

CABINET

Minutes of the Cabinet meeting held at 10.00 a.m. on Tuesday 24th April, 2011 in Conference Room 1, 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 J.R. Bartley, W.L. Cowie, M.LI. Davies, G C Evans, D. Hannam, C Hughes, T.R. Hughes, G.M. Kensler, P.W. Owen, D.I. Smith and S. Thomas.

ALSO PRESENT

Chief Executive; Corporate Directors: Business, Transformation and Regeneration; Learning & Communities; Demographics and Wellbeing & Planning; Head of Legal and Democratic Services, Head of Finance and Assets, Property Manager and Administrative Officer.

The Leader explained that this would be the last Cabinet meeting of the current Council and said it had been an honour and a privilege to have been Leader of the Council. He thanked the Cabinet Members for their support and the work undertaken in each of their respective portfolio's, and thanked Members and officers for their work and support.

1 APOLOGIES

None received.

2 DECLARATION OF INTERESTS

Members were invited to declare any personal or prejudicial interests in any business identified to be considered at the meeting.

RESOLVED - *that Cabinet note there were no Declaration of Interests.*

3 URGENT MATTERS

In accordance with the requirements of Section 100B(4) of the Local Government Act 1972, the Chair declared that he intended to include for discussion the following matters requiring urgent attention under Part II:-

- (i) Redevelopment of 21-26 West Parade, Rhyl.

(ii) Consent to Demolish 21-24 West Parade, Rhyl.

4 MINUTES OF THE CABINET MEETING 20.03.2012

The Minutes of the Cabinet meeting held on 20th March, 2012 were submitted.

Accuracy:- Item 13, the word Tenor in the heading of the Welsh version of the minutes be amended to read Tender.

Matters arising:-

16. Regional Food Waste Project, Change of Preferred Bidder – Councillor J. Thompson-Hill informed Members that the deadline had now expired and subsequent negotiations had been undertaken with the reserve bidder.

RESOLVED – that the Minutes of the meeting held on 20th March, 2012 be approved as a correct record and signed by the Leader.

5 FINANCE REPORT

Councillor J. Thompson Hill presented the report for Cabinet which detailed the forecast year-end position for the Council's revenue budget and performance against the budget strategy for 2011/12 as at the end of March 2012. It also provided a summary update of the Capital Plan, the Housing Revenue Account and Housing Capital Plan and advised of the latest financial forecasts in order to deliver the agreed budget strategy for 2011/12 as defined in the Medium Term Financial Plan, the Capital Plan and the Housing Stock Business Plan.

The latest revenue budget forecast, Appendix 1, indicated a net under spend of £841k on Council services, £846k last month, plus £500k on corporate budgets, including the provision for slippage in this year's savings target of £300k. The forecast position for schools indicated an over spend of £350k, £505k last month and further details of departmental budget performance had been outlined in the report. The Housing Revenue Account summary, which was a separate fund and not part of the Council's revenue budget, had also been included in Appendix 1.

An update showing progress against the savings and pressures agreed as part of the 2011/12 budget setting process had been included in Appendix 2. In total, net savings of £6.359m had been agreed and £6.163m (97%) had been achieved with £0.136m (2%) still classed as in progress. Items remaining as 'in progress' were those which could be confirmed until analysis was completed at the end of the year, though all should be achieved or if not, would be replaced.

Councillor Thompson-Hill confirmed that there were only minor changes to the individual service budgets. He referred to the Housing Revenue Account forecast which indicated a planned in-year deficit of £1.306m, £1.109m last month, against an original budget of £1.025m with the forecast deficit currently being £281k higher than the original budget.

He outlined the reasons for the £200k increase in the Repair & Maintenance budget and referred to the Housing Capital Plan forecast outturn which had increased to £5.607m compared to the budgeted estimate of £5.969m for the year.

In reply to concerns raised by Councillor P.J. Marfleet regarding the PFI business case model having been constructed using much higher interest rates than the Council currently achieved, or was likely to achieve in the medium term, and provision being made to ensure there wasn't a funding gap in future years, the Head of Finance and Assets explained that the PFI was owned by a Bank and discussions to purchase the PFI had taken place but had been unsuccessful. He explained there would be a need to increase the budget for payment on the PFI, approximately £50k per annum, to replace lost investment income and the amount would depend on interest rate levels. Councillor Marfleet expressed concern that the Welsh Assembly Government had declined to assist with funding to address the issue and requested that this matter be pursued and included as a future agenda item.

