

CABINET

Minutes of a meeting of the Cabinet held in the Council Chamber, County Hall, Ruthin and by video conference on Tuesday, 25 April 2023 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 Ellie Chard, Ann Davies, Karen Edwards, Justine Evans, Hugh Irving, Huw Hilditch-Roberts, Brian Jones, Paul Keddie, Terry Mendies, Arwel Roberts, Gareth Sandilands, Peter Scott, Andrea Tomlin and Mark Young

ALSO PRESENT

Chief Executive (GB); Corporate Directors: Social Services and Education (NS), Governance and Business/Monitoring Officer (GW), and Environment and Economy (TW); Heads of Service: Finance and Audit (SG) and Housing and Communities (LG); Joint Interim Head of Support Service: Performance, Digital and Assets (NK); Interim Head of Service: Human Resources (LD); External Funding Manager (AS); Procurement Business Partner (RS); Lead HR Business Partner (HE); Chief Accountant (RE), and Committee Administrators (KEJ & NPH [Webcaster])

1 APOLOGIES

There were no apologies.

2 DECLARATION OF INTERESTS

The following members declared a personal interest in agenda item 5, Applications Shortlisted for Shared Prosperity Funding –

Councillor Emrys Wynne as he was on the Cadwyn Clwyd Board of Directors.
Councillor Brian Jones as he was on the Project Board for one of the applications.

3 URGENT MATTERS

No urgent matters had been raised.

4 MINUTES

The minutes of the Cabinet meeting held on 28 March 2023 were submitted.

Matters Arising – Page 9: Termination of the Contract for a Main Contractor for the Waste Depot Phase 2 – Councillor Peter Scott referred to the financial impact on the Council and asked, if the excess costs were exorbitant, was there a Plan B? The Corporate Director: Environment and Economy advised that officers were currently working through the detail of the report to be brought back to Cabinet in May setting out the options available in order to finalise delivery of the scheme.

RESOLVED that the minutes of the meeting held on 28 March 2023 be received and confirmed as a correct record.

5 APPLICATIONS SHORTLISTED FOR SHARED PROSPERITY FUNDING

Councillor Jason McLellan presented the report on the application and shortlisting process for Shared Prosperity Funding (SPF) and sought Cabinet's approval to fund the projects as recommended by the Core Partnership Group. The report included confidential appendices detailing the applications (which included financial and business affairs) and recommended outcomes, and Cabinet was advised by the Monitoring Officer to move into private session to discuss those elements.

The Head of Housing and Communities, Interim Head of Service: Performance, Digital and Assets and External Funding Manager attended for this item.

Cabinet was guided through the application and shortlisting process in detail. The fund had been heavily subscribed with 110 applications totalling £88.7m against a £25.6m allocation. An overview of monies received and projects recommended for approval, projects not recommended for approval, and a reserve list of projects had been provided (Appendix C to the report). Feedback on the longlist of projects from the wider partnership group (Appendix B to the report) had been shared with the Core Partnership Group to inform their deliberations. Applications which had not passed the initial screening were also provided together with bids for monies already allocated to DVSC or Cadwyn Clwyd which would be signposted to those organisations (Appendix A to the report). All projects had merit and those not approved would be given positive feedback and signposted for further support.

The Head of Housing and Communities also highlighted the following –

- challenges faced both locally and regionally given the parameters set in administering the programme and funding allocation in tight timescales
- implications for regional projects which required approval across council areas, and the use of a reserve list should funds become available, with Cabinet asked to delegate authority to the Leader, in consultation with others, in that regard
- the approach taken to the People and Skills theme for Working Denbighshire to commission services.

Cabinet discussed the application and shortlisting process which it considered to be very robust and inclusive, and challenging in terms of making decisions on projects. The volume of applications received compared to the funding available meant that, regretfully, many applications could not be approved. Cabinet had been reassured that the council would continue to work with unsuccessful applicants with a view to

providing further support and potential pathways to other or future funding streams to progress those projects where possible via other means. The situation post-Brexit was also highlighted with the point made that a number of indicators had identified a significant shortfall in the UK Government's replacement for EU funding.

Cabinet had also been pleased to note the balance of representatives on the wider partnership group, with wide ranging input across different sectors in that process. The commissioning of DVSC and Cadwyn Clwyd to administer lower level grants for projects and building community capacity was also highlighted and the Leader thanked those organisations for their input. The commissioning approach for Working Denbighshire was also welcomed, particularly to engaging with hard to reach groups. It was noted that the other decision-making processes across the region differed, with Denbighshire's approach through Cabinet providing an open and transparent process. Cabinet considered that residents and communities had been at the forefront in the decision making process in order to target those most in need, vulnerable, and hard to reach and thanked all those involved for their input.

At this point the Leader opened up the debate to non-Cabinet members.

