

TO: ALL MEMBERS OF THE COUNCIL

Your Ref /
Eich Cyf

Our Ref / Ein TW
Cyf

Date / Dyddiad 30/10/2008

Ask for / Mike Thomas
Gofynner am

Direct Dial / 01352 702324
Rhif Union

Fax / Ffacs

Dear Sir / Madam,

A **SPECIAL MEETING OF THE FLINTSHIRE COUNTY COUNCIL** will be held in the **COUNCIL CHAMBER, COUNTY HALL, MOLD** on **TUESDAY, 04 MARCH 2008** at **14:00** to consider the following items.

Yours faithfully



Assistant Director (Democratic Services)

A G E N D A

1. **PRAYERS**
2. **APOLOGIES FOR ABSENCE**
3. **DECLARATIONS OF INTEREST**
4. **GENERAL FUND REVENUE BUDGET 2008/09**
Report of County Finance Officer and Chief Executive enclosed
5. **CAPITAL PROGRAMME 2008/09 TO 2011/12**
Report of County Finance Officer enclosed
6. **PRUDENTIAL INDICATORS AND ANNUAL INVESTMENT STRATEGY 2008/09**
Report of County Finance Officer enclosed

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7. **COUNCIL TAX 2008-09**
Report of County Finance Officer enclosed

8. **LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 - TO CONSIDER THE EXCLUSION OF THE PRESS AND PUBLIC**

The following item is considered to be exempt by virtue of Paragraph(s) 12 and 15 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended).

9. **SENIOR MANAGEMENT STRUCTURE**
Following consideration of the report of the Chief Executive at the Special meeting of the Council on 19 February 2008, to consider the further report of the Chief Executive, on the options for location and management of Children's Services. (As a supplementary report was only requested at that special meeting, the report is unlikely to be available until the day of the meeting.)

FLINTSHIRE COUNTY COUNCIL

AGENDA ITEM NUMBER: 4

REPORT TO: SPECIAL MEETING OF THE FLINTSHIRE COUNTY COUNCIL

DATE : 04 MARCH 2008

REPORT BY: COUNTY FINANCE OFFICER AND CHIEF EXECUTIVE

SUBJECT : GENERAL FUND REVENUE BUDGET 2008/09

1.00 PURPOSE OF REPORT

1.01 To provide Members with the recommendations of the Executive in relation to the General Fund Revenue Budget 2008/09.

2.00 BACKGROUND

2.01 At its meeting on 19th February 2008, the Executive considered a joint report from the County Finance Officer and Chief Executive on the General Fund Revenue Budget 2008/09.

2.02 The report stated that the 2008/09 budget had been developed within the context of the Medium Term Financial Strategy (MTFS), and that the Council had adopted a revised approach to budgeting for 2008/09, with progress having been made in the following areas:

- A more corporate approach to budgeting
- Greater transparency of approach
- Integration of revenue and capital processes
- Expenditure aligned with priorities whilst protecting front line services
- Results of prior and in-year budget monitoring included in the budget process

2.03 In addition, the level of scrutiny undertaken in relation to the budget proposals has increased. All Overview & Scrutiny Committees received a presentation by the Chief Executive, County Finance Officer and relevant Director on the budget proposals. These meetings were held between 30th January and 5th February and a summary of the Committees' observations and questions, together with comments from Officers, is included in Appendix 8 of the 19th February 2008 report (attached as Appendix A).

2.04 However, the report also identified that further work was necessary in order to agree a MTFS in areas such as:

- Revised organisational structure
- Direct links with the business planning processes
- Identification of efficiencies
- Corporate approach to procurement
- Fees and Charges - at or moving towards comparable market levels

It is therefore planned that work in the coming months will enable a robust Medium Term Financial Plan to be designed for 2009/10 onwards.

2.05 The budget proposals have also been discussed with the School Budget Forum, the Flintshire Joint Trade Union Committee and Second and Third Tier officers via Team Talk.

3.00 CONSIDERATIONS

3.01 The recommendations of the Executive to County Council are set out in Section 7 of the 19th February 2008 report (attached as Appendix A).

4.00 RECOMMENDATIONS

4.01 That Members approve the recommendations of the Executive.

5.00 FINANCIAL IMPLICATIONS

5.01 As set out in the report.

6.00 ANTI POVERTY IMPACT

6.01 Individual growth and efficiency/savings items may have specific anti-poverty impacts.

7.00 ENVIRONMENTAL IMPACT

7.01 Individual growth and efficiency/savings items may have specific environmental impacts.

8.00 EQUALITIES IMPACT

8.01 Individual growth and efficiency/savings items may have specific equalities impacts.

9.00 PERSONNEL IMPLICATIONS

9.01 Individual growth and efficiency/savings items may have specific personnel implications.

10.00 CONSULTATION REQUIRED

10.01 Overview and Scrutiny, Business Ratepayers, School Budget Forum, Trade Unions, Executive Members and Directors.

11.00 CONSULTATION UNDERTAKEN

11.01 Overview and Scrutiny, Business Ratepayers, School Budget Forum, Trade Unions, Executive Members and Directors.

12.00 APPENDICES

12.01 Appendix A - Report to Executive on 19th February 2008 - General Fund Revenue Budget 2008/09

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985
BACKGROUND DOCUMENTS

2008/09 Budget Working Papers

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FLINTSHIRE COUNTY COUNCIL

Appendix A

REPORT TO: **EXECUTIVE**

DATE : **19 FEBRUARY 2008**

REPORT BY: **COUNTY FINANCE OFFICER AND CHIEF EXECUTIVE**

SUBJECT : **GENERAL FUND REVENUE BUDGET 2008/09**

1.00 PURPOSE OF REPORT

- 1.01 To propose the total General Fund Revenue Budget for 2008/09 and the Budget Requirement following consultation with all Overview and Scrutiny Committees and the School Budget Forum.
- 1.02 To advise of the proposed Schools' budget advised to Welsh Assembly Government (WAG).
- 1.03 To formally determine the level and utilisation of reserves (including an update on the level of one-off monies available).
- 1.04 To provide an update on the Medium Term Financial Strategy and Plan.

2.00 BACKGROUND

- 2.01 The budget proposals for 2008/09 were agreed by Executive on 30th January 2008 and referred to all Overview and Scrutiny Committees for consideration.
- 2.02 At the meetings of the Overview and Scrutiny Committees, held between 30th January and 5th February, the Chief Executive, County Finance Officer and relevant Director made a presentation on the budget proposals. Members made comments and asked a number of questions. A summary of these observations and questions, together with comments from Officers, is attached at Appendix 8. There were no comments made which the Executive is asked to take into consideration in formulating the final budget proposals.
- 2.03 The proposed changes to the Education budget, including the additional ringfenced sum of £0.650m for curriculum resources, were presented by the Chief Executive and County Finance Officer to a meeting of the School Budget Forum held on 4th February. The Forum welcomed both the additional funding for curriculum resources and the continuation of current practice not to apply the 1% efficiency savings included in the settlement to the Education budget (approximate value £0.970m).

- 2.04 Presentations on the budget process have been provided to Second and Third Tier Officers via Team Talk sessions held during January 2008. The Flintshire Joint Trade Union Committee received a budget update on 14th February 2008.

3.00 TOTAL REVENUE BUDGET AND BUDGET REQUIREMENT

- 3.01 On the basis of the consultation undertaken, the final budget proposed remains the same as that reported on 30th January except for the amount of funding from specific grants. Further details have now been received from WAG which has increased the estimated funding from the £27.535m reported on 30th January to £28.861m. Expenditure to be met by these grants is also increased and so the impact on the budget is neutral, other than to increase the overall total budget and funding. Full details of all Specific Grants are shown in Appendix 7 attached. Whilst confirmation of receipt of most grants has been received, a small number are subject to a bidding process and so the amounts are indicative and could be subject to change.
- 3.02 Of the £28.861m included for funding from specific grants, £21.330m (74%) are confirmed amounts and £7.531m (26%) are estimated, pending details being received. One of the biggest unknowns at this stage is the Foundation Phase Grant. In announcing the settlement the Minister for Social Justice and Local Government stated that an additional £15.000m of funding would be made available in 2008/09, bringing the total value for this grant funding to £25.000m at the all Wales level. The indicative figure for the Supporting People Grant for Flintshire indicates a 0.5% increase in the value of the grant. In order to compensate for this below inflation increase a budget pressure totalling £0.125m has been proposed as per Appendix 4d.
- 3.03 As a result of the increased estimate of specific grants, the total budget and funding has increased from £258.552m reported on 30th January to £259.878m. The revised budget and funding is as shown overleaf. Details of the figures making up the total budget are attached as Appendices 1-7. (These are the same as in the 30th January report, with the exception of a few minor presentational changes).

It is recommended that the 2008/09 General Fund Budget requirement be set at the calculated Standard Spending Assessment of £226,418,956.

		£m
<u>Funding</u>		
Revenue Support Grant		137.352
National Non Domestic Rates		39.371
Council Tax		49.696
SSA		<u>226.419</u>
 <u>Unhypothecated Grants</u>		
Performance Incentive Grant		1.497
Deprivation Grant		<u>0.225</u>
		1.722
Specific Grants (Estimated)	Appendix 7	28.861
Planned Use of Unearmarked Balances - agreed 2007/08		0.975
Planned Use of Unearmarked Balances		1.901
Total		<u>259.878</u>
 <u>Expenditure</u>		
Total Budget 2007/08		251.854
Previous Year's Growth / Items Dropping out	Appendix 1	(1.258)
Pay & Price Inflation	Appendix 2	7.427
Transfers into Settlement	Appendix 3	1.475
Transfers out of Settlement	Appendix 3	(0.030)
Pressures - Ongoing	Appendix 4	2.837
Pressures - One-off	Appendix 5	1.901
Efficiencies / Savings	Appendix 6	(5.654)
Less Specific Grants 2007/08	Appendix 7	(27.535)
Plus Specific Grants 2008/09	Appendix 7	28.861
Total		<u>259.878</u>

3.04 The budget proposals in this report set a budget requirement of £226,418,956. At this level of spend, the increase on the Band D Council Tax Rate (excluding Police and Town/Community Councils' precepts) is 3.39%. This equates to an increase of £27.01 on 2007/08 and would bring the Band D Rate up to £823.60.

3.05 The budget includes £2.406m for non standard inflation.

It is recommended that items of non standard inflation are only allocated out to services when the actual increase in cost is known.

3.06 The budget includes £2.837m of on-going new pressures and £1.901m of one-off pressures.

It is recommended that the practice adopted since 2004/05 continues that resources to fund new pressures be approved for the purposes set out. Any proposals to vary the use of the sums allocated are to be the subject of a further report to Executive.

It is further recommended that any sums for new pressures, where the detailed proposals of how the pressure will be addressed or the size of the pressures is not quantifiable at the present time, be held at the Centre until firmer details are known and that the County Finance Officer be given delegated authority to determine such cases with Directors.

- 3.07 The budget includes £5.654m of efficiency / savings items. The achievement of these savings will be monitored closely through budget monitoring.

It is recommended that if it should become apparent that achievement of any of the savings (in full or in part) is proving to be not as anticipated that this is dealt with corporately, with the Corporate Management Team bringing alternatives to Executive for consideration.

- 3.08 Full details of the total budget will be included in the 2008/09 Budget Book which will be made available for the start of the new financial year.

4.00 SCHOOLS' BUDGET

- 4.01 Under the LEA Budget, Schools Budget and Individual Schools Budget (Wales) Regulations 2003, local authorities are required to notify WAG of the proposed schools' budget for the forthcoming year. Due to the delay in the announcement of the final settlement, WAG has extended the deadline for notification (normally 31st January) and requested that authorities inform WAG as soon as is reasonably possible post 31st January 2008.
- 4.02 The Regulations prescribe the classes or descriptions of expenditure which fall into either LEA or Schools Budget. The Schools Budget includes the Individual Schools Budget (delegated budget) and other items as prescribed, including the amount notified by DELLS for post-16 education which will be received as a specific grant.
- 4.03 The indicative schools' budget is estimated to be £93,189,049, a total increase of £5,121,276 (5.82%). The Flintshire element of the total is £86,078,000, an increase of £4,326,000 (5.29%), and the DELLS element is £7,111,049, an increase of £795,276 (12.59%).
- 4.04 As stated in the joint report of the Chief Executive and County Finance Officer on 30th January, the total value of enhanced support to the Education budget is £1.620m, £0.970m from efficiency savings not being 'passported' to Education and £0.650m for additional curriculum resources. The latter amount will be delegated to schools on the basis of pupil numbers and will be

treated as earmarked funding as detailed in the Scheme for Financing Schools 2005.

- 4.05 Based on the indicative schools' budget, the Council's total proposed Education budget, (Net Revenue Expenditure (NRE)), which includes delegated and non-delegated sums, represents spend at 98.5% of the Education IBA compared to 97.4% in 2007/08. This increased funding has resulted in a £1.000m reduction in the difference between IBA and NRE for Flintshire. However, it is pertinent to note that the IBA is an indicative spending level based upon historical spending patterns and is not a formal target.
- 4.06 Section 7.05 of the same report stated that the proposed Education budget is, in the context of the settlement received from the Assembly and the overall proposed budget for Flintshire, considered reasonable.

5.00 RESERVES AND BALANCES

- 5.01 Under the Local Authority Accounting Panel (LAAP) Bulletin 55, the level and utilisation of all reserves must be determined formally by the Council, informed by the advice and judgement of the Finance Director.
- 5.02 Total Revenue Reserves comprise both General Fund and Specific Reserves (as reported annually in the Statement of Accounts). General Fund Reserves include Unearmarked and Earmarked Reserves.

GENERAL FUND UNEARMARKED RESERVES

- 5.03 During the 2007/08 budget setting process, the Council committed to achieving a base level of reserves of 2% of turnover by 2010/11.
- 5.04 The forecast level of unearmarked reserves as at 31st March 2008 is £10.310m, which includes the current base level of £4.000m. As stated in the 30th January report (sections 6.04 to 6.07) this level of unearmarked reserves has arisen from the amount brought forward from 2006/07 being higher than anticipated in the 2007/08 budget and because of prudent budgeting and windfall income in 2007/08. The report went on to state that, due to the revised approach to budgeting introduced in 2008/09, it is unlikely that there will be the level of unbudgeted income or provision to be returned to central resources as that experienced in previous years. In addition, indicative settlement levels for 2009/10 and 2010/11 show that grant funding in future years is unlikely to match pressures on services, thus placing significant demand on future years budgets.
- 5.05 The report, therefore, recommended that rather than moving to 2% over a three year period that this is done in 2008/09 by the use of £1.112m from unearmarked reserves. This will free up resources in future years budgets, although an annual contribution will be needed to keep the level of base reserves at 2% of turnover. It is unlikely that the same opportunity will arise in

the future to supplement reserves given the settlement forecast and the reduced flexibility in the base budget.

- 5.06 The 30th January report also recommended the use of £1.901m to fund one-off pressures in 2008/09 and that £1.000m be transferred to the capital programme.
- 5.07 On the basis that the recommendations above are agreed, the estimated amount available as at 31st March 2008 is £2.297m, over and above the revised base level of £5.112m. It is recommended that this is not allocated at this stage but is retained as a contingency to meet costs which may arise as the Council develops its medium term planning. All uses of these reserves would be brought forward for Member approval. It is intended that this contingency will be available for the term of the WAG budget, the three year period 2008/09 to 2010/11, and therefore equates to an annual amount of approximately £0.765m or 0.3% of turnover.

Members are asked to confirm that the actual amount of reserves remaining at the 31st March 2008 (currently estimated to be £2.297m) is not allocated at this stage but is retained as a contingency, and delegated to the Executive, to meet pressures which are predicted but not able to be fully costed, or new pressures which cannot be foreseen at this stage.

- 5.08 Based on the recommendations outlined, Unearmarked General Fund reserves are projected to move over the period to 31st March 2009 as follows:

	£m
Projected Balance as at 31st March 2008 (at Month 8)	(10.310)
One-off items in 2008/09 Budget	1.901
Transfer to Capital Programme	1.000
Contingency	2.297
Projected Balance as at 31st March 2009	Note 1 <u>(5.112)</u>

Note 1 - Base level of reserves representing 2% of 2008/09 turnover (£4.000 + £1.112m)

GENERAL FUND EARMARKED RESERVES

- 5.09 General Fund Earmarked Reserves include service balances, corporate balances and schools' balances.

- 5.10 Service balances are made up of those balances held by departments which Executive has agreed can be carried forward. The estimated opening and closing balances for 2008/09 are shown overleaf.

	Estimated Balance 31.03.08 £m	Estimated Balance 31.03.09 £m
Adult Social Care	0.607	0.358
Community & Housing	0.307	-
Environment & Regeneration	0.360	-
Corporate Strategy	0.550	-
FLaDS	0.093	-
Total	<u>1.917</u>	<u>0.358</u>

- 5.11 Corporate balances are held to meet commitments which fall in future years on specific items of expenditure, as follows:

	Estimated Balance 31.03.08 £m	Estimated Balance 31.03.09 £m
Medium Term Financial Strategy (ex Base Budget Review)	0.054	-
Employee Safety Measures	0.005	-
Total	<u>0.059</u>	<u>0.000</u>

- 5.12 The level of schools' balances is determined by the decisions of individual schools. Schools are responsible for managing their own finances. The level of reserves held by an individual school at any point in time will depend on a number of factors, including the timing of receipt of income and of payments, the level of contingency fund that the school governing body considers is appropriate and the particular plans each school has for expenditure.

The level of school balances at 31st March 2007 was £2.108m which equates to £89 per pupil. This compares to an average amount per pupil across Wales of £146, with the highest being £288 per pupil. It is anticipated that the level of balances at 31st March 2008 will be in the region of £1.900m, but this will depend on decisions made by Schools, as described above.

SPECIFIC RESERVES

5.13 In addition to General Fund Reserves, the Council also holds Specific Reserves. These are set out overleaf showing their purpose and the estimated opening and closing balances for 2008/09. The County Finance Officer is satisfied that the level of these reserves is appropriate.

	Estimated Balance 31.03.08 £m	Estimated Balance 31.03.09 £m
<u>Waste Disposal</u>		
To meet future waste disposal costs falling to the Council	1.025	0.755
Transfer Pad Facilities	0.250	-
<u>Milk Quotas</u>		
Reserve for transactions with outgoing or incoming agricultural estate tenants	0.054	0.058
<u>Building Control</u>		
Cumulative surplus on Building Control activities	0.166	0.166
<u>Winter Maintenance</u>		
Provision for treating roads in exceptional winter conditions	0.099	0.300
<u>Flintshire Business Services</u>		
Residual Flintshire Enterprise Ltd reserve	0.300	0.270
<u>Third Party Insurance Claims</u>		
To cover personal liability claims on E&R assigned property	0.621	0.600
<u>Flintshire Insurance</u>		
To finance insurance claims between working deductible (first £5k) and the excess imposed	1.343	1.343
<u>Clwyd Insurance</u>		
To cover the run-off of insurance claims relating to Clwyd County Council	0.040	-
Total	<u>3.898</u>	<u>3.492</u>

6.00 MEDIUM TERM FINANCIAL STRATEGY & PLAN

6.01 The 2008/09 budget has been developed within the context of the Medium Term Financial Strategy (MTFS).

6.02 The 30th January report highlighted the progress made in moving towards a MTFS but stated that the work necessary to agree the strategy is not yet sufficiently advanced and further work is required in areas such as:

- Revised organisational structure
- Direct links with the business planning processes
- Identification of efficiencies
- Corporate approach to procurement
- Fees and Charges - at or moving towards comparable market levels

6.03 It is therefore planned that work in the coming months will enable a robust Medium Term Financial Plan to be designed for 2009/10 onwards. The Council has already identified a number of known and potential factors which will need to be taken into account. These were highlighted in the January report and include outcomes of major pieces of work such as Housing Stock Options and Waste Strategy.

7.00 RECOMMENDATIONS

7.01 That the Executive recommends the following to County Council on 4th March 2008:

- (1) That the budget be set at the calculated SSA and that there be a 3.39% increase in Council Tax at Band D and a 99% Collection Rate (5.05 of 30th January report).
- (2) The inclusion of Deprivation Grant of £0.255m and Performance Incentive Grant of £1.497m in the budget (5.06 of 30th January report).
- (3) That the budget will be adjusted to reflect the actual level of specific grant received (5.07 of the 30th January report).
- (4) The levels of inflation assumed in the budget (5.08 - 5.11 of the 30th January report).
- (5) The amounts included in the budget relating to transfers in and out of the Settlement (5.12 of the 30th January report).
- (6) The inclusion of £2.837m (£3.495m in 2009/10 and £4.288m in 2010/11) of pressures in the base budget and that an additional £1.901m be funded from unearmarked reserves (5.14 of the 30th January report and Appendix 4 a-f and 5 of this report).

