

## **PERFORMANCE SCRUTINY COMMITTEE**

Minutes of a meeting of the Performance Scrutiny Committee held in Council Chamber, County Hall, Ruthin and by video conference on Thursday, 13 March 2025 at 10.00 am.

### **PRESENT**

Councillors Ellie Chard, Bobby Feeley, Martyn Hogg, Carol Holliday, Alan Hughes, Terry Mendies, Gareth Sandilands (Vice-Chair) and Andrea Tomlin.

### **ALSO PRESENT**

Monitoring Officer (GW), Section 151 Officer (LT), Corporate Director: Social Services and Education (NS), Head of Corporate Support Services: People (CR), Head of Planning, Public Protection and Countryside Services (EJ), Head of Corporate Support Service: Performance, Digital and Assets (HV-E), HR Services Manager (LD), Traffic, Parking and Road Safety Manager (MJ), Economic and Business Development Manager (JE), Public Protection, Regeneration and Economic Development Manager (GR), Scrutiny Coordinator (RhE), Senior Committee Administrator (KJ), Committee Administrator (NH) and Electoral Services Administration Officer (CMcB).

Lead Member for Corporate Strategy, Policy and Equalities Councillor Julie Matthews was in attendance for item 5.

Leader and Lead Member for Economic Growth and Tackling Deprivation Councillor Jason McLellan was in attendance for item 6.

Lead Member for Environment and Transport Councillor Barry Mellor was in attendance for item 7.

**In attendance for item 10 (Part 2)** Denbighshire Leisure Limited Representatives –

Managing Director (JG), Head of Governance and Business Support (AM) and Company Accountant (AJ)

**Observers:** Councillors James Elson, Chris Evans, Gwyneth Ellis, Brian Jones, James May and Emrys Wynne.

## **1 APOLOGIES**

Apologies for absence were received from Councillors Hugh Irving (Chair) and Paul Keddie.

In the Chair's absence the meeting's proceedings were chaired by the Vice-Chair who conveyed the Committee's best wishes to the Chair for a full and speedy recovery.

## **2 DECLARATIONS OF INTERESTS**

Councillor Ellie Chard declared a personal interest in business item 6. 'Denbighshire's Economic Strategy and Action' Plan, in her role as a Rhyl Town Council representative on the Denbighshire Tourism Partnership Board.

### **3 URGENT MATTERS AS AGREED BY THE CHAIR**

No items of an urgent nature had been raised with the Chair or the Scrutiny Coordinator prior to the commencement of the meeting.

### **4 MINUTES OF THE LAST MEETING**

The minutes of the Performance Scrutiny Committee meeting held on 30 January 2025 were submitted.

***Resolved: that the minutes of the Performance Scrutiny Committee meeting held on 30 January 2025 be confirmed as a true and accurate record of the proceedings.***

Matters arising: Pages 14 – 15, 'Arrangements for Reviewing the Roll-out of the New Waste and Recycling Service'. Responding to an enquiry on the progress made with establishing the task and finish (T&F) group to undertake the review the Scrutiny Coordinator advised that officers had commenced the process of collating relevant reports and background information to support the T&F Group's work. The Scrutiny Coordinators were due to meet with the Democratic Services Manager the following week to review the documentation obtained to date and organise it chronologically for ease of reference for the Group. In the meantime, due to the recent change in the Council's political balance, Group Leaders were being consulted on whether the appointments made to the T&F Group were still acceptable to them. Upon the completion of this preparatory work the date of the inaugural meeting of the T&F Group would be announced.

### **5 WORKFORCE PLANNING, RECRUITMENT & RETENTION AND SICKNESS ABSENCE**

The Lead Member for Corporate Strategy, Policy and Equalities introduced the report (previously circulated) to the Committee.

The report provided information and progress of the workforce plan and associated action plan (including recruitment and retention activities) and also provided turnover and sickness absence data for 2024.

Workforce planning was an important strategic activity which generated information and data to support the process of ensuring the Council employed the correct people, with the right skills and helped to identify training, and in addition helped to provide vital information on staff health and wellbeing.

