. A description of the preferred option and activities had been detailed within the report together with the costs associated with the project. It had been proposed that the RCH would be hosted by Denbighshire County Council. Details of the cost benefits had also been provided with a projected savings total of between £1m – £1.8m over a three year period.

Cabinet considered the report and noted that whilst modest savings for Denbighshire would be made the RCH would provide other benefits for the authority in terms of the quality of service provided and good practice. There was also potential for further regional collaboration on other services in the future such as placements for foster care and community living and other categories of residential placements. Members noted that BCUHB accounted for almost half of expenditure on the services to be provided by the RCH and the Corporate Director Demographics, Wellbeing and Planning reported upon robust governance arrangements in place to deal with the proportional elements of costs and need and ensure an appropriate balance was reached between the partners. Further consideration was also given to the financial benefits to each partner as detailed within the Full Business Case. The Head of Finance and Assets advised that the financial risk to each partner was low given the relatively low investment required.

***RESOLVED*** that Cabinet agrees to the establishment of a Regional Commissioning, Procurement and Monitoring Hub in North Wales to service the six local authorities and Betsi Cadwaladr University Health Board (BCUHB) following completion of the Full Business Case as detailed in the appendix to the report.

## **7 CARE HOME FEES**

Councillor P.A. Dobb presented the report seeking Cabinet agreement that the revised methodology for agreeing care home fees on an annual basis be adopted.

Councillor Dobb provided some background to the current situation regarding care homes fees and the work undertaken to develop a revised methodology for setting a fair rate that ensured the Council was compliant with statutory guidance. Work had been undertaken in collaboration with Wrexham and Flintshire Councils which was in line with the Welsh Government's guidance on commissioning adult social care services. Reference was also made to the successful judicial review of Pembrokeshire County Council by care home owners and the news that Neath Port Talbot had been able to challenge their judicial review.

Members considered the proposed methodology for Denbighshire and the significant financial implications for the council. Councillor Dobb advised that the estimated difference in rates for care home fees from 2011/12 to 2012/13 was £950k per year. Councillor J. Thompson-Hill added that a total of £900k for 2012/13 had been included within the budget. In response to a question from the Leader, the Head of Housing reported upon the factors to be taken into account in terms of the financing arrangements in place for residential care homes.

**RESOLVED** that Cabinet agree the revised methodology for agreeing care homes fees on an annual basis be adopted.

## 8 RHUDDLAN TOWN PLAN

Councillor D.A.J. Thomas presented the report seeking Cabinet's support for the proposed town plan for Rhuddlan (appendix to the report). The plan set out the town's current situation, key challenges and opportunities together with a vision and actions to deliver that vision.

Councillor Thomas reported upon the consultation process and reminded members that delivery of the Town Plans needed to be managed by the Area Member Groups. The Strategic Regeneration Manager (SRM) reported upon the responses to the consultation, particularly referring to a response from a local resident supporting a different approach to providing facilities at the Admiral's playing fields which had not been considered a viable proposition after investigation.

During consideration of Rhuddlan Town Plan the following comments were raised –

- reference to the Builders' Merchant having a lot of customers was too vague
- Rhuddlan's Nature Reserve needed to be highlighted
- there was little mention of Rhuddlan Castle and further links
- tidying the ditches would allow a walking trail around the old moat and castle

**RESOLVED** that, subject to members' comments above, Cabinet supports the proposed town plan for Rhuddlan.

## 9 ST. ASAPH TOWN PLAN

Councillor D.A.J. Thomas presented the report seeking Cabinet's support for the proposed town plan for St. Asaph (appendix to the report). The plan set out the town's current situation, key challenges and opportunities together with a vision and actions to deliver that vision.