- (7) The inclusion of efficiencies / savings of £5.654m (£5.785m in 2009/10 and £5.785m in 2010/11) in the base budget (5.15 of the 30th January report and Appendix 6 of this report).
- (8) That £1.112m be transferred from unearmarked to base level reserves (6.07 of the 30th January report).
- (9) That £1.000m be transferred to the capital programme (6.08 of the 30th January report).
- (10) That the 2008/09 General Fund Budget requirement be set at the Standard Spending Assessment of £226,418,956 (3.03 of this report).
- (11) That items of non standard inflation are only allocated out to services when the actual increase in cost is known (3.05 of this report).
- (12) That the practice adopted since 2004/05 continues that resources to fund new pressures be approved for the purposes set out. Any proposals to vary the use of the sums allocated are to be the subject of a further report to Executive.

Further that any sums for new pressures, where the detailed proposals of how the pressure will be addressed or the size of the pressures is not quantifiable at the present time, be held at the Centre until firmer details are known and that the County Finance Officer be given delegated authority to determine such cases with Directors (3.06 of this report).

- (13) That if it should become apparent that achievement of any of the savings (in full or in part) is proving to be not as anticipated that this is dealt with corporately, with the Corporate Management Team bringing alternatives to Executive for consideration (3.07 of this report).
- (14) Members are asked to confirm that the actual amount of reserves remaining at the 31st March 2008 (currently estimated to be £2.297m) is not allocated at this stage but is retained as a contingency, and delegated to the Executive, to meet pressures which are predicted but not able to be fully costed, or new pressures which cannot be foreseen at this stage (5.07 of this report).

7.02 That the Executive note that the effect of the budget proposals will be to increase the budget requirement by £7.798m over the level in 2007/08 and increase the Band D Council Tax Rate by 3.39% on the level in 2007/08.

8.00 FINANCIAL IMPLICATIONS

8.01 As set out in the report.

9.00 ANTI-POVERTY IMPACT

9.01 Individual growth and savings items may have specific anti-poverty impacts.

10.00 ENVIRONMENTAL IMPACT

10.01 Individual growth and savings items may have specific environmental impacts.

11.00 EQUALITIES IMPACT

11.01 Individual growth and savings items may have specific equalities impacts.

12.00 PERSONNEL IMPLICATIONS

12.01 Individual growth and savings items may have specific personnel implications.

13.00 CONSULTATION REQUIRED

13.01 Overview And Scrutiny, Business Ratepayers, School Budget Forum, Trade Unions, Executive Members and Directors.

14.00 CONSULTATION UNDERTAKEN

14.01 Overview And Scrutiny, Business Ratepayers, School Budget Forum, Trade Unions, Executive Members and Directors.

15.00 APPENDICES

- 15.01 Appendix 1 - Previous Years' Growth / Items Dropping Out
- Appendix 2 - Inflation
- Appendix 3 - Transfers Into / Out of the Settlement
- Appendix 4 - Pressures - Ongoing
- Appendix 5 - Pressures One-off
- Appendix 6 - Efficiencies / Savings
- Appendix 7 - Specific Grants
- Appendix 8 - Overview & Scrutiny Committees - Comments / Questions

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 **BACKGROUND DOCUMENTS**

Final Local Government Revenue Settlement 2008/09
2008/09 Budget Working Papers

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Previous Years' Growth / Items Dropping Out

	£m	£m
<u>APPROVED 2005/06 BUDGET</u>		
<u>Financial, Legal & Democratic Services</u>		
Child Care Protocol	(0.038)	
	<u>(0.038)</u>	
<u>Corporate Strategy</u>		
Human Resources Information System	(0.030)	
	<u>(0.030)</u>	
		(0.068)
<u>APPROVED 2006/07 BUDGET</u>		
<u>Environment and Regeneration</u>		
UDP Process	(0.200)	
Concessionary Fares	0.002	
Flintshire Business Services	(0.070)	
	<u>(0.268)</u>	
<u>Central and Corporate</u>		
Eisteddfod	(0.050)	
Pension Fund Strain	(0.019)	
	<u>(0.069)</u>	
		(0.337)
<u>APPROVED 2007/08 BUDGET</u>		
<u>Adult Social Care</u>		
Supported Accommodation - Mental Health	0.105	
Emergency Duty Team	0.008	
Social Work in Wales - A Profession to value	0.054	
Extra Care Revenue Costs	0.520	
Additional School Leavers - Physical/Sensory Impairment	0.023	
Additional School Leavers - Learning Disability	0.278	
	<u>0.988</u>	
<u>Community and Housing</u>		
Enforcement Officer - waste related services	0.009	
Provision of Housing Strategy Unit	0.020	
Cessation of peripatetic Skip Service	(0.020)	
	<u>0.009</u>	
<u>Education & Children's Services & Recreation</u>		
Social Work in Wales - A Profession to value	0.102	
Out of County Educational/Residential Placements	(0.300)	
Saltney Library - Mobile	(0.016)	
Leisure Services	(0.050)	
	<u>(0.264)</u>	

Previous Years' Growth / Items Dropping Out

	£m	£m
<u>Environment and Regeneration</u>		
Maintenance of Cycleways	0.010	
	<u>0.010</u>	
<u>Corporate Strategy</u>		
Maintenance of CRB Organisation Structure	0.021	
ICT Goods and Services	0.100	
	<u>0.121</u>	
<u>Central and Corporate</u>		
Central Loans and Investment Account	0.520	
Employer's Pension Contributions	0.100	
Programme for Change Reserve - Transfer to provisions	(0.737)	
	<u>(0.117)</u>	
		0.747
 <u>ONE-OFF PRESSURES DROPPING OUT</u>		
<u>Education, Children's Services and Recreation</u>		
School Organisation Review Task Group	(0.120)	
	<u>(0.120)</u>	
<u>Community and Housing</u>		
Asset Management - Condition Surveys	(0.110)	
Energy Conservation Measures	(0.007)	
Transfer Station re Waste Disposal	(0.250)	
	<u>(0.367)</u>	
<u>Environment and Regeneration</u>		
Fleet Services - Operator Licence Compliance	(0.010)	
Asset Management Plan Data Collection	(0.100)	
Employment Land Survey	(0.025)	
Environmental Improvements	(0.500)	
	<u>(0.635)</u>	
<u>Corporate Strategy</u>		
Making the Connections Collaboration Fund	(0.050)	
National Performance Management System	(0.040)	
Community Strategy - review and update	(0.039)	
Extension of Temporary Contracts - Job Analysts	(0.048)	
Single Status/HRMIS Joint Project (continuation)	(0.150)	
	<u>(0.327)</u>	
<u>Financial, Legal & Democratic Services</u>		
Continuation of Interim Management Arrangements	(0.079)	
	<u>(0.079)</u>	
<u>Central and Corporate</u>		
Additional One-Off Single Status Consultation	(0.072)	
	<u>(0.072)</u>	
		(1.600)
TOTAL BASE ADJUSTMENTS		<u>(1.258)</u>

APPENDIX 2**Inflation**

	£m	£m
Pay		3.926
Price		2.450
Non Standard		
<u>Expenditure</u>		
Energy (Electricity/Gas/Oil)	1.000	
Independent Sector Fees - Care Homes	0.460	
Independent Sector Fees - Domiciliary Care	0.348	
Composting Facility (Retail Price Index Uplift)	0.025	
Recycling Parks (Retail Price Index Uplift)	0.022	
Civic Amenity Site (Retail Price Index Uplift)	0.009	
Transfer Station (Retail Price Index Uplift)	0.010	
BT Circuits - rental price increase	0.028	
Street Lighting - Energy	0.069	
School Catering - Food Prices	0.145	
School Transport Costs	0.290	
		2.406
Income		(1.355)
TOTAL INFLATION		7.427

Transfers into & out of the Settlement

	£m
<u>Transfers into the Settlement</u>	
Civil Contingencies/Emergency Planning	0.116
Enforcement of Trading Standards Legislation	0.012
Early Years Grant	1.073
Cymorth Grant	0.269
LEA Partnerships	0.005
TOTAL	<u>1.475</u>
<u>Transfers out of the Settlement</u>	
Better Schools Fund - Match Funding	(0.030)
TOTAL	<u>(0.030)</u>

General Fund Budget - Pressures
Summary of Pressures

		2008/09 £m	2009/10 £m	2010/11 £m
Legislative/Regulatory Requirements	<i>Appendix 4a</i>	0.734	1.190	1.622
Local Service Pressures	<i>Appendix 4b</i>	1.387	1.372	1.318
Demographic Change	<i>Appendix 4c</i>	0.142	0.359	0.774
Reduction in Income	<i>Appendix 4d</i>	0.548	0.548	0.548
Unachievable Savings from Previous Year	<i>Appendix 4e</i>	0.026	0.026	0.026
TOTAL		2.837	3.495	4.288
<i>Change for future years</i>			0.658	0.793

General Fund Budget - Pressures
Legislative/Regulatory Requirements

	2008/09 £m	2009/10 £m	2010/11 £m
<u>Community and Housing</u>			
Landfill Tax Increase	0.464	0.912	1.344
Increased Hazardous Waste Costs	0.060	0.060	0.060
Collection of Stray Dogs	0.009	0.009	0.009
Energy Awareness	0.020	0.020	0.020
Legislative Payments	0.035	0.035	0.035
	0.588	1.036	1.468
<u>Education, Children's Services & Recreation</u>			
Court Fees (Family Court)	0.099	0.099	0.099
<u>Corporate Strategy</u>			
Information Security Officer	0.030	0.038	0.038
Portable Device & End Point Security Software	0.017	0.017	0.017
	0.047	0.055	0.055
TOTAL	0.734	1.190	1.622
<i>Change for future years</i>		0.456	0.432

General Fund Budget - Pressures**Local Service Pressures**

	2008/09 £m	2009/10 £m	2010/11 £m
<u>Adult Social Care</u>			
Increased Infrastructure Funding - Direct Payments Service	0.064	0.075	0.075
Additional Rent - Flintshire Business Services	0.010	0.010	0.010
Social Care Workforce Development Plan	0.019	0.019	0.019
Early Onset Dementia Resource Centre	0.020	0.020	0.020
	0.113	0.124	0.124
<u>Community and Housing</u>			
Match Funding for Specialist Debt Advice Officer	0.022	0.030	0.000
Additional Staff Resources - Homelessness Prevention	0.051	0.069	0.069
Bond Payments	0.040	0.040	0.040
Rent Abatement/Council Tax Budget Increases	0.037	0.037	0.037
	0.150	0.176	0.146
<u>Education, Children's Services & Recreation</u>			
Curriculum Resources	0.650	0.650	0.650
Better Schools Fund - Match Funding	0.030	0.030	0.030
Cymorth - Childcare Element	0.043	0.043	0.043
Increases Investment to meet National Youth Strategy	0.062	0.062	0.062
Additional Rent - Flintshire Business Services	0.005	0.005	0.005
Community Centres - R&M	0.025	0.025	0.025
	0.815	0.815	0.815
<u>Environment and Regeneration</u>			
Flintshire Business Services	0.218	0.166	0.142
Provision for Increased Depot Costs	0.050	0.050	0.050
Additional Rent - Flintshire Business Services	0.001	0.001	0.001
	0.269	0.217	0.193
<u>Chief Executive</u>			
Lord Lieutenancy - Associated Costs	0.005	0.005	0.005
Salary Budget Shortfall	0.033	0.033	0.033
	0.038	0.038	0.038
<u>Corporate Strategy</u>			
Additional Rent - Flintshire Business Services	0.002	0.002	0.002
TOTAL	1.387	1.372	1.318
<i>Change for future years</i>		<i>(0.015)</i>	<i>(0.054)</i>

General Fund Budget - Pressures
Demographic Change

	2008/09 £m	2009/10 £m	2010/11 £m
<u>Adult Social Care</u>			
Additional School Leavers - Physical/Sensory Impairment	0.037	0.053	0.053
Additional School Leavers - Learning Disability	0.084	0.285	0.700
	0.121	0.338	0.753
<u>Education, Children's Services & Recreation</u>			
CLASS - Primary Language Service	0.021	0.021	0.021
TOTAL	0.142	0.359	0.774
<i>Change for future years</i>		<i>0.217</i>	<i>0.415</i>

General Fund Budget - Pressures
Reduction in Income

	2008/09 £m	2009/10 £m	2010/11 £m
<u>Community and Housing</u>			
Shortfall in Supporting People Grant Allocation	0.176	0.176	0.176
Neighbourhood Wardens - loss of grant	0.040	0.040	0.040
Rental Income - Glendale Business Park	0.017	0.017	0.017
Rental Income - Newtech Square	0.130	0.130	0.130
	0.363	0.363	0.363
<u>Corporate Strategy</u>			
Loss of Income from Clwyd Pension Fund - Pensions/Payroll	0.060	0.060	0.060
<u>Central and Corporate</u>			
Supporting People Grant	0.125	0.125	0.125
TOTAL	0.548	0.548	0.548
<i>Change for future years</i>		<i>0.000</i>	<i>0.000</i>

General Fund Budget - Pressures
Unachievable Savings from Previous Year

	2008/09 £m	2009/10 £m	2010/11 £m
<u>Financial, Legal & Democratic Services</u>			
Legal Work on Housing Disrepair Claims	0.026	0.026	0.026
TOTAL	0.026	0.026	0.026
<i>Change for future years</i>		0.000	0.000

General Fund Budget - Pressures**One-Offs**

	2008/09 £m
<u>Community and Housing</u>	
North Wales Waste Partnerships - Consultancy Fees	0.300
Peripatetic Skip Service	0.039
Legislative Payments	0.184
Fire Safety Order	0.350
	0.873
<u>Education & Children's Services & Recreation</u>	
Mobile Classrooms	0.190
<u>Environment and Regeneration</u>	
Decriminalised Parking	0.075
Private Drain Block Call-Out (In-year review to take place)	0.050
Highways Asset Management Plan	0.030
Winter Maintenance Reserve Increase	0.250
	0.405
<u>Financial, Legal & Democratic Services</u>	
Increase Internal Insurance Fund - Asbestos related claims	0.100
Cost of Elections May 2008	0.100
	0.200
<u>Corporate Strategy</u>	
ICT Network Penetration Testing (external network security check)	0.025
Portable Device & End Point Security Software	0.068
Mobile Working Pilots	0.033
Single Status/Equal Pay	0.054
	0.180
<u>Central and Corporate</u>	
Trade Union Consultation	0.053
TOTAL	1.901

General Fund Budget - Savings
Summary of Savings

		2008/09	2009/10	2010/11
		£m	£m	£m
Efficiency Savings;				
Staff Related	<i>Appendix 6a</i>	0.955	1.057	1.057
Non Staff Related	<i>Appendix 6b</i>	1.247	1.249	1.249
		<u>2.202</u>	<u>2.306</u>	<u>2.306</u>
Revised Service Provision	<i>Appendix 6c</i>	1.660	1.687	1.687
Demographic Change	<i>Appendix 6d</i>	0.716	0.716	0.716
Increases in Income;				
New Fees and Charges	<i>Appendix 6e</i>	0.140	0.140	0.140
Fees and Charges Increased Above Standard Inflation	<i>Appendix 6e</i>	0.473	0.473	0.473
Non Fees and Charges Income	<i>Appendix 6e</i>	0.463	0.463	0.463
		<u>1.076</u>	<u>1.076</u>	<u>1.076</u>
TOTAL		<u>5.654</u>	<u>5.785</u>	<u>5.785</u>
<i>Change for future years</i>			0.131	0.000

General Fund Budget - Savings
Efficiency Savings - Staff Related

	2008/09 £m	2009/10 £m	2010/11 £m
<u>Adult Social Care</u>			
Restructure of Business Services	0.038	0.051	0.051
Refocus of Visual Impairment Service	0.014	0.019	0.019
Hired transport to staff with Visual Impairment	0.006	0.006	0.006
Recommission of Contract Monitoring	0.029	0.038	0.038
Reconfiguration of Carers Service	0.023	0.031	0.031
Alternative funding of Social Work Post.	0.039	0.039	0.039
Reduction in Work Opportunities Service	0.027	0.027	0.027
	0.176	0.211	0.211
<u>Community and Housing</u>			
Salary saving arising from deletion of People and Places Officer position	0.010	0.019	0.019
<u>Education & Children's Services & Recreation</u>			
Restructuring of ICT Unit & Performance Management	0.130	0.130	0.130
<u>Environment and Regeneration</u>			
Former European Partnership Project no longer undertaken	0.011	0.011	0.011
<u>Financial, Legal & Democratic Services</u>			
Administration - Reduction in Employee Hours	0.002	0.002	0.002
Deletion of two posts in Customer Accounts in response to investment in technology	(0.006)	0.052	0.052
	(0.004)	0.054	0.054
<u>Corporate Strategy</u>			
Delete Assistant Director - Policy, Performance & Partnerships Post	0.080	0.080	0.080
<u>Central & Corporate</u>			
Pay Award 2007/08	0.416	0.416	0.416
2nd Tier Officers' Pay Review	0.136	0.136	0.136
	0.552	0.552	0.552
TOTAL	0.955	1.057	1.057
<i>Change for future years</i>		0.102	0.000

General Fund Budget - Savings
Efficiency Savings - Non Staff Related

	2008/09	2009/10	2010/11
	£m	£m	£m
<u>Adult Social Care</u>			
Reduction of Hired Transport budget	0.049	0.049	0.049
Cashable Efficiency Gains	0.030	0.030	0.030
Independent Sector Daycare	0.030	0.030	0.030
	0.109	0.109	0.109
<u>Community and Housing</u>			
Removal of Directorate working budget provision relating to risk management and insurance / third party claim costs	0.027	0.027	0.027
Cashable Efficiency Gains	0.029	0.029	0.029
	0.056	0.056	0.056
<u>Education & Children's Services & Recreation</u>			
Cashable Efficiency Gains	0.167	0.167	0.167
<u>Environment and Regeneration</u>			
Carriageway Resurfacing allocation reduction	0.170	0.170	0.170
Carriageway Patching allocation reduction	0.080	0.080	0.080
Efficiency Saving for Rural Grass Cutting	0.020	0.020	0.020
Reduction in Third Party Claim Annual Provision	0.025	0.025	0.025
Cashable Efficiency Gains	0.050	0.050	0.050
Bus Subsidy Efficiencies	0.030	0.030	0.030
	0.375	0.375	0.375
<u>Financial, Legal & Democratic Services</u>			
Democratic Services - Various	0.024	0.024	0.024
Electoral Registration / Elections - Grant	0.015	0.015	0.015
Reduction in Fees and Subscriptions	0.013	0.013	0.013
Reduction in Casual Mileage	0.001	0.001	0.001
Reduction in financial vetting budget (status enquiries)	0.002	0.002	0.002
Cashable Efficiency Gains	0.016	0.016	0.016
County By-Elections	0.017	0.017	0.017
	0.088	0.088	0.088
<u>Corporate Strategy</u>			
Business Continuity Maintenance Costs	0.005	-	-
Rationalisation of House Software Development Tools	0.017	0.024	0.024
Registration of Births, Deaths & Marriages - relocation of services provided at sub offices	0.003	0.006	0.006
One Off Savings on Printer Maintenance	0.003	-	-
Reduction in Leasing Payments	0.006	0.006	0.006
Cashable Efficiency Gains	0.012	0.012	0.012
Reduction in Supplies & Services Budget	0.001	0.001	0.001
	0.047	0.049	0.049

General Fund Budget - Savings
Efficiency Savings - Non Staff Related

	2008/09	2009/10	2010/11
	£m	£m	£m
<u>Chief Executive</u>	0.001	0.001	0.001
<u>Central & Corporate</u>			
Transport Costs (NSI)	0.074	0.074	0.074
Bus Operator Costs (NSI)	0.080	0.080	0.080
Street Lighting (NSI)	0.166	0.166	0.166
Discretionary Rate Relief	0.026	0.026	0.026
Tenant's Gardens	0.058	0.058	0.058
	0.404	0.404	0.404
TOTAL	1.247	1.249	1.249
<i>Change for future years</i>		<i>0.002</i>	<i>0.000</i>

General Fund Budget - Savings
Revised Service Provision

	2008/09	2009/10	2010/11
	£m	£m	£m
<u>Adult Social Care</u>			
Community Equipment Service	0.010	0.010	0.010
Vulnerable Adults Budget	0.100	0.100	0.100
	0.110	0.110	0.110
<u>Community and Housing</u>			
Homelessness	1.105	1.105	1.105
Closure of Saltney Managed Bring Site for Recyclable Waste - From 1st July 2008 (Subject to Sandycroft CA Site being ready and available for use)	0.083	0.110	0.110
Residual salary savings arising from transfer of Admin staff to the Housing Revenue Account	0.040	0.040	0.040
Reduction to Marketing and Promotion budget across all locations	0.014	0.014	0.014
Reduction in Repair and Maintenance budgets across all locations	0.010	0.010	0.010
Removal of repair and maintenance allocation relating to Broken Bank property	0.009	0.009	0.009
Reduction of repair and maintenance allocation related to Former Landfill Sites	0.006	0.006	0.006
Reduction in the Marketing budget provision for the Neighbourhood Wardens Service	0.005	0.005	0.005
Industrial Units/Misc Properties - Various	0.021	0.021	0.021
	1.293	1.320	1.320
<u>Education, Children's Services & Recreation</u>			
Invest to Save	0.155	0.155	0.155
<u>Corporate Strategy</u>			
Reduction in Supplies & Services Budget	0.014	0.014	0.014
Criminal Records Bureau Checks	0.065	0.065	0.065
Reduction in Supplies & Services Budget	0.005	0.005	0.005
	0.084	0.084	0.084
<u>Chief Executive</u>			
Supplies and Services	0.003	0.003	0.003
Corporate Subscriptions	0.015	0.015	0.015
	0.018	0.018	0.018
TOTAL	1.660	1.687	1.687
<i>Change for future years</i>		0.027	0.000