The report included current information, data and progress. Appendix 1 provided information on the Council's staff turnover position. Appendix 2 contained data of

sickness absences for 2023/2024 which included short-, medium- and long-term absences. Appendix 3 contained details of the Workforce Plan Action Plan.

The 2024 Workforce Planning exercise for the Council would commence in March 2025, and the Council would have a new corporate workforce plan and associated action plan in May 2025. The work on these key areas contributed to theme 6 of the Corporate Plan in ensuring Denbighshire County Council was a well-run, high performing Council, delivering and embedding the staff wellbeing policy, supporting training and workforce development, promoting fairness, equality and diversity and working collaboratively across the Council and with partners to alleviate problems with recruitment and retention.

The Head of Corporate Support Service: People provided further details on the report.

Internal Audit had confirmed that the Council had a robust recruitment and retention plan in place which contained the fundamental elements needed and was working well.

The intention was for the Workforce Plan to be a live document working alongside information from regularly conducted one-to-one meetings with all employees, which would provide a continuous dialogue on data. The focus of the workforce exercise had been on pockets of areas of recruitment and retention rather than previously being across the board. The new workforce planning exercise would be the first formal exercise since the formation of the Council's new management structure in 2023.

Staff turnover in 2022/23 was at its highest rate of 12.4% however, from 2023/24 onwards there had been a decrease in staff turnover, 11.40% for the period April 2023 – March 2024 and 9.12% for April 2024 – December 2024. As a general rule, an organisation would be aiming for a turnover rate of 10% or less. It was important to note that the Denbighshire County Council (DCC) turnover rate was below the UK average of 16%.

Sickness absence was monitored on a monthly basis and the report contained historical data to allow members to note any trends. In 2023/2024 the average working days lost due to sickness was 9.12 days which was a reduction from the previous year (9.56 days). The report included the top 5 reasons for absence which were generally consistent year on year. There was an increase in the unknown reasons for absence and the team were working with all services to see how this could be addressed.

The Chair thanked the Lead Member and officers for the report and questions were welcomed from members.

Members requested clarity on the data for the average days lost. The Head of Corporate Support Service: People explained that the data was collected per

employee, in 2023/2024 there was an average of 9.12 days lost to sickness per employee.

Members questioned the comparison data in the report and questioned what the data was being compared to. The HR Services Manager stated that DCC data was compared to data from all 22 Local Authorities in Wales. However, all-Wales data was not available at present due to a cyber attack affecting the national reporting system.

Members stated that data within the report appeared to be historical and questioned if 'real time' data was available and how accessible this data was. Members also requested actual numbers to be used for the data as well as percentage figures. The Head of Corporate Support Service: People confirmed that the report did contain historical data due to the data being compiled on a quarterly basis. The most recent data available was from December 2024. Data would be collected again at the end of March 2025 and this information could be made available to the Committee if members wished. 'Real time' data was sensitive and was restricted to Heads of Service, Managers and HR.

Comments regarding including numbered data in the report rather than percentages only would be considered and incorporated into future reports, if possible, as would the provision of a monthly statistical report to members on staffing numbers and absences per Service area.

Members stated that data from exit interviews would be valuable. The Head of Corporate Support Service: People explained that staff exit interviews were voluntary and were completed electronically or face to face meetings were arranged. Keeping this data live would be considered in the future and it was already included in Service Business Plans on a quarterly basis.

Members asked if the use of Artificial Intelligence (AI) was being considered within the HR Service. The Head of Corporate Support Service: People stated that the current HR system had the capacity to improve and automate the recruitment process. Recruitment had been identified as an area to be explored as part of the Council's Transformation Programme. Work was due to start over the coming months with respect to this. Once that work was completed the potential uses of AI in HR processes may be explored.

Members referred to paragraph 4.11 of the report which stated that there had been 226 leavers (people) and 231 (positions) in the period April 2024 to December 2024, and the position headcount had also decreased during this time by 28 positions. Members requested clarification on the terms people and positions. The Head of Corporate Support Services: People stated that the people data related to how many people had left the Council and the position data referred to how many people had left the Council leaving many positions vacant, an employee of the Council could have more than one position/role within their job description.