A number of questions were raised to which the Leader and officers responded –

- the criteria for Stage 1 had been clear and no direct contact had been made with applicants as enough information had been provided to make recommendations; Stage 2 involved obtaining more detail on deliverability, outcomes and outputs
- the timescales involved did not allow for a right of appeal for individual unsuccessful applications; the call-in mechanism for scrutiny was available
- disagreed that the approach should have involved greater detail being provided at the outset, with sufficient information provided to make a recommendation and further detail and due diligence provided in the second stage of the process
- it was accepted that unsuccessful applicants would be disappointed but there was a finite amount of funding available for allocation and there would be continued dialogue with unsuccessful applicants with positive feedback provided and signposting to further support and possible funding avenues as appropriate
- much of the approach taken to the process had been informed by the UK Government in terms of the funding parameters and composition of the Core Partnership Group, which had been extended to include wider consultation
- officers were unaware of any projects that had been downgraded due to lack of clarity regarding timescales for delivery
- as mandated, funding had been allocated across the themes rather than a geographical spread across the county. However, most of the projects recommended for approval were countywide
- in terms of future funding it was likely that the UK Government would announce further funding at the end of the current Levelling Up and SPF programmes.

EXCLUSION OF PRESS AND PUBLIC

Cabinet moved to discuss the confidential appendices in the report and 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 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.

The Head of Housing and Communities summarised the recommendations for the shortlisted projects by theme, which had been further sub divided to closely align to the corporate plan priorities, with projects prioritised against the funding provided.

Cabinet noted that the programme framework and funding parameters had been set by the UK Government and the situation remained fluid. Following negotiations with the UK Government it had been confirmed that the multiply underspend in Year 1 could be reallocated into Year 2 and further negotiations were ongoing regarding the potential to reallocate underspends from Years 2 and 3 into other themes going forward which would benefit projects on the reserve list. Given the limited funding available it was inevitable that unsuccessful applicants would be disappointed and it was reiterated that those applicants would be provided with positive feedback and signposted to further support and other potential funding streams where possible.

During the wider debate, some councillors highlighted the merits of particular projects in their ward areas which had not been recommended for approval, for Cabinet to review, and ensure at the very least, best endeavours were made to support those projects to progress in the future. The Leader reiterated the undertaking to work with unsuccessful applicants to progress projects as appropriate and officers elaborated on the reasoning behind those specific projects not being recommended for approval. The impact of the unsuccessful Vale of Clwyd Levelling Up Funding bid on some of those projects was also highlighted.

Members discussed the importance of addressing poverty and deprivation through SPF projects. It was noted that the Regional Investment Plan had been closely aligned to the Corporate Plan and targeted to improve wellbeing and address deprivation across the county; the impact of those projects could be measured over the council term. In response to questions officers advised that an overview of the projects had been included in Appendix B to the report and expanded on the reasoning behind the proposals based on a suite of projects to achieve each theme's outputs and outcomes within the limited funding available. Councillor Peter Scott was pleased to note recommended projects covering the Elwy Member Area.

In bringing the debate to a close the Leader reiterated the difficult decisions to be made and thanked members for their scrutiny and challenge in that regard. Cabinet agreed to an amendment to include paragraph 4.10 in recommendation 3.3.

RESOLVED that Cabinet –

- (a) confirms it has understood the application and shortlisting processes and approves those procedures being fair and open;*
- (b) agrees to fund the projects shortlisted by the Core Partnership Group (Appendix C to the report), and*
- (c) grants delegated powers to the Leader to make subsequent decisions, in consultation with the Lead Member for Corporate Strategy, Policy and*

Equalities and the Corporate Director Environment and Economy. These decisions might be required should the circumstances described in paragraphs 4.9, 4.10 and 4.11 of the report occur.

At this point (11.35 am) the meeting adjourned for a refreshment break.

OPEN SESSION

Following completion of the above business the meeting resumed in open session.

6 MANAGED SERVICE FOR THE PROVISION OF AGENCY WORKERS

Councillor Julie Matthews presented the report seeking Cabinet approval to commence a tendering process, in collaboration with Flintshire County Council, for the provision of external agency staff via a managed service, and requested delegated authority to award a new contract following the procurement exercise.

Cabinet's attention was also drawn to the Wellbeing Impact Assessment and positive impact on local employment, fair pay and good terms and conditions.

The Head of HR summarised the report, advising that the current contract expired in August 2023, detailed the procurement process and anticipated contract spend, and provided a breakdown on spend by service. The contract would mainly cover unplanned absences and specialist short term staff. Given the tight timescales for the contract award and potential need to manage the transition to a new provider, Cabinet approval was also sought to delegate the contract award decision.