General Fund Budget - Savings
Demographic Change

	2008/09 £m	2009/10 £m	2010/11 £m
<u>Adult Social Care</u>			
Reduction in Preserved Rights	0.105	0.105	0.105
<u>Education, Children's Services & Recreation</u>			
Demographic downturn	0.522	0.522	0.522
Formula Savings - Ysgol y Ddol (Closed)	0.089	0.089	0.089
	0.611	0.611	0.611
	0.716	0.716	0.716
<i>Change for future years</i>		0.000	0.000

General Fund Budget - Savings
Increases in Income

New Fees and Charges

	2008/09 £m	2009/10 £m	2010/11 £m
<u>Adult Social Care</u>			
Charging Policy Changes - Elderly Mental Health	0.020	0.020	0.020
Charging Policy Changes to disregard	0.062	0.062	0.062
	0.082	0.082	0.082
<u>Financial, Legal & Democratic Services</u>			
Additional staffing Recharge to Clwyd Pension Fund	0.004	0.004	0.004
Additional staffing Recharge to Internal Insurance Fund	0.014	0.014	0.014
	0.018	0.018	0.018
<u>Environment and Regeneration</u>			
Additional Licensing Income	0.020	0.020	0.020
Skip, Scaffold & Hoardings Licence Fees	0.020	0.020	0.020
	0.040	0.040	0.040
TOTAL	0.140	0.140	0.140
<i>Change for future years</i>		0.000	0.000

Fees and Charges Increased Above Standard Inflation

	2008/09 £m	2009/10 £m	2010/11 £m
<u>Adult Social Care</u>			
Charging Policy Changes - Increased hourly charge for Homecare	0.145	0.145	0.145
Additional Income - Partnerships/Performance	0.115	0.115	0.115
	0.260	0.260	0.260
<u>Community and Housing</u>			
Uplift of Cemetery Fees by 10%	0.010	0.010	0.010
Increase of Market Fees by 5%	0.013	0.013	0.013
	0.023	0.023	0.023
<u>Environment and Regeneration</u>			
Planning Fee income increases	0.150	0.150	0.150
<u>Financial, Legal & Democratic Services</u>			
Increase Court Costs from £80 to £85 (last reviewed 1st April 2006)	0.040	0.040	0.040
TOTAL	0.473	0.473	0.473
<i>Change for future years</i>		0.000	0.000

**General Fund Budget - Savings
Increases in Income**

Non Fees and Charges Income

	2008/09 £m	2009/10 £m	2010/11 £m
<u>Community and Housing</u>			
Increased income relating to Gas Royalties	0.068	0.068	0.068
<u>Education & Children's Services & Recreation</u>			
Substitution of grant income	0.055	0.055	0.055
<u>Central & Corporate</u>			
Central Loans and Investment Account	0.201	0.201	0.201
Vehicle Rebates	0.080	0.080	0.080
Rental Income	0.059	0.059	0.059
	0.340	0.340	0.340
TOTAL	0.463	0.463	0.463
<i>Change for future years</i>		0.000	0.000
TOTAL INCOME	0.936	0.936	0.936

Flintshire County Council
Budget 2008-09
Specific Grants

		<i>Budget</i> 2007-08	<i>Projection</i> 2008-09	<i>Variance to</i> 2007-08	Confirmed (C) or Estimated (E)
		£	£	£	
Community & Housing	Fridge Disposal	29,484	0	-29,484	C
	Supporting People	1,188,244	1,217,950	29,706	C
	Sustainable Waste Management	1,675,224	2,381,576	706,352	C
		2,892,952	3,599,526	706,574	
ECS&R					
Non Delegated	Archives Grant Scheme	423	0	-423	E
	Basic Skills	314,000	0	-314,000	E
	Better Schools Fund	1,084,000	1,069,000	-15,000	C
	Community Focused Schools	84,940	103,390	18,450	C
	Community Learning	3,149	3,247	98	C
	Cymorth <i>(part transfer into settlement)</i>	2,298,059	2,093,417	-204,642	C
	DELLS (Post 16 provision in schools) <i>(increased allocation)</i>	616,956	1,108,173	491,217	C
	Early Years <i>(transferred into settlement)</i>	1,073,155	0	-1,073,155	E
	Education of Travellers	91,544	79,987	-11,557	C
	Flying Start	1,045,145	1,083,575	38,430	C
	Free Swimming 60+	60,000	60,000	0	E
	Free Swimming Children/Young People	124,807	104,807	-20,000	E
	Learning Pathways 14-19	543,556	843,000	299,444	E
	Local Safeguarding Children Fund	5,000	5,000	0	C
	Minority Ethnic Achievement	56,000	70,000	14,000	C
	Primary School Free Breakfast Initiative	73,235	0	-73,235	E
	RAISE Looked After Children	39,987	39,987	0	E
	School Uniform Financial Assistance Scheme	28,131	25,639	-2,492	C
	Social Care Workforce Development Programme	107,347	105,688	-1,659	C
	Welsh Language	110,201	110,201	0	E
	Welsh Network of Healthy School Schemes	125,250	125,250	0	E
	YOT	257,060	257,060	0	E
	Young Peoples Innovation	50,000	0	-50,000	E
		8,191,945	7,287,421	-904,524	
Delegated	Assistance to Head Teaching in Small Schools and Joint Working in Small Schools	128,573	133,329	4,756	C
	DELLS (Post 16 provision in schools) <i>(increased allocation)</i>	5,698,817	6,002,876	304,059	C
	Key Stage 2-3 Transition <i>(increased allocation)</i>	51,000	102,000	51,000	E
	RAISE	304,656	307,000	2,344	E
	School Improvement	0	602,300	602,300	C
	Small and Rural Schools	82,459	85,331	2,872	C
		6,265,505	7,232,836	967,331	
ASC					
	Collaboration	39,000	39,000	0	E
	Inequalities in Health		105,000	105,000	E
	Joint Working	488,211	441,820	-46,391	E
	LD Strategy Resettlement	884,295	884,295	0	E
	Mental Health Carers	126,728	168,690	41,962	C
	Performance Management Development Fund	113,234	206,020	92,786	C
	Regional Social Care		35,000	35,000	E
	Social Care Workforce Development Programme	344,161	338,606	-5,555	C
	Strategy for Older People	104,000	103,741	-259	C
	Support for People with Disabilities	67,249	68,688	1,439	C
	Supported Housing Revenue		79,599	79,599	E
	Supporting People	3,840,460	3,936,471	96,012	C
	Well Being Activity	0	25,000	25,000	C
		6,007,338	6,431,930	424,593	
E & R					
	Bus Revenue Support <i>(incorporates Demand Responsive Transport)</i>	300,000	300,000	0	E
	Communities First	837,911	861,743	23,832	E
	Concessionary Travel	1,201,676	1,282,000	80,324	E
	Local Transport Services	462,533	512,000	49,467	E
	Planning - Delivering for Wales	70,000	70,000	0	E
		2,872,120	3,025,743	153,623	
F L & D S					
	Supporting People	304,527	312,141	7,613	C
Corporate Strategy					
	Civil Contingencies <i>(transferred into settlement)</i>	116,000	0	-116,000	C
	Crime Reduction and Anti Social Behaviour <i>(previously Building Safer Communities)</i>	184,000	121,203	-62,797	E
	Evaluated Early Parental Intervention Project	0	115,000	115,000	E
	Safer Communities Fund	194,000	194,000	0	E
	Substance Misuse	507,000	541,105	34,105	E
		1,001,000	971,308	-29,692	
Totals		27,535,387	28,860,905	1,325,518	

OVERVIEW & SCRUTINY
BUDGET CONSULTATION 2008/09

APPENDIX 8

Summary of comments from Overview & Scrutiny Committees on their consideration of the Budget Consultation Exercise for 2008/09. In general terms, all of the issues which were raised by committee members were addressed by either the executive members or the officers:

Overview & Scrutiny Committees:	Comments on <u>relevant directorate</u> for 2008/9 budget areas:	Comments Where Appropriate
Lifelong Learning	<ol style="list-style-type: none"> 1. Clarification was requested on the achievement of efficiency savings. 2. Clarification was requested on the inclusion of £25k for Community Centres' repairs and maintenance. 3. The inclusion of £650k for curriculum resources was welcomed. A comment was made that there was great pressure on schools in terms of the introduction of the foundation phase and the need for further funding for curriculum resources. 4. The additional funding for the Youth Service included in the budget was welcomed. 5. There was acknowledgement that the 1% efficiency saving has not been passed on to schools. 	<ol style="list-style-type: none"> 1. The County Finance Officer and Chief Executive Officer explained that the £5.6m efficiency savings referred to were across the whole Council 2. It was explained that this had previously been in the Capital Programme but was properly revenue expenditure. 3. Noted. 4. Noted 5. Noted

OVERVIEW & SCRUTINY BUDGET CONSULTATION 2008/09

Summary of comments from Overview & Scrutiny Committees on their consideration of the Budget Consultation Exercise for 2008/09. In general terms, all of the issues which were raised by committee members were addressed by either the executive members or the officers:

Overview & Scrutiny Committees:	Comments on <u>relevant directorate</u> for 2008/9 budget areas:	Comments Where Appropriate
Lifelong Learning (cont'd)	<p>6. Clarification was requested on funding for services to provide the teaching of English as an Additional Language.</p> <p>7. A question was asked if it was known whether the additional resources would affect Flintshire's ranking within Wales on spend per pupil.</p> <p>8. Thanks were noted for the hard work which had been put into making the budget understandable.</p> <p>9. The introduction of 3 year settlements was welcomed.</p>	<p>6. The Resources Manager explained that this was funded through specific grants.</p> <p>7. It was explained that this would not be known until all authorities had set their budgets.</p> <p>8. Noted.</p> <p>9. Noted.</p>

OVERVIEW & SCRUTINY BUDGET CONSULTATION 2008/09

Summary of comments from Overview & Scrutiny Committees on their consideration of the Budget Consultation Exercise for 2008/09. In general terms, all of the issues which were raised by committee members were addressed by either the executive members or the officers:

Overview & Scrutiny Committees:	Comments on <u>relevant directorate</u> for 2008/9 budget areas:	Comments Where Appropriate
People & Performance	<p><u>Corporate Strategy:</u></p> <ol style="list-style-type: none"> 1. It was proposed that there should be a review of the Mobile office during the next year and that the previous scrutiny work on this should be brought forward into the debate. 2. In principle, the need for extra capacity to deal with increase in IT Security demand was supported. Whilst a new IT Post was a possible solution it was suggested that the department investigate a shared resource with neighbouring Authorities. 3. There was, in principle, support for relocation of the Holywell Registrar of B.D& M because of low demand for marriages thus possible relocation of registration office to elsewhere in the town – It was suggested that consultation take place with Local Members first. 	<ol style="list-style-type: none"> 1. Noted – this will be undertaken 2. Noted – the suggestions will be explored 3. It was agreed that Local Members will be consulted

OVERVIEW & SCRUTINY
BUDGET CONSULTATION 2008/09

Summary of comments from Overview & Scrutiny Committees on their consideration of the Budget Consultation Exercise for 2008/09. In general terms, all of the issues which were raised by committee members were addressed by either the executive members or the officers:

Overview & Scrutiny Committees:	Comments on <u>relevant directorate</u> for 2008/9 budget areas:	Comments Where Appropriate
People & Performance (cont'd)	4. It was requested that the format for information be revisited or explain more fully the 'Saving Options-Revenue' and 'New Pressure-Revenue' Tables circulate as part of this budget consultation exercise to Members to avoid misinterpretations.	4. Agreed – undertaken at later meetings

OVERVIEW & SCRUTINY
BUDGET CONSULTATION 2008/09

Summary of comments from Overview & Scrutiny Committees on their consideration of the Budget Consultation Exercise for 2008/09. In general terms, all of the issues which were raised by committee members were addressed by either the executive members or the officers:

Overview & Scrutiny Committees:	Comments on <u>relevant directorate</u> for 2008/9 budget areas:	Comments Where Appropriate
Community & Housing	<p>1. No comment made on General Fund proposals.</p> <p><u>Housing Revenue Account</u></p> <p>2. The budget proposal for void property rent losses at 2.5% was not seen as realistic by a Member.</p> <p>3. A question was raised on why budget pressures on increased energy costs were included, but no efficiency savings reported on energy conservation.</p>	<p>1. Noted</p> <p>2. The Acting Director responded that the proposed rent loss target at 2.5% was realistic and achievable on the basis of work currently being undertaken on the void process. Smarter ways of working and the new schedule of rates including the utilisation of external contractors would all contribute to the overall achievement of the 2.5% figure. In addition increased measures relating to robust tenancy enforcement would also result in a positive effect.</p> <p>3. The issue relating to energy conservation was detailed in the response by the Acting Director in the context of the work undertaken in installing ground source heat pumps, energy conservation measures such as loft and cavity insulation, double glazing and new doors which fit as opposed to not fitting (draughts)</p>

OVERVIEW & SCRUTINY
BUDGET CONSULTATION 2008/09

Summary of comments from Overview & Scrutiny Committees on their consideration of the Budget Consultation Exercise for 2008/09. In general terms, all of the issues which were raised by committee members were addressed by either the executive members or the officers:

Overview & Scrutiny Committees:	Comments on <u>relevant directorate</u> for 2008/9 budget areas:	Comments Where Appropriate
Community & Housing (cont'd)	<p>4. A number of Members expressed concern at the provision and servicing of heating within tenants' properties.</p> <p>5. A Member expressed concern at the level of rent arrears and the impact of this on the HRA.</p>	<p>high efficiency boiler installations and the supply of low energy light bulbs.</p> <p>4. The Acting Director responded and undertook to look into specific issues raised by Members.</p> <p>5. The Acting Director and Executive Member for Housing responded by setting the level of arrears in context with the total rent payable and assured Members that robust systems and procedures are in place around rent collection and supporting tenants who are in difficulty.</p>

OVERVIEW & SCRUTINY BUDGET CONSULTATION 2008/09

Summary of comments from Overview & Scrutiny Committees on their consideration of the Budget Consultation Exercise for 2008/09. In general terms, all of the issues which were raised by committee members were addressed by either the executive members or the officers:

Overview & Scrutiny Committees:	Comments on <u>relevant directorate</u> for 2008/9 budget areas:	Comments Where Appropriate
Social & Health	<p><u>Adult Social Care & Childrens' Services</u></p> <ol style="list-style-type: none"> 1. The increase in General Fund reserves was acknowledged. 2. Concern was expressed at potential savings/ efficiencies coming from increasing charges, particularly on the increased hourly rate for homecare, and the potential impacts this could have for clients. The committee was unable to make an alternative suggestion. 	<ol style="list-style-type: none"> 1. Noted 2. The Authority's current homecare rates are below the market rate for North Wales. Some authorities charge the actual cost of care or are expected to review their position. It is proposed that Flintshire County Council move towards full cost recovery over a three year period with an increase of £2 per hour as a first step in 2008/09. All clients receiving homecare have the option to be financially assessed as to their means to pay charges. Currently, of approximately 820 home care clients, over half already pay their maximum assessed charge and will not, therefore, pay more. This process includes ensuring that clients are in receipt of all benefits/allowances available to them.

OVERVIEW & SCRUTINY BUDGET CONSULTATION 2008/09

Summary of comments from Overview & Scrutiny Committees on their consideration of the Budget Consultation Exercise for 2008/09. In general terms, all of the issues which were raised by committee members were addressed by either the executive members or the officers:

Overview & Scrutiny Committees:	Comments on <u>relevant directorate</u> for 2008/9 budget areas:	Comments Where Appropriate
Social & Health (cont'd)	<p>3. Concerns were expressed at the continued use of agency staff, and the recruitment and retention of staff.</p> <p>4. Clarification was sought on the increasing cost of provision for school leavers in future years.</p> <p>5. Suggestion that main reports quote effects on Council Tax other than just Band "D"</p>	<p>3. Information was provided on the steps being taken within Adults and Children's Services to reduce sickness absence and to recruit and retain staff. It was noted that, as an example, the Occupational Therapy Team was now fully staffed. The use of agency staff is minimised wherever possible but is needed to ensure continuity of care to clients and in some situations using agency staff is a positive choice.</p> <p>4. It was explained that young people move to Adult Services in September and so in the first year there is only a part year cost.</p> <p>5. Noted – this will be available in the report to County Council on 4th March.</p>

OVERVIEW & SCRUTINY BUDGET CONSULTATION 2008/09

Summary of comments from Overview & Scrutiny Committees on their consideration of the Budget Consultation Exercise for 2008/09. In general terms, all of the issues which were raised by committee members were addressed by either the executive members or the officers:

Overview & Scrutiny Committees:	Comments on <u>relevant directorate</u> for 2008/9 budget areas:	Comments Where Appropriate
Social & Health (cont'd)	<p>6. Clarification was sought on the pressure for rents paid to Flintshire Business Services.</p> <p>7. A question was asked about the saving on hired transport to staff with visual impairment.</p> <p>8. Clarification was sought on capacity included in the budget for Mental Health Services.</p> <p>9. Officers were thanked for an excellent presentation.</p>	<p>6. It was explained that this related to an internal recharge for accommodation for the cafes at Rowley's Pantry and Freshfields to provide work opportunities for people with disabilities.</p> <p>7. It was explained that these were historic arrangements which were inequitable when compared with other staff and should not be continued.</p> <p>8. It was explained that funding from the NHS had been secured for a Mental Health Social Worker, so a saving could be made without any effect on the service.</p> <p>9. Noted</p>

OVERVIEW & SCRUTINY BUDGET CONSULTATION 2008/09

Summary of comments from Overview & Scrutiny Committees on their consideration of the Budget Consultation Exercise for 2008/09. In general terms, all of the issues which were raised by committee members were addressed by either the executive members or the officers:

Overview & Scrutiny Committees:	Comments on <u>relevant directorate</u> for 2008/9 budget areas:	Comments Where Appropriate
Environment & Regeneration	<ol style="list-style-type: none"> <li data-bbox="454 659 1272 818">1. Concern was expressed at the potential of removing part of the bus subsidy and the potential for a consequent cut in WAG funding – the Leader’s offer to review this if necessary was welcomed. <li data-bbox="454 994 1272 1058">2. Concerns were expressed at the economics of reducing the carriageway resurfacing budget. <li data-bbox="454 1297 1272 1393">3. Concerns were expressed at the undercharging for drains clearance – the Chief Executive’s offer to review in the near future was acknowledged. 	<ol style="list-style-type: none"> <li data-bbox="1294 659 2045 882">1. It was explained that there is no intention to reduce the present level of service provision. The savings are as a result of more efficient use of bus subsidies. As WAG are driving the need for efficiencies, it is unlikely that they will reduce the Transport Services Grant. <li data-bbox="1294 994 2045 1249">2. It was explained that the Authority’s roads are in a reasonable condition. A small reduction in the resurfacing budget can be accommodated without significant impact on the overall condition. The Highway Asset Management Plan is well advanced and it will inform a risk based prioritisation for future investment from 09/10 onwards. <li data-bbox="1294 1297 2045 1393">3. It was stated that a review will be undertaken during 2008/09 with a view to revised service provision and/or amended charges.