The Strategic Regeneration Manager (SRM) reported upon the responses to the consultation as follows –

- St. Asaph Town Council had asked that reference to the lobbying for a Bypass be included in the Town Plan
- Councillor D. Owens had requested that the wording be changed regarding the Community Centre aspiration to reflect the fact that discussions were still ongoing with a view to providing such a facility
- inward investment in the business park would likely involve regional collaboration with other authorities
- reference would be made to the fact that OpTIC Technium also spanned both Bodelwyddan and Trefnant Wards
- a positive meeting with young people the previous evening had found the youth club to be a valuable facility but there appeared to be a gap in youth provision for the 15 -18 age group

The ensuing discussion focused on the following points –

- due to the higher number of over 85s and overcrowded households there was a need to be more specific in how housing needs were being addressed and to provide for families in the area. The SRM reported upon how the figures had been derived from the census and the number of sites identified for housing
- the council owned land behind the HM Stanley Hospital site which currently had restricted access and may provide an opportunity if the proposed residential developments on that site proceeded
- concerns were raised over the long term vacant units at the business park and lack of car parking space for businesses. The SRM advised that an analysis of vacancy rates found that they related to small units
- reference should be made to the two Post Offices within St. Asaph and the Wynnstay Store as popular specialist retailers
- Tweedmill was located in Trefnant and the address should read Llannerch Park, Trefnant in the Plan
- greater reference should be made to Ysgol Glan Clwyd and the other schools within the town
- a suggestion was made that the three separate funding bids for the Library, Community Centre and Cricket Club could be combined with a view to securing one multi purpose building to house them
- acknowledged that the increase in the deprivation figure was due to a fall in income and increase in unemployment relative to the rest of Wales.

***RESOLVED*** that, subject to members' comments above, Cabinet supports the proposed town plan for St. Asaph.

At this juncture (11.10 a.m.) the meeting adjourned for a refreshment break.

## **10 FINANCE REPORT & RECOMMENDATIONS OF THE STRATEGIC INVESTMENT GROUP**

Councillor J. Thompson-Hill presented the report detailing the latest financial position and progress against the agreed budget strategy and sought Cabinet's consideration of the recommendations of the Strategic Investment Group. He provided a summary of the Council's financial position as follows –

- a net under spend on the revenue budget of £753k was forecast for services plus £400k on corporate budgets with an overspend forecast for schools of £396k
- £6.024 of the savings agreed as part of the budget had been achieved and £0.275 were being progressed
- highlighted key variances from budgets or savings targets relating to individual services
- a general update on the Capital Plan and Housing Revenue Account. In terms of major projects the Apollo Cinema had be withdrawn from the Capital Plan following members' comments at the last meeting. After considering funding sources the project would proceed without capital plan expenditure.

Councillor E.W. Williams responded to questions from Councillor P.A. Dobb regarding the action taken to address schools classed as being in financial difficulty though robust financial recovery plans and the support of finance officers, and in dealing with surplus balances. He highlighted the work of the School Budget Forum in providing innovative ways of budgeting effectively through strategic spending and pooling of resources. Councillor Williams also took the opportunity to commend the practice of clustering schools and the benefits of joined up working which had also been recognised by Estyn. In response to a question from Councillor M.Ll. Davies, Councillor J. Thompson-Hill advised that the figures contained within the report were current projections and that a future report on proposals for any under spends would be submitted once confirmed at the financial year end.

Councillor J. Thompson-Hill also sought support for the recommendations of the Strategic Investment Group as detailed in Appendix 5 to the report which would be presented to Council on 28 February for approval as part of the Capital Plan for 2012/13. For clarity Councillor E.W. Williams advised that the unspent contingency funds had been allocated to Modernising Education and not specifically to 21st Century Schools (paragraph 4.5 of Appendix 5 referred) and asked that all references in the report and future documentation reflect that.

Councillor E.W. Williams noted the recommendation to combine the Community Capital bid and the Strategic Regeneration Match Funding bid together with the priority funds in the revenue budget to create a larger strategic fund that could support town plans, regeneration and communities. He expressed concern that smaller communities may lose the opportunity to bid for funding and lose out to larger projects in other areas and felt that the matter required further debate and scrutiny on the way the process would be delivered. He also sought assurances that funding in the revenue budget would not be classed as capital funding and would be retained for future years. The Head of Finance and Assets confirmed that the fund would only include capital elements and he referred to the individual funding streams being dealt with individually which would benefit from a coordinated approach to ensure maximum value. The Corporate Director Business Transformation and

Regeneration suggested that the matter be scrutinised by the Communities Scrutiny Committee. The Leader agreed that the process needed to be scrutinised and sought assurances that funding for smaller projects could be easily drawn down.

