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Gareth Owens LL.B Barrister/Bargyfreithiwr
Head of Legal and Democratic Services
Pennaeth Gwasanaethau Cyfreithiol a Democraataidd



To: ALL MEMBERS OF THE COUNCIL

CS/NG

11 July 2012

Ceri Owen 01352 702350
ceri.owen@flintshire.gov.uk

Dear Sir / Madam

A meeting of the **FLINTSHIRE COUNTY COUNCIL** will be held in the **COUNCIL CHAMBER, COUNTY HALL, MOLD CH7 6NA** on **TUESDAY, 17TH JULY, 2012** at **2.00 PM** to consider the following items.

Yours faithfully

Democracy & Governance Manager

AGENDA

1 PRESENTATIONS

A presentation will be made to the following:-

- Louis Thomas, Age 7 of Ysgol Trelogan who scooped first prize at the National Urdd Eisteddfod in the Year 2 or under Recitation category;
- Shotton Station which was awarded runner up in the Partnership category during the 2012 Chartered Institute of Logistics and Transport (CILT) National Awards. Flintshire County Council was the only Authority in North Wales to receive an award, helping raise its profile in the Transport sector

County Hall, Mold. CH7 6NA
Tel. 01352 702400 DX 708591 Mold 4
www.flintshire.gov.uk
Neuadd y Sir, Yr Wyddgrug. CH7 6NR
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The Council welcomes correspondence in Welsh or English
Mae'r Cyngor yn croesawau gohebiaeth yn y Cymraeg neu'r Saesneg

across the Country and recognising the good work of the Borderlands Steering Group and Jamie Sant's work in particular around Shotton Station; and

- Abbey Metal who have been awarded the 2012 Safety in Care Award following a glowing report by the Health & Safety Executive. This is a UK wide award which recognises the significant work undertaken in improving and maintaining Health & Safety within the factory setting.

2 **APOLOGIES FOR ABSENCE**

3 **PUBLIC QUESTION TIME**

4 **DECLARATIONS OF INTEREST**

To receive any declarations of interests from Members.

5 **COUNCIL MINUTES** (Pages 1 - 10)

To confirm as a correct record the minutes of the meeting held on 19 June, 2012.

6 **CHAIR'S COMMUNICATIONS**

7 **PETITIONS**

8 **NOTICE OF MOTION**

9 **QUESTIONS**

To note the answers to any questions submitted in accordance with County Council Standing Order No. 9.4(A).

10 **APPOINTMENTS TO OUTSIDE BODIES** (Pages 11 - 30)

Report of Head of Legal and Democratic Services enclosed.

11 **ANNUAL TREASURY MANAGEMENT REPORT FOR 2011/12** (Pages 31 - 46)

Report of Head of Finance enclosed.

12 **LOCAL PLANNING GUIDANCE NOTE NO. 23 - DEVELOPERS CONTRIBUTIONS TO EDUCATION** (Pages 47 - 56)

Report of Director of Environment enclosed.

13 **CONSULTATION BY LOCAL GOVERNMENT BOUNDARY COMMISSION FOR WALES ON COUNCIL SIZE POLICY** (Pages 57 - 88)

Report of Chief Executive enclosed.

14 **SCHOOL MODERNISATION UPDATE**

The Chief Executive and Director of Lifelong Learning will provide a verbal update at the meeting.

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FLINTSHIRE COUNTY COUNCIL **19 JUNE, 2012**

Minutes of the Annual Meeting of Flintshire County Council held in the Council Chamber, County Hall, Mold on Tuesday 19 June, 2012

PRESENT: Councillor A. Minshull (Chair)

Councillors: L.A. Aldridge, J.B. Attridge, G. Banks, G.H. Bateman, M. Bateman, R.C. Bithell, H. Brown, C.S. Carver, D.L. Cox, P.J. Curtis, R. Davies, A. Davies-Cooke, C.J. Dolphin, R. Dolphin, I. Dunbar, B. Dunn, C.A. Ellis, D. Evans, J.E. Falshaw, V. Gay, R.J.T. Guest, A.M. Halford, R.G. Hampson, G. Hardcastle, P.G. Heesom, C. Hinds, H.T. Howorth, R. Hughes, H.T. Isherwood, J. Johnson, R. Johnson, C.M. Jones, R.K. Jones, R.B. Jones, P. Lightfoot, B. Lloyd, R. Lloyd, M. Lowe, R.P. Macfarlane, D.I. Mackie, N.M. Matthews, H.J. McGuill, W. Mullin, T. Newhouse, N. Phillips, M.A. Reece, H.G. Roberts, I.B. Roberts, L.A. Sharps, A.P. Shotton, P. Shotton, C.A. Thomas, W.O. Thomas, S. Williams, D.E. Wisinger, A. Woolley and M.G. Wright