OVERVIEW & SCRUTINY BUDGET CONSULTATION 2008/09

Summary of comments from Overview & Scrutiny Committees on their consideration of the Budget Consultation Exercise for 2008/09. In general terms, all of the issues which were raised by committee members were addressed by either the executive members or the officers:

Overview & Scrutiny Committees:	Comments on <u>relevant directorate</u> for 2008/9 budget areas:	Comments Where Appropriate
Environment & Regeneration (cont'd)	<p>4. Concerns were expressed about the service delivery effects of the proposed reductions in the costs of Grass-cutting.</p> <p>5. A question was asked if the increased planning fee income of £150k was needed to increase capacity within the Planning Department.</p>	<p>4. It was explained that this saving is not about reducing service provision but more efficient working resulting from:</p> <ul style="list-style-type: none"> • Combination of rural and urban grass cutting under one service (Neighbourhood Area Services); • Reduced need for Agency workers by using experienced sub-contractors; • Review of policy to reduce cutting in environmentally sensitive areas which is not necessary for highway safety reasons (policy in preparation). <p>5. It was explained that this was additional income to that previously taken into account to fund the revised Planning Department Structure agreed in 2007.</p>

OVERVIEW & SCRUTINY
BUDGET CONSULTATION 2008/09

Summary of comments from Overview & Scrutiny Committees on their consideration of the Budget Consultation Exercise for 2008/09. In general terms, all of the issues which were raised by committee members were addressed by either the executive members or the officers:

Overview & Scrutiny Committees:	Comments on <u>relevant directorate</u> for 2008/9 budget areas:	Comments Where Appropriate
Environment & Regeneration (cont'd)	<p>6. There was a request for the values in the proposed budget to show the whole picture, rather than just the movements.</p> <p>7. The move towards decriminalised parking was welcomed.</p>	<p>6. Noted. It was explained that this is currently being prepared for all directorates as a result of a request at an earlier meeting.</p> <p>7. Noted.</p>

OVERVIEW & SCRUTINY
BUDGET CONSULTATION 2008/09

Summary of comments from Overview & Scrutiny Committees on their consideration of the Budget Consultation Exercise for 2008/09. In general terms, all of the issues which were raised by committee members were addressed by either the executive members or the officers:

Overview & Scrutiny Committees:	Comments on <u>relevant directorate</u> for 2008/9 budget areas:	Comments Where Appropriate
<p>Corporate Management</p>	<p>1. It was noted that the presentation only dealt with the variances to the previous year's budget; there was a need for more information.</p> <p>2. The increase in energy costs was noted. It was suggested that energy conservation can be as simple as switching off unnecessary lights in the offices, which would make a contribution to cost savings.</p>	<p>1. It was explained that this was a new approach and as mentioned at previous Scrutiny meetings, Officers would provide an analysis of the total movement in budgets as a result of the budget proposals and the % change from year to year.</p> <p>The Chief Executive responded that he appreciated Members' frustration at not getting the whole picture.</p> <p>The budget books were always available for Members who wanted to see where the starting position had been.</p> <p>2. Noted.</p>

OVERVIEW & SCRUTINY BUDGET CONSULTATION 2008/09

Summary of comments from Overview & Scrutiny Committees on their consideration of the Budget Consultation Exercise for 2008/09. In general terms, all of the issues which were raised by committee members were addressed by either the executive members or the officers:

Overview & Scrutiny Committees:	Comments on <u>relevant</u> directorate for 2008/9 budget areas:	Comments Where Appropriate
Corporate Management (cont'd)	<p>3. It was suggested that whilst the budget has been balanced, there was still an element of 'make do and mend'. The Council still needed the benefits that BBR/MTFS would have brought. Unit cost information was needed along with an ability to look closely at base budgets.</p> <p>4. It was further suggested that there was a need to deconstruct the budget and compare proposals to existing expenditure. The openness and transparency with which the budget had been produced was accepted, but there was still a need to align resources with the Council's needs and priorities. There was also a need for it to be linked to the Council Plan.</p>	<p>3&4. The Leader commented that whilst he didn't disagree with Members' comments about the need for greater analysis of budgets, there were arrangements in place through the Medium Term Financial Strategy to achieve this. He reminded Members that this was a difficult settlement. Despite this, a budget had been prepared which made £5.6 m in savings/efficiencies without making service cuts.</p> <p>The Chief Executive commented that this budget was year 1 of 4. The budget process in future would start in June each year. The approach to the budget this year had been different to previous years in being more corporate and seeking to align expenditure with priorities whilst protecting front line services. Care had been taken to adopt a prudent approach whilst seeking to position the Council for the following three years.</p>

OVERVIEW & SCRUTINY
BUDGET CONSULTATION 2008/09

Summary of comments from Overview & Scrutiny Committees on their consideration of the Budget Consultation Exercise for 2008/09. In general terms, all of the issues which were raised by committee members were addressed by either the executive members or the officers:

Overview & Scrutiny Committees:	Comments on <u>relevant directorate</u> for 2008/9 budget areas:	Comments Where Appropriate
Corporate Management (cont'd)	<p>5. There was still concern at the Authority's expenditure on agency staff.</p>	<p>The Council Plan was already being reviewed.</p> <p>The Executive and the officers had done their best to balance the budget and any proposals from Members for any other savings or variances would also need to be balanced.</p> <p>The Chief Executive commented that he felt that the Overview & Scrutiny process with regard to the budget had been positive.</p> <p>5. The Chief Executive recognised Members' concerns at the expenditure on agency staff. He reminded Members of the Managed Agency project which would come on stream in early 2008/09. He noted that authorities used agency for projects where there was insufficient in-house capacity or capability.</p>

OVERVIEW & SCRUTINY
BUDGET CONSULTATION 2008/09

Summary of comments from Overview & Scrutiny Committees on their consideration of the Budget Consultation Exercise for 2008/09. In general terms, all of the issues which were raised by committee members were addressed by either the executive members or the officers:

Overview & Scrutiny Committees:	Comments on <u>relevant directorate</u> for 2008/9 budget areas:	Comments Where Appropriate
Corporate Management (cont'd)		He had asked the trades unions to give him details of areas where they thought that there was too much reliance on agency staff and awaited a response.

FLINTSHIRE COUNTY COUNCIL

AGENDA ITEM NUMBER: 5

REPORT TO: SPECIAL MEETING OF THE FLINTSHIRE COUNTY COUNCIL

DATE : 04 MARCH 2008

REPORT BY: COUNTY FINANCE OFFICER

SUBJECT : CAPITAL PROGRAMME 2008/09 TO 2011/12

1.00 PURPOSE OF REPORT

1.01 To present to Council the recommendations of the Executive in relation to the Capital Programme 2008/09 to 2011/12.

2.00 BACKGROUND

2.01 At its meeting of 19th February 2008, the Executive considered the County Finance Officer's report in respect of the Capital Programme 2008/09 to 2011/12.

2.02 The new approach to the capital programme, was outlined in that report, being -

- 3 - 4 year rolling programme.
- All calls on available resources assessed against available funding and categorised as externally influenced, service continuity or service improvement.
- No assumptions in terms of provisions - all calls on available resources to be considered at the same time.
- Uncommitted 2007/08 items brought back into consideration with other new pressures.
- A more proactive review of potential capital receipts.

3.00 CONSIDERATIONS

3.01 The recommendations of the Executive to County Council are set out in Section 7.00 of the report to Executive of 19th February 2008, a copy of which is included as Appendix 1 to this report.

3.02 At its meeting on 21st February 2008, the Corporate Management Overview and Scrutiny Committee was consulted on the Executive's recommendations. A number of comments were made and a number of questions asked and these, together with the responses given, are included as Appendix 2 to this report. There were no requested amendments to the proposed programme for 2008/09 or the indicative values for 2009/10 to 2011/12.

4.00 RECOMMENDATIONS

4.01 Council is requested to agree the recommendations of the Executive.

5.00 FINANCIAL IMPLICATIONS

5.01 As set out in the report.

6.00 ANTI-POVERTY IMPACT

6.01 Individual capital programme schemes may have specific anti-poverty impacts

7.00 ENVIRONMENTAL IMPACT

7.01 Individual capital programme schemes may have specific environmental impacts.

8.00 EQUALITIES IMPACT

8.01 Individual capital programme schemes may have specific equalities impacts.

9.00 PERSONNEL IMPLICATIONS

9.01 None directly as a result of this report.

10.00 CONSULTATION REQUIRED

10.01 Overview and scrutiny, trade unions, school budget forum, executive members and directors.

11.00 CONSULTATION UNDERTAKEN

11.01 Overview and scrutiny, trade unions, school budget forum, executive members and directors.

12.00 APPENDICES

12.01 Appendix 1 - Report to Executive 19th February 2008 : Capital Programme 2008/09 to 2011/12.

Appendix 2 - Overview and Scrutiny Committee 21st February 2008 - Members' Questions.

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 **BACKGROUND DOCUMENTS**

2008/09 RSG Settlement Papers.
2008/09 Budget Working Papers

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FLINTSHIRE COUNTY COUNCIL

Appendix 1

REPORT TO: **EXECUTIVE**

DATE : **19 FEBRUARY 2008**

REPORT BY: **COUNTY FINANCE OFFICER AND CHIEF EXECUTIVE**

SUBJECT : **CAPITAL PROGRAMME 2008/09 TO 2011/12**

1.00 PURPOSE OF REPORT

- 1.01 To set out the approach for preparing the Capital Programme budget.
- 1.02 To propose the 2008/09 Capital Programme budget and indicative priorities for 2009/10 to 2011/12, subject to consultation with the Corporate Management Overview and Scrutiny Committee which will meet on 21st February 2008.
- 1.03 To make recommendations to County Council which will meet on 4th March 2008.

2.00 BACKGROUND

- 2.01 Details of the estimated General Fund and Housing Revenue Account (HRA) resources available for the funding of capital programme priorities in the four year period 2008/09 to 2011/12 were reported to Executive on 30th January 2008.
- 2.02 The report of 30th January 2008 outlined the new approach to the capital programme, being -
- 3 - 4 year rolling programme.
 - All calls on available resources assessed against available funding and categorised as externally influenced, service continuity or service improvement.
 - No assumptions in terms of provisions - all calls on available resources to be considered at the same time.
 - Uncommitted 2007/08 items brought back into consideration with other new pressures.
 - A more proactive review of potential capital receipts.

3.00 CAPITAL RESOURCES AVAILABLE (EXCLUDING HRA)

- 3.01 At the meeting of Executive 30th January 2008, details of estimated General Fund resources available for the four year period 2008/09 to 2011/12 were reported in the sum of £110.861m. The total has now been revised to

£110.723m as detailed in Table 1 below, reflecting a reduction of £0.138m to the contractually uncommitted total, due to three capital projects having been identified as 'required to proceed'.

	Total £m	2008/09 £m	2009/10 £m	2010/11 £m	2011/12 £m
Unhypothecated Supported Borrowing (USB)	31.308	7.827	7.827	7.827	7.827
General Capital Grant	10.416	2.604	2.604	2.604	2.604
Total General Capital Funding	41.724	10.431	10.431	10.431	10.431
Capital Receipts	18.790	6.003	8.394	4.393	0
Capital Receipts Brought Forward from 2007/08	2.742	2.742	0	0	0
Contractually Uncommitted Amounts from 2007/08	4.133	4.133	0	0	0
Capital Expenditure from Revenue Account (CERA)	1.000	1.000	0	0	0
Total General Funding Resources	68.389	24.309	18.825	14.824	10.431
Specific Capital Grants	42.334	19.368	11.666	5.800	5.500
Total	110.723	43.677	30.491	20.624	15.931

4.00 2008/09 PROPOSALS AND INDICATIVE PRIORITIES

4.01 The report brings forward schemes for 2008/09 which are recommended to proceed (as detailed in Appendix 1), as well as showing indicative priorities for the three following years.

4.02 The new approach to the capital budget means that it is now a continuous process which requires flexibility within the programme to consider new schemes as they emerge and to bring in new or revised funding opportunities, rather than this being done just once each year.

4.03 The four-year programme will span the life of the new Council. During this time, a number of specific priorities will be progressed including school re-organisation, waste, leisure, and the County Hall accommodation strategy. The headroom which is built into the budget will allow proposals to come forward along with other schemes which are currently being evaluated. In addition, work is progressing to determine requirements for schools under the 'Fit for Purpose agenda' and the Highways Asset Management Plan which will come forward in due course.

4.04 It can be seen from Table 3 (Section 5.06 below) that over the 4 years, the indicative programme leaves £0.507m unallocated. At this stage, £3.361m remains unallocated in 2008/09. For future years, the indicative figures show £3.884m available in 2009/10 but 2010/11 and 2011/12 over committed by £4.206m and £2.532m respectively. See Section 5.06 for more information.

4.05 The indicative allocations for the period 2009/10 to 2011/12 will be firmed up as additional capital receipts are identified. In addition, in line with the

intentions set out in the Medium Term Financial Strategy, the benefits and risks of prudential borrowing will be explored during 2008/09, which, if used, will add to the resources available during the life of the programme.

- 4.06 The new approach to the capital programme considers capital requirements alongside all potential resources. This new approach requires a review of the previously established arrangement for education related capital receipts. It is proposed that capital receipts for schools or other education properties which are decommissioned are now treated as corporate resources for financing of the overall capital programme. This does not affect continuing schools where the policy which provides for 40% of the capital receipt to be made available to the school for investment continues unchanged

5.00 USE OF CAPITAL RESOURCES (EXCLUDING HRA)

- 5.01 Following detailed consultation with Executive Members and the Corporate Management Team, it is proposed that the capital priorities as set out in Appendix 1 be included in the capital programme for 2008/09 and that the indicative priorities for 2009/10 to 2011/12 are noted. These are summarised by programme area in Table 2 below.

- 5.02 Included within the priorities as listed are -

- Those 2007/08 uncommitted items which have been re-examined against other new pressures and which are considered to remain a priority.
- Schemes funded by way of specific Welsh Assembly Government grants.
- £19m over 4 years for tackling the Schools repair and maintenance 'backlog', in respect of which the detail programme is awaited pending the Schools Organisation Review
- Over £3m per annum for renovation and disabled facilities grants
- £0.750m for waste recycling
- £1.2m for works to Leisure and Dual Use Centres
- £0.350m for work to Play Areas
- £0.500m for environmental enhancements

Special Schools

- 5.03 Within the list of schemes is £1.170m for Special Schools. Members will be aware of the project to replace the current three schools with two new schools. It has previously been agreed that the cost of the project will be met from the specific £9m School Building Improvement Grant (SBIG) allocated to all 22 authorities in Wales. As a first stage of the project, £1m of the £9m was allocated to create an Early Years Assessment Centre and to create improved specialist provision in Mold and Shotton. This left £8.0m of the SBIG grant for the two new schools.

- 5.04 The original estimate for the preferred scheme option, which was reported to members in April 2005, and so pre dates the procurement exercise, was £9.7m. Work has been ongoing to limit the cost to the value of the available

SBIG grant. However, a detailed review of the project has identified that the full project cost estimate, including requirements set out by Welsh Assembly on sustainability and energy conservation issues, is £9.7m. There is, therefore, under provision of £1.764m for this scheme. It is recommended that the provision is increased to £9.7m to re-instate the scheme to the original estimate. The profile of the spend and the receipt of SBIG grant leads to the provision needing to be spread over 3 financial years as follows:-

Year	£m	£m
2007/08		0.594
2008/09	0.539	
2009/10	<u>0.631</u>	<u>1.170</u>
		<u>1.764</u>

- 5.05 £1.764m is the maximum additional amount. Work is being undertaken to identify possible contract efficiencies which could reduce this. Such efficiencies would be shared with the contractor as a condition of the partnering contract in place for this project. Future capital programme monitoring reports will provide updates. The estimate of total capital programme resources brought forward into 2008/09 is after allowing £0.594m for the 2007/08 requirement.

	Total £m	Proposed	Indicative		
		2008/09 £m	2009/10 £m	2010/11 £m	2011/12 £m
Highways & Drainage	33.008	11.957	9.549	5.901	5.601
Education	31.504	12.678	8.260	5.282	5.284
Housing	26.657	4.171	5.135	11.501	5.850
Town Centre Development	1.948	0.594	1.218	0.068	0.068
Recycling	0.753	0.753	0	0	0
Leisure	1.803	1.803	0	0	0
Social Care	1.448	1.448	0	0	0
Cemeteries	0.971	0.971	0	0	0
The Environment	1.725	0.850	0.275	0.300	0.300
Libraries	0.600	0.400	0.200	0	0
Industrial Estates	0.600	0.600	0	0	0
Agricultural Estates	0.380	0.213	0.124	0.043	0
Clwyd Theatr Cymru	0.325	0.189	0.136	0	0
Markets	0.025	0.025	0	0	0
Public Conveniences	0.015	0.015	0	0	0
Total - Services	101.762	36.667	24.897	23.095	17.103
Administrative Buildings	5.405	1.650	1.360	1.385	1.010
Depots	1.438	1.438	0	0	0
Other Infrastructure	1.611	0.561	0.350	0.350	0.350
Total	110.216	40.316	26.607	24.830	18.463

- 5.06 As a result of the capital programme proposals, the amounts remaining for allocation are as shown in Table 3 below. (See Section 4.00 above for more information).

	Total £m	2008/09 £m	2009/10 £m	2010/11 £m	2011/12 £m
Total General Funding Resources (Table 1)	110.723	43.677	30.491	20.624	15.931
Capital Proposals and Indicative Allocations (Table 2)	(110.216)	(40.316)	(26.607)	(24.830)	(18.463)
Total	0.507	3.361	3.884	(4.206)	(2.532)

5.07 The minimum capital receipts totals required in order to finance the capital proposals and indicative priorities as detailed in Table 2 are as indicated in Table 4 below.

	Total £m	2008/09 £m	2009/10 £m	2010/11 £m	2011/12 £m
Capital Receipts (Table 1)	18.790	6.003	8.394	4.393	0
Headroom (Table 3)	(0.507)	(3.361)	(3.884)	4.206	2.532
Total	18.283	2.642	4.510	8.599	2.532

5.08 Clearly, it is vital to the achievement of the capital programme that the level of capital receipts assumed over the 4 year period is reached. It should be noted that at this stage, nothing has been assumed for 2011/12, as being too far ahead to predict. As asset management planning develops the estimates for all of the years will be firmed up and revised.

5.09 Following approval of the 2008/09 programme, detailed work will be needed to profile schemes in line with the profile of when receipts are expected. There will also be a need to profile capacity for design/consultancy work and for programme and project management. By planning for the longer term there is an ability to plan the use of in-house and external resources more efficiently. Details of the profiling of the programme will be reported in the new financial year along with capital programme monitoring reports which will be enhanced to take account of the new approach.

6.00 HOUSING REVENUE ACCOUNT (HRA) CAPITAL PROGRAMME

6.01 At the meeting of Executive 30th January 2008 details of estimated HRA resources available for the four year period 2008/09 to 2011/12 were reported as detailed in Table 5 below. Confirmation of the approved level of Major Repairs Allowance is still awaited from the Welsh Assembly Government.

	Total £m	2008/09 £m	2009/10 £m	2010/11 £m	2011/12 £m
Capital Receipts - Dwellings (Right to Buy)	2.378	0.562	0.587	0.613	0.616
Capital Receipts - Land	2.331	1.481	0.850	0	0
Capital Receipts - Brought Forward from 2007/08	(0.275)	(0.275)	0	0	0
Specific Grants (Major Repairs Allowance)	20.682	5.166	5.172	5.172	5.172
Capital Expenditure from Revenue Account (CERA)	3.416	1.340	1.252	0.824	0
Total	28.532	8.274	7.861	6.609	5.788

6.02 A detailed proposed programme of planned works is currently in the process of being prepared, and it is recommended that the Acting Director of Community and Housing reports to Executive when this work is completed.

7.00 RECOMMENDATIONS

7.01 That the Executive recommends the following to County Council on 4th March, subject to any comments from Overview and Scrutiny on 21st February.

- a) That the schemes as set out in the report be included in the Capital Programme 2008/09 to 2011/12 :-
 - 2008/09 - General Fund (Section 4.01 and Appendix 1)
- b) That the General Fund 2009/10 to 2011/12 indicative allocations are noted (Section 4.01)
- c) That for special schools, the full project cost of £9.7m be included in the capital programme with £0.594m being met in 2007/08 and the remaining £1.170m being committed over the two years 2008/09 and 2009/10 (Section 5.03 to 5.05)
- d) That the policy on education capital receipts is amended so that capital receipts for schools or other education properties which are decommissioned are now treated as corporate resources for financing of the overall capital programme. (Section 4.06).
- e) That the Acting Director of Community and Housing reports to Executive with the detailed Housing Revenue Account capital programme once the exercise has been completed (Section 6.02).

8.00 FINANCIAL IMPLICATIONS

8.01 As set out in the report.

9.00 ANTI-POVERTY IMPACT

9.01 Individual capital programme schemes may have specific anti-poverty impacts.

10.00 ENVIRONMENTAL IMPACT

10.01 Individual capital programme schemes may have specific environmental impacts.

11.00 EQUALITIES IMPACT

11.01 Individual capital programme schemes may have specific equalities impacts. None directly as a result of this report.