Members also queried whether a change in manual handling practices in social care along with the introduction of the new waste and recycling system had resulted in a higher number of staff being recorded as off sick due to Musculo Skeletal problems. Officers advised that the Social Care Service had a robust programme of manual handling training which it provided to staff and working practices were monitored on a regular basis, with strong emphasis being placed on the individual worker's safety being paramount. Officers confirmed that sickness absence rates and staff turnover rates in the Highways & Environmental Services (within which the waste collection service lay) were not in excess of what was expected on an annual basis. With a view to seeking assurances that staff were not cutting corners when undertaking manual handling tasks and compromising their own safety and that of others, the Lead Member suggested that the Council's Joint Consultative Committee for Health & Safety and Employee Relations could examine the provision of manual handling training to staff and the monitoring arrangements for staff's compliance with the guidance provided.

The Chair gave thanks for the report and for Officers attendance.

At the conclusion of a comprehensive discussion the Committee:

**Resolved: subject to the viability of actions identified during the course of the discussion being explored, –**

- (i) to confirm that it had read, understood and taken account of the information presented;***
- (ii) to acknowledge and support the ongoing monitoring of the workforce planning process, workforce action plan, staff turnover and absences; and***
- (iii) request that a further progress report on Workforce Planning, Recruitment, Retention and Sickness Absence be presented to the Committee in June/July 2026.***

## **6 DENBIGHSHIRE'S ECONOMIC STRATEGY AND ACTION PLAN**

The Leader and Lead Member for Economic Growth and Tackling Deprivation introduced the report (previously circulated) to the Committee.

The report provided information on the development of the draft new Denbighshire Economic Strategy and accompanying Action Plan. The report also outlined how previous and new strategies linked in with the work of the North Wales Economic Ambition Board, Welsh and UK Governments, and other economic development partners which supported the economy in Denbighshire.

The Economic and Business Development Manager provided further details of the report to the Committee.

The Economic and Business Development (EBD) Team were charged with leading on the development of the new Economic Strategy, as part of the 'Prosperous Denbighshire' corporate priority, developing a brief which led to the appointment of SQW to assist with the work.

The purpose of the Economic Strategy was to deliver on the 'Prosperous Denbighshire' element of the Council's Corporate Plan. The Council wanted to support economic recovery, capitalise on opportunities that enabled residents to access decent employment and income. There was also the desire to use economic growth as a driver to reduce inequality and poverty.

A Task and Finish Group was formed to support the development of the Strategy, which included members representing each of the Member Area Groups and relevant officers. The Group held its inaugural meeting in June 2024. The Terms of Reference outlined the scope of the Group's work including agreeing the development approach; supporting development; and ultimately agreeing the final draft documents before a Cabinet decision. This document was appended to the report (appendix 2).

The Development of the Strategy was split into 3 stages –

**Stage 1** – Understanding the County's economic strengths, weaknesses, opportunities and threats (SWOT)

**Stage 2** – Development of the actual Economic Strategy

**Stage 3** – Development of the Action Plan, as part of the Economic Strategy document, providing direction to the Council on how to execute the Strategy's objectives.

The long-term plan was very ambitious and Denbighshire's Economic Strategy was now entering stage 3.

The Chair thanked officers for their detailed report and presentation and welcomed questions from Members.

The Chair stated that it was an ambitious strategy to be delivered within the next 10 years within a small team and questioned if there were sufficient resources going forward to maintain and increase the momentum required to secure its delivery. The Head of Planning Public Protection and Countryside Services stated that more could be achieved if more resources were available however, the EBD team was task with coordinating and putting together the Strategy and Action Plan. The outcome of the Strategy being developed would support many of the priorities moving forward.

The Chair stated that Denbighshire needed high value jobs to retain young people following university and questioned how the Strategy could achieve this. The Head of Planning, Public Protection and Countryside Services explained that the priority of high value jobs would be evident as the Draft Strategy moved forward. The EBD team and partners would be undertaking more detailed work on these action areas which would be developed over time into business cases. The role of the team was to provide the infrastructure for the Strategy's delivery.

