

CABINET

Minutes of a meeting of the Cabinet held in the Council Chamber, County Hall, Ruthin and by video conference on Tuesday, 7 June 2022 at 10.00 am.

PRESENT

Councillors Jason McLellan, Leader and Lead Member for Economic Growth and Tackling Deprivation; Gill German, Deputy Leader and Lead Member for Education, Children and Families; Gwyneth Ellis, Lead Member for Finance, Performance and Strategic Assets; Elen Heaton, Lead Member for Health and Social Care; Julie Matthews, Lead Member for Corporate Strategy, Policy and Equalities; Barry Mellor, Lead Member for the Environment and Transport; Win Mullen-James, Lead Member for Local Development and Planning, Rhys Thomas, Lead Member for Housing and Communities, and Emrys Wynne, Lead Member for Welsh Language, Culture and Heritage

Observers: Councillors Joan Butterfield, Ellie Chard, Karen Edwards, Bobby Feeley, Huw Hilditch-Roberts, Hugh Irving, Merfyn Parry and Gareth Sandilands

ALSO PRESENT

Chief Executive (GB); Corporate Director: Communities (NS); Heads of Service: Legal, HR and Democratic Services (GW), Finance and Property (SG), Planning, Public Protection and Countryside Services (EJ); Joint Acting Head of Business Improvement and Modernisation (NK); Strategic Planning and Performance Team Leader (IM); Public Protection, Regeneration and Economic Development Manager (GR); Business Co-ordinator: Leader's Office (SE) and Committee Administrators (KEJ & RTJ [Webcaster])

WELCOME

The Leader welcomed everyone to the first Cabinet meeting of the new Council term.

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 12 April 2022 were submitted.

RESOLVED that the minutes of the meeting held on 12 April 2022 be received and confirmed as a correct record.

5 COUNCIL PERFORMANCE SELF-ASSESSMENT 2021 TO 2022

Councillor Gwyneth Ellis presented the report and the Council's Performance Self-Assessment 2021 to 2022 for Cabinet's consideration ahead of its submission to Council for approval in July 2022. She proposed an amendment to the report recommendation, that Cabinet confirm the report as an accurate reflection of the Council's Performance during 2021/22 and recommend its approval by Council.

The Performance Self-Assessment provided a year end analysis of progress and challenges against key performance objectives (i.e. Corporate Plan Priorities) and in the seven areas of governance together with a narrative on council activity in support of Equality and Diversity. It was the first statutorily required document written in response to the Local Government and Elections (Wales) Act 2021 and met the Council's requirements under a number of pieces of legislation.

The Joint Acting Head of Business Improvement and Modernisation and the Strategic Planning and Performance Team Leader guided members through the detail of the report which consisted of three appendices. It presented an Executive Summary (Appendix I) highlighting performance against objectives and the seven governance areas and looking ahead to future challenges and areas for improvement; the regular quarterly Performance Update Report (Appendix II) covering January – March 2022, which combined with the Executive Summary and three preceding Update Reports made up the Self-Assessment for 2021 to 2022; and a Performance Summary of the Corporate Plan 2017 – 2022 (Appendix III). Regular reporting was also highlighted as an essential monitoring requirement of the performance management framework. Officers highlighted a number of key messages arising from the Executive Summary with regard to Equality and Diversity; provided an overview of each of the performance objectives, and also reported against each of the governance areas.

Cabinet welcomed the comprehensive report and evaluation of the Council's performance in delivering against its corporate priorities. Councillor Gill German recorded her appreciation of the Executive Summary which she found particularly useful in highlighting the performance areas and informing the new Corporate Plan going forward. Councillor Julie Matthews echoed those sentiments and had been pleased to note the references to Equality and the Interim Strategic Equality Plan.

Main areas of debate focused on the following –

- Councillor Emrys Wynne was keen to see future progress reporting on active travel provision in the county and officers explained that the report was aligned to the Corporate Plan and referenced its contents – the new Corporate Plan was currently in development for submission to Council for ratification in October
- Awel y Dyffryn Extra Care Housing (Denbigh) had been highly praised but work to progress the Ruthin Extra Care Housing Scheme had faced significant delays – it was expected that work would commence on site late June/early July and members would continue to be updated as the development progressed
- in response to a question from Councillor Bobby Feeley, the Leader highlighted the importance of Climate Change as an issue which sat well within Councillor

Barry Mellor's portfolio together with transport and waste management to drive that agenda forward, and it would be a huge part of Cabinet's work going forward including meeting the Council's net carbon zero target

- Councillor Joan Butterfield asked that details of the carbon footprint of new developments/infrastructure projects be sought from developers and included in future committee reports and the Leader confirmed that he would take up the issue directly with Councillor Barry Mellor and relevant officers. Councillor Win Mullen-James added that Rhyl Town Council required a statement on the impact of the development on climate change for each planning application and she would look to take that approach forward in Denbighshire.