Councillor P.J. Marfleet highlighted the processes of the Strategic Investment Group (SIG) and advised of the likelihood that significant capital receipts would be received in this financial year. It had been considered sensible to report back to this Cabinet following receipt of capital monies rather than leaving the matter to be dealt with by the new administration.

Proposed allocations for the 2012/13 capital bids had been included as a confidential appendix to the report and in order to discuss those bids further it was –

**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 Paragraph 14 of Part 4 of Schedule 12A of the Local Government Act 1972.

Councillor J. Thompson-Hill elaborated upon the proposed allocations and responded to members' question thereon following which it was –

**RESOLVED** that –

- (a) *the latest financial position and progress against the agreed budget strategy be noted, and*
- (b) *the recommendations of the Strategic Investment Group as detailed in Appendix 5 to the report be supported, subject to further scrutiny of the recommendation to combine funding to create a larger strategic fund to support town plans, regeneration and communities to ensure smaller communities did not lose out when bidding for funding.*

## **SCALA CINEMA AND ARTS CENTRE, PRESTATYN UPDATE**

At this juncture the Leader referred to Cabinet's previous resolution that a group of senior officers and members meet with the Scala Board to discuss the measures required to address the financial difficulties experienced by the company. Councillors H.H. Evans, P.A. Dobb and E.W. Williams verbally reported upon that meeting with the Scala Board held the previous day and updated Cabinet on the latest financial position of the company and the outcome of the meeting. The Head of Finance and Assets provided further detail regarding the short term financial position together with the longer term viability of the company. Councillor Dobb advised that a further report would be submitted to the next Cabinet meeting.

**RESOLVED** that the verbal update on the financial position be noted.

## **OPEN SESSION**

Upon completion of the above the meeting resumed in open session.

## 11 HOUSING REVENUE ACCOUNT, REVENUE BUDGETS AND CAPITAL BUDGETS 2012/13

[Councillor D.A.J. Thomas declared a personal but non-prejudicial interest in this item as he was a council tenant. Councillor M.LI. Davies declared a personal but non-prejudicial interest in this item as he rented a council garage.]

Councillors J. Thompson-Hill and D.A.J. Thomas presented the joint report seeking Cabinet's adoption of the Housing Revenue Account Budget and the Housing Stock Business Plan and an increase in the rents for Council dwellings, garages and heating charges with effect from 2 April 2012. Cabinet were guided through the budget figures and reasoning behind the proposed increases in rent levels with all tenants paying Guideline Rent for council dwellings. Approximately 66% of all tenants were in receipt of some form of housing benefit but in view of the large amount of unclaimed benefits in Denbighshire work was ongoing to support a benefit take up campaign. It was pleasing to note that Denbighshire was one of the few authorities on track to deliver the Welsh Housing Quality Standard by August 2013.

In response to questions the Head of Housing Services (H:HS) advised that a Stock Condition Survey was being commissioned to provide a rigorous appraisal of the council's housing stock and identify future investment need. The new profile would be reflected in the Housing Stock Business Plan. He also confirmed there may be an opportunity to acquire housing stock in the future. Denbighshire was the best performing council in Wales in terms of quality of housing and in response to requests from members to publicise those achievements, Councillor Thomas confirmed that a press release had been issued that day about raising the standards of council houses in Denbighshire. At the request of Councillor M.LI. Davies, the H:HS reported upon the reasoning behind the review of garages in order to utilise those sites more strategically.