12.00 PERSONNEL IMPLICATIONS

12.01 None directly as a result of this report.

13.00 APPENDICES

13.01 Appendix 1 - Proposals and Indicative Allocations

14.00 CONSULTATION REQUIRED

14.01 Overview and scrutiny, executive members and directors.

15.00 CONSULTATION UNDERTAKEN

15.01 Executive members and directors.

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985
BACKGROUND DOCUMENTS

2008/09 RSG Settlement Papers.
2008/09 Budget Working Papers

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CAPITAL Programme - Proposals and Indicative Allocations

	SCHEME DETAILS		Profile				Total £m
			Proposed	Indicative			
			2008/09 £m	2009/10 £m	2010/11 £m	2011/12 £m	
	Highways and Drainage						
1	E&R	Coast Protection	0.030				0.030
2	E&R	Highways Matched Funded Schemes	0.045				0.045
3	E&R	WAG Grant Funded - Transport Grant	4.500	4.500	4.500	4.500	18.000
4	E&R	WAG Grant Funded - Local Road Safety	0.420	0.420	-	-	0.840
5	E&R	WAG Grant Funded - Road Maintenance	0.729	0.607	-	-	1.336
6	E&R	WAG Grant Funded - Land Drainage Schemes	3.248	1.530	-	-	4.778
7	E&R	WAG Grant Funded - Contaminated Land	0.315	0.300	0.300	-	0.915
8	E&R	Coast Protection Works	0.165	0.165	0.165	0.165	0.660
9	E&R	Land Drainage Works	0.110	0.110	0.110	0.110	0.440
10	E&R	Highways Infrastructure	1.091	1.091	-	-	2.182
11	E&R	Bridge Assessments	0.220	0.220	0.220	0.220	0.880
12	E&R	Structural Maintenance	0.275	0.275	0.275	0.275	1.100
13	E&R	Street Lighting	0.331	0.331	0.331	0.331	1.324
14	E&R	Highway Improvement - Flint Mountain	0.050	-	-	-	0.050
15	E&R	Highway Improvement - Pentre Halkyn	0.030	-	-	-	0.030
16	E&R	Land Drainage Works - Schemes programmed from 07/08	0.235	-	-	-	0.235
17	E&R	Bridge Replacement - Scheme programmed from 07/08	0.163	-	-	-	0.163
		Total - Highways and Drainage	11.957	9.549	5.901	5.601	33.008

CAPITAL Programme - Proposals and Indicative Allocations

	SCHEME DETAILS		Profile				Total £m
			Proposed	Indicative			
			2008/09 £m	2009/10 £m	2010/11 £m	2011/12 £m	
	Education						
18	C&H	Flint - High School Roof Renewal	0.023				0.023
19	ECSR	WAG Grant Funded - School Buildings Improvement	1.741	1.741	-	-	3.482
20	ECSR	WAG Grant Funded - Additional SBIG	5.837	0.418	-	-	6.255
21	ECSR	Foundation Phase	0.100	0.100	0.100	0.100	0.400
22	ECSR	Upgrade Electronic Communications in Schools	0.160	0.190	-	-	0.350
23	ECSR	Security on School Sites	0.100	-	-	-	0.100
24	ECSR	DDA Works - Individual Pupils	0.100	0.100	0.100	0.100	0.400
25	ECSR	Education - Schools Repairs and Maintenance 'Backlog'	4.000	5.000	5.000	5.000	19.000
26	ECSR	Education - Furniture & Equipment	0.078	0.080	0.082	0.084	0.324
27	ECSR	Special Schools additional funding 2008/09 and 2009/10	0.539	0.631	-	-	1.170
		Total - Education	12.678	8.260	5.282	5.284	31.504
	Housing						
28	C&H	Housing Stock Options (subject to Housing Review)	-	-	6.000	-	6.000
29	C&H	WAG Grant Funded - Housing Renewal Area Support	0.400	1.000	1.000	1.000	3.400
30	C&H	Renovation Grants (inc Disabled Facility Grants)	3.271	3.359	3.450	3.543	13.623
31	E&R	Empty Home Grants	0.200	0.206	0.211	0.217	0.834
32	C&H	Housing Adaptations	0.250	0.500	0.750	1.000	2.500
33	ASC	Disabled Facilities Grants	0.050	0.070	0.090	0.090	0.300
		Total - Housing	4.171	5.135	11.501	5.850	26.657

CAPITAL Programme - Proposals and Indicative Allocations

	SCHEME DETAILS		Profile				Total £m
			Proposed	Indicative			
			2008/09 £m	2009/10 £m	2010/11 £m	2011/12 £m	
	Town Centre Development						
34	E&R	Holywell - THI (PRF) Matched Funding	0.126				0.126
35	E&R	WAG Grant Funded - Holywell THI & Former Textile Mill Shop	0.400	0.400	-	-	0.800
36	E&R	WAG Grant Funded - Flint THI	-	0.750	-	-	0.750
37	E&R	Holywell Town Heritage Initiative (THI)	0.026	0.026	0.026	0.026	0.104
38	E&R	Holywell THI - Additional Funds	0.042	0.042	0.042	0.042	0.168
		Total - Town Centre Development	0.594	1.218	0.068	0.068	1.948
	Recycling						
39	C&H	Sandycroft - Waste Recycling Park	0.644				0.644
40	C&H	Flint Recycling Park - Access Road	0.010	-	-	-	0.010
41	C&H	Greenfield Composting Facility - Concrete Maturation	0.099	-	-	-	0.099
		Total - Recycling	0.753	-	-	-	0.753

CAPITAL Programme - Proposals and Indicative Allocations

	SCHEME DETAILS		Profile				Total £m
			Proposed	Indicative			
			2008/09 £m	2009/10 £m	2010/11 £m	2011/12 £m	
	Leisure						
42	ECSR	Castell Alun - ATP	0.170	-	-	-	0.170
43	ECSR	Flint Youth Club	0.065	-	-	-	0.065
44	ECSR	Play Areas	0.350	-	-	-	0.350
45	ECSR	Leisure Centres - Customer Facing Enhancements	0.500	-	-	-	0.500
46	ECSR	Deeside Leisure Centre - Building Condition Survey - Urgent Works required	0.268	-	-	-	0.268
47	ECSR	Flint Pavilion - Building Condition Survey - Urgent Works required	0.050	-	-	-	0.050
48	ECSR	Holywell Leisure Centre - Building Condition Survey - Urgent Works required	0.032	-	-	-	0.032
49	ECSR	Buckley Leisure Centre - Building Condition Survey - Urgent Works required	0.081	-	-	-	0.081
50	ECSR	Mold Leisure Centre - Building Condition Survey - Urgent Works required	0.089	-	-	-	0.089
51	ECSR	Connahs Quay Pool - Building Condition Survey - Urgent Works required	0.017	-	-	-	0.017
52	ECSR	Connahs Quay Leisure Centre - Building Condition Survey - Urgent Works required	0.024	-	-	-	0.024
53	ECSR	Hope Leisure Centre - Building Condition Survey - Urgent Works required	0.020	-	-	-	0.020
54	ECSR	Saltney Leisure Centre - Building Condition Survey - Urgent Works required	0.137	-	-	-	0.137
		Total - Leisure	1.803	-	-	-	1.803
	Social Care						
55	ASC	WAG Grant Funded - Community Equipment	1.120	-	-	-	1.120
56	ASC	WAG Grant Funded - Telecare	0.178	-	-	-	0.178
57	ASC	Minor Works	0.150	-	-	-	0.150
		Total - Social Care	1.448	-	-	-	1.448
	Cemeteries						

CAPITAL Programme - Proposals and Indicative Allocations

	SCHEME DETAILS		Profile				Total £m
			Proposed	Indicative			
			2008/09 £m	2009/10 £m	2010/11 £m	2011/12 £m	
58	C&H	Connahs Quay Cemetery - Land Acquisition and Works	0.971				0.971
		Total - Cemeteries	0.971	-	-	-	0.971
	The Environment						
59	C&H	Energy Efficiency - Spend to Save	0.250	0.275	0.300	0.300	1.125
60	E&R	Environmental Enhancements	0.500	-	-	-	0.500
61	E&R	CCTV Provision	0.100	-	-	-	0.100
		Total - The Environment	0.850	0.275	0.300	0.300	1.725
	Libraries						
62	ECSR	Library HQ Roof Renewal	0.250	-	-	-	0.250
63	ECSR	Library Facilities inc. Saltney	0.150	0.200	-	-	0.350
		Total - Libraries	0.400	0.200	-	-	0.600

CAPITAL Programme - Proposals and Indicative Allocations

	SCHEME DETAILS		Profile				Total £m
			Proposed	Indicative			
			2008/09 £m	2009/10 £m	2010/11 £m	2011/12 £m	
	Industrial Estates						
64	C&H	Industrial Estates - Electrical Works	0.026				0.026
65	C&H	Greenfield Industrial Estate - Unit 46 Greenfield Industrial Park	0.094				0.094
66	E&R	WAG Grant Funded - Castle Park Industrial Estate	0.480	-	-	-	0.480
		Total - Industrial Estates	0.600	-	-	-	0.600
	Agricultural Estates						
67	C&H	Agricultural Estates	0.213	0.124	0.043	-	0.380
		Total - Agricultural Estates	0.213	0.124	0.043	-	0.380
	Clwyd Theatr Cymru						
68	CTC	Clwyd Theatr - Minor Works	0.006				0.006
69	CTC	Clwyd Theatr - Refurbishment Programme	0.006				0.006
70	CTC	Clwyd Theatr - Tannoy System	0.050	0.015	-	-	0.065
71	CTC	Clwyd Theatr - Public Toilets	0.050	0.045	-	-	0.095
72	CTC	Clwyd Theatr - Roofing	0.059	0.056	-	-	0.115
73	CTC	Clwyd Theatr - Secure Skip Site	0.018	0.020	-	-	0.038
		Total - Clwyd Theatr Cymru	0.189	0.136	-	-	0.325

CAPITAL Programme - Proposals and Indicative Allocations

	SCHEME DETAILS		Profile				Total £m
			Proposed	Indicative			
			2008/09 £m	2009/10 £m	2010/11 £m	2011/12 £m	
	Markets						
74	C&H	Mold Indoor Market DDA Access	0.015	-	-	-	0.015
75	C&H	Mold Indoor Market - Shutters	0.010	-	-	-	0.010
		Total - Markets	0.025	-	-	-	0.025
	Public Conveniencies						
76	C&H	Maude Street Toilets - Demolition	0.015	-	-	-	0.015
		Total - Public Conveniencies	0.015	-	-	-	0.015
		Total - Services	36.667	24.897	23.095	17.103	101.762

CAPITAL Programme - Proposals and Indicative Allocations

	SCHEME DETAILS		Profile				Total £m
			Proposed	Indicative			
			2008/09 £m	2009/10 £m	2010/11 £m	2011/12 £m	
		Administrative Buildings					
77	C&H	Admin Buildings - Energy Efficiency Measures	0.006				0.006
78	C&H	Mold - County Hall Roof Renewal - Phase 2	0.126				0.126
79	C&H	Mold - County Hall Toilet Refurbishment - Phase 1	0.067				0.067
80	C&H	Hawarden - Old Rectory Flat Roof	0.100				0.100
81	C&H	Mold - Daniel Owen Centre Kitchen Refurbishment	0.027				0.027
82	C&H	Council Owned Corporate Buildings - Asbestos Remedial Works	0.100	0.100	0.100	0.100	0.400
83	C&H	Disability Discrimination Act	0.575	0.600	0.625	0.650	2.450
84	C&H	Legionella Monitoring	0.100	0.100	0.100	0.100	0.400
85	C&H	Corporate Buildings - DDA Lift Replacement	0.080	0.080	0.080	0.080	0.320
86	C&H	County Hall Phase 4 - Roof Upgrade	0.120	-	-	-	0.120
87	C&H	County Hall Phase 4 - Removal of Asbestos	0.039	-	-	-	0.039
88	C&H	Corporate Properties - Upgrading of Intruder Alarms	0.050	0.050	0.050	0.050	0.200
89	C&H	Upgrading of Intruder Alarms	0.030	0.030	0.030	0.030	0.120
90	C St	County Hall - Reception Areas and Customer Access	0.230	-	-	-	0.230
91	C&H	Fire Safety Order	-	0.400	0.400	-	0.800
		Total - Administrative Buildings	1.650	1.360	1.385	1.010	5.405

CAPITAL Programme - Proposals and Indicative Allocations

	SCHEME DETAILS		Profile				Total £m
			Proposed	Indicative			
			2008/09 £m	2009/10 £m	2010/11 £m	2011/12 £m	
	Depots						
92	C&H	Queensferry Depot Relocation / Rationalisation	1.438				1.438
		Total - Depots	1.438	-	-	-	1.438
	Other Infrastructure						
93	C St	Information Technology Equipment	0.175				0.175
94	C St	Telephone Network Upgrade	0.021				0.021
95	C St	E Government	0.015				0.015
96	C St	ICT Infrastructure	0.350	0.350	0.350	0.350	1.400
		Total - Other Infrastructure	0.561	0.350	0.350	0.350	1.611
		Grand Total	40.316	26.607	24.830	18.463	110.216

OVERVIEW & SCRUTINY
CAPITAL PROGRAMME 2008/09 Onwards CONSULTATION

Summary of comments from Corporate Management Overview & Scrutiny Committee 21st February 2008 on their consideration of the Capital Programme 2008/09 to 2011/12 proposed by Executive 19th February 2008 and the responses to those comments by either the executive members or the officers:

No.	Comments and Questions:	Responses:
1	A number of members welcomed the new approach to the formulation of a Capital programme, particularly the expansion to a 4 year plan, the ending of assumed provisions and the review of new bids together with current year uncommitted schemes / part schemes. In addition, the transparency of the process was recognised.	Noted. The Chief Executive emphasised his commitment to further improving the process in future years in terms of formulation, management and reporting.
2	The more proactive, less conservative, approach to the assessment of future capital receipts was also welcomed, although some Members commented on the need to be cautious in committing expenditures before funding was available.	This was also noted. It was further noted that there was a need to demonstrate a prudent balance. Assurances were given that the whole programme, the profiling of scheme commitments and therefore Programme delivery would be closely monitored along with the cash flow of capital receipts and, indeed, all funding. It was also pointed out that the "headroom" provided in the proposals would assist here, as would the fact that assumptions on capital receipts have only been included for 3 of the 4 years.
3	A Member stated that the Housing Options issue was one significant element of future calls on capital funding and asked for the confirmation of the fact that General Fund capital receipts cannot be used to finance Housing Revenue Account capital spend, but that Unhyponthecated Supported Borrowing (USB) could so be used.	This was confirmed, and the Member was directed to the amount of £6m included as an indicative allocation in 2010/11 at line 28 to achieve the movement from General Fund to the Housing Revenue Account. As reported to County Council on 27/09/07 this value would be used in either a Retention (for capital investment) or Transfer (for part financing of Pension Fund liabilities in respect of transferred staff) scenario and could be "back-filled" in the General Fund by additional capital receipts taken account of in the estimate of those available.

OVERVIEW & SCRUTINY
CAPITAL PROGRAMME 2008/09 Onwards CONSULTATION

Summary of comments from Corporate Management Overview & Scrutiny Committee 21st February 2008 on their consideration of the Capital Programme 2008/09 to 2011/12 proposed by Executive 19th February 2008 and the responses to those comments by either the executive members or the officers:

No.	Comments and Questions:	Responses:
4	<p>A Member asked for further detail concerning the Special Schools proposed allocation of £1.170m at line 27 of the proposed programme.</p>	<p>It has previously been agreed that the cost of the Special Schools project will be met from the specific £9m School Building Improvement Grant (SBIG) allocated to all 22 authorities in Wales. As a first stage of the project, £1m of the £9m was allocated to create an Early Years Assessment Centre and to create improved specialist provision in Mold and Shotton. This left £8.0m of the SBIG grant for the two new schools.</p> <p>The original estimate for the preferred scheme option, which was reported to members in April 2005, and so pre dates the procurement exercise, was £9.7m. Work has been ongoing to limit the cost to the value of the available SBIG grant. However, a detailed review of the project has identified that the full project cost estimate, including requirements set out by Welsh Assembly on sustainability and energy conservation issues, is £9.7m. There is, therefore, under provision of £1.764m for this scheme. It is recommended that the provision is increased to £9.7m to re-instate the scheme to the original estimate. The profile of the spend and the receipt of SBIG grant leads to the provision needing to be spread over 3 financial years.</p> <p>£1.764m is the maximum additional amount. Work is being undertaken to identify possible contract efficiencies which could reduce this. Such efficiencies would be shared with the contractor as a condition of the partnering contract in place for this project. Future capital programme monitoring reports will provide updates. The estimate of total capital programme resources brought forward into 2008/09 is after allowing £0.594m for the 2007/08 requirement. The balance of £1.170m is the value included in the Executives recommendations.</p>

OVERVIEW & SCRUTINY
CAPITAL PROGRAMME 2008/09 Onwards CONSULTATION

Summary of comments from Corporate Management Overview & Scrutiny Committee 21st February 2008 on their consideration of the Capital Programme 2008/09 to 2011/12 proposed by Executive 19th February 2008 and the responses to those comments by either the executive members or the officers:

No.	Comments and Questions:	Responses:
5	A Member asked for details of the process of identifying future capital receipts such as the £6.003m in 2008/09.	It was confirmed that officers from Finance and Community and Housing were in regular contact over the values assumed and that surplus assets, as identified through asset management, were consistently being discussed. It was reinforced that the monitoring process is intended to prevent Programme over-commitment.
6	A number of Members asked for clarification of the detail behind the proposed change to the treatment of Education capital receipts.	The new approach to the capital programme requires a revised approach to Education capital receipts. For the future, capital receipts from schools / education properties which are to be decommissioned are now to be treated as corporate resources for use in the overall capital programme. The council can then prioritise spend on schools drawing on the total general fund capital programme resources which would be supplemented by school generated capital receipts. This would be for Members to determine in considering overall priorities. There is no change in the case of continuing schools where 40% of the capital receipt will continue to be available to the school for investment.
7	In agreeing to the concept of the rolling approach to the maintenance of the capital programme, a Member asked how decisions on in-year changes would be undertaken. The member asked if this would be by the Executive and asked how other members might input into those decisions.	There was recognition of the value in a wider involvement of Members and that there was now a need to develop arrangements to deal with the new schemes coming forward as part of the rolling programme approach.

OVERVIEW & SCRUTINY
CAPITAL PROGRAMME 2008/09 Onwards CONSULTATION

Summary of comments from Corporate Management Overview & Scrutiny Committee 21st February 2008 on their consideration of the Capital Programme 2008/09 to 2011/12 proposed by Executive 19th February 2008 and the responses to those comments by either the executive members or the officers:

No.	Comments and Questions:	Responses:
8	A member asked if both elements of the Schools Building Improvement Grants were included.	This was confirmed (lines 19 and 20).
9	A member asked if the previously approved amount for works on the bridge at Pont Calcein was included.	It was confirmed that the £0.163m at line 17 covered this site.
10	A member welcomed the references to the intention to consider Prudential borrowing in future reviews of the programme.	Noted. It was also confirmed that a clear, sustainable approach was essential.
11	A Member asked if the previous investments in Disabled Facilities Grants were still included.	It was confirmed that the inclusion at line 30 and 31 reflected past inclusions, and that lines 32 and 33 were supplements to that previous base level in recognition of levels of demand.

OVERVIEW & SCRUTINY
CAPITAL PROGRAMME 2008/09 Onwards CONSULTATION

Summary of comments from Corporate Management Overview & Scrutiny Committee 21st February 2008 on their consideration of the Capital Programme 2008/09 to 2011/12 proposed by Executive 19th February 2008 and the responses to those comments by either the executive members or the officers:

No.	Comments and Questions:	Responses:
12	A Member asked if the inclusion of the WAG Grant Funded Castle Park Industrial Estate £0.480m at line 66 was in addition to any Town Centre Grants included elsewhere in the budget.	This was confirmed.
13	A member asked if the inclusion of Holywell THI – Additional Funds £0.042m per annum at line 38 was match funding, and what the funds would be used for	It was confirmed that it was match funding, and would be used to enable both phases of the project to be completed (further data awaited).

FLINTSHIRE COUNTY COUNCIL

AGENDA ITEM NUMBER: 6

REPORT TO: SPECIAL MEETING OF THE FLINTSHIRE COUNTY COUNCIL

DATE : 04 MARCH 2008

REPORT BY: COUNTY FINANCE OFFICER

SUBJECT : PRUDENTIAL INDICATORS AND ANNUAL INVESTMENT STRATEGY 2008/09

1.00 PURPOSE OF REPORT

1.01 To present to Council the recommendations of the Executive in relation to Prudential Indicators and the Annual Investment Strategy for 2008/09.

2.00 BACKGROUND

2.01 At its meeting of 19th February 2008, the Executive considered a report from the County Finance Officer in respect of Prudential Indicators, and a further report in respect of the Treasury Management Policy and Strategy Statement, including key indicators, limits and the annual investment strategy for 2008/09.

2.02 The potential strategic use of unsupported (prudential) borrowing for future capital programme financing purposes will be examined during the course of 2008/09, in line with the principles as specified in the Prudential Code for Capital Finance in Local Authorities.

3.00 CONSIDERATIONS

3.01 The recommendations of the Executive to County Council are set out in Appendix A (Prudential Indicators) and Appendix B (Annual Investment Strategy).

4.00 RECOMMENDATIONS

4.01 Council is requested to agree the recommendations of the Executive.

5.00 FINANCIAL IMPLICATIONS

5.01 As set out in the report.

6.00 ANTI POVERTY IMPACT

6.01 None.

7.00 ENVIRONMENTAL IMPACT

7.01 None.

8.00 EQUALITIES IMPACT

8.01 None.

9.00 PERSONNEL IMPLICATIONS

9.01 None.

10.00 CONSULTATION REQUIRED

10.01 Sterling Consultancy Services.

11.00 CONSULTATION UNDERTAKEN

11.01 Sterling Consultancy Services.

12.00 APPENDICES

12.01 Appendix A - Prudential Indicators

Appendix B - Annual Investment Strategy

**LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985
BACKGROUND DOCUMENTS**

Various WAG and CIPFA papers

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FLINTSHIRE COUNTY COUNCIL

AGENDA ITEM NUMBER:

REPORT TO: EXECUTIVE

DATE : 19 FEBRUARY 2008

REPORT BY: COUNTY FINANCE OFFICER

SUBJECT : PRUDENTIAL INDICATORS 2008/09 TO 2010/11

1.00 PURPOSE OF REPORT

- 1.01 To present proposals for setting a range of prudential indicators to be used in order to establish that the level of future capital investment is affordable, prudent and sustainable.