APOLOGIES:

Councillors: A. Bragg, D. Butler, A.G. Diskin, G.D. Diskin, E.F. Evans, H.D. Hutchinson, S. Jones, I. Smith, N.R. Steele-Mortimer and D.M.T. Williams

IN ATTENDANCE:

Chief Executive, Director of Lifelong Learning, Director of Environment, Director of Community Services, Head of Legal and Democratic Services, Head of Finance, Member Engagement Manager and Committee Officers

14. PRESENTATION

The Chief Executive welcomed Mr. Wynne, Mr. Davies, Emily Hughes, Keeley Hughson, Louise Goldsmith, Amy Williams and Sasha Ellis to the meeting. The pupils were a group of young Flint High School engineers 'The Golden Fleeces' who had been awarded the prestigious national Toyota Technology Challenge award out of 11,000 students who took part. The challenge involved designing a vehicle and answering a series of questions as part of the assessment stage. Flint High School had also won the award in 2011.

Mr. Wynne thanked the Council for inviting the pupils to the meeting and said that it had been a team effort and a huge achievement.

Councillor R.C. Bithell, Cabinet Member for Education congratulated the pupils for winning such a high profile award. He said that this had been an outstanding achievement and a great tribute to Flint High School. His comments were echoed by a number of Members with Councillor I.B. Roberts paying tribute to Mr. Wynne and Mr. Davies and all the dedicated teachers at Flint High School.

15. PUBLIC QUESTION TIME

The Head of Legal and Democratic Services confirmed that no questions had been received.

16. DECLARATIONS OF INTEREST

The following Members declared a personal interest for Agenda item number 14 – Secondary School – Area Reviews:-

Councillors: L.A. Aldridge, J.B. Attridge, G. Banks, G.H. Bateman, M. Bateman, H. Brown, D.L. Cox, P.J. Curtis, R. Davies, A. Davies-Cooke, C.J. Dolphin, R. Dolphin, I. Dunbar, B. Dunn, C.A. Ellis, J.E. Falshaw, V. Gay, R.J.T. Guest, A.M. Halford, R.G. Hampson, G. Hardcastle, P.G. Heesom, C. Hinds, H.T. Howorth, R. Hughes, H.T. Isherwood, J. Johnson, R. Johnson, C.M. Jones, R.K. Jones, R.B. Jones, B. Lloyd, R. Lloyd, M. Lowe, R.P. Macfarlane, D.I. Mackie, N.M. Matthews, H.J. McGuill, W. Mullin, N. Phillips, M.A. Reece, H.G. Roberts, I.B. Roberts, A.P. Shotton, C.A. Thomas, W.O. Thomas, S. Williams, D.E. Wisinger, A. Woolley and M.G. Wright

17. COUNCIL MINUTES

The minutes of the meetings of Flintshire County Council held on 1 and 27 March and 15 May, 2012 had been circulated with the agenda.

1 March, 2012

RESOLVED:

That the minutes be approved as a correct record and signed by the Chair.

27 March, 2012

RESOLVED:

That the minutes be approved as a correct record and signed by the Chair.

15 May, 2012

The Head of Legal and Democratic Services reported that during the Annual Council meeting the Council had resolved that the position of Chair of the Licensing Committee not be given to the largest opposition group. This had not been reflected in the resolution on page 35 of the minutes and needed to be amended accordingly.

When put to the vote, Councillor P.G. Heesom voted against the amendment.

RESOLVED:

That subject to the amendment listed above, the minutes be approved as a correct record and signed by the Chair.

18. CHAIR'S COMMUNICATIONS

The Chair explained that details of her communications would be made available in the Members room. She thanked Members who had attended her Civic Service and the Vice-Chair who had attended many functions on her behalf during her holiday.

The Chair also reported that the Planning Committee meeting scheduled for 20 June, 2012 would be held in the Council Chamber as the audio visual equipment in the Alyn and Deeside Room was not in working order.

19. PETITIONS

Councillor C.A. Ellis submitted a petition on behalf of Councillor H.D. Hutchinson to make safe the surface of the roads at Park Walk and Tram Road, Buckley.

Councillor M. Reece submitted a petition to remove the traffic calming humps at Sandy Lane, Ridgehill, Alwen Drive and Cadnant Drive, Bagillt.

20. NOTICE OF MOTION

The Head of Legal and Democratic Services confirmed that no Notices of Motion had been received.

21. QUESTIONS

The Head of Legal and Democratic Services confirmed that no questions had been received.

22. QUESTIONS FROM MEMBERS ON COMMITTEE MINUTES

The Head of Legal and Democratic Services confirmed that no questions had been received.

