

CABINET

Minutes of a meeting of the Cabinet held in the Council Chamber, County Hall, Ruthin and by video conference on Tuesday, 26 July 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 Karen Edwards, Chris Evans, Bobby Feeley, Huw Hilditch-Roberts, Merfyn Parry, Gareth Sandilands, Peter Scott, Andrea Tomlin, Huw Williams and Mark Young

ALSO PRESENT

Chief Executive (GB); Corporate Director: Communities (NS); Heads of Service: Legal, HR and Democratic Services (GW), Finance and Property (SG), Education (GD), and Communities and Customer Services (LG); Scrutiny Co-ordinator (RE); Climate Change Project Manager (JH); Countryside and Heritage Services Manager (HR); Service Manager, Business Support and Communities (NJ); Principal Manager – School Support (JC); Business Coordinator: Leader's Office (SE) and Committee Administrators (KEJ & SJ [Webcaster])

1 APOLOGIES

There were no apologies.

2 DECLARATION OF INTERESTS

The following members declared a personal interest in agenda item 8 'Sustainable Communities for Learning – Band B' –

Councillor Gill German had two children who attended Prestatyn High School
Councillor Jason McLellan had a child who attended Prestatyn High School
Councillor Emrys Wynne was a School Governor at Ysgol Brynhyfryd, Ruthin

3 URGENT MATTERS

At this point, the Leader advised that he had received a request from Councillor Mark Young for a late question to be put to Cabinet regarding care fees and sought advice thereon. The Head of Legal, HR and Democratic Services explained the constitutional provisions relating to a question to be submitted to Cabinet, and the

criteria for an urgent matter, neither of which had been met in this case. However, the Leader had discretion to allow the question. Having considered the question, and noting the importance of the topic, the Leader exercised his discretion and allowed the question to be put. The question referred to an existing policy and the Leader advised and reminded Councillor Young of the internal mechanisms available within the Council, such as the Scrutiny Committees, should he wish to challenge or scrutinise that policy.

Councillor Mark Young read out his question as follows:

“You will be aware of the press across Wales and more recently in North Wales regarding care costs paid by local authorities. Last month, Gwynedd Council’s Cabinet voted to increase fees for nursing care by 25%, and now also Anglesey have agreed to increase its fees, also by up to 25%. I am told that Conwy and Wrexham have also conducted reviews of funding levels. So due to these recent reports as mentioned, my question, after the above both being raised in the press and to me personally, and going alone the councils are moving away from the regional approach on care funding, where are Denbighshire regarding this? I feel the response today by Cabinet will be helpful and appreciated by elected members, residents and of course care providers.”

Councillor Elen Heaton, Lead Member for Health and Social Care responded to the question put as follows:

“I am aware of the recent press regarding care fees in North Wales and I do welcome this opportunity to address this issue and to clarify Denbighshire’s position. Each year, Denbighshire County Council sets the fees in advance of the next financial year for externally commissioned Residential and Nursing care packages, Specialist Care Homes, Domiciliary Care, and Supported Living Schemes. This is not a unilateral decision, it is in collaboration with the North Wales Regional Care Fees Group and in consultation with providers. Broadly following this regionally agreed methodology, a decision was taken in January of this year to increase the fees and to pay the Real Living Wage. This meant for the 2022 – 23 financial year (from the previous year fees) there was an increase of: 6.96% for residential care homes, 10.15% for EMI residential care homes, 7.04% for nursing homes, 10.21% for EMI nursing homes, and 8.12% for domiciliary care.