In response to a question from the Chair regarding school balances and the forecast of a reduction overall balances being reduced during the coming year, the Corporate Director: Learning & Communities confirmed that an improvement had been anticipated and that there were currently no schools in Denbighshire in severe difficulty.

During the ensuing discussion, it was:-

RESOLVED - that Cabinet notes the latest financial position and progress against the agreed budget strategy.

6 CREATING A DENBIGHSHIRE COMMUNITY ENDOWMENT FUND

Councillor H.H. Evans presented the report which provided information on a number of moribund or ineffective trust funds and their attaching assets which were administered by the Council, and recommend a way forward to release funding from these funds. The report recommend that, subject to the absolute agreement of the Charity Commission, that the moribund and ineffective trust funds and their attaching assets were transferred to the proposed 'Denbighshire Community Endowment Fund' to be managed and administered by the Community Foundation in Wales.

Details of the funds held in trust by the Council had been outlined in the report and details included in Appendix 1. In order to prevent the Council being negligent in charity a review of the trust funds, and their attaching assets, had been undertaken and 55 education trusts had been determined as moribund or ineffective. Action would be required to make the trust funds, and their attaching assets, workable again and the Charity Commission were keen to see the release of the many moribund and ineffective trust funds locked into Local Authorities, and the Commission particularly supported the release of these funds to leading charitable bodies.

Councillor Evans stressed the importance of ensuring that the original objects of the assets should be respected to the maximum extent possible and that the Grant Panel should have Council and local representation.

The Corporate Director: Learning & Communities explained that the Community Foundation in Wales had been identified as the organisation to manage the funds and investment on behalf of the County. He confirmed that applications would be restricted to applicants residing within the County and a Grants Panel comprising local people would assess all applications and make funding recommendations. Assets would be used broadly in line with the original objects and areas of benefit and this would be a condition of 'absolute sanction' from the Charity Commission for England and Wales. Members were informed that the Grants Panel would comprise of a number of people and the Council could appoint representatives onto the Group to provide Member involvement in the distribution of the funds.

It was explained by Councillor D.I. Smith that the Communities Scrutiny Committee had received a presentation in respect of this matter and had fully endorsed the process.

In response to questions from Councillors G.M. kensler and S. Thomas respectively, the Corporate Director: Learning & Communities confirmed that the issue of consulting with Town and Community Councils could be discussed with the Community Engagement Manager. He also provided details of the decision making process and the role of the Grants Panel in maintaining the local aspect and original objects of the assets.

The Corporate Director: Learning & Communities responded to a question from Councillor G.C. Evans and confirmed that the Community Foundation for Wales would assume responsibility for the distribution of the £20k set aside from the Denbighshire Community Endowment fund.

RESOLVED: - *that Cabinet:-*

- (a) notes the information about 55 moribund and ineffective trusts and their attaching assets held by the Council and the proposed 'Denbighshire Community Fund.' (Appendix 1).*
- (b) agrees that, subject to the full support of the Charity Commission, the 55 moribund and ineffective trusts and their attaching assets are transferred to the proposed 'Denbighshire Community Endowment Fund' to be managed by and to become the legal responsibility of the Foundation.*
- (c) authorises to undertake the necessary legal actions and enter into the required agreement with the Community Foundation in Wales, and*
- (d) agrees that the original objects of the assets will be respected to the maximum extent possible and that the Grant Panel will have Council and local representation.*

7 PEOPLE AND PLACES BOARD CLOSURE REPORT

Councillor P.A. Dobb presented the report which detailed the achievements and learning from the People and Places Board and sought agreement to action key recommendations from the Closure Report.

The People and Places Programme Board had been established with the purpose of providing leadership and coordination of activity, details of the broad workstreams

agreed, and subsequent workstream, had been included in the report. An outline of the achievements and learning from the People and Places Board, which held its final meeting in March, 2012, was provided by Councillor Dobb.

A copy of the People and Places Board, Programme Closure Report had been circulated with the report for the meeting. The Project Review and Post Programme tasks section of the Closure Report set out achievements and how key projects which had not been completed would be taken forward and progressed. Detailed arrangements were being put in place to ensure projects were completed and mainstreamed. The People and Places Board had reviewed the Lessons Learned through operating the Board and the key evaluation points had been set out in the Closure Report.

A number of problems experienced by the Board were highlighted by Councillor Dobb which included:-

- extensive work load at meetings.
- lack of Councillor participation with poor representation from Group Members. Councillor Dobb expressed the view that Group Leaders and Member Area Groups should be made aware of the importance of Member attendance and participation at meetings and felt that Group Leaders should be encouraged to take more responsibility for Member attendance at meetings. She explained that getting closure to the community would require an investment of time by the respective Councillors.
- limited operational resources with regard to the Board.

