

## **CABINET**

Minutes of the Cabinet meeting held at 10.00 a.m. on Tuesday 4<sup>th</sup> September, 2012 in Conference Room 1a, County Hall, Ruthin.

### **PRESENT**

Councillors Hugh Evans, Leader; Bobby Feeley, Lead Member for Social Care and Children's Services; Hugh Irving, Lead Member for Customers and Community; Huw Jones, Lead Member for Tourism, Leisure and Youth; Barbara Smith, Lead Member for Modernising and Performance; David Smith, Lead Member for Public Realm; Julian Thompson Hill, Lead Member for Finance and Assets and Eryl Williams, Lead Member for Education.  
Observers: Councillors J.R. Bartley, R.J. Davies and C. Hughes.

### **ALSO PRESENT**

Chief Executive; Corporate Directors: Customers; Modernisation and Wellbeing; Head of Legal and Democratic Services, Head of Finance and Assets, Corporate Improvement team Manager, Rhyl Going Forward Programme Manager and Administrative Officer.

Councillor E.W. Williams referred to the successful exam results achieved by the pupils at Denbighshire schools. He thanked the Education officers for the work undertaken and confirmed that letters of congratulation had been sent to the Headteachers and the respective School Governing Bodies. Councillor Williams also referred to the success achieved by local schools at the National Eisteddfod. The Leader and Members of Cabinet requested that letters of congratulation, acknowledging the success, be sent from Cabinet to the schools and their Governing Bodies.

#### **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**

No items were raised which in the opinion of the Chair, should be considered at the meeting as a matter of urgency pursuant to Section 100B(4) of the Local Government Act, 1972.

Councillor B.A. Smith explained that the Welsh Government had published the 2011/12 National Strategic Indicator data for all Councils in Wales which were used to measure the performance of Local Authorities at a national level. Of the 24 indicators Denbighshire had performed in the top half of Councils in Wales for 75% and were in the top quarter of Councils in Wales for two thirds of the indicators. In terms of the National Strategic Indicators Denbighshire were the highest performing Council in Wales. She explained this had been the aspiration set out in the Corporate Plan 2009/12 and independent confirmation had been provided of this achievement. Councillor Smith outlined a number of the highlights and also referred to the report published by the Local Government Data Unit which indicated a general improvement in the performance of Councils in Wales last year.

The Leader confirmed there was a commitment in the Authority from Members and officers with good processes in place. However, he confirmed that there was always room for improvement. Members supported the suggestion by Councillor E.W. Williams that a letter be sent to Members of the previous Council acknowledging the work they had undertaken and their contribution to the achievements outlined.

#### **4 MINUTES OF THE CABINET MEETING 20.03.2012**

The Minutes of the Cabinet meeting held on Tuesday, 17<sup>th</sup> July, 2012 were submitted.

Accuracy:- Councillor J. Thompson-Hill be included in the list of Members present. It was confirmed that he had been recorded as being present in the Welsh version of the minutes.

Matters arising:-

7. Former North Wales Hospital, Denbigh, Progress Report – Councillor D.I Smith provided an update of the work and costs in respect of the site. He explained that the Single Purpose Vehicle had been formally set up. A Repairs Notice would be served on the owners which would allow for a Compulsory Purchase Order to be made as required. The owner had advised Denbighshire that legal representation had been instructed to litigate against the Authority.

**RESOLVED** – that, subject to the above, the Minutes of the meeting held on Tuesday, 17<sup>th</sup> July, 2012 be approved as a correct record and signed by the Leader.

#### **5 FINANCIAL UPDATE REPORT**

Councillor J. Thompson Hill presented the report for Cabinet which outlined the Council's revenue budget and savings for 2012/13. He provided a detailed summary of the report which included the Capital Plan, Housing Revenue Account and Housing Capital Plan and advised of the format of the budgets and set out the reporting structure for the coming year. He confirmed that there were currently no significant deviations from the agreed budget strategy for 2012/13 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 small over spend across all services, including schools and corporate budgets. It also included the Revenue Account summary for information, however, this was a separate fund and not part of the Council's revenue budget. Appendix 2 provided an update showing progress against the savings and pressures agreed as part of the 2012/13 budget setting process. In total, net savings of £3.443m had been agreed and £1.774m had been achieved with £1.669m classed as in progress. The report highlighted any key variances from budget or savings targets, risks or potential additional savings that may arise throughout the year and provided a more general update on the Capital Plan and the Housing Revenue Account.