Members thanked officers for their report which clearly demonstrated a robust process was in place which was engaging and informative. However, stated that for

the public to engage and understand the Strategy an 'easy read' version would be beneficial. Continuing, Members questioned how the Strategy would lead to prosperity for everyone, regardless of their situation. The Head of Planning, Public Protection and Countryside Services agreed that the Strategy and Action Plan was heavy on detail and would consider comments on a more accessible version of the final Strategy once completed, and possibly the inclusion of a definition/illustration on what a 'pathway to prosperity' would look like in order to benefit the public. Feedback on what the Strategy meant to people in different situations would be considered going forward as the Strategy and Action Plan should focus on local issues, local people, and local entrepreneurs. It was also noted that Ambition North Wales had been involved in discussions around the Strategy and Action Plan, they would be invited in future to be involved as part of a partnership oversight group to secure the Strategy's delivery.

Members questioned if local businesses within the County had been consulted on the Strategy. The Economic and Business Manager stated that a SWOT exercise had been carried out alongside the Task and Finish Group's work, a list of businesses contacted could be provided following the meeting. Members emphasised to officers the importance of continual engagement and dialogue with all of the county's businesses, be they small, medium or large, along with their representative organisations in order to secure the Strategy's delivery and realise a more prosperous Denbighshire by 2035.

Members requested information on the timeline for the strategy and Action Plan. The Economic and Business Manager stated that the EBD team would be attending Cabinet to seek approval of the final Strategy and Action Plan in April 2025 to enable its implementation. Whilst the Strategy was yet to be approved a vast amount of preliminary work was already underway to secure the delivery of its short, medium and the long-term objectives.

Members stated that the draft strategy referred to 'Pockets of entrenched deprivation' and whilst not disagreeing that Rhyl had high levels of deprivation in certain areas, there were areas of deprivation in some of the County's rural areas. Questions were raised on how the Strategy would address deprivation in rural areas. The Head of Planning, Public Protection and Countryside Services agreed that there were areas of deprivation in rural areas, Welsh Government Regeneration Funding was driven to the most deprived areas by the Welsh Index of Multiple Deprivation (WIMD) statistics which was a method used to identify the most deprived areas in Wales. The Council's Corporate Plan emphasised the Authority's ambition to eliminate poverty in all areas of the county, both urban and rural. Levelling Up Funding was one source of funding being used to deliver projects in rural areas, whilst one of the objectives of the Place Making Plans currently under development for Corwen and Denbigh was to contribute towards the delivery of the county's Economic Strategy.

The Chair thanked the Leader and officers for their report and thanked them for attending the meeting.

Following a comprehensive discussion, the Committee:

**Resolved: that, subject to consideration being given to the suggestions put forward by Committee members –**

- (i) it was satisfied that the draft new Economic Strategy and accompanying Action Plan would contribute to the Corporate Plan and that the Council had effectively engaged with members, officers, and local business communities as part of its development; and**
- (ii) sufficient thought had been given to how the new Strategy and Action Plan would continue to link with the work of key economic partners.**

11.50am at this juncture the Committee paused for a comfort break, the meeting resumed at 12pm.

## **7 CAR PARK INCOME**

The Lead Member for Environment and Transport and the Head of Planning, Public Protection and Countryside Services introduced the report (previously circulated) on Car Park Income to Members.

The report gave information about the additional car parking income that was forecasted to be generated by increasing car park tariffs, extending charging hours and introducing charges in car parks that were previously free to use.

The Traffic, Parking and Road Safety Manager provided further details to members which were contained in the report.

As part of the work to make savings and increase income for financial year 2024/25, the following measures relating to car parks were implemented, these were predicted to generate an additional £699K of income:

- Increase of all tariffs in pay and display car parks.
- Extend car park charging hours to 11pm (previously 5pm)
- Increase the cost of car park permits.
- Introduce charging in some remaining free car parks.

The predicted £699K increase was made up of £591K from the tariff increase, £60K from evening parking, £30K from introducing charging in free car parks, and £18K from the permit cost increase. An explanation of how these individual figures were derived was provided in Appendix A to the report. However, current projections estimated that the additional car parking income for financial year 2024/25 would be significantly less than the target originally forecast. Applying a 19.2% increase for the rest of the financial year would result in £295K in additional income compared with financial year 2023/24. This would still represent a shortfall of £404K below the £699K target increase in income.