Members supported Councillor Dobb's views regarding to the need and importance of Member commitment with regard to attendance at internal and external meetings.

The Corporate Director: Demographics and Wellbeing & Planning expressed support for the production of closure reports. She explained that the report had provided an overview of the achievements and the areas which could benefit from improvement.

Councillor M.LI. Davies highlighted the need to ensure that prospective Councillors were informed of the commitment required in undertaking the duties of an Elected Member, particularly attendance at external and internal meetings. In reply to a question from Councillor C. Hughes, the Corporate Director: Demographics and Wellbeing & Planning agreed to provide further information in respect of the review of transport for old people and coordination of small projects.

The Chief Executive explained that he was pleased with the submission of the closure report, which he felt could be viewed as a model for progressing other Boards. He acknowledged the work undertaken by the Board in achieving important outcomes in relation to the Council's Corporate Priorities and expressed his support for a review of corporate board/programme management structures on an annual basis.

He acknowledged concerns regarding Member attendance at meetings and confirmed that Member attendance at public meetings had been published. However, this had not

been the case for internal meetings. It was explained that stability of Member attendance would be important in ensuring the success of the respective Boards, and the importance of the role of elected Members would be incorporated into the Induction Programme. The Chief Executive suggested that as this was fundamentally a political responsibility Group Leaders be made accountable to monitor attendance and ensure stability at internal meetings.

In response to a question from Councillor D.A.J. Thomas, it was confirmed that a review of Outside Bodies was currently being undertaken and this would be published when finalised, together with, Member attendance figures.

Following further discussion, it was

RESOLVED:- *that Cabinet agrees:-*

- (a) a review of corporate board/programme management structures on an annual basis to ensure they remain fit for purpose.*
- (b) to ensure future corporate programmes have outcomes, objectives, indicators and measures which can be delivered within an electoral term.*
- (c) to agree standards for attendance at internal meetings with Group Leaders and recommend that Group Leaders monitor attendance of their Members, and*
- (d) to support the development of a structure to support the Older People's Champion so as to ensure continued delivery of "Communities and Wellbeing" projects.*

8 CABINET FORWARD WORK PROGRAMME

Councillor H.H. Evans presented the Cabinet Forward Work Programme.

RESOLVED - *that Cabinet receive the Forward Work Programme.*

PART II

EXCLUSION OF PRESS AND PUBLIC

RESOLVED *under Section 100A(4) 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 they involve the likely disclosure of exempt information as defined in paragraph 13 and 14 of Schedule 12A of the Local Government Act 1972.*

9 ACQUISITION OF 25/26 WEST PARADE, RHYL BY COMPULSORY PURCHASE ORDER

Councillor P.J. Marfleet presented the report for Cabinet on the use of Compulsory Purchase procedures to acquire the derelict property known as 25/26 West Parade, for the purpose of redevelopment together with adjoining Council owned property.

Cabinet resolved on the 24th November 2011 to adopt the Rhyl Going Forward delivery plan as the regeneration strategy for Rhyl. The Honey Club and 25/26 West Parade were located in Intervention Area B as indicated in Appendix 2 to the report.

Oaklion Properties Limited were the registered freehold owners of No. 25/26 West Parade. Details of the Statutory Compensation Code, as the basis upon which the Council were seeking to acquire the property, had been provided by the Council's Valuer, and on the 5th October, 2011 an offer had been put forward corresponding to The District Valuer's valuation of the property.

Oaklion Properties Limited had outlined difficulties in securing a grant to re-develop the property in the mid 1990's and stated that the Council would need to resolve this o/s matter in order to purchase the property. The Council's valuer had explained that this was not possible and requested Oaklion to quote terms for the sale of the property to the Council. Further developments indicated that it was unlikely that the Council would be able to purchase of the property by agreement.

The Council had advertised the availability of The Honey Club site for re-development and developers interested in the entire site, including No.25/26 West Parade, had been interviewed by the Council on 17th April, 2012. The acquisition of 25/26 West Parade was required to remove the existing derelict structure to complete the site assembly.

The application for Planning Permission for the re-development would be made by the developer. The Council had not prescribed the proposed new development however, developers who had expressed interest in the combined C.P.O and Honey Club site had indicated a hotel development and such development was supported by the evolving Supplementary Planning Guidance referred to in the adopted Rhyl Going Forward delivery plan.

Councillor J. Thompson-Hill explained that this was a key site for the regeneration of the area. He highlighted the need to progress the matter and expressed his support for the recommendation contained in the report.