23. CONSTITUTIONAL CHANGES FOLLOWING THE AGM

The Head of Legal and Democratic Services introduced a report to propose amendments to the Constitution to reflect changes approved by Flintshire County Council at its annual general meeting on the 15 May, 2012.

With respect to the Audit Committee detailed provision had been made for the appointment of the lay members by suggesting their term of office to run from the first full Council meeting after the annual general meeting in the

year of the County Council elections until the first County Council meeting after the annual general meeting following the next County Council elections. Also at the annual general meeting it had been decided that the Committees themselves should appoint their own Vice-Chairs. If the Council wanted that practice to continue then the Constitution would need to be amended accordingly.

Councillor A.P. Shotton, Leader of the Council proposed that the Council approve the recommendations as outlined within the report and also support the suggestions on the terms of office of the lay member of the Audit Committee and that each Committee appoint one of its Members as Vice-Chair at the first meeting following the annual general meeting. The proposal was seconded by Councillor J.B. Attridge.

Councillor P.G. Heesom sought advice from the Head of Legal and Democratic Services on whether the Chair and Vice Chair of the Licensing Committee should be a Member of a Non-Executive Group as he believed that there had been a Welsh Government guideline limiting appointments.

The Head of Legal and Democratic Services advised that he was not aware of such a directive and reported that as the principle of Executive Groups had been created as part of the Local Government Measure 2011 ('the Measure'), such a restriction was unlikely to have been in force before that time.

Councillor R.B. Jones raised concerns on the terms of reference of the Audit Committee which duplicated the terms of reference of the Corporate Resources Overview and Scrutiny Committee. Councillor R.J.T. Guest also raised similar concerns stating that the duplicated terms of reference could cause confusion. He also said that the Leader of the Council had not provided a rationale on why the Chair of the Licensing Committee should not be given to the largest opposition group. He proposed an amendment that the Council not support the amendment to the Constitution with regard to the Chair of the Licensing Committee and also that the decision on the terms of reference for the Audit Committee be deferred until the necessary guidance on the Measure had been received from the Welsh Government (WG).

The Chief Executive explained that there needed to be a clear understanding of the roles of both the Audit Committee and Corporate Resources Overview and Scrutiny Committee and that it was feasible to hold complementary functions across the two Committees. He commended the Overview and Scrutiny Committee on its valuable role in the budget monitoring and observed that the Audit Committee, alone, would not have sufficient time to fulfil this role given its demanding terms of reference. The Head of Legal and Democratic Services explained that the amendments to the proposal were not valid as the decision on the Chair of the Licensing Committee had been a Council resolution within the last six months, and the Council could potentially be in breach of the legislation if they did not agree the terms of reference of the Audit Committee in line with the Measure.

Councillor P.G. Heesom raised concern that the political balance of Committee's was calculated across all Members of the Council even though Cabinet Members could not sit on any other Committee. He said he had previously raised this issue and sought clarification from the Monitoring Officer on this matter following the meeting.

Councillor L.A. Aldridge suggested that Mr. Frank Cuthbert be invited to provide all Members with additional information on the Measure to reduce the risk of misinterpretation.

The Chief Executive advised that further guidance was due to be published by the WG and proposed that in the interim the Council proceed with the recommendations, to be complaint with the Measure, and that the Chairs of the Audit Committee and Corporate Resources Overview and Scrutiny Committee be advised on how to best manage their complementary roles to avoid duplication of effort.

RESOLVED:

- (a) That the proposed changes to the constitution as shown in Appendices A, B and C be approved;
- (b) That the Constitution Committee be given power to revoke bye-laws as well as to review, amend and create bye-laws;
- (c) That the term of office for the lay member on the Audit Committees be from the first County Council meeting following the annual general meeting after the County Council elections until the first County Council meeting after the annual general meeting following the next County Council elections; and
- (d) That each Committee appoint one of its Members as Vice-Chair at the first meeting following the annual general meeting.

24. REVIEW OF POLITICAL BALANCE

The Head of Legal and Democratic Services introduced a report to undertake a review of the allocation of seats to political groups as a result of a change in the membership of two groups.

Attached at Appendix 1 of the report was a table showing the political balance calculations. There has been no change to the places allocated to the Labour, Liberal Democrats, New Independents and Independent groups. A place on the Lifelong Learning Overview and Scrutiny Committee had been gained by the Conservative group at the expense of the non-aligned members. The Conservative group had gained an additional seat on both the Constitution and Democratic Services Committee at the expense of the Independent Alliance Group. A list of Committees that non-aligned Members wanted to sit on had been circulated to all Members before the start of the meeting.

Councillor A.P. Shotton, Leader of the Council proposed that the Council support the recommendations as outlined within the report, noting the preference of the Committee's the non-aligned Members wanted to sit on. This was seconded by Councillor J.B. Attridge.

