

CABINET

Minutes of a meeting of the Cabinet held by video conference on Tuesday, 27 April 2021 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's Services and Public Engagement; Brian Jones, Lead Member for Waste, Transport and the Environment; Richard Mainon, Lead Member for Corporate Services and Strategic Direction; Tony Thomas, Lead Member for Housing and Communities; Julian Thompson-Hill, Lead Member for Finance, Performance and Strategic Assets, and Mark Young, Lead Member for Planning, Public Protection and Safer Communities

Observers: Councillors Meirick Davies, Hugh Irving and Gwyneth Kensler

ALSO PRESENT

Corporate Directors: Communities (NS) and Economy and Public Realm (GB); Heads of Service: Legal, HR and Democratic Services (GW), Finance and Property (SG), and Highways and Environmental Services (TW); Lead Officer – Strategic Asset Management (TB); Project Manager (RV); Project Manager (PC), and Committee Administrators (KEJ & SLW)

1 APOLOGIES

There were no apologies.

2 DECLARATION OF INTERESTS

No declarations of interest had been raised.

3 URGENT MATTERS

No urgent matters had been raised.

4 MINUTES

The minutes of the Cabinet meeting held on 23 March 2021 were submitted.

Matters Arising – Page 9, Item 6 Sub Regional Children's Residential Assessment Centre – In response to a question from Councillor Meirick Davies, the Corporate Director Communities confirmed that an update had been provided regarding the badger licence which she agreed to recirculate.

RESOLVED that the minutes of the meeting held on 23 March 2021 be received and confirmed as a correct record.

5 QUEENS BUILDINGS RHYL - PHASE 1 PROCUREMENT

Councillors Hugh Evans and Julian Thompson-Hill presented the joint report seeking Cabinet approval of the procurement strategy to appoint a main contractor for Phase 1 of the Queens Buildings Rhyl development.

Some background had been provided regarding the acquisition of the site and plans for its redevelopment (over a number of phases/stages) which was considered critical to the regeneration and future economic success of the area. Demolition of the site was progressing well and the next stage required a procurement process to appoint a main contractor for phase 1 of the development. The estimated overall cost of delivering phase 1 amounted to just under £11m and the report related to the procurement of the construction phase only with an estimated contract value of £4m. Details of the cost estimates had been included in the report together with the estimated delivery timescales in order to meet grant funding deadlines. It was proposed to utilise Lot 3 of the North Wales Construction Partnership and authorisation to commence the procurement using that methodology was sought with a future report back to Cabinet for final determination on an approved contractor.

Councillor Meirick Davies reiterated the importance of preserving as much of the original architecture/historical elements of the buildings as possible and the Leader provided assurances in that regard with officers maintaining a watching brief.

RESOLVED that Cabinet approves the procurement strategy to appoint a main contractor for Phase 1 of the Queens Buildings Rhyl development.

6 FINANCE REPORT

Councillor Julian Thompson-Hill presented the report detailing the latest financial position and progress against the agreed budget strategy as outlined below –

- the net revenue budget for 2020/21 was £208.302m (£198.538m in 2019/20)
- an underspend of £2.318m was forecast for service and corporate budgets
- highlighted current risks and assumptions relating to individual service areas
- outlined the financial impact of coronavirus and position on claims to the Welsh Government (WG) to date together with other WG Covid related grant funding
- detailed required savings and efficiencies of £4.448m agreed including corporate savings relating to triennial actuarial review of Clwyd Pension Fund (£2m); 1% schools' savings (£0.692m); service savings (£1.756m)
- provided a general update on the Capital Plan, Housing Revenue Account and Housing Capital Plan.

Cabinet was also asked to approve the establishment of two specific reserves to help fund (1) work as part of the Destination Management Plan, and (2) up front project costs related to the New Ways of Working Project.

Councillor Thompson-Hill referred to the closedown of the 2020/21 accounts which might result in changes to the figures before the final outturn report in June. He

guided Cabinet through the various elements of the report including WG funding sources with approximately £7.4 received to date against expenditure claims and receipt of the Quarter 4 loss of income claim totalling approximately £11.2m for the year together with the impact on the projected underspend from the last month. Service movements were also highlighted, with the largest movements relating to Highways, Facilities and Environmental Services and Finance and Property. The Head of Finance also highlighted the increased uncertainty during this time in the financial year with various funding streams which needed to be properly accounted for which may change the financial position between now and the final outturn.