Officers responded to questions raised as follows –

- agency staff were not used to backfill permanent positions
- the cost of employing agency staff was comparable with employing directly as the salary costs were the same, starting at the bottom of the relevant grade
- under the current contract, a fee of 9 pence per hour was payable to Matrix
- departments scrutinised the use of agency staff and costs and further work would also be carried out by HR in the future with a view to reducing costs
- the agency contract did not include supply teachers or social services home care agency workers
- agency staff were mainly use to cover short term vacancies, such as sickness absence, with the majority of spend in Highways, Facilities & Environmental Services covering front line services
- on occasions where there were difficulties in recruiting to a specialist or technical post agency staff may be used for a short period of time
- transportation and/or accommodation costs were not payable as part of the contract and many local agencies were used with agency staff living locally.

Cabinet agreed to an amendment to include consultation with the Lead Member for Corporate Strategy, Policy and Equalities in recommendation 3.2.

RESOLVED that Cabinet –

- (a) *approves commencement of the tendering process to provide agency staff via a managed service in accordance with the Council's Contract Procedure Rules (5.5.4(iii)), and*
- (b) *delegates authority to the Head of HR to award the contract to the successful provider in consultation with the Monitoring Officer, Section 151 Officer and Lead Member for Corporate Strategy, Policy and Equalities.*

7 NATIONAL EISTEDDFOD OF WALES - EXPRESSION OF INTEREST

Councillor Emrys Wynne presented the report seeking Cabinet's approval of the submission of an expression of interest on behalf of the Council to host the National Eisteddfod of Wales.

Due to the rotation of the National Eisteddfod between North and South Wales each year it would potentially be in North Wales in 2027, 2029 and 2031. The value of hosting the National Eisteddfod was highlighted both in terms of visitors and economic benefits, positive impact on the use of the Welsh Language and interest in Welsh culture and heritage. In terms of location, a site had been proposed by Rhuddlan Town Council and Councillor Wynne advocated that the site in Rhuddlan be put forward to the Eisteddfod Committee as the preferred site in Denbighshire.

During debate there was overwhelming support for the Council to offer to host the National Eisteddfod, with members recognising the economic and cultural benefits and positive impact on the Welsh Language. With regard to location, Councillor Gwyneth Ellis expressed her preference for a site in the South of the county such as Corwen. Other members also expressed their preference for a site in either the North or South of the county but all were in agreement that the National Eisteddfod would be welcomed wherever it was held in the county. The Leader advised that the report recommendation related only to an expression of interest at this stage. Detailed discussions on a potential host site would be held at a later stage. It was clarified that the site location was a matter for the Eisteddfod Committee, but local authorities were asked to help identify possible sites for consideration together with other stakeholders such as the Police and Natural Resources Wales.

RESOLVED that Cabinet approves the submission on behalf of the Council of an expression of interest in hosting the National Eisteddfod of Wales.

8 MEDIUM TERM FINANCIAL STRATEGY UPDATE 2024/25 TO 2026/27

Councillor Gwyneth Ellis presented the report setting out the revised financial projections for the 3-year period 2024/25 to 2026/27 together with a proposed budget strategy for setting the budget for 2024/25.

Some background was provided including a summary of the 2023/24 budget setting position together with risks around energy costs, pay increases and pressures on specific service budgets. The indicative average settlement increase of 3% for 2024/25 resulted in a very difficult financial position with high inflation and a return to well below inflation settlements. The revised budget projections for 2024/25 to 2026/27 (Appendix 1 to the report) showed an estimate of pressures and a possible

impact of increases in Council Tax and Revenue Support Grant, and was illustrative of the uncertainty of the figures and work that still needed to be carried out.

The Head of Finance and Audit added his summary of the report.

Cabinet noted the unprecedented financial pressures on the Council going forward and the difficult decisions to be made in the future to ensure it delivered both a balanced budget and services to best meet the needs of residents. Tribute was paid to the Head of Finance and Audit and his team together with the Lead Member for their commitment and hard work in producing a transparent and inclusive budget strategy for setting the budget for 2024/25. The importance of engagement with all stakeholders was highlighted and staff, members and residents all had a part to play in future financial planning. The development of a Communications Plan at the earliest opportunity was also welcomed both in terms of explaining the rationale behind the difficult decisions to be made and providing the opportunity for all involved to contribute to the budget setting process. The challenging financial climate was discussed and the political point made that the current difficulties had been as a direct result of political decisions made by the UK Government.

Councillor Gwyneth Ellis had been heartened to hear Cabinet's united response and stressed the importance of the wider council membership all working together for the benefit of residents and achieving a result with minimal impact. The Leader reiterated the importance of being open and honest about the significant pressures facing the authority and the engagement of staff, members and the public in future financial planning. The Welsh Local Government Association would continue to lobby Welsh Government on the financial position of local authorities.

RESOLVED that Cabinet notes the revised financial projections for the 3-year period 2024/25 to 2026/27 and the proposed budget strategy for setting the budget for 2024/25.

9 CABINET FORWARD WORK PROGRAMME

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

- Shared Prosperity Funding Investment Proposals – removed from May/June
- Rhyl District Improvement District (BID) Ballot – may slip from June to July

RESOLVED that Cabinet's forward work programme be noted.

The meeting concluded at 1.00 pm.