RESOLVED:

- (a) That the Conservative Group gain a seat on the Lifelong Learning Overview and Scrutiny Committee at the expense of the non-aligned Members;
- (b) That the Conservative Group gain a seat on the Constitution and Democratic Services Committee at the expense of the Independent Alliance Group;
- (c) That Councillor Gareth Roberts be appointed to the Social and Health Overview and Scrutiny Committee, Planning Committee and Licensing Committee;
- (d) That Councillor Dennis Hutchinson be appointed to the Environment Overview and Scrutiny Committee and Community Profile and Partnerships Overview and Scrutiny Committee; and
- (e) That Councillor Tim Newhouse be appointed to the Constitution Committee and Democratic Services Committee.

25. APPOINTMENT OF LAY MEMBER TO THE AUDIT COMMITTEE

The Head of Legal and Democratic Services introduced a report to inform the County Council of the process used to recruit a lay member to the Audit Committee and to recommend a candidate for appointment.

On 10 May, 2012 adverts for a lay member for the Audit Committee had been placed in the Chester Chronicle and Daily Post. In total 22 applications had been received and candidates had been short-listed by the Head of Finance and Head of Legal and Democratic Services using the criteria set out in paragraph 3.01 of the report. Given the sometimes sensitive nature of reports considered by the Audit Committee it had been essential that any lay person was able to exercise both discretion and diplomacy.

Councillor I.B. Roberts, as the previous Chair of the Audit Committee had Chaired the Panel appointing the lay members to the Audit Committee. He said that there had been a number of interesting candidates and spoke in support of the appointed candidate, Mr Paul Williams who he said would bring a wealth of experience on a number of areas, including risk management and fraud to the Audit Committee. He also said that Mr. Williams would bring additional experience of work within the private sector.

Councillor R.J.T. Guest raised concern that Members had not been given the name of the preferred candidate before the Council meeting. The Head of Legal and Democratic Services said that this information should have been provided to all Members before the Council meeting. He also said that Mr. Williams had attended the training for Audit Committee Members on 15 June, 2012 to give the Audit Committee Members the opportunity to gain an appreciation of his qualities.

RESOLVED:

That Mr. Paul Williams be appointed the lay Member of the Audit Committee.

26. SECONDARY SCHOOL – AREA REVIEWS

The Chief Executive introduced a report to provide the Council with an update on the consultation process for the Secondary School Area reviews.

In December, 2011 County Council approved renewed consultation on a range of options and the subsequent informal public consultation had been undertaken during March and April, 2012. Attached at Appendix 1 was a copy of the media statement made by the Cabinet issued on 12 June, 2012 with the full support of officer together with the Cabinet report attached at Appendix 2 of the report.

Councillor R.C. Bithell, Cabinet Member for Education reported that following the renewed consultation on a range of options, which had been formulated by Members in Workshops, a number of responses had been received. The full reports from the consultation responses had been placed in the Members' Library and were available on the Council's website. A summary of the responses were detailed in the Cabinet report. He proposed that the County Council note the report and await a further report outlining the next steps required in each area review. This proposal was seconded by Councillor J.B. Attridge.

Councillor P.G. Heesom raised concern that the future of all sixth form provision had been overlooked within the consultation process. He commented that this issue should be dealt with strategically as part of the School Modernisation process.

Councillor H.J. McGuill asked for confirmation that the closure of Argoed High School, which had been dismissed and removed from the options following the Members' Workshops, would not be reviewed again as part of the consultation process.

Councillor A.P. Shotton, Leader of the Council confirmed that the responses received as part of the consultation process would be reviewed as soon as possible with a detailed report submitted to Cabinet in due course. Councillor Bithell explained that following the consultation process the public comments and opinions would be gathered and reviewed in order to progress with tackling unnecessary surplus places.

The Chief Executive explained that the options set out for public consultation were not exhaustive and as part of the consultation process the Council had a duty to consider additional options put forward by parents, Governors and young people. Otherwise, the consultation would be fettered and could be criticised as not being an open exercise. As set out in the statement certain options were more supportable for local communities, certain options were more likely to meet Council and Welsh Government (WG) policy than others and certain options were more likely to be affordable than others.

Councillor R.B. Jones thanked the Chief Executive for opening the process to allow additional options to be put forward by parents, Governors and young people as part of the consultation process.

Councillor C.A. Ellis asked if the options that would not attract 21st Century School funding from the WG would be removed following the consultation process.

The Chief Executive explained that bids had been submitted for 21st Century School funding for Deeside and Holywell. This was not the only funding available to the Council to tackle surplus places at schools in Flintshire.

Councillor R.J.T. Guest asked if the future report on detailed options would be submitted to the Lifelong Learning Overview and Scrutiny Committee for its consideration. Councillor I.B. Roberts, Chair of the Lifelong Learning Overview and Scrutiny Committee commented that this would be a duplication of work as all future reports on School Modernisation would be submitted to County Council to enable all Members to consider and discuss the options.