Letters had been sent out in February to providers outlining the proposed fee increases, and meetings had been held to discuss this. Whilst many of our providers have welcomed this, concerns have been raised about increased costs, such as: fuel cost increases impacting domiciliary care; groceries, utilities and insurance cost increases affecting care homes; acknowledging the reliance some have placed on the Welsh Government’s temporary covid-19 financial uplift support which has now been taken away, and of course the cost of further recruitment and retention challenges. Therefore, a further decision had been taken in June of this year to recognise this current challenge and to provide additional uplift to the current fees, and just as a side note I would like to add this was before Gwynedd and Anglesey had publically announced their fee increases. So this means for residential and nursing care home fees and specialist care home fees a decision was taken to increase CPI from 3.1% (September 2021) to 7% in March this year to

reflect the inflating costs. For domiciliary care a decision was taken to apply an additional 50p rate to all our hour-long calls, which is half the £1/hr which had been supplemented by the Welsh Government for the whole of 2021/22 and to increase the cost of increasing the half-hour calls by 50p in recognition of the provider feedback and reduced productive time between shorter calls. This has been backdated to 1 April 2022 and letters had been sent out on 21 June to the providers confirming this and it had been welcomed by many. I will just read a response from one of the providers for you, it reads *“I just wanted to thank you for the additional component to the uplift for 2022/23. It is very positive that you were able to respond to the points raised by providers and is appreciated. Please pass on our thanks to others involved in the review”*.

The most important point that I would like to add to that, as I think it is necessary for members to be aware of as well as residents, is that Denbighshire has always maintained the position with all of our providers, if they have particular difficulties, we would meet with them and undertake an open book exercise. So to reiterate this, the offer is there for providers to meet with the Council if they are having financial difficulties so long as they justify the need for additional support by opening their books. So to summarise, I do think it is important to consider the context from comparing figures as our social care market is significantly different to that of Anglesey and Gwynedd, so with that in mind Denbighshire has been reviewing this issue and has provided fee increases that have reflected our local pressures and I know that Denbighshire will continue to work with providers and the North Wales Regional Care Fees Group as it now begins work to determine the care fees for 2023/24.”

The Leader thanked Councillor Heaton for the response, as did Councillor Mark Young, who also highlighted the need to review the regional approach going forward given the move away from the North Wales standard fees by two councils.

4 MINUTES

The minutes of the Cabinet meeting held on 28 June 2022 were submitted.

Matters Arising – Page 8, Item 5 UK Government Levelling Up Fund Bid Approval – Clwyd West Constituency – In response questions from Councillor Huw Hilditch-Roberts regarding changes to the process since the last meeting and whether there would be an impact on Denbighshire’s bid, the Leader suggested he meet with Councillor Hilditch-Roberts and the Head of Planning, Public Protection and Countryside Services outside of the Cabinet meeting to discuss the issue further.

RESOLVED that the minutes of the meeting held on 28 June 2022 be received and confirmed as a correct record.

5 REVIEW OF CABINET DECISION RELATING TO THE PROPOSED SCHEME OF DELEGATED DECISION MAKING FOR LAND ACQUISITION (FREEHOLD AND LEASEHOLD) FOR CARBON SEQUESTRATION AND ECOLOGICAL IMPROVEMENT PURPOSES

Councillor Huw Williams, Chair of Communities Scrutiny Committee presented the report detailing the findings and recommendations of the Scrutiny Committee following consideration of the call-in of the Cabinet decision taken on 15 February 2022 in respect of the proposed scheme of delegated decision making for land acquisition for carbon sequestration and ecological improvement purposes.

In brief, the Committee acknowledged that if the Council was to achieve its ambition in relation to carbon reduction, it would need to adopt a multi-faceted approach, which would include buying parcels of land to be used to offset unavoidable carbon usage, and the Committee had been assured that prime agricultural land would not be purchased for this purpose. However, concerns had been raised regarding the potential unintended consequences that such land purchases may have on the future viability of local agricultural businesses and the livelihoods of local families, which could have a detrimental impact on the long-term economic sustainability of local communities, changing the fabric and ethos of community life in the county's rural areas. Consequently, Cabinet had been asked to revisit their decision taking into account the Committee's concerns and recommendations to secure rural communities' support for the process, reinforce elected members' involvement in the process, and ensure sufficient resources would be made available to the Countryside Services Team to deliver the Council's environmental ambitions.