The report outlined the position with regard to the Revenue Budget and the officers provided a summary in respect of Communication, Marketing & Leisure, Planning, Regeneration & Regulatory Services, Adult Services, Environment Services, Modernising Education & Customer Care budgets and Schools. With regard to the Capital Plan the estimated outturn was £3.8m at the end of July against an agreed Plan of £37.3m. Appendix 3 summarised the current plan, and how it would be financed, and Appendix 4 provided an overview of major capital projects.

Specific reference was made to Communication, Marketing & Leisure and it was explained that the budget for the Rhyl Integrated Children's Centre Oaktree Centre had been under pressure due to the loss of £80k grant funding. While the service was taking action to reduce expenditure it was likely that the facility would overspend by £40k and it had been agreed that this would be funded corporately this financial year. Future years' pressures would be dealt with during the service challenge and budget setting process.

The latest Housing Revenue Account and Housing Capital Plan forecasts had been summarised in the report, together with, the Economic Commentary and Treasury Management Update. It was explained that this would be a challenging financial period for the Council and failure to deliver the agreed budget strategy would put further pressure on services in the current and future financial years. Members were informed that effective budget monitoring and control and early reporting of variances would help ensure that the financial strategy was achieved.

Councillor R.L. Feeley made reference to the funding element of the Foryd Harbour and Rhyl Coastal Defence projects and the possible need to utilise the contingency backing. Councillor Thompson-Hill explained that risk elements were usually more prevalent in the early stages of such projects and would diminish considerably as the work progresses. The Chief Executive explained that an update report would be submitted to the Project Board later in the day.

In response to concerns raised by Councillor D.I. Smith regarding the situation pertaining to the Honey Club, and the lack of progress in relation to the application submitted to the Welsh Government for conservation area consent to demolish the building, which was now in an unstable condition and presented possible safety issues. Details of the various options and consequences were outlined and it was confirmed that it would be an offence to demolish the building without the appropriate consent.

However, all possible steps had been taken to mitigate all risks and further representations had been made to the Welsh Government seeking the appropriate consent to demolish the structure. Members agreed that an information report outlining the progress in relation to the Honey Club be submitted to Cabinet

In reply to questions from the Leader, the Head of Finance and Assets provided details of the proposed timescales and agenda to address issues pertaining to the Capital Plan, and the potential savings from Collaboration Programme.

Following further discussion, it was:-

**RESOLVED** - that Cabinet:-

- (a) notes the budgets and savings targets for the year and progress against the agreed budget strategy, and*
- (b) receives an information report on the situation and progress in relation to the Honey Club.*

## **6 CHILD PROTECTION FAMILY SUPPORT PROJECT – CONTRACT EXEPTION REPORT**

Councillor R.L. Feeley presented the report which detailed the Supporting People funded Family Support Team, Child Protection Family Support Project, and sought approval for the exemption of the contract from the requirement to tender.

The Child Protection Family Support Project supported families who receive statutory services in the areas of child protection and children in need, families identified as being in crisis and in urgent need of such statutory services and it provided support for young people leaving the care of Denbighshire County Council where a continuing statutory duty existed.

Details of the delivery of the project by the Family Support Team were provided. It was explained that the link between Social Services statutory Child Protection functions and those of the project were essential in ensuring that the project operated successfully. It was felt that the current internal provider would be best equipped to maintain the existing links, and that it was extremely unlikely that any external provider would be able to establish these links to a satisfactory level to ensure continuity in service provision.