The old and new tariffs were shown in Appendix B. The table in Appendix C compared pay and display income by town, for the period from April to November 2024 inclusive, and for the same period in 2023. A wide disparity was demonstrated in the amount that parking income had increased in some towns compared to others.

The current policy of setting tariffs by car park type (i.e. whether short or long stay) was inflexible and treated all towns/villages as if they were the same, when it was clear this was not the case. It was proposed that a new system was created to ensure tariffs were based on demand. This would mean charging higher tariffs for high demand car parks and lower tariffs for car parks that exhibited lower demand.

The Chair thanked officers for the report and welcomed questions from members.

Members were uncomfortable about charges being implemented on free car parks in the County. It was felt that there was not enough free parking within town centres to enable visitors to visit and spend money. The Traffic, Parking and Road Safety Manager explained that there was many kerbside free parking in towns and villages and data demonstrating this would be provided at a future meeting. It was important to get the right balance between free and charged parking.

Members asked if parking permits were advertised, as many residents were unaware of them. The Traffic, Parking and Road Safety Manager explained that parking permits were advertised on the Council's website and social media sites. They Council's Call Centre also promoted them in response to enquiries received. There had been a 17% increase in the cost of purchasing parking permits which was stated in the report.

Members queried how the County's parking tariffs compared to tariffs in other local authorities. The Head of Planning, Public Protection and Countryside Services explained that every time there was a review of car parking tariffs a comparison exercise was carried out comparing prices with the 5 other North Wales Local Authorities. There had recently been a further increase in tariffs in neighbouring authorities and therefore Denbighshire's car parks were charging lower tariffs at present.

Members further discussed the importance of free parking within the County and the difference that it could make to local businesses and visitors. Officers advised that whilst free kerbside car parking was available in all towns and in some towns the town councils provided a free time period for parking in certain car parks, a fine balance required to be struck if the County Council was to be able to afford to invest to maintain the car parks in its ownership.

The Chair proposed a workshop be arranged for elected members on the proposed new car park tariff structure to enable all members to feed into it and influence any future decisions regarding the tariff structure. This was proposed, seconded and agreed by all members of the Committee.

Members urged officers to re-consider charging for parking after 5pm. The Traffic, Parking and Road Safety Manager stated that lots of feedback had been received

regarding evening charging and discussions were ongoing which would be reflected within the proposal.

The Chair thanks Officers for attending the meeting.

At the conclusion of a comprehensive discussion the Committee:

**Resolved:**

- (i) to receive the report, endorse its contents, findings and proposed further actions;***
- (ii) subject to consideration being given to the suggestions put forward during the discussion, that a proposed new car park tariff structure is developed by officers and brought back to Scrutiny in Autumn 2025; and***
- (iii) that, as part of the development of the proposed new car park tariff structure, an all-member workshop is held to enable all councillors to contribute towards its development.***

## **8 SCRUTINY WORK PROGRAMME**

The Scrutiny Co-Ordinator introduced the report and its appendices (previously circulated) to the meeting to discuss the forward work programme for the Committee.

The next meeting of the Performance Scrutiny Committee was scheduled for the 1 May 2025. There were three items on the Forward Work Programme:

- Corporate Risk Register: February 2025 Review
- Council Processes and Procedures for applying for high value grant funding
- Internet and Telephony Connectivity in Denbighshire

At a meeting of the Scrutiny Chairs and Vice-Chairs Group (SCVCG) earlier in the week the Group had approved a member request for a report on issues relating to the 'Planning System Software' to be examined Performance Scrutiny Committee at its June 2025 meeting. In addition, an urgent request was likely to be received for the Committee, at its May 2025 meeting, to examine the proposals put forward by the Education Service for the utilisation of the additional £500K allocated to it as part of the 2025/26 budget setting process. The next meeting SCVCG was scheduled for the 28 April and members were encouraged to submit a Member Proposal From if they had an item they wished to be considered.

The Cabinet Forward Work Programme was attached in Appendix 3 for information and Appendix 4 contained information on the progress of the Committee's resolutions.