Councillor Williams stressed that the Scrutiny Committee was not against the principle of the approach, but wanted the right process in place to best serve Denbighshire's residents and ensure an open and transparent process.

Cabinet considered the report and debate focused on the following points –

- Councillor Gwyneth Ellis was supportive of Cabinet reconsidering its decision taking into account the Scrutiny Committee's views. However, she felt that the recommended actions detailed in paragraphs 3.2 (i) – (iv) should be taken into account as part of that reconsideration, rather than agreed beforehand, and proposed an amendment on that basis, with a report back to Cabinet thereon
- clarity was provided around the decision making process and the role of scrutiny and it was noted that, due to the call-in, Cabinet's decision had not been implemented. Whilst officers could continue to purchase land under the existing processes, the expedited decision making process was suspended until such time Cabinet reconsidered its decision
- there was general support for the approach to land acquisition for the purposes of carbon sequestration and ecological improvement given the climate change emergency together with the need to expedite the delegated decision process for purchasing land in order to meet that objective without undue delay
- whilst it was agreed that further consultation as recommended should be undertaken with the Farming Union and Federation of Young Farmers Clubs as soon as possible, it was also recognised that a prompt response was required to minimise any delay in Cabinet making a final decision on the matter. Councillor Huw Williams reported on the success of the Flood Risk Task and Finish Group as a forum for discussion and, if appropriate, a Task and Finish Group could be established as a means of engaging with the relevant parties in this matter
- in terms of timescales, it was suggested that a report back to Cabinet in October would provide an appropriate amount of time to work with Farming Unions and

the Federation of Young Farmers Clubs to seek comprehensive responses in relation to the proposed scheme as recommended by the Scrutiny Committee

- the Head of Finance and Property confirmed the process of land acquisition was continuing and reported upon the current purchase of land in St. Asaph for that purpose which had received all the necessary approvals. However, the Council had missed out on the purchase of at least one piece of land since April due to the need for speed of decision making. Nevertheless, the process needed to be correct for all concerned and it was appropriate that a review be undertaken
- Councillor Merfyn Parry highlighted the importance of local knowledge, hence the recommendation for consultation with local members and Member Area Groups which would not cause undue delay in the process, and to be mindful of the needs of the farming communities in the area with a more inclusive process.
- it was accepted that a balance was required to expedite the delegated decision making process for land acquisition to maximise opportunities for the Council in meeting its carbon reduction targets whilst also providing an inclusive process to ensure support and buy-in from all stakeholders where possible; that balance would need to be considered as part of Cabinet's review of its original decision.

The Leader thanked Councillor Huw Williams for his contribution, highlighting the need for the Farming Unions and Federation of Young Farmers Clubs to engage and respond promptly to consultation. Councillor Williams provided assurances in that regard. He also highlighted a significant delay in progressing the sale of land he had introduced for carbon sequestration purposes which required addressing.

Councillor Ellis's proposed amendment to the recommendations was restated, seconded by Councillor Emrys Wynne, and upon being put to the vote it was –

RESOLVED that Cabinet –

- acknowledges Communities Scrutiny Committee's conclusions, its concerns and recommendations following its review of the Cabinet decision of 15 February 2022 in relation to a 'Proposed Scheme of Delegated Decision Making for Land Acquisition (Freehold and Leasehold) for Carbon Sequestration and Ecological Improvement Purposes';*
- agrees to reconsider its original decision, with a view to expediting the decision making process for purchasing land, and as part of that review will consider and take into account the recommendations made by the Scrutiny Committee as set out in paragraph 3.2 of the report, and*
- officers be asked to bring a report back to Cabinet on that review to be considered by Cabinet in October.*

6 SHARED PROSPERITY FUND

Councillor Jason McLellan presented the report seeking Cabinet approval to further develop the Shared Prosperity Fund Programme, delegate authority to develop and submit Denbighshire's priorities for inclusion in the Regional Investment Strategy, and for Gwynedd County Council to act as regional lead for the programme.