An outline of the cost implications had been included in the report. The annual contract value would be £356,782.22 for the duration of 3 years, with an option to extend for a further 2 years based on performance and outcomes. The funding allocation over 5 years would be £1,783,911.12. In accordance with best practice, and in consultation with the Strategic Procurement Unit, there was no compelling case for outsourcing or contracting out the project.

Members were informed that the project would provide support for:-

- Vulnerable families to access coordinated family support intervention.

- Children and Young People with post 16 developments.
- Individuals and families to access education and training opportunities.
- Vulnerable individuals and families in accessing preventative support.
- People who need housing and would contribute towards tackling issues of transience and poverty.
- Service users in addressing issues of multiple deprivation including housing deprivation and needs.

It was explained that the project would also play a key role in contributing to the prevention of homelessness for vulnerable groups.

In considering the possible risks associated with the project going to tender, as outlined in the report, reference was made to the potential cost and disruption if the internal administrative and safeguarding systems were no longer available to the provider of the service. The strategic importance of the project to Children and Family Services and the sensitive and challenging service links to Child Protection were highlighted. It was confirmed that the risks associated with appointing an alternative provider could impact directly on statutory services as the project alleviated pressure on Homelessness and other services by providing appropriate housing related support.

In response to a question from the Leader regarding the provision of an assurance regarding value for money, the Corporate Director: Modernisation and Wellbeing confirmed that provision of the service had been subject to competitive tendering in 2009.

**RESOLVED:-** *that Cabinet approves the exemption of the Family Support Team, Child Protection Family Support Project from the requirement to tender.*

## **7 REGIONAL SCHOOL EFFECTIVENESS AND IMPROVEMENT PROJECT – ESTABLISHMENT OF A JOINT COMMITTEE**

Councillor E.W. Williams presented the report which sought Cabinet approval for the Terms of Reference and Membership of the Joint Committee. He explained that Cabinet had approved the Final Business Case for the establishment of a Regional School Effectiveness and Improvement Service across the six North Wales Authorities and it had been resolved in March, 2012:-

- To support and approve the Full Business Case for the establishment of a Regional Schools Effectiveness and Improvement Service by April 2013.
- To support the North Wales Education Programme Board's recommendation that a Joint Committee with a Host Authority be adopted as a model of governance.
- The Chief Executives Group for the six Local Authorities subsequently approved Gwynedd Council as the Host Authority for the Regional Service.

Following a detailed options appraisal it had been recommended in the Full Business Case that a governance model based on a Joint Committee/Host Authority approach be adopted. The Partnership would be underpinned by an Inter Authority Agreement which

defined the roles and responsibilities of the Partners, Hosting Authority and governance arrangements. The report contained recommendations pertaining to the formal terms of reference and membership of the Joint Committee based on the Full Business Case and further Legal advice.

The possible membership structure of the Joint Committee had been set out in the Business Case with an acknowledgement that further refinement would be required. The Full Business Case outlined the scope of the proposed service and the function of the Joint Committee within the structure which would be governed by the Procedure Rules of the Host Authority. The proposed membership of the Joint Committee, which reflected the structure outlined in the Full Business Case, had been included in the report. A legal constraint had been included that Co-opted members of the Joint Committee may not vote on resolutions. The quorum necessary for a Joint Committee meeting would be five voting members of the Joint Committee, and agreement would provide for the attendance of a deputy if required.

The RSEIS Schools and Governors User Group would nominate a Secondary, Primary, Special and Governor Representative to take the respective seats on the Joint Committee. The Inter Authority Agreement would define the governance arrangements for the Joint Committee, including its Terms of Reference and Delegated Powers.

The proposed Terms of Reference and Delegated powers of the Joint Committee had been included in the report, together with, matters specifically reserved for individual Cabinet decision. Detailed consultations had been carried out with all stakeholders during the creation of the Full Business Case, and subsequent detailed consultations had also taken place with staff affected by the changes. The Terms of Reference and the broader implications of the report had been examined by the Legal Department.