Councillor Ellis restated her proposed amendment to the report recommendations, seconded by Councillor Gill German, and upon being put to the vote it was –

RESOLVED that Cabinet confirms that the Performance Self-Assessment Report is an accurate reflection of the Council's Performance during 2021/22 and recommends its approval by Council.

6 ADOPTION OF THE NORTH WALES REGIONAL ECONOMIC FRAMEWORK

Councillor Jason McLellan presented the report and the North Wales Regional Economic Framework (NWREF) for adoption.

The NWREF promoted collaborative economic development across the region through an agreed and shared set of priorities for delivery amongst regional partners. The Memorandum of Understanding (Working Together to deliver a stronger North Wales Economy) set out how the Welsh Government, the North Wales Economic Ambition Board and other partners would work in partnership and deliver against a single common framework.

The Head of Planning, Public Protection and Countryside Services provided some background regarding the collaborative working and targeted engagement with a range of key stakeholders in designing the approach to economic development and shared priorities for the region. The NWREF built on much of the existing good work and would sit above many of the plans and strategies already in place or to be developed over the coming months and years. It set out a different way of looking at economic growth with a holistic approach based on the principles of a Wellbeing Economy with three core themes (1) Social and Community Wellbeing, (2) Low Carbons and Emissions Economy, and (3) the Experience Economy, with a number of priorities structured around those themes. The North Wales Economic Ambition Board (NWEAB) had co-produced the document and recommended it be endorsed by each of the six North Wales local authorities. The high level framework would be subject to further work and development following its adoption.

Cabinet welcomed the NWREF and collaborative working between the Welsh Government and partners across the region and benefits it would bring to the area. Cabinet discussed the framework with officers, highlighting a number of important areas in the document and issues to be taken forward for further development –

- student enrolment on higher education courses in North Wales was 13% (against a population of 22%) and there was a need to increase that percentage to better reflect the regional population and retain young adults in the area
- current partners included higher education colleges and the framework included much reference to developing opportunities for young people in terms of better jobs in sectors important to the region
- whilst 37% of renewable energy was produced in North Wales, only 8% was locally owned, and greater detail was needed as to how that percentage could be increased to ensure the benefits of such schemes were retained in the region
- ensuring the right skills set in the region was emphasised and it was suggested that further involvement of schools would prove beneficial in that regard, particularly given the opportunities presented with the new curriculum to tailor the offer locally to what was applicable to young people in the area, ahead of and leading up to the college environment. It was noted that the Regional Skills Partnership was closely aligned to the NWEAB and work could be undertaken to further link those elements with the framework
- there were many different strategies and plans already in place and the NWREF would sit above those to provide a strategic context and identify any gaps or weaknesses there may be in the region with a view to addressing them
- economic development in rural areas was a key issue for counties in the region and it was important the rural economy developed with appropriate transport links to less accessible areas and suitable business/housing. The framework provided a holistic perspective of the economy and included transport, digital infrastructure and active travel which would form part of future discussions
- the development of indigenous companies in Denbighshire should be supported to fill any identified gaps in the supply chain with a view to building up the Community and Wellbeing economy in the county. It was confirmed that regional and local baseline data was available to be used to identify some of those gaps which would form part of the work for the region going forward
- the document included reference to working in partnership to improve transport links and provide an alternative to the reliance on cars and shift to lower carbon transport modes. Ensuring low carbon transport was also a focus for the NWEAB and the improvement of rail links and electrification had been recognised as a key issue. Reference was also made to the forthcoming Welsh Government paper on public transport which would feed into the framework.

In response to questions from Councillor Gareth Sandilands, an update was provided on the recruitment process of the new Corporate Director – Environment and Economy and it was hoped an appointment could be made by Council on 5 July. In terms of ensuring the framework worked for Denbighshire, it was important for Denbighshire to play its part in the partnership and to maximise opportunities and benefits for the county. The Denbighshire Economic Community Ambition Strategy was in place until 2023 and it would be appropriate to work with members to review that strategy and move forward under the new Corporate Plan. The Council had a proactive local team which provided much support for businesses in the county which would co-ordinate and align with regional discussions.

The Leader brought the debate to a close and thanked members for their contributions and important points raised which would be taken forward by officers for future development and addressed as part of the framework going forward.

RESOLVED that the Regional Economic Framework for North Wales is endorsed and adopted by the Council.

At this point (11.10 am) the meeting adjourned for a refreshment break.

7 FINANCE REPORT (2021/22 FINANCIAL OUTTURN)

Councillor Gwyneth Ellis presented the report on the final revenue outturn position for 2020/21 and proposed treatment of reserves and balances.