The UK Government's Shared Prosperity Fund was part of the Levelling Up agenda and had replaced European Structural Funding. It was predominantly a revenue funding programme and Denbighshire's individual allocation was £25,647,958.

The Head of Communities and Customer Services detailed the arrangements for planning and delivering the Regional Investment Strategy with investment priorities focusing on: (1) Community and Place, (2) Supporting Local Business, and (3) People and Skills. At this stage there was no requirement to identify projects to achieve outcomes, and that element would be undertaken in the next stage of the process. Following submission of the strategy, a prospectus would be developed detailing the interventions and how stakeholders could draw down funding and deliver projects to help achieve outcomes. Finally, reference was made to the need for a regional partnership structure to provide assurance regarding appropriate engagement with the process and to oversee delivery of the programme.

The following points were raised during the ensuing debate –

- the Levelling Up Fund was a capital funding programme and whilst the Shared Prosperity Fund had an element of capital, it was largely a revenue funding programme. Shared Prosperity funding could be used for revenue projects in such a way as to maximise the impact from those capital Levelling Up projects and ensure best value, and were part and parcel of the same programme
- a number of staff would need to be recruited to manage and deliver the programme and up to 4% of Denbighshire's funding allocation could be used to bid for funding for that purpose. However, it was expected that significantly less than that amount would be spent on administering the programme
- the report focused on the regional arrangements and structure for delivery of the Regional Investment Strategy as the first stage in the process with the detail of projects to deliver and achieve outcomes to follow in the next stage. However, a bottom up approach had been taken in developing the regional strategy focusing on local priorities and need in the first instance, following which any common priorities with other authorities would be considered to identify where it might be more efficient or impactful to work together sub regionally or regionally. Assurance could be taken that approximately 40% of the allocation had been earmarked for investment in local communities (Community and Place priority)
- Councillor Huw Hilditch-Roberts was keen for elected members to be involved in the decision making process and identified as such in the structure for local delivery arrangements. The Head of Communities and Customer Services advised that, whilst there was no mandate from the UK Government in that regard, it was in Denbighshire's interests to undertake local engagement and there was an expectation that City/Town/Community Councils and Member Areas Groups would be involved in promoting the opportunity to bid for funding and identifying projects to be prioritised going forward. She offered to report back with further information on the local arrangements as part of the next stage
- the Leader referred to criticisms of the UK Government's lack of engagement with the Welsh Government regarding the domestically-funded replacements to the European programmes such as the Shared Prosperity Fund, and Councillor Mark Young stressed the issue needed to be addressed given the crossover of responsibility between the two governments and challenges faced. The Head of Communities and Customers gave assurances that Denbighshire was working

closely with the Welsh Local Government Association and Welsh Government colleagues with regard to regional investment, ensuring no duplication and identifying existing targets from various strategies and plans in place.

The Leader thanked members for their contributions to debate on the mechanisms of the investment strategy and how it would be delivered, and highlighted a wider discussion separate to that issue about the replacement of the European funding programmes and interactions in that regard.

RESOLVED that Cabinet –

- (a) *approve further development of the Shared Prosperity Fund programme within Denbighshire, and regionally through officer input, in line with the principles as set out in the report;*
- (b) *provides delegated authority to the Chief Executive and the Lead Member for Economic Growth and Tackling Deprivation to develop and submit Denbighshire's priorities for inclusion in the Regional Investment Strategy to enable the programme funding to be drawn down, and*
- (c) *supports the proposal to ask Gwynedd County Council to act as the lead body to submit the Regional Investment Strategy to UK Government and to lead subsequent programme delivery.*

7 PROCUREMENT OF NEW TEMPORARY EMERGENCY ACCOMMODATION SUPPORT SERVICE (HOMELESSNESS PREVENTION)

Councillor Rhys Thomas presented the report seeking Cabinet approval to commence the procurement for a new homelessness temporary emergency accommodation support service.