RESOLVED - that Cabinet approves the use of Compulsory Purchase procedures for the acquisition of No. 25/26 West Parade, Rhyl, (Appendix 1) for the purpose of redevelopment.

URGENT ITEMS

10 REDEVELOPMENT OF 21-26 WEST PARADE, RHYL

Councillor P.J. Marfleet presented the report for Cabinet on the appointment of a preferred 'Development Partner' to work with the Authority to develop the property 21-24 West Parade, formally known as the Honey Club, Rhyl and the additional properties comprising, the garage to the rear of 27-28 West Parade, owned by Denbighshire, and 25-26 West Parade, Rhyl (subject to acquisition).

The “expressions of interest” received for the scheme had been considered by a Panel of officers and the Lead Members for Modernising the Council and Regeneration and the preferred short list of developers had been approved by Cabinet on the 20th March 2012. Details of the process adopted for consideration of the short list and the presentation criteria, including set questions and scoring matrix, had been included as Appendix A.

Following discussions the Group had agreed to recommend the appointment of Chesham Estates as the preferred Development Partner. A team of officers had been appointed to work with the approved Development Partner to develop the proposals into a viable scheme for the site. This would include preparation of agreements, vetting of proposals and administration of the partnership and all proposals would be presented to Cabinet for final approval.

In order to improve the overall viability of the proposals, and further assist with the overall regeneration of West Parade, the development site would also include the garage to the rear of 27-28 West Parade and 25-26 West Parade, Rhyl (subject to acquisition). An updated Action Plan / Indicative Programme had been included in the report.

In response to questions from Councillor P.A. Dobb regarding funding of the project and the financial implications for Denbighshire, the Head of Finance and Assets referred to decision taken previously to provide funding for the project from priority fund money. He explained that the exact detail of the financial implications would be developed as the project progressed and confirmed that the Developer had offered the Council an initial lump sum with a further share in the profits of the development. Councillor J. Thompson-Hill invited Members attention to the Major Capital Projects Update, Property Acquisition and Demolitions, Rhyl Going Forward which detailed funding in respect of the project in question.

Following further discussion Members supported the recommendations contained in the report, and it was:-

RESOLVED - that Cabinet approves the appointment of Chesham Estates in the form of Chesham Estates (Rhyl) Limited as the Authorities Development Partner for the redevelopment of 21-24 West Parade (formally known as the Honey Club), the garage to the rear of 27-28 West Parade and 25-26 West Parade (subject to acquisition), Rhyl.

11 CONSENT TO DEMOLISH 21-24 WEST PARADE, RHYL

Councillor P.J. Marfleet presented the report for Cabinet on the continuing deterioration of 21-24 West Parade, formerly known as the Honey Club, Rhyl and the requirement to apply for consent to demolish.

Members were informed that the condition of the building had deteriorated exponentially and there was now a serious risk of falling debris and uncontrolled collapse and as a result Water Street, Rhyl had been closed to vehicular access.

The Corporate Executive Team had resolved that the process of gaining statutory consents for demolition of the whole building should be progressed. However, due to the current condition of the building, approval was now being sought to seek consent to demolish without a full scheme proposal being in place and in advance of any site redevelopment.

Details of the latest advice received from consultant structural engineers in respect of the structural integrity of the building had been included in the report. The Welsh Government, CADW, HSE and Independent Conservation Consultants had been appraised of the situation and Development partners had been sought to formulate appropriate proposals for the site.

Correspondence had been entered into with the Welsh Government Planning Office (WG) to try and determine an alternative route to enable demolition within a conservation area without meeting the full criteria and requirements of Conservation area consent. Correspondence to the WG had been included as Appendix A and the WG response had been included in the report and in Appendix B. It was explained that there was no alternative route to obtaining consent to demolish within a Conservation area without following the full planning process.

Due to the risks noted and detailed within the report it was proposed that consent for the demolition of the building be applied for in isolation. It was proposed that the supporting information for the full scheme application continue to be progressed in parallel to the application for consent to demolish, dependant upon appointment of the preferred Development Partner. This detail and information would subsequently be presented to Welsh Government Planning for consideration as supporting information.

Details of the anticipated timescales for the work had been outlined in the report and it was confirmed that the condition of the building would be monitored closely.

RESOLVED - that Cabinet approves the proposal for applying to Welsh Government for consent to demolish within a conservation area without a full scheme proposal being in place, on the grounds of Health and Safety and the imminent risk, as detailed within this report, to the Authority. The site to be demolished being 21-24 West Parade, Rhyl.

The meeting concluded at 11.45 a.m.