RESOLVED:

- (a) That the report be noted; and
- (b) That a further report outlining the next steps required in each area review be submitted to a future County Council meeting.

27. SEALING OF DOCUMENTS

RESOLVED:

- (a) That the Chair and Vice-Chair, the Head of Legal and Democratic Services and Principal Solicitors be authorised to affix the Common Seal of the County Council between meetings of the County Council; and
- (b) That the action of the Chair and Vice-Chair, the Head of Legal and Democratic Services and Principal Solicitors in affixing the Common

Seal of the County Council as set out in the seal register numbers 13330 - 13421 be noted.

28. DURATION OF MEETING

The meeting commenced at 2.00 p.m. and ended at 3.21 p.m.

29. ATTENDANCE BY MEMBERS OF THE PRESS AND PUBLIC

There were two members of the press and three members of the public present.

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Chair

**SUMMARY OF DECLARATIONS MADE BY MEMBERS
IN ACCORDANCE WITH FLINTSHIRE COUNTY COUNCIL'S
CODE OF CONDUCT**

FLINTSHIRE COUNTY COUNCIL	19 JUNE, 2012
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MEMBER	ITEM	MIN. NO. REFERS
<p>Councillor: L.A. Aldridge, J.B. Attridge, G. Banks, G.H. Bateman, M. Bateman, H. Brown, D.L. Cox, P.J. Curtis, R. Davies, A. Davies-Cooke, C.J. Dolphin, R. Dolphin, I. Dunbar, B. Dunn, C.A. Ellis, J.E. Falshaw, V. Gay, R.J.T. Guest, A.M. Halford, R.G. Hampson, G. Hardcastle, P.G. Heesom, C. Hinds, H.T. Howorth, R. Hughes, H.T. Isherwood, J. Johnson, R. Johnson, C.M. Jones, R.K. Jones, R.B. Jones, B. Lloyd, R. Lloyd, M. Lowe, R.P. Macfarlane, D.I. Mackie, N.M. Matthews, H.J. McGuill, W. Mullin, N. Phillips, M.A. Reece, H.G. Roberts, I.B. Roberts, A.P. Shotton, C.A. Thomas, W.O. Thomas, S. Williams, D.E. Wisinger, A. Woolley and M.G. Wright</p>	<p>Secondary School – Area Reviews</p>	26.

FLINTSHIRE COUNTY COUNCIL

REPORT TO: FLINTSHIRE COUNTY COUNCIL
DATE: TUESDAY, 17 JULY 2012
REPORT BY: DEMOCRACY & GOVERNANCE MANAGER
SUBJECT: APPOINTMENTS TO OUTSIDE BODIES

1.00 PURPOSE OF REPORT

- 1.01 To determine any representations on outside bodies unresolved through consultation with Group Leaders.
- 1.02 To inform County Council of the Council's representatives on outside bodies.
- 1.03 To appoint the Chair and Vice Chair of the Clwyd Pension Panel.

2.00 BACKGROUND

- 2.01 At the annual meeting on the 15 May consideration was given to the Council representatives on the outside bodies listed in the table attached as appendix 1. The Council determined that membership should be decided by the Chief Executive in consultation with political Group Leaders.
- 2.02 Following the annual meeting the three non-aligned Members were consulted to ascertain any outside bodies they wished to be considered for. The membership was also considered at meetings held with the political Group Leaders on the 31 May and 9 July 2012. This led to the vast majority of representatives on the outside bodies being agreed upon and these are shown in appendix 1. Those where vacancies remain are identified by an asterisk in appendix 1.
- 2.03 The constitution of the Clwyd Pension Panel gives Flintshire three Member representatives and following consultation with the Group Leaders agreement has been reached on these three Members, together with the named substitutes for them as shown in appendix 1. The constitution of the Clwyd Pension Panel makes clear that both the Chair and Vice Chair are to be Flintshire Members rather than either of the Members from Wrexham or Denbighshire who serve on the Panel.

3.00 CONSIDERATIONS

- 3.01 Where the consultation process has failed to resolve who the Council's representative should be, it is for the Council to determine who those remaining representatives should be. The outside bodies where in particular there are vacancies to be filled are:-

Clwyd Theatre Cymru Board of Governors and SACRE.

- 3.02 It is considered important that all Members are aware of which Member or Members are representing the Council on various outside bodies so that the Member representative can be contacted about any issues concerning that outside body. The table shown in appendix 1 will also be available on the Members information part of the Infonet and a copy maintained in Member Services. If any Members believe the contact details shown are out of date please could they contact the Democracy & Governance Manager.
- 3.03 The constitution of the Clwyd Pension Panel does not indicate which of the Flintshire Members on it should serve as Chair or Vice Chair and any of the three representatives can serve in either capacity. The Chair of the Pension Panel will receive a special responsibility allowance of £3,745 as determined at the annual meeting on the 15 May 2012.