Following on from the good work carried out in the previous Council term, work had been ongoing for some time on the project to develop the temporary emergency accommodation offer and provide holistic support to citizens placed in such accommodation owned by the local authority, to support them into permanent accommodation, reduce the risk of homelessness reoccurring and improve wellbeing outcomes. The procurement had been set out in the Commissioning Form appended to the report and the contract would be fully funded by the Housing Support Grant allocated by the Welsh Government. The intention was to offer a 5-year contract, which would be regularly monitored, to provide comprehensive 24-hour support to people leaving temporary emergency accommodation.

The Service Manager, Business Support and Communities responded to members' questions on the report as follows –

- there were approximately 185 households currently in temporary emergency accommodation and the expectation was that, with the funding available, support could be provided for up to 100 – 120 households a year at a rate of around £2k to support the range of activities that were required to move those households on. A separate contract for an early intervention and prevention

project was due to start in September to reduce the number of people becoming homeless and therefore it was anticipated that the new support service would be able to offer support to all those within temporary emergency accommodation

- as part of the rapid rehousing plans the aim was to ensure that the amount of time spent in temporary emergency accommodation was as brief as possible. However, there was a need to be mindful that the approach was very much person-centred and not all individuals would be able to move on straightaway
- most temporary emergency accommodation was located in the North of the county, mainly in the Rhyl area, and consisted of bed and breakfast accommodation and hotels. Work was currently ongoing to tender for renovation works to Epworth Lodge, Rhyl which would provide that accommodation in-house. However, it was acknowledged that homelessness was a county-wide issue and there was temporary emergency accommodation in the South of the county and support would be extended across Denbighshire
- there was currently capacity in temporary emergency accommodation for 210 households, with the Council's own in-house facility Epworth Lodge likely to be available from the last quarter of this year, and further work was required to identify additional units for in-house accommodation going forward. Councillor Emrys Wynne stressed the importance of providing such accommodation for people within their own communities and he was keen that every effort was made to secure units across the whole county for that purpose.

RESOLVED that Cabinet –

- (a) approves the commencement of the procurement as set out in the Commissioning Form at Appendix 1 to the report, and*
- (b) confirms that it has read and taken into account the Wellbeing Assessment (Wellbeing Impact Assessment Report for the Housing Support Grant Delivery Plan 2022 – 25 at Appendix 3 to the report).*

At this point (11.20 am) the meeting adjourned for a refreshment break.

8 SUSTAINABLE COMMUNITIES FOR LEARNING - BAND B

Councillor Gill German presented the report on the findings from the review by the Modernising Education Programme Board of the prioritisation process for Band B of Sustainable Communities for Learning, as requested by Council in January 2022.

Following a notice of motion in January 2022, which had originated from concerns over the condition of Prestatyn High School, Council had requested that the condition surveys of all schools be reviewed to see whether they had changed to such an extent as to call into question the current priority order of schools. The Head of Education elaborated upon the review process undertaken by the Modernising Education Programme Board in April 2022 and re-assessment of the condition of school buildings to ensure they were a true reflection of the education estate. The review found no significant change in respect of the condition of schools since 2016 which would impact on the chosen priorities, concluding that the prioritisation was correct and that schools earmarked for Band B investment represented those with the greatest need. With specific regard to Prestatyn High

School, the Board noted that work had been undertaken with the school to make the best use of capital investment from the Building Maintenance scheme.

The following points were made during the ensuing debate –

- whilst there was no guarantee that there would be a further tranche of funding for schools following Band B, there was an expectation in that regard, but the nature of any future funding priorities and what form it would take was unknown
- Councillor Emrys Wynne had declared an interest as a school governor of Ysgol Brynhyfryd and expressed his disappointment that it had not been possible to include that school and other schools requiring investment as part of the Band B process, and he hoped there would be further opportunities to invest in those schools as part of future funding tranches. Officers acknowledged that other schools also required investment and that there was insufficient funding to invest in all those schools. However, other funding streams in addition to Band B, such as the Building Maintenance scheme, were used to respond to the needs of other schools not currently subject to the major investment via Band B
- the rollout of free school meals in primary schools was subject to separate funding, with a capital scheme for some of the initial works to enable provision for Reception in September and Years 1 and 2 around Easter, with dialogue between local authorities and the Welsh Government regarding future requirements for the rollout through to Year 6. There would be revenue implications as a result of the change but the free school meals provision was being heavily promoted with a view to ensuring a strong take up going forward.