The following issues were raised during the ensuing debate –

- reference was made to previous discussions regarding the reasoning behind some of the disallowed elements of claims and there was a process whereby the detail of those claims could be discussed with WG departments; some of those originally disallowed elements had since been allowed in more recent claims as WG had carried out further work into individual elements and/or further funding had become available
- there was no prospect of any claw back of grant funding from specific expenditure and loss of income that had been assessed as and when those claims had been processed; however as with all grants there would be a process of audit and elements may be identified as part of that process
- whilst there was a current projected overspend of just over £2.3m, it was largely due to delayed expenditure not spent within the 2020/21 financial year as a result of Covid-19. There were calls for the reasoning behind the projected overspend to be made clearer, and whilst it was accepted that 'underspend' was the correct technical term for funding not spent in the allocated financial year, it was agreed that further clarity be provided in future reports. The final outturn report would include more detail and also proposals that services be permitted to carry forward their underspends for specific purposes. It was an open and transparent process for Cabinet to consider whether or not to approve the carry forward of service underspends into the next financial year
- the Leader was supportive of establishing a reserve to help fund work as part of the Destination Management Plan, particularly given the anticipated influx of visitors to the county, highlighting the need to invest in keeping towns clean and tidy and in managing the visitor experience into countryside locations. Councillor Brian Jones agreed and felt that the surge in visitors needed to be kept under close review to inform future management and ensure sufficient funding to deal with increasing pressures into the summer months. The Leader confirmed the situation would be monitored and if pressures emerged over the next few months the amount provided for that purpose may need to be reviewed
- in response to questions from Councillor Meirick Davies, the Lead Member for Finance provided further clarity on the Ysgol Llanfair scheme and assurances that the council's interests would be protected as part of the legal agreement; in terms of the beneficiary of any future sale it was agreed to look into the matter and report back directly to Councillor Davies in that regard. In relation to the former school site discussions were ongoing with the Community Council regarding future use and a report thereon would be submitted to the Asset Management Group in May. Councillor Davies also queried the use of speed

restrictions relating to the Waste Service Remodelling scheme and it was agreed that Councillor Brian Jones respond directly outside of the meeting.

RESOLVED that Cabinet –

- (a) note the budgets set for 2020/21 and progress against the agreed budget strategy;
- (b) approve the establishment of a specific reserve with the transfer of £200k to help fund work over the coming summer as part of the Destination Management Plan (detailed in section 6.3 of the report), and
- (c) approve the establishment of a specific reserve with the transfer of £59k to help fund up front project costs relating to the New Ways of Working Project (detailed in section 6.4 of the report).

7 CABINET FORWARD WORK PROGRAMME

The Cabinet forward work programme was presented for consideration and members noted an additional item for May seeking Cabinet approval to tender the Reactive Maintenance Framework for Schools and Non-Schools Properties.

RESOLVED that Cabinet's 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 item of business on the grounds that it would involve the likely disclosure of exempt information as defined in Paragraph 14 of Part 4 of Schedule 12A of the Act.

8 PHASE 1 ENABLING WORKS - COLOMENDY INDUSTRIAL ESTATE EXPANSION INCLUDING DCC WASTE TRANSFER STATION - CONTRACT AWARD

Councillor Brian Jones presented the confidential report seeking Cabinet approval of the contract award for delivery of Phase 1 of the extension of the Colomendy Industrial Estate Expansion including DCC Waste Transfer Station.

Details of the processes undertaken during the procurement exercise had been detailed within the report including the price and quality rating and estimated value leading to the selection of the preferred contractor. Councillor Jones referred to the collaborative approach and benefits that would bring both in terms of generating employment in the area and in delivering high quality facilities for the council. He also paid tribute to the Project Manager and his team for the work carried out. The Head of Highways and Environmental Services and Lead Member for Finance further elaborated upon the cost benefits to the council and the process of cost recovery from the consortium and also the intention for the new Waste Transfer Station to include environmentally friendly technologies to reduce carbon footprint.

Cabinet welcomed the partnership working between the public and private sector and benefits it would bring to the area. Having considered the detail of the report Cabinet was satisfied with the outcome of the procurement process and recommendations. The Leader also thanked officers for the hard work carried out.

RESOLVED that Cabinet –

- (a) approve the award of a Contract for the Phase 1 Enabling Works – Colomendy Industrial Estate Expansion including DCC Waste Transfer Station to the named Contractor as recommended within the report and as per the Contract Award Recommendation Report (Appendix 1 to the report), and*
- (b) confirms that it has read, understood and taken account of the Well-being Impact Assessment (Appendix 3 to the report) as part of its consideration.*

Prior to the close of the meeting, and at the request of the Leader, the Corporate Director Communities provided an overview of the current situation with regard to Covid-19. There was generally an improving picture across Wales with no major outbreaks. Denbighshire had only recorded five positive cases over the last five days with a seven day rolling average of 5.2 cases per 100,000 population against the overall Wales average of 12.2 per 100,000 population. At national level discussions were ongoing around a potential third peak albeit was not expected to result in the same number of people requiring urgent hospital care or potentially dying as a result of Covid-19 due to the roll out of the vaccination programme.

The meeting concluded at 11.10 hrs.