The Head of Finance and Property guided members through the detail of the report and appendices as outlined in brief below –

- the final outturn position on service and corporate budgets (including schools underspend of £6.778m) was an underspend of £9.177m
- in March the Welsh Government announced a one-off increase in the Revenue Support Grant for 2021/22 of £60m (DCC share £1.994m) with request that £10m (DCC share £0.332m) be used to fund improvements to travel arrangements for care workers including electric vehicles; the residual £1.662m would be placed in the budget mitigation reserve to help the Council deal with inflationary pressures
- detailed the 2021/22 budget service savings and efficiencies required (£2.666m)
- highlighted the impact of coronavirus and the significant grant funding received from the Welsh Government – £10.9m had been received by the end of the financial year with the assumption that the outstanding final grant claims (£4.1m) would be paid in full
- an overall school balance of £12.448m would be carried forward (an increase of £6.778m on deficit balances brought forward into 2021/22 of £5.670m) with much of that funding to be used in 2022/23 to recover from the impact of Covid
- key elements of the underspend in corporate budgets (£1.964m) largely related to centrally held contingency budgets for service overspends, pay settlements, energy costs and Business Rates
- given the overall position within services and the availability of corporate funds, it was proposed that services carry forward the net under spends listed as committed services balances to help deliver the 2022/23 budget strategy and meet existing commitments
- it was expected unused base budget contingencies in 2021/22 would be required to fund the impact of inflationary cost increases in 2022/23
- provided full details of the transfers to and from Earmarked Reserves.

The following matters were raised during the ensuing debate –

- Councillor Gill German welcomed the position on school budgets and timely support from Welsh Government with funding available to address the impact of the pandemic and challenges ahead and paid tribute to the way in which schools had responded during the pandemic. She also recognised that families were struggling with the cost of living rises and funding support for early years and family link workers would be crucial in mitigating the impact on children

- there was some discussion on the financial management of schools and it was anticipated that school budgets would reduce significantly over the next three years as the funding was spent to ensure schools and pupils recovered from the pandemic, and the close working between schools, education and finance teams was highlighted to ensure that schools had appropriate financial plans in place and sustainable school budgets going forward. Specific support had been provided previously for schools in financial difficulty and that support would continue for schools facing financial pressures to ensure a robust recovery plan
- with regard to the potential use of reserves and balances for capital expenditure it was explained that they were reviewed annually as part of the budget process. The budget mitigation reserve was used to support budget setting and could be used for capital purposes if decided by Council. The capital programme for the next financial year had benefitted from additional £1.6m Welsh Government funding and the finance report to be submitted to the next Cabinet meeting would include a summary of the capital programme for the new financial year and recommendation that £1.6m be put into the contingency for the capital programme to help fund pressures arising from the tendering process due to the significant increases in the costs of goods and materials
- as part of the budget process in 2022/23 some revenue funding had been earmarked to fund borrowing and enable delivery of some of the projects identified as part of the horizon scanning exercise with further work to be carried out in order to provide a process of reviewing and approving those projects
- Councillor Huw Hilditch-Roberts referred to post-Covid recovery and sought clarity on the future of Denbighshire's buildings and occupancy together with the effect on finances and highlighted the impact of empty buildings on the local economy. During the ensuing debate officers reported upon the New Ways of Working Project and current phase of allowing staff to decide their own working patterns subject to the business needs of the Council being met. The situation would be monitored over the next 6/8 months with a view to determining the best way forward in terms of developing a strategy for asset management which might include alternative uses for buildings or collaborative working and sharing of office space. A debate followed on post-Covid recovery and the workplace and both the potential advantages and disadvantages of staff returning to office buildings versus home working and the impact on wellbeing, local economies and the carbon footprint of those future working patterns. Assurances were given that the energy efficiency of council buildings was taken into account as part of that process. It was noted that the approach to determining future ways of working would be based on the needs of staff, taking into account work/life balance and service delivery, and any potential savings arising from future ways of working would be secondary. It was also noted that Denbighshire's approach was similar to other local authorities and work was ongoing to further discuss those approaches and share best practice, and more information in that regard could be shared with members as the situation developed.

RESOLVED that Cabinet –

- (a) *notes the final revenue outturn position for 2021/22;*
- (b) *approves the proposed treatment of reserves and balances as described in the report and detailed in Appendices 1, 2 and 3, and*

(c) *notes the details of transfers to and from Earmarked Reserves as set out in Appendix 4.*

8 CABINET FORWARD WORK PROGRAMME

The Cabinet forward work programme was presented for consideration and members noted the following amendments –

- the Lead Member for the Future of the North Wales Construction Partnership item scheduled for June was Councillor Julie Matthews
- Levelling Up Fund: Clwyd West Constituency – additional item for June

The Head of Legal, HR and Democratic Services agreed to ascertain when a report on the Welsh Government's Sustainable Communities for Learning Programme (Band B) would be brought before Cabinet.

RESOLVED that *Cabinet's forward work programme be noted.*

The meeting concluded at 12.20 pm.