**RESOLVED** that Cabinet agree –

- (a) *that the Housing Revenue Account Budget (Appendix 1 to the report) and the Housing Stock Business Plan (Appendix 2 to the report) be adopted;*
- (b) *rents for Council dwellings be increased in accordance with the Rent Setting Policy in Section 2.2.10 (average 5.67% in line with Guidance from Welsh Government) from Monday 2 April 2012;*
- (c) *rents for Council garages be increased in accordance with Section 2.5.1 by £0.14 to £5.84 (2.5%) per week with effect from Monday 2 April 2012;*
- (d) *heating charges be increased in accordance with Section 2.6.3 with effect from Monday 2 April 2012.*

## 12 CABINET FORWARD WORK PROGRAMME

Councillor H.H. Evans presented the Cabinet Forward Work Programme for consideration and members noted a number of amendments as follows –



- a report on the Scala Cinema and Arts Centre would be presented to Cabinet on 20 March, and
- the report on the Regeneration Strategy for Denbighshire had been removed from the agenda on 20 March.

The Corporate Director Business Transformation and Regeneration agreed to check whether the item on Regional Collaboration on Economic Regeneration would be available for submission to Cabinet on 20 March.

**RESOLVED** that Cabinet's amended 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 13 and 14 of Part 4 of Schedule 12A of the Local Government Act 1972.

### **13 FAMILIES FIRST GRANT PROGRAMME**

Councillor M.M. Jones presented the confidential report (circulated at the meeting) seeking Cabinet's agreement to the outcome of the Families First tendering exercise. She provided details of the funding provision and tendering exercise and paid tribute to the hard work of the officers involved in the process.

Councillor P.A. Dobb queried the amount of funding available for young carers in 2012/14 and the Head of Business Planning and Performance explained that not all funding had been allocated in the first tranche. Councillor Dobb hoped that this element would not be overlooked.

**RESOLVED** that Cabinet support the decision made by the Children & Young People's Strategic Partnership Board to commission the services presented in Appendix A to the report.

### **14 COMMUNITY LIVING – LEARNING DISABILITY**

Councillor P.A. Dobb presented the confidential report recommending the award of a contract for three new Community Living Schemes. The report detailed the tendering process that was undertaken and the evaluation that led to the recommendation for the award of a contract to a particular organisation.

Councillor Dobb provided further details of the new schemes to provide supported housing for disabled adults with high levels of specialist need. She also confirmed that the local ward members had been consulted on the schemes.

**RESOLVED** that the contract be awarded to Cartrefi Cymru for the provision of support to the three Community Living Schemes in Henllan to run for a period of initially one year, renewable for a further five years subject to satisfactory performance.

## 15 NEW WORK CONNECTIONS TRAINING AND EDUCATION – PROCUREMENT OF FRAMEWORK OF ACCREDITED TRAINING COURSES

Councillor P.A. Dobb presented the confidential report seeking Cabinet approval of the strategic training framework procurement agreement listing the suppliers of the project's training and education requirements. The New Work Connections project supported various groups facing disadvantage into training, education and employment and details of the tendering procedure for potential providers had been detailed within in the report.

**RESOLVED** that Cabinet approves the strategic training framework procurement agreement which lists the suppliers of the project's training and education requirements, as recommended by officers, following completion of the procurement process.

## 16 FORYD HARBOUR PROJECT – AWARD OF CONTRACTS

Councillors D.A.J. Thomas and J. Thompson-Hill presented the confidential report seeking Cabinet's approval of the award of phased construction contracts for the Foryd Harbour Development subject to a maximum value and approval by the Foryd Harbour Programme Board. The Board had confidence in the construction costs contained within the report and would formally approve all the contracts before they were awarded.

Councillor Thomas reported upon the time pressures for awarding the contracts detailed within the project programme advising that any delays may result in the project not being completed by the target date and subsequent financial penalties being incurred. Councillor Thompson Hill reported upon the re-profiling of the project budget advising that it was a viable scheme which was deliverable and members paid tribute to the hard work of the officers in that regard. Finally reference was made to the programme of works and risk allocations together with mitigating actions. It was confirmed that the project would be robustly monitored.

**RESOLVED** that Cabinet approve the award of phased construction contracts to a maximum value of £9,699,999, on the understanding that the construction contracts were all sanctioned by the Foryd Harbour Project Board.

The meeting concluded at 1.15 p.m.