4.00 RECOMMENDATIONS

- 4.01 For the Council to determine the Member representation on those outside bodies where agreement has not been reached through consultation.
- 4.02 For Council to note the Member representatives on the outside bodies listed in appendix 1.
- 4.03 For Council to determine the Chair and Vice Chair of the Clwyd Pension Panel.

5.00 FINANCIAL IMPLICATIONS

- 5.01 None as a result of this report.

6.00 ANTI POVERTY IMPACT

- 6.01 None as a result of this report.

7.00 ENVIRONMENTAL IMPACT

- 7.01 None as a result of this report.

8.00 EQUALITIES IMPACT

8.01 None as a result of this report.

9.00 PERSONNEL IMPLICATIONS

9.01 None as a result of this report.

10.00 CONSULTATION REQUIRED

10.01 With non-aligned Members and political Group Leaders and their deputies.

11.00 CONSULTATION UNDERTAKEN

11.01 With non-aligned Members and political Group Leaders and their deputies.

12.00 APPENDICES

12.01 Appendix 1 – outside bodies table

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

Report to Council meeting 15 May 2012
Constitution of the Clwyd Pension Panel

Contact Officer: Peter Evans
Telephone: 01352 702304
Email: peter.j.evans@flintshire.gov.uk

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MEMBERSHIP OF OUTSIDE BODIES

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Civic & Members Services
Corporate Services
County Hall
Mold
Flintshire
CH7 6NR

Karen Jones / Lesley Wood (01352) 702151
Robert Robins (01352) 702320

Amended on 10th July 2012

**FLINTSHIRE COUNTY COUNCIL
MEMBERSHIP OF OUTSIDE BODIES**

OUTSIDE BODY	NO. OF SEATS	COUNCILLOR REPRESENTATIVES	TERM OF OFFICE	CONTACT DETAILS
The Alliance (formerly Alliance for Regional Aid)	2	Bernie Attridge & Peter Macfarlane	Until May 2017	Mrs. Joan Dixon, Principal Policy Officer, 9 Regent Street, Barnsley, S70 2EG Tel: 01226 200768 joan@ccc-alliance.org.uk
Argoed Sports Association	2	Amanda Bragg & Hilary McGuill	Until May 2017	The Secretary, Argoed Sports Ass. c/o Argoed Sports & Social Club, Snowdon Avenue, Bryn y Baal, Mold, Flintshire.
Arts Council of Wales (North Wales Area Committee)	1 + 1 Officer	David Evans	Until May 2017	Miss. Helen Williams, Arts Council for Wales (North Wales Area Committee) 36 Princes' Drive, Colwyn Bay, LL29 8LA Tel: 01492 539758/01492 533440 Helen.williams@artswales.org.uk

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OUTSIDE BODY	NO. OF SEATS	COUNCILLOR REPRESENTATIVES	TERM OF OFFICE	CONTACT DETAILS
Association for Public Service Excellence (APSE)	1 + 1 Officer	Aaron Shotton	Until May 2017	Steven Keefe, Admin Assistant Ass. for Public Service Excellence, 2 nd Floor Washbrook Hs., Lancastrian Office Centre 32 Talbot Road, Old Trafford, Manchester M32 0FP. Tel: 0161 772 1810 skeefe@apse.org.uk
Buckley Sports Facility Consultative Committee	3 + 2 Officers	Ron Hampson, Carol Ellis & Dennis Hutchinson	Until May 2017	Mr. Jeff Shields Facility Manager, Buckley Sports Centre Mill Lane, Buckley CH7 3HQ Tel: 01244 845440 Jeff.shields@flintshire.gov.uk
Cadwyn Clwyd	1	Peter Macfarlane	Until May 2017	Lowri Owain Cadwyn Clwyd Llys Clwyd Lon Parcwr Business Park Ruthin Denbighshire LL15 1NJ Tel: 01824 705802 admin@cadwynclwyd.co.uk
Clwyd Alyn Housing Association Housing Inter Agency Meeting	1 + 1 Officer	Helen Brown	Until May 2017	Mrs. Phillipa Pierce Buxton, Care & Support Co-Ordinator, Clwyd Alyn Housing Association, Unit 14, St. Asaph Business Park, Glascoed Road, St. Asaph. LL17 0LG