Councillor Gill German had declared a personal interest in the item given that she had children who attended Prestatyn High School and she was also a former pupil. Along with fellow Prestatyn member Councillor Jason McLellan, she had undertaken a tour of the school and discussed with the Head teacher and Chair of Governors the issues relating to the notice of motion. Reference was made to the appendix to the report detailing the 5-year programme of investment to address the school's priorities and progress made in that regard, and she was pleased to provide an update on further progress relating to the car park and walkway access corridor. She also provided assurances that she would ensure timely progress to address the school's leading priorities in line with the 5-year programme and to secure the best possible environment for pupils going forward.

Councillor Huw Hilditch-Roberts had been pleased to note that the position with Prestatyn High School had been accurately reflected following the notice of motion and was keen to ensure that process was not used by councillors as a means of lobbying for school investment in their ward areas. He had also been pleased to note that the findings of the Modernising Education Programme Board provided confidence in the prioritisation process for schools. Councillor German agreed, clarifying that her comments regarding investment in Prestatyn High School related to previously agreed works, and the negative press that had surrounded the notice of motion had not represented the school's views on the matter. She reiterated the need for a fair and transparent prioritisation process for schools and the review findings had demonstrated that process had been carried out appropriately and correctly. As lead member she represented every child in Denbighshire, every child mattered, and she would ensure that every school had due attention.

RESOLVED that Cabinet confirms the view of the Modernising Education Programme Board that no significant change had occurred in respect of the condition of school buildings and that the current policy order of schools is still current and correct.

9 FINANCE REPORT

Councillor Gwyneth Ellis presented the report detailing the latest financial position and progress against the agreed budget strategy.

A summary of the Council's financial position was provided as follows –

- the net revenue budget for 2022/23 was £233.693m (£216.818m in 2021/22)
- an overspend of £1.936m was forecast for service and corporate budgets
- highlighted current risks and assumptions relating to corporate budgets and individual service areas together with the impact of coronavirus and inflation
- detailed service savings and fees and charges increases (£0.754m); no savings having been requested from Community Support Services or Schools
- provided a general update on the Housing Revenue Account, Treasury Management, Capital Plan and major projects.

The Head of Finance and Property also drew members' attention to the following –

- the budget position in Education and Children's Services had worsened since last month with a forecasted overspend of £1.938m; the majority of the pressure (£1.542m) related to new residential and independent fostering placements and the difficulties in predicting spend for that demand-led service had been well documented. That aspect would form part of the budget discussion in the autumn as to how best to deal with the pressure going forward. The total overspend was currently manageable from contingencies but any further increase would likely require the use of base level reserves
- the Capital Plan contingency had increased by £1.676m to £2.176m due to carrying forward the unhypothecated element of a capital grant received from the Welsh Government in March, and £1.2m from that contingency had been allocated to the Waste Project in line with Cabinet's previous approval in April, leaving an element of capital contingency for a number of smaller projects
- given that Cabinet would next meet in September due to the August recess, a number of risks were highlighted around school budgets, school transport, car parking income, and inflation including the local government pay offer which had been made the previous day and final settlement. Close budget monitoring would continue and Cabinet would receive a report back in September.

RESOLVED that Cabinet note the budgets set for 2022/23 and progress against the agreed budget strategy.

10 CABINET FORWARD WORK PROGRAMME

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

- Creation of a Nutrient Management Board (River Dee catchment) – September
- Queen's Market: Operator Contract Award – rescheduled to October
- Review of Cabinet Decision: proposed scheme of delegated decision making for land acquisition for carbon sequestration and ecological improvement purposes – October

RESOLVED that Cabinet's forward work programme be noted.

The meeting concluded at 12.05 pm.