2.00 BACKGROUND

- 2.01 The prudential system for local authority capital finance was introduced on 1st April 2004. Its legislative base is contained within the Local Government Act 2003, and the regulations subsequently made by the National Assembly enable local authorities to determine their own levels of affordable borrowing for capital expenditure.

- 2.02 Decisions to undertake capital investment by way of unsupported (prudential) borrowing will be limited by a local responsibility to determine whether such capital investment is affordable, prudent and sustainable. The Prudential Code for Capital Finance in Local Authorities is the main instrument that demonstrates that authorities have satisfied these obligations. The code:

- Sets out the factors that should be taken into account when deciding to borrow and make capital investments
- **Identifies a range of indicators that should be used to establish that the level of investment is affordable, prudent and sustainable**
- Details the main features of the corporate governance arrangements that need to be put in place in order to make the code function effectively
- Attempts to capture the main qualities of sound decision making on capital investment strategies

3.00 CONSIDERATIONS

- 3.01 The prudential indicators are designed to support and record local decision making; they are not designed to be comparative performance indicators -

the use of them in this way would be likely to be misleading and counter productive.

3.02 Indicators have been calculated in three areas; capital expenditure, external borrowing, and treasury management. In considering its programme for capital investment, the Council is required within the Prudential Code to have regard to:

- affordability, e.g. implications for Council Tax and Council housing rents
- prudence and sustainability, e.g. implications for external borrowing
- value for money, e.g. option appraisal
- stewardship of assets, e.g. asset management planning
- service objectives, e.g. strategic planning for the authority
- practicality, e.g. achievability of the corporate plan

3.03 Affordability is the ultimate constraint on the amount that a local authority can spend or borrow. In practice, when making a decision to invest in a capital asset, the authority must do more than simply determine whether it can afford the immediate cost. In order to ensure long-term affordability, decisions have also to be prudent and, in the long term, sustainable. Borrowing has to be prudent because, since future interest rates and revenue streams are uncertain, it must involve an element of risk. Furthermore, if the Council is unable to deliver its capital programme, or to afford the cost of running and maintaining the new facilities, the chosen level of capital investment will not be sustainable in the long term. Prudence and affordability are related concepts.

3.04 The Prudential Code specifies that prudential indicators are required to be calculated **for the forthcoming financial year and two subsequent financial years**. This process links in with the development of the Medium Term Financial Strategy.

3.05 Based on those resources currently allocated (including specific grants, but excluding any rephasing), the estimates of capital expenditure to be incurred in 2008/09 and the following two years are as indicated in the table below; **no unsupported (prudential) borrowing has been assumed in the three year period.**

CAPITAL EXPENDITURE			
	2008/09	2009/10	2010/11
	Estimate	Estimate	Estimate
	£m	£m	£m
Housing Revenue Account (HRA)	8.274	7.861	6.609
Non-HRA	40.316	26.607	24.830
Total	48.590	34.468	31.439

The prudential indicators for capital expenditure, based on the Council's capital programme that takes into account the Council's asset management and capital investment strategies, are the starting point for the calculation of the prudential indicators. The capital expenditure totals essentially provide the base financial data from which all other indicators follow.

- 3.06 Estimates of the ratio of financing costs to net revenue stream for 2008/09 and the following two years, based on those expenditure assumptions outlined in the general fund and housing revenue account budget reports included elsewhere on the agenda, are as included in the table below; these indicators of affordability address the revenue implications of the Council's financial strategy.

RATIO OF FINANCING COSTS TO NET REVENUE STREAM			
	2008/09	2009/10	2010/11
	Estimate	Estimate	Estimate
	%	%	%
HRA	10.95	8.76	7.10
Non-HRA	5.42	5.40	5.25

The HRA net revenue stream is the amount to be met from Welsh Assembly Government (WAG) grants and from rentpayers, and the non-HRA equivalent is the amount to be met from WAG grants and local taxpayers. The HRA ratio as calculated, reflects reducing financing costs attributable to the continuing reduction in HRA debt outstanding as a percentage of an increasing level of revenue stream income. The non-HRA ratio reflects an increasing burden of total external interest being borne by the general fund due to the continuing reduction in HRA debt outstanding, as a percentage of an increasing level of revenue stream income. The estimates of financing costs include current commitments and the proposals included in the capital programme report.

- 3.07 Estimates of the capital financing requirement, as described in Section 3.08 below, for 2008/09 and the following two years are:

CAPITAL FINANCING REQUIREMENT			
	2008/09	2009/10	2010/11
	Estimate	Estimate	Estimate
	£m	£m	£m
HRA	26.882	23.225	20.161
Non-HRA	142.262	143.745	145.017
Total	169.144	166.970	165.178

3.08 The capital financing requirement measures the authority's underlying need to borrow for a capital purpose. In accordance with best professional practice, Flintshire County Council does not associate borrowing with particular items or types of expenditure. The authority has an integrated treasury management strategy and has adopted the CIPFA *Code of Practice for Treasury Management in the Public Services*. Flintshire County Council has, at any point in time, a number of cash flows both positive and negative, and manages its treasury position in terms of its borrowings and investments in accordance with its approved treasury management policy and strategy. In day to day cash management, no distinction can be made between revenue cash and capital cash. External borrowing arises as a consequence of all the financial transactions of the authority and not simply those arising from capital spending. In contrast, the capital financing requirement reflects the authority's underlying need to borrow for a capital purpose.

3.09 CIPFA's *Prudential Code for Capital Finance in Local Authorities* includes the following as a key indicator of prudence:

"In order to ensure that over the medium term net borrowing will only be for a capital purpose, the local authority should ensure that net external borrowing does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional financing requirement for the current and next two financial years."

The County Finance Officer reports no difficulty in meeting this requirement for the future period to which the prudential indicators apply. This view takes into account current commitments, existing plans, and all budget proposals.

3.10 In respect of its external debt, it is recommended that the Council approves the following authorised limits for its total external debt gross of investments for the next three financial years. These limits separately identify borrowing from other long term liabilities such as finance leases. The Council is asked to approve these limits and to delegate authority to the County Finance Officer, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long term liabilities, in accordance with option appraisal and best value for money for the authority. Any such changes made will be reported to the Council at its next meeting following the change.

AUTHORISED LIMIT FOR EXTERNAL BORROWING			
	2008/09	2009/10	2010/11
	Estimate	Estimate	Estimate
	£m	£m	£m
All Borrowing (Capital/Revenue)	175.600	177.600	179.600
Other Long Term Liabilities	1.100	1.100	1.000
Total	176.700	178.700	180.600

The County Finance Officer reports that these authorised limits are consistent with the authority's current commitments, existing plans and the proposals in the capital programme report, and with its approved treasury management policy and strategy statement. The County Finance Officer confirms that they are based on the estimate of most likely, prudent but not worse case scenario, with in addition sufficient headroom over and above this to allow for operational management, for example unusual cash movements. Risk analysis and risk management strategies have been taken into account; as have plans for capital expenditure, estimates of the capital financing requirement and estimates of cashflow requirements for all purposes.

- 3.11 The Executive is also asked to approve the following operational boundary for external debt for the same time period. The proposed operational boundary for external debt is based on the same estimates as the authorised limit but reflects directly the County Finance Officer's estimate of the most likely, prudent but not worse case scenario, without the additional headroom included within the authorised limit to allow for example for unusual cash movements, and equates to the maximum of external debt projected by this estimate. The operational boundary represents a key management tool for in year monitoring by the County Finance Officer. Within the operational boundary, figures for borrowing and other long term liabilities are separately identified. The Council is also asked to delegate authority to the County Finance Officer, within the total operational boundary for any individual year, to effect movement between the separately agreed figures for borrowing and other long term liabilities, in a similar fashion to the authorised limit. Any such changes will be reported to the Council as its next meeting following the change.

OPERATIONAL BOUNDARY FOR EXTERNAL DEBT			
	2008/09	2009/10	2010/11
	Estimate	Estimate	Estimate
	£m	£m	£m
All Borrowing (Capital/Revenue)	173.600	175.600	177.600
Other Long Term Liabilities	1.100	1.100	1.000
Total	174.700	176.700	178.600

3.12 It should be noted that actual external debt is not directly comparable to the authorised limit and operational boundary, since the actual external debt reflects the position at one point in time.

The Council is asked to note that the authorised limit determined for 2008/09 (see Section 3.10 above) will be the statutory limit determined under section 3 (1) of the Local Government Act 2003.

3.13 The estimate of the incremental impact of capital investment decisions as proposed in the capital budget report for the period 2008/09 to 2010/11, over and above capital investment decisions that have previously been taken by the Council are:

- for the Band D Council Tax - nil in each year (2008/09, 2009/10 and 2010/11)
- for average weekly housing rents - nil in each year (2008/09, 2009/10 and 2010/11).

3.14 **An extract from Flintshire County Council's Treasury Management Policy & Strategy Statement for 2008/09 (as reported elsewhere on the agenda).**

Flintshire County Council has approved and adopted the CIPFA *Code of Practice for Treasury Management in the Public Services* on 1st April 2002 for 2002/03 onwards.

It is recommended that the Council sets an upper limit on its fixed interest rate exposures for 2008/09, 2009/10 and 2010/11 of 100% of its net outstanding principal sums.

It is further recommended that the Council sets an upper limit on its variable interest rate exposures for 2008/09, 2009/10 and 2010/11 of 35% of its net outstanding principal sums.

It is recommended that the Council sets the implied boundary of fixed rate

exposures at between 65% and 100% and of variable rate exposures at between 0% and 35%

It is recommended that the Council sets upper and lower limits for the maturity structure of its borrowing as follows.

Amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate:

PROJECTED FIXED RATE BORROWING		
	Lower	Upper
	Limit	Limit
	%	%
Under 12 months	0	10
12 months and within 24 months	0	10
24 months and within 5 years	0	30
5 years and within 10 years	0	50
10 years and above	10	100

It is recommended that the Council sets a limit for sums invested for periods longer than 364 days of £40m for 2008/09, 2009/10 and 2010/11.

4.00 RECOMMENDATIONS

4.01 That Members approve and recommend to County Council on 4th March 2008 -

(a) the prudential indicators as detailed in Section 3 of the report -

- Capital expenditure (Section 3.05)
- Ratio of financing costs to net revenue stream (Section 3.06)
- Capital financing requirement (Section 3.07)
- Net borrowing and the capital financing requirement (Section 3.09)
- Authorised limit for external debt (Section 3.10 and 3.12)
- Operational boundary for external debt (Section 3.11)
- Incremental impact of capital investment decisions on the council tax (Section 3.13)
- Incremental impact of capital investment decisions on housing rents (Section 3.13)
- Adoption of the CIPFA Code of Practice for Treasury Management in the Public Services (Section 3.14)
- The upper limit on interest rate exposures - fixed and variable rate interest (Section 3.14)

- Maturity structure of borrowing (Section 3.14)
- Prudential limits for sums invested for periods longer than 364 days (Section 3.14)

(b) delegated authority for the County Finance Officer to effect movements between the separately agreed limits within the authorised limit for external debt and the operational boundary for external debt (Sections 3.10 and 3.11).

5.00 FINANCIAL IMPLICATIONS

5.01 As set out in the report.

6.00 ANTI POVERTY IMPACT

6.01 None.

7.00 ENVIRONMENTAL IMPACT

7.01 None.

8.00 EQUALITIES IMPACT

8.01 None.

9.00 PERSONNEL IMPLICATIONS

9.01 None.

10.00 CONSULTATION REUIRED

10.01 None.

11.00 CONSULTATION UNDERTAKEN

11.01 None.

12.00 APPENDICES

12.01 None

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 BACKGROUND DOCUMENTS

Various Welsh Assembly Government and CIPFA papers.

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FLINTSHIRE COUNTY COUNCIL

Appendix B

REPORT TO: EXECUTIVE

DATE : 19 FEBRUARY 2008

REPORT BY: COUNTY FINANCE OFFICER

**SUBJECT : TREASURY MANAGEMENT POLICY & STRATEGY
STATEMENT INCORPORATING THE PRUDENTIAL CODE
FOR CAPITAL FINANCE & ANNUAL INVESTMENT
STRATEGY 2008/09**

1.00 PURPOSE OF REPORT

1.01 To present the Treasury Management Policy & Strategy Statement (Policy Statement), including key indicators, limits and an annual investment strategy for 2008/09 for adoption.

2.00 BACKGROUND

2.01 The Council adopted the CIPFA Treasury Management in the Public Sector Code of Practice 2001 from 1st April 2002. A requirement of the Code, which has been incorporated into the Council's Financial Procedure Rules, is for the Executive to receive an annual plan prior to 31st March each year.

2.02 In addition and in accordance with the Prudential Code for Capital Finance, the Council is required to determine certain key indicators and limits for 2008/09 before 31st March 2008.

2.03 Welsh Assembly Government (WAG) also requires that the Council approves an Annual Investment Strategy. These requirements have been incorporated into the Treasury Management Policy & Strategy Statement (see Appendix I) and the indicators and limits to be approved by Council are shown in sections 3 and 4.

2.04 In summary, the Treasury Management Strategy for 2008/09 outlined in the Policy & Strategy Statement has been reviewed but remains unchanged from 2007/08.

3.00 TREASURY MANAGEMENT POLICY & STRATEGY STATEMENT

3.01 Prudential Code for Capital Finance

The Policy Statement attached incorporates the key indicators which relate to External Debt and Treasury Management.

- Authorised Limit for External Debt:

This reflects a level of borrowing which, while not desired, could be afforded, but may not be sustainable.
- Operational Boundary for External Debt:

A means by which the Authority manages its external debt to ensure that it remains within a self-imposed limit. It is based on expectations of the minimum external debt of the authority according to probable, not simply possible, events.

The above two indicators are required to be monitored daily as part of Treasury Management function and if any breach of the limits is likely, the County Finance Officer will report this to Executive.

- Upper Limit on fixed interest rate exposures.
- Upper Limit on variable interest rate exposures.
- Upper and Lower Limits for maturity structure of borrowing.
- Limit for principal sums invested in periods longer than 364 days.

3.02 Annual Investment Strategy

The Policy Statement includes the requirements of WAG to document an Annual Investment Strategy as follows:-

- Specified Investments - investments offering high security and high liquidity.
- Non-specified Investments - investments with greater potential risk.
- Investments which can be prudently committed for more than one year.

3.03 External Fund Managers

The performance of external cash managers is monitored by Sterling Consultancy Services and if it is considered appropriate in the future to appoint such a manager, then a recommendation will be made to Executive.

4.00 **LEGISLATIVE REQUIREMENTS**

4.01 In accordance with legislation, the Council is required to approve key indicators and limits for both the Prudential Code for Capital Finance and the Annual Investment Strategy as stated in the tables below:

Prudential Code (as per 3.01 above)

Indicator Type	2008/09 £ million	2009/10 £ million	2010/11 £ million
Authorised Limit for external debt	176.7	178.7	180.6
Operational Boundary for external debt	174.7	176.7	178.6
Upper Limit on fixed interest rate exposures	100%	100%	100%
Upper Limit on variable interest rate exposures	35%	35%	35%
Implied Boundary of fixed rate exposures	65-100%	65-100%	65-100%
Implied Boundary of variable interest rate exposure	0-35%	0-35%	0-35%

Upper and Lower Limits for maturity structure of borrowing	Lower Limit	Upper Limit
Under 12 months	0%	10%
12 months and within 24 months	0%	10%
24 months and within 5 years	0%	30%
5 years and within 10 years	0%	50%
10 years and above	10%	100%

Prudential Limits for principal sums invested in periods longer than 364 days (see Non-Specified Investments) - £40 million

The above limits are recommended for 2008/09, 2009/10 and 2010/11.

Annual Investment Strategy (as per 3.02 above)

In accordance with the requirements of the WAG, the Annual Investment Strategy is detailed as follows:-

- Specified Investments

Specified Investments are shown in the table below:

Rating Type	UK & Other Banks	Building Societies	Local Authorities	Money Market Funds	Debt Management Office
Short term	F1+ & F1	F1+, F1 & F2	N/A	AAA	N/A
Long Term	AA+, AA, AA-, A+ & A	AA+, AA, AA-, A+ & A-	N/A	AAA	N/A
Individual	A, A/B, B, & B/C	A, A/B, B, & B/C	N/A	AAA	N/A
Support	1, 2, 3 & 4	1, 2, 3 & 4	N/A	AAA	N/A
Sector Limit	100%	60%	100%	20%	20%

NB: By definition Specified Investments have a maturity of less than a year.

Ratings are by FITCH IBCA and are updated monthly by Sterling. However, they will provide immediate notification of any changes which affect Flintshire County Council counterparties. If a counterparty no longer meets the investment criteria, no further investments will be made with that counterparty.

- Non-Specified Investments

Non specified investments are those outside the definition of specified investments. The limits for these investments are as follows:-

- Non-rated building societies with minimum asset size of £1 billion - 60% of overall investments.
- Deposits greater than 1 year (including forward deals) - £20 million
- External Managers - £20 million

Each specified investment greater than 1 year is approved by the County Finance Officer.

- Liquidity of Investments

The amounts that can be prudently invested for longer than one year have been ascertained by estimating short term cash flow requirements. The maximum period of an investment will be 5 years.

5.00 RECOMMENDATIONS

5.01 That the Executive approves and recommends that Council approve the key indicators and limits for 2008/09 as set out in 4.00 above.

5.02 That the Executive approves the Treasury Management Policy & Strategy Statement 2008/09.

6.00 FINANCIAL IMPLICATIONS

6.01 None directly.

7.00 POVERTY IMPACT

7.01 None.

8.00 ENVIRONMENTAL IMPACT

8.01 None.

9.00 EQUALITIES IMPACT

9.01 None.

10.00 PERSONNEL IMPLICATIONS

10.01 None.

11.00 CONSULTATION REQUIRED

11.01 Sterling Consultancy Services.

12.00 CONSULTATION UNDERTAKEN

12.01 Sterling Consultancy Services.

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985
BACKGROUND DOCUMENTS

CIPFA Treasury Management Code of Practice 2001
Local Government act 2003.

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FLINTSHIRE COUNTY COUNCIL

**TREASURY MANAGEMENT
POLICY & STRATEGY STATEMENT**

2008/09

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1.0 TREASURY MANAGEMENT POLICY STATEMENT

The Council defines the policies and objectives of its treasury management activities as follows: -

- 1.1 "The management of the authority's cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks".
- 1.2 The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the Council.
- 1.3 The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving best value in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.

2.0 TREASURY STRATEGY STATEMENT

2.1 Introduction

This Treasury Strategy Statement details the expected activities of the Treasury function in 2008/09. Its production and submission to the Executive is a requirement of the Council's Financial Procedure Rules. Its format and structure is that recommended in CIPFA's Treasury Management in the Public Services: Code of Practice (the Code) 2001 as adopted by County Council from 1st April 2002, the Prudential Code for Capital Finance in Local Authorities from 1st April 2004 and an Annual Investment Strategy as issued by the National Assembly for Wales under section 15 (1) (a) of the Local Government Act 2003

The strategy covers:

- Prudential Code for Capital Finance in Local Authorities;
- Annual Investment Strategy
- Current Portfolio Position;
- Treasury Limits for 2008/09;
- Prospects for Interest Rates;
- Capital Finance and Borrowing Portfolio Strategy;
- Temporary Investment Strategy;
- Debt Rescheduling;
- Other Treasury Issues.

2.2 Prudential Code for Capital Finance in Local Authorities

2.2.1 A requirement of the code is to set key indicators and limits as detailed in 2.5.1.

2.2.2 The Prudential System introduced on 1st April 2004 allows local authorities to determine their own levels of affordable borrowing for capital expenditure.

2.2.3 The need to prudentially borrow during 2008/09 and the associated financing of that borrowing will be reviewed in the light of the Capital Programme requirements.

2.3 Annual Investment Strategy

2.3.1 Part 1 of the Local Government Act 2003, which introduced the Prudential Capital Finance System, gives a local authority power to invest for any purposes relevant to its functions under any enactment, or for the purposes of the prudent management of its financial affairs. The Act requires an authority to 'have regard to guidance issued by Welsh Assembly Government (WAG)'.

2.3.2 The WAG requires a local authority, before the start of each financial year, to draw up an Annual Investment Strategy which must be approved by the full council. This document should contain certain investment limits. In the case of Flintshire County Council the requirements are incorporated into this Policy Statement. The strategy needs to include investment limits on:

- Specified Investments – investments offering high security and high liquidity
- Non-specified Investments – investments with greater potential risk
- Investments which can be prudently committed for more than one year

2.4 Current Portfolio Position

The Council's treasury portfolio position at 31/03/2008 comprises:

	Type	Principal £m	Sub- total £m	Average Interest Rate %
Fixed Rate Funding	PWLB	154.66		
	Market*	<u>18.95</u>	173.61	5.649**
Variable Rate Funding	PWLB	0.00		
	Market	<u>0.00</u>	0.00	0.00
Total Long Term Debt			<u>173.61</u>	5.649
Borrowing Requirement	for 2008/09***		<u>0.00</u>	

* The above market loans are LOBO's (Lenders Option, Borrowers Option) with fixed interest rate periods of 12, 16 and 23 months followed by a 33, 34 and 35 year variable period with an option in the variable period to repay the principal prior to maturity if the interest rate increases. These loans replaced market loans of the same amount in July 2007, when their interest rate was increased from 4.45% to 10.00%. Details of this transaction will be reported in the 2007/08 Out-turn Report in September 2008.