OUTSIDE BODY	NO. OF SEATS	COUNCILLOR REPRESENTATIVES	TERM OF OFFICE	CONTACT DETAILS
Clwyd Pension Fund	3	Haydn Bateman, Alan Diskin & Ted Evans Brian Dunn substitute for Ted Evans and Haydn Bateman Ron Hampson substitute for Alan Diskin	Annual Appointment	Mr P Latham, Pension Fund Manager County Hall Tel: 01352 702264
Clwyd Powys Archaeological Trust	1 + 1 Officer	Carolyn Thomas	Until May 2017	Mr. Chris Martin, 7a Church Street, Welshpool, Powys, SY21 7DL Tel: 01938 553670 chrismartin@cpat.org.uk
Clwyd Theatr Cymru Board of Governors *	13	Tim Newhouse to be the non-aligned Member and nominations awaited from Group Leaders on the basis of 6 Labour, 2 Independent Alliance, 1 Independent and 1 New Independent Hilary Isherwood and Amanda Bragg	Until May 2017	Ms. Julia Grime General Manager Clwyd Theatr Cymru. Tel: 01352 701561
Clwydian Range Area of Outstanding Natural Beauty	4 + 2 Officers	Nancy Matthews, Colin Legg Nigel Steele-Mortimer & Carolyn Thomas	Until May 2017	Mr. Howard Sutcliffe, AONB Officer, Loggerheads Country Park, Loggerheads, Mold. CH7 5LH Tel: 01352 810614 howard.sutcliffe@denbighshire.gov.uk
Coed Llai Sport and Social Club	2	Ray Hughes and vacancy	Until May 2017	Mr. Keith Jones, Nant-y-Coed, Pontybodkin Hill, Leeswood, CH7 4RA Tel: 01352 771044 JKEITH102@aol.com

OUTSIDE BODY	NO. OF SEATS	COUNCILLOR REPRESENTATIVES	TERM OF OFFICE	CONTACT DETAILS
Community Health Council Flintshire Area Committee (Betsi Cadwalader)	3	Hilary McGuill, Chris Jones and Carol Ellis	2 Year Term	Mr. Damian Roche, Public Appointments Unit, PPCS, Welsh Assembly government Cathays Park, Cardiff CF10 2NQ Tel: 02920 826330 publicappointments@wales.gsi.gov.uk
Connah's Quay Sports Centre Management	4 + 2 Officers	Peter Macfarlane, Paul Shotton, Ian Dunbar and Ian Smith	Until May 2017	Mrs. Sue Lloyd, Connah's Quay High School, Golftyn Lane, Connah's Quay, Deeside, CH5 4BH Tel: 01244 823001.
Deeside College Corporation	1	Tony Sharps	Until May 2017	Mr. Steve Jackson, Deeside College Further Education Centre, Mold, Flintshire, CH7 1HB Tel: 01244 831531 jacksos@deeside.ac.uk
Deeside Community Arts	2 + 2 Officers	David Evans and Patrick Heesom	Until May 2017	Mr. Charles Jenkins, Secretary, Deeside Community Arts, Delfryn, Calcoed, Holywell, Flintshire. Tel: 01352 719151 dc.arts@btopenworld.com

OUTSIDE BODY	NO. OF SEATS	COUNCILLOR REPRESENTATIVES	TERM OF OFFICE	CONTACT DETAILS
Environment Protection Advisory Committee for Wales	1	Kevin Jones	Until May 2017	Lorraine D'Agnilli, HR & Executive Officer Welsh Local Government Association Local Government House, Drake Walk, Cardiff, CF10 4LG Tel: 029 2046 8627 lorraine.dagnilli@wlga.gov.uk
Environmental Protection U.K. North West Division	2 + 3 Officers	David Evans and Kevin Jones	Until May 2017	Mr. John Dinsdale, Secretary, Environmental Protection U.K., c/o Oldham Metropolitan Borough Council, Environmental Services Directorate, Chadderton Town Hall, PO Box 586 Middleton Road Chaddertons, Oldham, OL1 9FA Tel: 0161 770 4492 John.dinsdale@oldham.gov.uk
Flintshire Community Safety Executive	2	Aaron Shotton and Glenys Diskin	Until May 2017	Mrs. Sian Jones, Policy Officer Crime & Disorder, Corporate Policy County Hall, Mold, Flintshire. Tel: 01352 702211
Flintshire Disability Forum	1	Chris Jones	Until May 2017	Mr. B.P. Harrison, Ty'r Binwydden, Clayton Road, Mold, Flintshire.
Flintshire Furniture Recycling	2	Veronica Gay and David Wisinger	Until May 2017	Mr. G. Parry, Flintshire Furniture Recycling, Unit 16 Castle Park, Flint, Flintshire CH6 5XA