It was:

**Resolved: *subject to the inclusion of the reports agreed during the course of the meeting, the topic referred to the Committee by the Scrutiny Chairs and Vice-Chairs Group at its meeting earlier that week, along with the possible***

***inclusion of a report on potential uses for the additional funding earmarked for the Education Service as part of the 2025/26 budget setting process for submission to the May 2025 meeting, to confirm the Committee's future programme of work as outlined in Appendix 1 to the report.***

## **9 FEEDBACK FROM COMMITTEE REPRESENTATIVES**

None.

## **EXCLUSION OF PRESS AND PUBLIC**

Due to the confidential nature of the information that would be discussed under the following item of business Councillor Bobby Feeley proposed that the meeting be moved to Part II business, Councillor Andrea Tomlin seconded the proposal. However, some elected members questioned whether this was appropriate and necessary. The Corporate Director Governance and Business & Monitoring Officer advised that as the report contained confidential information relating to the Council and other parties' business and financial affairs it would not be appropriate to discuss the report's contents in a public forum at this moment in time. On receipt of this advice the proposal to hold the discussion in private session was put to the vote, and by a majority the Committee:

***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 Paragraphs 14 of Part 4 of Schedule 12A of the Act.

## **10 DENBIGHSHIRE LEISURE LIMITED**

The Corporate Director Governance and Business & Monitoring Officer guided members through a confidential report (previously circulated) which detailed a proposed alternative structure for Denbighshire Leisure Limited (DLL).

Members debated in detail various aspects of the proposed alternative approach. During the discussion questions were raised on matters ranging from:

- the shareholding proposals
- current financial value of all aspects of the DLL business
- the extent of the due diligence work undertaken on the potential investor and its proposed Business Plan
- employee terms & conditions and pension rights
- subsidy control and deregulation
- the future of the UK Leisure Framework
- the proposals' impact on the current contract between the Council and DLL and proposed future contract management arrangements.

Answers were provided by the Corporate Director Governance and Business & Monitoring Officer, DLL's Managing Director and the Council's Section 151 Officer.

Prior to leaving the meeting the Managing Director of DLL confirmed that he had held a series of staff meetings to outline the proposals and answer their questions. He had also met with staff trade union representatives to discuss the proposals.

DLL representatives left the meeting prior to the Committee discussing the proposals further with Council officials and deliberating on its recommendations.

Members were advised by the Corporate Director Governance and Business & Monitoring Officer that a Special County Council meeting had been arranged for 26 March 2025 for the purpose of discussing the proposals in detail prior to giving all members an opportunity to vote on them.

To date two all members workshops had been held to explain the proposals put forward. In addition, representatives from DLL had met with the Council's political groups to answer their questions on the proposals. The objective of presenting the proposals to Scrutiny was to enable it to identify what further information required to be included in the report to County Council to enable elected members to make a determination on the proposals.

At the conclusion of an in-depth discussion the Committee, by a majority vote:

**Resolved: that, to enable County Council to make an informed decision with respect of an alternative company structure for the provision of leisure services, the following information be provided to county councillors ahead of the Special Council meeting on 26 March 2025 –**

- (i) clarification on the purpose and value of the shareholding proposals (including what would happen to shares returned to the company upon an employee leaving its employment and whether employees would receive payment for returned shares)**
- (ii) verified details of the current value of Denbighshire Leisure Limited's (DLL) assets, loans/borrowing and liabilities along with information on what would happen to these upon transfer if the alternative company structure were approved**
- (iii) the provision of a current valuation report on DLL along with up-to-date balance sheets/accounts for the business**
- (iv) the provision of a due diligence report on the potential investor, including the extent of the due diligence work undertaken**
- (v) the provision of the potential alternative company's proposed future Business Plan**
- (vi) clarity on employees' future Terms and Conditions under TUPE arrangements, including their protected and future pension rights**
- (vii) clarity on the subsidy control position and deregulation requirements if the proposed alternative company structure was approved**
- (viii) confirmation on the ownership and rights associated with the UK Leisure Framework if the proposed alternative company structure was approved.**

- (ix) information on the potential alternative company/investor's commitments to carbon reduction measures and supporting the Council's ambition to become net carbon zero and ecologically positive by 2030**
- (x) details of amendments required to the current contract between Denbighshire County Council and DLL for the provision of leisure services, along with future contract management arrangements, if the proposed alternative company structure was approved.**

Meeting concluded at 3.10pm