** If any re-structure opportunities are implemented before 31st March 2008, this may impact on the average interest rate as at 31.03.08.

*** Appendix A details the borrowing requirement for 2008/09.

2.5 Key Indicators and Treasury Limits for 2008/09

2.5.1 In accordance with Part 1 of the Local Government Act, 2003, the key indicators recommended to be set by full Council are as follows :-

Indicator Type	2008/09 £million	2009/10 £million	2010/11 £million
Authorised Limit for external debt	176.7	178.7	180.6
Operational Boundary for External Debt (Lower than authorised limit due to cash flow variations)	174.7	176.7	178.6
Upper Limit on fixed interest rate exposures	100%	100%	100%
Upper Limit on variable interest rate exposures	35%	35%	35%
Implied Boundary of fixed rate exposures	65-100%	65-100%	65-100%
Implied Boundary of variable rate exposures	0-35%	0-35%	0-35%

Upper and Lower Limits for maturity structure of borrowing	Lower Limit	Upper Limit
Under 12 months	0%	10%
12 months and within 24 months	0%	10%
24 months and within 5 years	0%	30%
5 years and within 10 years	0%	50%
10 years and above	10%	100%

Prudential limits for principal sums invested in periods longer than 364 days	£ 40 million
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The above limits are recommended for 2008/09, 2009/10 and 2010/11.

2.5.2 In accordance with the requirements of the WAG the Annual Investment Strategy is detailed as follows:-

Specified Investments

Specified Investments are shown in the table below:

Rating Type	UK & Other Banks	Building Societies	Local Authorities	Money Market Funds	Debt Management Office
Short term	F1+ & F1	F1+, F1 & F2	N/A	AAA	N/A
Long Term	AA+, AA, AA-, A+ & A	AA+, AA, AA-, A+, A & A-	N/A	AAA	N/A
Individual	A, A/B, B, & B/C	A, A/B, B, & B/C	N/A	AAA	N/A
Support	1, 2, 3 & 4	1, 2, 3 & 4	N/A	AAA	N/A
Sector Limit	100%	60%	100%	20%	20%

NB: By definition Specified Investments have a maturity of less than a year.

Ratings are by FITCH IBCA and are updated monthly by Sterling. However, they will provide immediate notification of any changes which affect Flintshire County Council counterparties. If a counterparty no longer meets the investment criteria, no further investments will be made with that counterparty.

Non Specified Investments

Non specified investments are those outside the definition of specified investments. The limits for these investments are as follows:-

- Non rated building societies with minimum asset size of £1bn - 60% of overall investments
- Deposits greater than 1 year (including forward deals) - £20 million
- External Managers - £20 million

Each non specified investment greater than 1 year is approved by the County Finance Officer.

Liquidity of Investments

The amounts that can be prudently invested for longer than one year have been ascertained by estimating short term cash flow requirements.

The maximum period of an investment will be 5 years.

2.5.3 In addition to the above statutory limits, the following limits are also in place:-

Other Borrowing Limits		Limits
Bank Overdraft Limit		£2 million
Investment Limits		
Counterparty Limit	% of investment portfolio	15%
Country Limit	% of investment portfolio	30%
Counterparty Investment Limit		£5 million
Wholly Owned Subsidiary	Maturity Limit	6 months
De-minimis level of investment		£1 million

2.6 Prospects for UK Interest Rates - Prepared by Sterling Consultancy Services

2.6.1 Sterling Consultancy Services were re-appointed as Treasury Management Consultants for a further 3 years in May 2006 after participating in a tender. They provided the most economically advantageous offer.

2.6.2 The Current Position

The 2007/08 financial year began with the UK base rate at 5.25%. This increased by 0.25% in May and July and decreased again in December, to leave the current base rate at 5.50%

2.6.3 2008/09 Interest Rate Forecast

Prospects for future changes in the Bank of England Bank Rate more or less completely reversed during August and September 2007. In August the Bank of England published its latest Quarterly Inflation Report, which informed the market and economists that there was a high chance of another increase in the Rate before the end of 2007 to 6.00%, but that this was probably the close of the year-long tightening policy.

Inflation had remained over target for the previous year, although Consumer Price Index (CPI) in July unexpectedly eased back under target to 1.9%. The commonly held view was that this was a temporary result and that growing inflationary pressures would soon push the index back over target. Business, especially in the manufacturing sector, was bullish about its ability to raise prices, sentiment that concerned the Monetary Policy Committee (MPC). Gross Domestic Product (GDP) growth also remained strong and the consumer showed little sign of reducing activity following the five previous rate increases. The MPC identified that monetary tightening would be needed to induce economic cooling in order to reduce the upside risks to inflation.

The market view changed rather quickly with the onset of the credit crunch. The US housing market has undergone a particularly severe correction,

exacerbated by the resetting of sub-prime mortgages; mortgages sold at low initial rates to people of poor credit quality. The number of defaults rose as these mortgages were reset to higher rates. While this was initially considered to be a local problem, subsequently it was realised that the mortgages had been packaged and sold on to investors as tradable securities. Defaults in the US housing market made these securities impossible to value, causing a problem for the many banks and other institutions that held them. The market for these asset-backed securities (ABS) froze, and banks stopped lending to each other on the money markets as risk averse behaviour became widespread. This ultimately resulted in the Northern Rock bank run.

The outcome of this problem was that talk of another rate increase quickly evaporated, replaced by talk of a cut; initially to improve liquidity conditions, but ultimately to reduce the downside risks to GDP growth and inflation. The November Inflation Report confirmed the markets view and, along with policymakers, implicitly confirmed rate cuts. Although much of the market believed that the MPC would wait until the first quarter of 2008 to make the first downward move, weaker economic data during December intensified the pressure on the Committee to cut and they duly obliged on the 6th. The uncertainty now lies in the timing of the next downward movement.

The health of the UK economy lies with the consumer. Financial institutions have noted the fact that the credit squeeze started with irresponsible lending, and as a result, lending criteria and availability have been tightened. The reduction in access to credit, at a time when households are under greater financial pressure due to relatively high interest rates and a possible rise in energy bills, will undoubtedly result in consumers spending less. Discretionary and big-ticket purchases are likely to become less common, putting greater pressure on retailers to discount to encourage sales. This should tame domestic inflationary pressures, although high energy prices and more expensive imports are likely to keep the CPI measure elevated in the short-term.

Much depends on the housing market and how this bolsters or undermines consumer confidence. The recent high growth in house prices is cooling rapidly and there has been speculation that the housing market could crash in the near future. Recent Halifax surveys have been weak, with three consecutive monthly reductions in prices. Although there may not be a house price crash, stagnation in price growth is expected and could further reduce consumer confidence and therefore retail sales going forward.

As a result UK economic growth will slow during 2008 from the above trend expansion over the last two years. With a stagnant housing market and lower consumer spending and business investment, the economy is likely to grow below the long-term trend this year, possibly significantly below. With inflation expected to meet the 2% target in the medium-term, it is probable that the MPC will move quickly in order to reduce the downside risks to economic growth, and depending on forthcoming data and consumer sentiment, there is

a high probability of another cut in the first quarter of 2008. Further reductions in Bank Rate are then likely throughout the year.

2.6.4 Risks to the Forecast

There are upside risks to Sterling's forecast in that inflation may rise by more than expected due to high energy and food prices, or that the UK economy proves more resilient than expected. In either of these outcomes the Bank would not cut interest rates as sharply as in the summary forecast below.

2.6.5 Summary

In summary, Sterling's view is that interest rates will stay at 5.5% until March 2008, decreasing gradually during the year to finish at 4.5% at the end of 2008/09.

	Base Rate (%)
Current	5.50
Mar 08	5.25
Jun 08	5.00
Sept 08	4.75
Dec 08	4.50
Jun 09	4.50

2.7 Capital Finance and the Borrowing Portfolio Strategy

2.7.1 Capital Finance

To maximise the use of Unhypothecated Supported Borrowing, usable capital receipts, capital grants and the use of finance and operating leases.

2.7.2 Borrowing Portfolio Strategy

- To manage the Council's debt maturity profile, i.e. to leave no one future year with a high level of repayments that could cause problems in re-borrowing with the limits stated in 2.5.1. Appendix B analyses the debt portfolio of the Council, as at 1st April, 2008.
- To effect borrowing, if required in 2008/09 at the cheapest cost commensurate with future risk based on interest rate forecasts outlined in 2.6 above.
- To monitor and review the level of variable interest rate loans in order to take greater advantage of interest rate movements, within the limits stated in 2.5.1.

2.7.3 The County Finance Officer will monitor the interest rate market and adopt a pragmatic approach to any changing circumstances, reporting any decisions

to Executive.

2.8 Investment Strategy

2.8.1 Investments will be made in accordance with the Guidance on Local Government Investments issued by the National Assembly for Wales under section 15(1)(a) of the Local Government Act 2003, and with the institutions identified in the authorised lending list. Investments will be made with the aim of meeting cash flow requirements whilst achieving a level of return greater than would be secured by internal investment and maintaining capital security and policy flexibility.

2.8.2 The performance of external cash managers is monitored by Sterling Consultancy Services and if it is considered appropriate in the future to appoint such a manager, this will be reported to the Executive for approval.

2.9 Debt Rescheduling

2.9.1 The County Finance Officer will keep under review, along with its Treasury Consultants, the opportunities which may arise for restructuring the Council's debt in order to take advantage of potential savings as interest rates change and to enhance the balance of the long term portfolio (amend the maturity profile and/or the balance of volatility). Any actions carried out under delegated powers will be reported to the Executive and County Council as appropriate.

2.10 Other Treasury Issues

2.10.1 Treasury Management Practices (TMPs)

As part of the compliance with CIPFA's Treasury Management in the Public Services: Code of Practice (the Code) 2001, the following TMPs have been documented:-

- TMP 1 Treasury risk management
- TMP 2 Best value and performance measurement
- TMP 3 Decision - making and analysis
- TMP 4 Approved instruments, methods and techniques
- TMP 5 Organisation, clarity and segregation of responsibilities, and dealing arrangements
- TMP 6 Reporting requirements and management information arrangements
- TMP 7 Budgeting, accounting and audit arrangements
- TMP 8 Cash and cash flow management
- TMP 9 Money laundering
- TMP 10 Staff training and qualifications
- TMP 11 Use of external service providers
- TMP 12 Corporate governance

3.0 CONCLUSION

The Treasury Management Strategy for 2008/09 has been reviewed but remains unchanged from 2007/08

APPENDIX A – BORROWING REQUIREMENTS 2008/09

Borrowing Requirement 2008/09

It is estimated that the Council will not need to borrow during 2008/09 to fund capital finance activities. This is analysed as follows:-

	£m	£m
Maturing Debt	0.00	
Unhypothecated Supported Borrowing (net)	7.77	
Provision for financing Vehicles, IT and various other equipment	1.00	
Sub-total		8.77
Less		
- CRPCS	6.12	
- CRSA	3.63	
Sub-total		9.74
Borrowing Requirement 2008/09		0.00

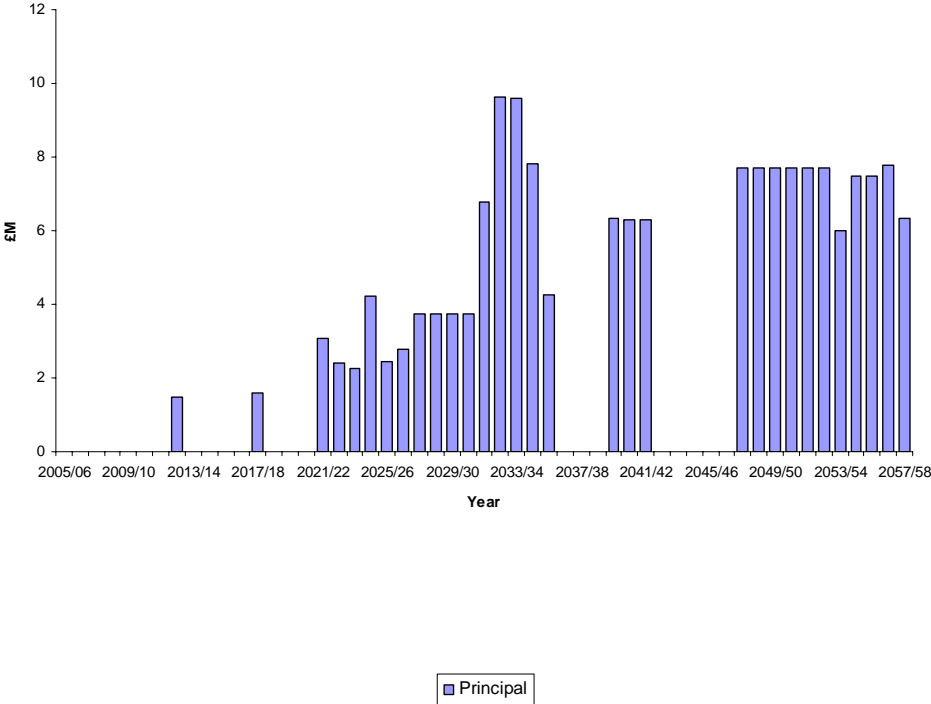
KEY :

CRPCS = Charges to Revenue for Past Capital Spend
CRSA = Capital Receipts Set Aside

At the Council Tax setting meeting of the Council, it is intended that sufficient reserves will be identified to meet the revenue expenditure for 2007/08. Whilst there may be timing differences between the receipt of income and incurring of expenditure, the Council expects its revenue budget, in cash flow terms, to be self-financing.

APPENDIX B – DEBT MATURITY PROFILE

Long Term Debt Maturity Profile



FLINTSHIRE COUNTY COUNCIL

AGENDA ITEM NUMBER: 7

REPORT TO: **SPECIAL MEETING OF THE FLINTSHIRE COUNTY COUNCIL**

DATE : **04 MARCH 2008**

REPORT BY: **COUNTY FINANCE OFFICER**

SUBJECT : **COUNCIL TAX 2008-09**

1.00 PURPOSE OF REPORT

1.01 For Council to agree the statutory and other necessary resolutions for the purpose of collecting Council Tax and Non-Domestic Rates for 2008-09.

2.00 BACKGROUND

2.01 Item 5 on this agenda is consideration of the General Fund Budget for 2008-09. The recommendation of the Executive is that the General Fund for 2008-09 be set at £226,418,956

3.00 PROPOSED RESOLUTIONS

3.01 The Council Tax resolution includes elements relating to Flintshire, North Wales Police Authority and Town/Community Councils.

3.02 The proposed resolutions as detailed in Appendix A to this report are split into the following sections :-

3.02.1 section 1 details the Council Tax Base for 2008-09, which shows the number of properties, expressed as Band 'D' equivalents, in total and for each specific Town/Community Council.

3.02.2 section 2 (a) to 2 (i) details the expenditure and income of Flintshire County Council and Town/Community Councils. It also sets out details of the amount of Council Tax to be charged across the various Valuation Bands in respect of the County Council precept and each Town/Community Council precept.

3.02.3 section 3 details the amount of Council Tax to be charged in each Valuation Band in respect of North Wales Police Authority.

3.02.4 section 4 details the overall amount of Council Tax that taxpayers will be asked to pay. This is made up of three chargeable precepts, Flintshire County Council, North Wales Police Authority, and the Town/Community Councils.

3.02.5 section 5 gives the County Finance Officer the authority to make payments to the North Wales Police Authority in twelve equal instalments payable on the 15th day of each month from April 2008 (adjusted to the next working day as necessary) to March 2009.

3.02.6 section 6 provides authority to specified officers to issue legal proceedings for non payment of Council Tax and to appear on behalf of the Council to prosecute in cases of non payment.

3.02.7 section 7 provides similar authority to specified officers to collect Non-Domestic Rates.

3.02.8 section 8 provides for the advertisement of the Council Tax for 2008-09 in the local press.

3.03 The result of these resolutions would be that Council Tax is levied across all areas of the County as set out in Appendix A and further analysed in Appendix B by amounts and percentage increases.

4.00 RECOMMENDATIONS

4.01 That members agree the resolutions as detailed in Appendix A

5.00 FINANCIAL IMPLICATIONS

5.01 As set out in the report

6.00 ANTI POVERTY IMPACT

6.01 None

7.00 ENVIRONMENTAL IMPACT

7.01 None

8.00 EQUALITIES IMPACT

8.01 None

9.00 PERSONNEL IMPLICATIONS

9.01 None

10.00 CONSULTATION REQUIRED

10.01 None

11.00 CONSULTATION UNDERTAKEN

11.01 None

12.00 APPENDICES

- 12.01 Appendix A to this report details all resolutions necessary to set the 2008-09 Council Tax charges.
- 12.02 Appendix B to this report provides members with some statistical information relating the breakdown of Council Tax charges for 2008-09 by Town & Community Council area.

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 **BACKGROUND DOCUMENTS**

Local Government Finance Act 1992

Contact Officer: David Barnes
Telephone: 01352 703652
E-Mail: David_Barnes@flintshire.gov.uk

STATUTORY & OTHER NECESSARY COUNCIL TAX
RESOLUTIONS FOR 2008/09

1. That it be noted that at its meeting on 11th December 2007 the Council calculated interim amounts, subsequently modified as follows, for the year 2008/09 in accordance with the regulations made under Section 33(5) of the Local Government Finance Act 1992:-

60,340 being the amount calculated in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Wales Regulations 1995 as its Council Tax base for the year, broken down into the following Town/Community areas :-

Argoed	2,480.75
Bagillt	1,462.24
Broughton & Bretton	2,358.95
Brynford	459.28
Buckley	5,936.00
Caerwys	611.43
Cilcain	737.04
Connahs Quay	5,973.28
Flint	4,440.41
Gwernaffield	1,003.78
Gwernymynydd	558.22
Halkyn	1,352.34
Hawarden	6,004.07
Higher Kinnerton	785.68
Holywell	3,178.15
Hope	1,789.59
Leeswood	820.86
Llanasa	1,871.85
Llanfynydd	832.21
Mold	4,090.52
Mostyn	703.22
Nannerch	267.21
Nercwys	299.50
Northop	1,463.85
Northop Hall	706.87
Penyffordd	1,605.11
Queensferry	697.99
Saltney	1,722.33
Sealand	1,108.27
Shotton	2,128.55
Trelawnyd & Gwaenysgor	413.35
Treuddyn	716.79
Whitford	1,115.36
Ysceifiog	644.95
TOTAL BAND "D" PROPERTIES	60,340.00

Being the amounts calculated in accordance with regulation 6 of the Regulations as the amounts of its Council Tax base for the year for dwelling in those parts of its area to which special items relate.