**RESOLVED:-** *that Cabinet:-*

- (a) confirms the establishment of the Joint Committee in accordance with the report.*
- (b) appoints the Lead Member for Education to represent the Authority on the Joint Committee, and*
- (c) approves the Terms of Reference and Delegated Functions of the Joint Committee as set out in paragraph 4 of the report.*

## **8 WEST RHYL HOUSING IMPROVEMENT PROJECT – CONFIRMATION OF THE PROJECT BRIEF**

Councillor H.H. Evans presented the report which provided details of the West Rhyl Housing Improvement Project (WRHIP), originally presented to Cabinet Briefing on 5<sup>th</sup> December, 2011.

Funding had been allocated by Welsh Government (WG) to deliver the Project, with no requirement for capital funding from Denbighshire, and Cabinet consideration of the project was required in line with Financial Regulations and Project Management Methodology.

The following details relating to the WRHIP had been provided in the report:-

Appendix 1 – Project Brief – West Rhyl Housing Improvement Project.

Appendix 2 – WRHIP Block Plan.

Appendix 3 – Artist’s Impression of Green Space.

Members were informed that the funding source in respect of WG–NWCRA for 2013/14 should be £1,647,000 and not £1,747,000 as stated in the table in the report.

The WRHIP was a continuation of the work already ongoing in West Rhyl under the North Wales Coast Strategic Regeneration Area (NWCRA) and a significant number of properties required for the delivery of the project had already been acquired with WG funding. Details pertaining to the Green Space, Acquisition Programme, type of housing to be created, Delivery Programme, Project Management and Governance Arrangements had been detailed in the report. An outline programme for the delivery of the individual blocks had been circulated and Appendix 4 included the WRHIP Programme Plan. A Project Board had been established and the draft Terms of Reference, including details of membership, had been included in Appendix 5. The Rhyl Going Forward Programme Manager informed Cabinet that a draft Supplementary Planning Guidance had now been produced for the area, which would provide the policy framework for any possible CPO enquiry, and this would be considered by the Planning Committee with a view to being submitted for formal consultation.

The overall responsibilities of the WRHIP Board for the delivery of the project had been highlighted in the report. It was explained that addressing the long-standing issues in the area would help to create a more positive impression of the town overall and thereby have more far-reaching regeneration benefits. By creating a more balanced community and housing market the project would reduce deprivation in the area and this had been one of the key outcomes of the priority. It would also boost private sector confidence in Rhyl and stimulate further private sector investment and confidence by creating new jobs and business opportunities.

The project would directly impact on the priority outcome of “offering a range of types and forms of housing...to meet the needs of individuals and families”. The costs extracted from Appendix 1, Project Brief – West Rhyl Housing Improvement Project, had been detailed in the report. However, it was confirmed that funding for 2014/15 had not yet been received from the NWCRA.

The table included in the report illustrated the funding for the WRHIP would be provided by WG from a combination of Centrally Retained Capital Fund and funding from the North Wales Coast Strategic Regeneration Area (NWCRA). The funding had been allocated specifically for the project and was not available to be spent outside Rhyl or on an alternative project.

The following responses were provided to concerns expressed and questions submitted:-

- The Rhyl Going Forward Project Manager explained that the new build would be designed and constructed to be as adaptable as possible, therefore accommodation could be adapted to meet the requirements of older persons.

- It was explained that there had been no proposal to provide extra care housing within the project, however, provision could be considered on the site at West Parade.

- With regard to the governance arrangements for the West Rhyl Housing Improvement Project Board. At present the Leader of the Council represented Denbighshire on the Board as both Lead Member for Regeneration and Leader of the Council. Cabinet discussed the membership arrangements and agreed to recommend the appointment of the Lead Member for Customers and Community to represent Denbighshire as well as the Leader.

The Chief Executive outlined the importance of the Project which would have the potential to transform the locality and have a significant effect on the large number of residents in the area. He explained that an offer by Denbighshire to manage the project, which was in the ownership of the Welsh Government, had been declined. He explained that as minor, but important, partners Denbighshire would only have a partial view of the proceedings and it would be important to note in terms of the management of the project. The Chief Executive also referred to Block 1, the Urban Park, which entailed the transformation of the area into a green area. He expressed concern that the post-project delivery could have revenue implication in relation to maintenance of the green space, and this would be an issue which would need to be addressed with the developers as the possible options and responsibilities would be a key element in the design and planning process.