2. That the following amounts be now calculated by the Council for the year 2008/09 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:-

(a) Aggregate of the amounts which the Council estimates for the items set out in Section 32(2)(a)-(d) (including Community Council precepts totalling £1,976,922).	£371,923,276
(b) Aggregate of the amounts which the Council estimates for items set out in Section 32(3)(a) and 32(3)(c).	£143,527,328
(c) Amount by which the aggregate at 2(a) above exceeds the aggregate at 2(b) above calculated in accordance with Section 32(4) as the budget requirement for the year.	£228,395,948
(d) Aggregate of the sums which the Council estimates will be payable for the year into its Council Fund in respect of redistributed Non-Domestic Rates, Revenue Support Grant or Additional Grant.	£176,722,666
(e) The amount at 2(c) above less the amount at 2(d) above, all divided by the amount at 1(a) above, calculated in accordance with Section 33(1) as the basic amount of Council Tax for the year.	£856.37
(f) Aggregate amount of all special items referred to in Section 34(1).	£1,976,992
(g) Amount at 2(e) above less the result given by dividing the amount at 2(f) above by the amount at 1(a) above calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of Council Tax for the year for dwellings in those parts of the area to which no special items relate.	£823.60
(h) The amounts given by adding to the amount at 2(g) above the amounts of special items relating to dwellings in those part of the Council's area mentioned below, divided in each case by the amount at 1(b) above, calculated in accordance with Section 34(3) as the basic amounts of its Council Tax for the year for dwellings in those parts of the area to which special items relate.	£0.00

**FLINTSHIRE COUNTY COUNCIL CHARGES (BAND D) 2008/09
(Including Community/Town Councils)**

Argoed	£842.76
Bagillt	£844.12
Broughton & Bretton	£857.51
Brynford	£854.31
Buckley	£864.99
Caerwys	£859.78
Cilcain	£847.66
Connahs Quay	£866.86
Flint	£858.51
Gwernaffield	£838.54
Gwernymynydd	£848.68
Halkyn	£849.48
Hawarden	£855.08
Higher Kinnerton	£838.87
Holywell	£861.36
Hope	£836.45
Leeswood	£864.57
Llanasa	£854.59
Llanfynydd	£853.64
Mold	£862.32
Mostyn	£857.44
Nannerch	£853.54
Nercwys	£863.67
Northop	£835.60
Northop Hall	£848.50
Penyffordd	£846.65
Queensferry	£863.72
Saltney	£862.60
Sealand	£860.14
Shotton	£869.06
Trelawnyd & Gwaenysgor	£859.89
Treuddyn	£852.90
Whitford	£847.54
Ysceifiog	£842.64

- (i) The amounts given by multiplying the amounts at 2(h) above by the number which in the proportion set out in Section 5(1) of the Act is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D calculated in accordance with Section 36(1) of the Act as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

Area	VALUATION BANDS								
	A £	B £	C £	D £	E £	F £	G £	H £	I £
Argoed	561.84	655.48	749.12	842.76	1,030.04	1,217.32	1,404.60	1,685.52	1,966.44
Bagillt	562.75	656.54	750.33	844.12	1,031.70	1,219.28	1,406.87	1,688.24	1,969.61
Broughton & Bretton	571.68	666.95	762.23	857.51	1,048.07	1,238.62	1,429.19	1,715.02	2,000.85
Brynford	569.54	664.47	759.39	854.31	1,044.15	1,234.00	1,423.85	1,708.62	1,993.39
Buckley	576.66	672.77	768.88	864.99	1,057.21	1,249.43	1,441.65	1,729.98	2,018.31
Caerwys	573.19	668.72	764.25	859.78	1,050.84	1,241.90	1,432.97	1,719.56	2,006.15
Cilcain	565.11	659.29	753.48	847.66	1,036.03	1,224.39	1,412.77	1,695.32	1,977.87
Connahs Quay	577.91	674.23	770.54	866.86	1,059.49	1,252.13	1,444.77	1,733.72	2,022.67
Flint	572.34	667.73	763.12	858.51	1,049.29	1,240.07	1,430.85	1,717.02	2,003.19
Gwernaffield	559.03	652.20	745.37	838.54	1,024.88	1,211.22	1,397.57	1,677.08	1,956.59
Gwernymynydd	565.79	660.09	754.38	848.68	1,037.27	1,225.87	1,414.47	1,697.36	1,980.25
Halkyn	566.32	660.71	755.09	849.48	1,038.25	1,227.02	1,415.80	1,698.96	1,982.12
Hawarden	570.06	665.06	760.07	855.08	1,045.10	1,235.11	1,425.14	1,710.16	1,995.18
Higher Kinnerton	559.25	652.46	745.66	838.87	1,025.28	1,211.70	1,398.12	1,677.74	1,957.36
Holywell	574.24	669.95	765.65	861.36	1,052.77	1,244.18	1,435.60	1,722.72	2,009.84
Hope	557.64	650.57	743.51	836.45	1,022.33	1,208.20	1,394.09	1,672.90	1,951.71
Leeswood	576.38	672.45	768.51	864.57	1,056.69	1,248.82	1,440.95	1,729.14	2,017.33
Llanasa	569.73	664.68	759.64	854.59	1,044.50	1,234.40	1,424.32	1,709.18	1,994.04
Llanfynydd	569.10	663.94	758.79	853.64	1,043.34	1,233.03	1,422.74	1,707.28	1,991.82
Mold	574.88	670.70	766.51	862.32	1,053.94	1,245.57	1,437.20	1,724.64	2,012.08
Mostyn	571.63	666.90	762.17	857.44	1,047.98	1,238.52	1,429.07	1,714.88	2,000.69
Nannerch	569.03	663.87	758.70	853.54	1,043.21	1,232.89	1,422.57	1,707.08	1,991.59
Nercwys	575.78	671.75	767.71	863.67	1,055.59	1,247.52	1,439.45	1,727.34	2,015.23
Northop	557.07	649.91	742.76	835.60	1,021.29	1,206.97	1,392.67	1,671.20	1,949.73
Northop Hall	565.67	659.95	754.22	848.50	1,037.05	1,225.61	1,414.17	1,697.00	1,979.83
Penyffordd	564.44	658.51	752.58	846.65	1,034.79	1,222.93	1,411.09	1,693.30	1,975.51
Queensferry	575.82	671.78	767.75	863.72	1,055.66	1,247.59	1,439.54	1,727.44	2,015.34
Saltney	575.07	670.91	766.76	862.60	1,054.29	1,245.97	1,437.67	1,725.20	2,012.73
Sealand	573.43	669.00	764.57	860.14	1,051.28	1,242.42	1,433.57	1,720.28	2,006.99
Shotton	579.38	675.94	772.50	869.06	1,062.18	1,255.30	1,448.44	1,738.12	2,027.80
Trelawnyd & Gwaenysgor	573.26	668.81	764.35	859.89	1,050.97	1,242.06	1,433.15	1,719.78	2,006.41
Treuddyn	568.60	663.37	758.13	852.90	1,042.43	1,231.96	1,421.50	1,705.80	1,990.10
Whitford	565.03	659.20	753.37	847.54	1,035.88	1,224.22	1,412.57	1,695.08	1,977.59
Ysceifiog	561.76	655.39	749.01	842.64	1,029.89	1,217.14	1,404.40	1,685.28	1,966.16

3. That it be noted that for the year 2008/09 the North Wales Police Authority has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings shown below :-

	Valuation Bands								
	A £	B £	C £	D £	E £	F £	G £	H £	I £
Precept	124.12	144.81	165.49	186.18	227.55	268.93	310.30	372.36	434.42

4. Having calculated the aggregate in each case of the amounts at 2(i) and 3 above, the Council in accordance with Section 30(2) of the Local Government Finance Act 1992 hereby sets the following amounts as the amounts of Council Tax for the year 2008/09 for each of the categories of dwellings shown below:

Area	VALUATION BANDS								
	A £	B £	C £	D £	E £	F £	G £	H £	I £
Argoed	685.96	800.29	914.61	1,028.94	1,257.59	1,486.25	1,714.90	2,057.88	2,400.86
Bagillt	686.87	801.35	915.82	1,030.30	1,259.25	1,488.21	1,717.17	2,060.60	2,404.03
Broughton & Bretton	695.80	811.76	927.72	1,043.69	1,275.62	1,507.55	1,739.49	2,087.38	2,435.27
Brynford	693.66	809.28	924.88	1,040.49	1,271.70	1,502.93	1,734.15	2,080.98	2,427.81
Buckley	700.78	817.58	934.37	1,051.17	1,284.76	1,518.36	1,751.95	2,102.34	2,452.73
Caerwys	697.31	813.53	929.74	1,045.96	1,278.39	1,510.83	1,743.27	2,091.92	2,440.57
Cilcain	689.23	804.10	918.97	1,033.84	1,263.58	1,493.32	1,723.07	2,067.68	2,412.29
Connahs Quay	702.03	819.04	936.03	1,053.04	1,287.04	1,521.06	1,755.07	2,106.08	2,457.09
Flint	696.46	812.54	928.61	1,044.69	1,276.84	1,509.00	1,741.15	2,089.38	2,437.61
Gwernaffield	683.15	797.01	910.86	1,024.72	1,252.43	1,480.15	1,707.87	2,049.44	2,391.01
Gwernymynydd	689.91	804.90	919.87	1,034.86	1,264.82	1,494.80	1,724.77	2,069.72	2,414.67
Halkyn	690.44	805.52	920.58	1,035.66	1,265.80	1,495.95	1,726.10	2,071.32	2,416.54
Hawarden	694.18	809.87	925.56	1,041.26	1,272.65	1,504.04	1,735.44	2,082.52	2,429.60
Higher Kinnerton	683.37	797.27	911.15	1,025.05	1,252.83	1,480.63	1,708.42	2,050.10	2,391.78
Holywell	698.36	814.76	931.14	1,047.54	1,280.32	1,513.11	1,745.90	2,095.08	2,444.26
Hope	681.76	795.38	909.00	1,022.63	1,249.88	1,477.13	1,704.39	2,045.26	2,386.13
Leeswood	700.50	817.26	934.00	1,050.75	1,284.24	1,517.75	1,751.25	2,101.50	2,451.75
Llanasa	693.85	809.49	925.13	1,040.77	1,272.05	1,503.33	1,734.62	2,081.54	2,428.46
Llanfynydd	693.22	808.75	924.28	1,039.82	1,270.89	1,501.96	1,733.04	2,079.64	2,426.24
Mold	699.00	815.51	932.00	1,048.50	1,281.49	1,514.50	1,747.50	2,097.00	2,446.50
Mostyn	695.75	811.71	927.66	1,043.62	1,275.53	1,507.45	1,739.37	2,087.24	2,435.11
Nannerch	693.15	808.68	924.19	1,039.72	1,270.76	1,501.82	1,732.87	2,079.44	2,426.01
Nercwys	699.90	816.56	933.20	1,049.85	1,283.14	1,516.45	1,749.75	2,099.70	2,449.65
Northop	681.19	794.72	908.25	1,021.78	1,248.84	1,475.90	1,702.97	2,043.56	2,384.15
Northop Hall	689.79	804.76	919.71	1,034.68	1,264.60	1,494.54	1,724.47	2,069.36	2,414.25
Penyffordd	688.56	803.32	918.07	1,032.83	1,262.34	1,491.86	1,721.39	2,065.66	2,409.93
Queensferry	699.94	816.59	933.24	1,049.90	1,283.21	1,516.52	1,749.84	2,099.80	2,449.76
Saltney	699.19	815.72	932.25	1,048.78	1,281.84	1,514.90	1,747.97	2,097.56	2,447.15
Sealand	697.55	813.81	930.06	1,046.32	1,278.83	1,511.35	1,743.87	2,092.64	2,441.41
Shotton	703.50	820.75	937.99	1,055.24	1,289.73	1,524.23	1,758.74	2,110.48	2,462.22
Trelawnyd & Gwaenysgor	697.38	813.62	929.84	1,046.07	1,278.52	1,510.99	1,743.45	2,092.14	2,440.83
Treuddyn	692.72	808.18	923.62	1,039.08	1,269.98	1,500.89	1,731.80	2,078.16	2,424.52
Whitford	689.15	804.01	918.86	1,033.72	1,263.43	1,493.15	1,722.87	2,067.44	2,412.01
Ysceifiog	685.88	800.20	914.50	1,028.82	1,257.44	1,486.07	1,714.70	2,057.64	2,400.58

5. That the County Finance Officer be authorised to make payments under section 38(9) Local Government (Wales) Act 1994 and the Local Authorities (Precepts) (Wales) Regulations 1995 from the Council Fund by equal instalments on the 15th day of each month from April 2007 (adjusted to the next working day as necessary) to March 2008 in respect of the precept levied by North Wales Police Authority in the sum of £1,976,992.00
6. Authorisations - Council Tax
 - a) That the holders of the posts of County Finance Officer, Assistant Director of Finance (Funds and Customer Accounts), Head of Customer Accounts, Customer Accounts Managers, Customer Accounts Team Leaders, Customer Accounts Officers within Finance for the time being be authorised under Section 223 of the Local Government Act 1972 to issue legal proceedings and to appear on behalf of the County Council at the hearing of any legal proceedings in the Magistrates Court by way of an application for the issue of a Liability Order in respect of unpaid Council Taxes and penalties under Part VI of the Council Tax (Administration and Enforcement) Regulations 1992; by way of an application for the issue of a warrant of commitment to prison under Part VI of the Council Tax (Administration and Enforcement) Regulations 1992; to require financial information to make an Attachment of Earnings Order; to levy the appropriate amount by distress and sale of goods; and to exercise all other enforcement powers of the County Council under the Council Tax (Administration and Enforcements) Regulations 1992 and any subsequent amendments of such Regulations.
 - b) That the County Finance Officer or Assistant Director of Finance (Funds and Customer Accounts) be authorised to engage the services of bailiffs for the service of summonses and warrants of commitment, obtaining financial information, the levying of distress warrants and the sale of goods and any appropriate action for the recovery of outstanding Council Taxes and penalties under the Local Government Finance Act 1992 and any Regulations made thereunder.
7. Authorisations - National Non-Domestic Rates
 - a) That the holders of the posts of County Finance Officer, Assistant Director of Finance (Funds and Customer Accounts), Head of Customer Accounts, Customer Accounts Managers, Customer Accounts Team Leaders, Customer Accounts Officers within Finance for the time being be authorised under Section 223 of the Local Government Act 1972, to institute legal proceedings and to appear on behalf of the Council at the hearing of any legal proceedings in the Magistrates Courts by way of application for the issue of a liability order in respect of unpaid rates; by way of an application for the issue of a warrant of commitment; and to exercise all other powers of enforcement of the County Council under the Non-Domestic (Collection and Enforcement) (Local Lists) Regulations 1989 and any amendment thereto.

- b) That the County Finance Office or Assistant Director of Finance, (Funds and Customer Accounts) be authorised to engage the services of bailiffs to serve such summonses, distress warrants, liability orders or warrants of commitment, to levy distress and to sell goods as may be necessary to recover outstanding rates.
8. That notices of the making of the said Council Taxes signed by the Chief Executive be given by advertisement in the local press under Section 38(2) of the Local Government Finance Act 1992.

Appendix B

2008-09 Council Tax Charges

Lowest to Highest Amounts by Town/Community Council

Community	Band 'D'			
	Community £	Flintshire £	Police £	Total £
Northop	12.00	823.60	186.18	1,021.78
Hope	12.85	823.60	186.18	1,022.63
Gwernaffield	14.94	823.60	186.18	1,024.72
Higher Kinnerton	15.27	823.60	186.18	1,025.05
Ysceifiog	19.04	823.60	186.18	1,028.82
Argoed	19.16	823.60	186.18	1,028.94
Bagillt	20.52	823.60	186.18	1,030.30
Penyffordd	23.05	823.60	186.18	1,032.83
Whitford	23.94	823.60	186.18	1,033.72
Cilcain	24.06	823.60	186.18	1,033.84
Northop Hall	24.90	823.60	186.18	1,034.68
Gwernymynydd	25.08	823.60	186.18	1,034.86
Halkyn	25.88	823.60	186.18	1,035.66
Treuddyn	29.30	823.60	186.18	1,039.08
Nannerch	29.94	823.60	186.18	1,039.72
Llanfynydd	30.04	823.60	186.18	1,039.82
Brynford	30.71	823.60	186.18	1,040.49
Llanasa	30.99	823.60	186.18	1,040.77
Hawarden	31.48	823.60	186.18	1,041.26
Mostyn	33.84	823.60	186.18	1,043.62
Broughton & Bretton	33.91	823.60	186.18	1,043.69
Flint	34.91	823.60	186.18	1,044.69
Caerwys	36.18	823.60	186.18	1,045.96
Trelawnyd & Gwaenysgor	36.29	823.60	186.18	1,046.07
Sealand	36.54	823.60	186.18	1,046.32
Holywell	37.76	823.60	186.18	1,047.54
Mold	38.72	823.60	186.18	1,048.50
Saltney	39.00	823.60	186.18	1,048.78
Nercwys	40.07	823.60	186.18	1,049.85
Queensferry	40.12	823.60	186.18	1,049.90
Leeswood	40.97	823.60	186.18	1,050.75
Buckley	41.39	823.60	186.18	1,051.17
Connahs Quay	43.26	823.60	186.18	1,053.04
Shotton	45.46	823.60	186.18	1,055.24

Appendix B

2008-09 Council Tax Charges

Amounts in Town/Community Council order

Community	Band 'D'			
	Community £	Flintshire £	Police £	Total £
Argoed	19.16	823.60	186.18	1,028.94
Bagillt	20.52	823.60	186.18	1,030.30
Broughton & Bretton	33.91	823.60	186.18	1,043.69
Brynford	30.71	823.60	186.18	1,040.49
Buckley	41.39	823.60	186.18	1,051.17
Caerwys	36.18	823.60	186.18	1,045.96
Cilcain	24.06	823.60	186.18	1,033.84
Connahs Quay	43.26	823.60	186.18	1,053.04
Flint	34.91	823.60	186.18	1,044.69
Gwernaffield	14.94	823.60	186.18	1,024.72
Gwernymynydd	25.08	823.60	186.18	1,034.86
Halkyn	25.88	823.60	186.18	1,035.66
Hawarden	31.48	823.60	186.18	1,041.26
Higher Kinnerton	15.27	823.60	186.18	1,025.05
Holywell	37.76	823.60	186.18	1,047.54
Hope	12.85	823.60	186.18	1,022.63
Leeswood	40.97	823.60	186.18	1,050.75
Llanasa	30.99	823.60	186.18	1,040.77
Llanfynydd	30.04	823.60	186.18	1,039.82
Mold	38.72	823.60	186.18	1,048.50
Mostyn	33.84	823.60	186.18	1,043.62
Nannerch	29.94	823.60	186.18	1,039.72
Nercwys	40.07	823.60	186.18	1,049.85
Northop	12.00	823.60	186.18	1,021.78
Northop Hall	24.90	823.60	186.18	1,034.68
Penyffordd	23.05	823.60	186.18	1,032.83
Queensferry	40.12	823.60	186.18	1,049.90
Saltney	39.00	823.60	186.18	1,048.78
Sealand	36.54	823.60	186.18	1,046.32
Shotton	45.46	823.60	186.18	1,055.24
Trelawnyd & Gwaenysgor	36.29	823.60	186.18	1,046.07
Treuddyn	29.30	823.60	186.18	1,039.08
Whitford	23.94	823.60	186.18	1,033.72
Ysceifiog	19.04	823.60	186.18	1,028.82

Appendix B

2008-09 Council Tax D Charges

Lowest to Highest % increase amounts by Town/Community Council

Community	Band D - Increase / Decrease			
	Community %	Flintshire %	Police %	Total %
Sealand	-9.29	3.39	4.50	3.08
Argoed	-5.20	3.39	4.50	3.42
Bagillt	-1.44	3.39	4.50	3.49
Queensferry	-1.26	3.39	4.50	3.40
Llanfynydd	-0.27	3.39	4.50	3.48
Caerwys	-0.11	3.39	4.50	3.46
Holywell	-0.05	3.39	4.50	3.46
Northop	0.00	3.39	4.50	3.55
Penyffordd	0.04	3.39	4.50	3.51
Higher Kinnerton	0.07	3.39	4.50	3.54
Mostyn	0.39	3.39	4.50	3.49
Broughton & Bretton	0.74	3.39	4.50	3.50
Gwernaffield	0.74	3.39	4.50	3.55
Shotton	2.34	3.39	4.50	3.54
Whitford	2.48	3.39	4.50	3.57
Buckley	2.53	3.39	4.50	3.55
Saltney	2.63	3.39	4.50	3.56
Connahs Quay	3.00	3.39	4.50	3.57
Mold	3.01	3.39	4.50	3.57
Ysceifiog	4.04	3.39	4.50	3.60
Hawarden	4.41	3.39	4.50	3.62
Cilcain	5.76	3.39	4.50	3.64
Flint	6.79	3.39	4.50	3.70
Nercwys	9.78	3.39	4.50	3.82
Trelawnyd & Gwaenysgor	12.67	3.39	4.50	3.88
Gwernymynydd	15.10	3.39	4.50	3.85
Llanasa	16.02	3.39	4.50	3.93
Halkyn	16.21	3.39	4.50	3.88
Nannerch	16.41	3.39	4.50	3.92
Brynford	16.77	3.39	4.50	3.94
Northop Hall	18.57	3.39	4.50	3.91
Leeswood	23.07	3.39	4.50	4.24
Hope	27.73	3.39	4.50	3.84
Treuddyn	107.95	3.39	4.50	5.08

Appendix B

2008-09 Council Tax Charges -
% increase amounts by Town/Community Council Order

Community	Band D - Increase / Decrease			
	Community %	Flintshire %	Police %	Total %
Argoed	-5.20	3.39	4.50	3.42
Bagillt	-1.44	3.39	4.50	3.49
Broughton & Bretton	0.74	3.39	4.50	3.50
Brynford	16.77	3.39	4.50	3.94
Buckley	2.53	3.39	4.50	3.55
Caerwys	-0.11	3.39	4.50	3.46
Cilcain	5.76	3.39	4.50	3.64
Connahs Quay	3.00	3.39	4.50	3.57
Flint	6.79	3.39	4.50	3.70
Gwernaffield	0.74	3.39	4.50	3.55
Gwernymynydd	15.10	3.39	4.50	3.85
Halkyn	16.21	3.39	4.50	3.88
Hawarden	4.41	3.39	4.50	3.62
Higher Kinnerton	0.07	3.39	4.50	3.54
Holywell	-0.05	3.39	4.50	3.46
Hope	27.73	3.39	4.50	3.84
Leeswood	23.07	3.39	4.50	4.24
Llanasa	16.02	3.39	4.50	3.93
Llanfynydd	-0.27	3.39	4.50	3.48
Mold	3.01	3.39	4.50	3.57
Mostyn	0.39	3.39	4.50	3.49
Nannerch	16.41	3.39	4.50	3.92
Nercwys	9.78	3.39	4.50	3.82
Northop	0.00	3.39	4.50	3.55
Northop Hall	18.57	3.39	4.50	3.91
Penyffordd	0.04	3.39	4.50	3.51
Queensferry	-1.26	3.39	4.50	3.40
Saltney	2.63	3.39	4.50	3.56
Sealand	-9.29	3.39	4.50	3.08
Shotton	2.34	3.39	4.50	3.54
Trelawnyd & Gwaenysgor	12.67	3.39	4.50	3.88
Treuddyn	107.95	3.39	4.50	5.08
Whitford	2.48	3.39	4.50	3.57
Ysceifiog	4.04	3.39	4.50	3.60