**RESOLVED:-** *that Cabinet:-*

*(a) recommends the project to Council for approval.*

*(b) approves Denbighshire's involvement in the Board with regard to membership, and endorses the Terms of Reference as in Appendix 5, and*

*(c) recommends the appointment of the Lead Member for Customers and Community to the West Rhyl Housing Improvement Project Board.*

## **9 CHANGES TO SUPPORTING PEOPLE PROGRAMME**

Councillor R.L. Feeley presented the report which outlined recent developments in the proposed arrangements for the Supporting People Programme (SPP) and sought Cabinet agreement to Lead Member representation on the Regional Collaborative Committee.

A summary of the key changes to the administration of the SPP which were taking place across Wales was provided. These included moves towards a new funding distribution formula and the transfer of contracting responsibilities for some services from Welsh Government to local authorities. New governance arrangements, including Regional Collaborative Committees (RCC) with key responsibilities for the SPP, were currently being established across Wales.



It was explained that the SPP was a significant Programme providing “housing related” support services to a wide range of vulnerable groups. Its aim being to enable them to maintain secure housing while developing other aspects of their lives promoting independence. The Programme had been evaluated at national level and shown to deliver very positive financial and non financial benefits. In 2011/12, Denbighshire received £6.9m of funding via the SPP which funded approximately 2404 units of support, a maximum capacity including older people warden services, at any one time, across a range of intensities of interventions.

The key recommendations of the independent review of the SPP, commissioned by the Welsh Government (WG), had been included in the report, together with, a summary of the most notable implications for Denbighshire, which included funding issues. The Leader and Councillor Feeley stressed that Scrutiny would have an important role to play in monitoring and overseeing the programme as it developed, and it was agreed that this be included in the relevant Scrutiny Committee Work Programme. The Corporate Director: Modernisation and Wellbeing referred to Denbighshire’s uneasiness regarding the development of the programme, particularly the balance of power at regional and individual Authority level with regard to the decision making process. In response to a question from the Leader, the Corporate Director expressed concern regarding the composition of the RCC’s and possibility of conflict between the providers of service and organisations who commission services.

Members were informed that in some respects the proposed changes had been controversial. However, following consultation and negotiation the WG had made some amendments to guidance, particularly around the role of the RCC. The WLGA had indicated their support for the new arrangements and the WG had made a commitment that the arrangements outlined in the guidance would be reviewed within the transition year. All regions had been asked to demonstrate, by 1st August, 2012 their “readiness” to establish RCC’s and North Wales had met the criteria set down by WG. Denbighshire had accepted the new grant terms and conditions and the new guidance. However, there were outstanding concerns which had been formally logged with WG.

Details pertaining to the new delivery structure had been included in Appendix I. This included the proposed role for the RCC and the Co-ordinating Local Authority, and also outlined how the individual Local Authority role would be envisaged as fitting with the regional structure. The recommendations set out in paragraphs 3.1 and 3.2 of the report reflected the view that, despite the risks, Denbighshire should participate in the new arrangements. However, it was explained that the impact of the risks pertaining to the new arrangements would require careful scrutiny over the next 12 months as the major changes were introduced.

In reply to concerns expressed by Councillor J.R. Bartley regarding the reduction in budget provision impacting on service delivery levels, the possible implications for Denbighshire and the replacement of Wardens when retiring or vacating posts. It was explained that the SPP would not impact on the Warden Service which would be the subject of a review.

Following further discussion, it was:-

**RESOLVED:-** that Cabinet:-

- (a) *nominates the Lead Member for Social Care and Children' Services to be Denbighshire County Council's elected member representative on the North Wales Supporting People Regional Collaborative Committee, with the Director of Modernisation and Wellbeing as the delegated official in her absence, and*
- (b) *refers the impact of the new Supporting People arrangements on the delivery and funding of Supporting People services in Denbighshire, for in-depth consideration as part of Scrutiny Work Programmes*

## **10 CABINET FORWARD WORK PROGRAMME**

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

Members agreed that the following Business Items be rescheduled as follows:-

- Appointment of Councillors to Outside Bodies from the September to the October meeting.
- Review of Faith Based Education Provision and Ruthin Schools Review from the September to the October or November meeting, pending the receipt of guidance from the Welsh Government on funding methodology.

**RESOLVED** – *that, subject to the above, 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.*

## **11 WEST RHYL HOUSING IMPROVEMENT PROJECT – COMPULSORY PURCHASE ORDER**

Councillor H.H. Evans presented the report which detailed the use of Compulsory Purchase procedures to acquire property in West Rhyl, for the purpose of implementing the West Rhyl Housing Improvement Project, which had been considered under business item number 8 on the Agenda.

Members attention was invited to the plan included as Appendix 1. The officers explained that the Plan had been amended as follows:-

- Block 2 to include Gronant Street in the CPO to allow alignment works.
- Block 7 to include a further building, a outbuilding at the eastern end of Abbey Street near Crescent Road.

A copy of the amended plan was circulated to Members at the meeting.

The report outlined the background to the West Rhyl Housing Improvement Project (WRHIP). The Project aimed to reduce the number of houses in multiple occupation in the West Rhyl area, improve the quality of housing and the general environment and provide new open space. In November, 2011 Cabinet resolved to adopt the Rhyl Going Forward delivery plan as the regeneration strategy for Rhyl. The WRHIP Phase 1 Business Justification Case had been approved by the Welsh Government (WG) Finance Minister and funding for the project from the WG's Centrally Retained Capital Fund.

The WRHIP Business Plan had been approved by the WG in May, 2012 and the first meeting of the WRHIP Board, which was the strategic partnership for the project, had been convened in July, 2012.

Following consideration of the WRHIP report by Cabinet, and in accordance with Denbighshire Financial Regulations and Project Management Methodology, the report would be submitted to Council in September, 2012 to approve the project and delegate powers to the Project Board.

The report outlined the aims of the Project, to improve the amenity of the area and create a more balanced community with a proportion of owner occupation. Details of the properties included in the project had been included in Appendix 1 to the report. It was explained that the Compulsory Purchase Orders (CPO's) would apply to all outstanding properties not in public ownership for the project. However, even when the CPO's were made the Council would seek wherever possible to acquire properties by agreement. The Head of Finance and Assets would have authority to approve minor amendments to the Orders and to remove property from any of the Orders as instructed by the Project Board. The Project outcome for each block had been detailed in Appendix 3 to the report. The officers referred to the power to make the decision and details had been included and summarised in the report.

Councillor C. Hughes expressed concern regarding the possible decrease in the availability of one bedroom accommodation following the completion of the project and the affordability of the new properties to people currently residing in the area. The Rhyl Going Forward Programme Manager confirmed that one of the key objects had been to reduce the number of single one bedroom accommodation in the area due to the excessive availability of such accommodation currently in the area, which had been related to some of the economic and social deprivation associated problems experienced. He explained that it had not been the intention to remove single one bedroom accommodation entirely and confirmed that a significant amount of such accommodation would be available in the wider West Rhyl area, which he felt would provide a better balance of housing available in the locality.

Members supported the view expressed by Councillor E.W. Williams that it would be important to ensure that it was made clear that Denbighshire were carrying out the CPO procedures on behalf of the Welsh Government who were unable to undertake this process.

**RESOLVED** - that Cabinet:-

- (a) approves the use of Compulsory Purchase procedures for the acquisition of property required to implement The West Rhyl Housing Improvement Project.*
- (b) the Compulsory Purchase Orders be made in respect of Blocks 1 to 7 pursuant to section 226(1)(a) of the Town and Country Planning Act 1990 to acquire those properties not currently in public ownership, and*
- (c) confirms the amendments to West Rhyl Improvement Project Plan, Appendix 1, as agreed.*

The meeting concluded at 11.15 a.m.