OUTSIDE BODY	NO. OF SEATS	COUNCILLOR REPRESENTATIVES	TERM OF OFFICE	CONTACT DETAILS
Flintshire Rural Partnership	1	Peter Macfarlane	Until May 2017	Sharon Barlow, Environment , County Hall, Mold, Flintshire Tel: 01352 702135
Flintshire Sports Council	4 + 3 Officers	Ian Dunbar, David Wisinger, Peter Macfarlane and Ray Hughes	Until May 2017	Leisure Services Manager, Lifelong Learning, Flintshire County Council, County Hall, Mold, Flintshire. Tel: 01352 702452
Flintshire Tourism Association	1	Peter Macfarlane	Until May 2017	David P. Evans, Tourism Manager, Environment, Flintshire County Council County Hall, Mold, Flintshire. Tel: 01352 702468
Greenfield Valley Trust Ltd	2	Peter Curtis and Rosetta Dolphin	Until May 2017	Ian Jones Company Secretary Greenfield Valley Trust Ltd, Basingwerk House Greenfield Valley Greenfield, Holywell Flintshire, CH8 7GH cqtcclerk@connahs-quay.co.uk
Hawkesbury Community Centre Management Cttee	3	Ron Hampson, Dennis Hutchinson and Carol Ellis	Until May 2017	Mr. P. Lancaster Secretary to Management Committee, Hawkesbury Community Centre, c/o 34 Maxwell Road, Buckley, Flintshire, CH7 3JF.

OUTSIDE BODY	NO. OF SEATS	COUNCILLOR REPRESENTATIVES	TERM OF OFFICE	CONTACT DETAILS
Health, Social Care and Well-being Partnership Board	2 +1 Officer	Chris Jones and Carol Ellis	Until May 2017	Judith Evans, Directorate Team, Community Services, Flintshire County Council, County Hall, Mold, Flintshire. Tel: 01352 702523
Heather & Hillforts	1	Carolyn Thomas	Until May 2017	David Sheil Denbighshire Countryside Service Loggersheads, Denbighshire Tel: 01352 810614
John Wynne School and Exhibition Trusts	2	Chris Bithell and Nigel Steele-Mortimer	Until May 2017	Mrs. Jane Jones, 19 Bron Haul, Trelawnyd, Rhyl, LL18 6DU
Joint Council for Wales Executive Committee	2 + 1 Officer	Billy Mullin and Aaron Shotton Aaron Shotton	Until May 2017	Mrs. Helen Stappleton, Head of Human Resources, Flintshire County Council, County Hall, Mold. Tel: 01352 702720
Leeswood Community Centre Management Committee	2	Ray Hughes and Vacancy	Until May 2017	Mrs M Heyward, The Secretary, Leeswood Community Centre, 7 Bron Allt, Leeswood, Nr. Mold, Flintshire, CH7 4RZ .Tel: 01352 771188

OUTSIDE BODY	NO. OF SEATS	COUNCILLOR REPRESENTATIVES	TERM OF OFFICE	CONTACT DETAILS
Llwyni Strategy Group	2	Ian Smith and Ian Dunbar	Until May 2017	Mr. Tony Perry, 10 Ridgeway Close, Connah's Quay, Flintshire, CH5 4LZ Tel: 01244 831725 parc@fsmail.net or Mr Tom Woodall. Countryside Service, Wepre park, Wepre Drive, Connah's Quay, CH5 4HL Tel: 01244 814931, tom.woodall@flintshire.gov.uk
Local Access Forum	1	David Evans	Until May 2017	Mr David Davies Secretary to Local Access Forum Principal Solicitor County Hall Tel: 01352 702325
Mersey Dee Alliance	1 + 1 Officer	Bernie Attridge	Until May 2017	Mersey Dee Alliance, c/o Melissa Parsons, Cheshire West & Chester Council, c/o 4 Civic Way, Ellesmere Port, CH65 0BE Tel: 0151 336 6564 Melissa.parsons@cheshirewest.gov.uk
North Wales Deaf Association	1	Peter Curtis	Until May 2017	Holly Parry, Administrator, North Wales Deaf Association Unit 7/9, Conwy Business Centre Junction Way Llandudno Junction Conwy LL31 9XX Tel: 01492 563470 info@deafassociation.co.uk

OUTSIDE BODY	NO. OF SEATS	COUNCILLOR REPRESENTATIVES	TERM OF OFFICE	CONTACT DETAILS
North Wales Economic Forum	1 + 1 Officer	Peter Macfarlane	Until May 2017	Mrs. Ashley Zepeda Forum Administrator, Enterprise Flintshire, Flintshire County Council, Greenfield Business Centre, Greenfield. Tel: Ext. 3219 NWEconomicForum@flintshire.gov.uk
North Wales Fire Authority Executive Panel	6 2	Paul Shotton, Ian Dunbar, Mike Reece, Owen Thomas, Hilary McGuill and Brian Dunn Brian Dunn and Ian Dunbar	Until May 2017	Miss Alwen Davies, Member Liaison Officer North Wales Fire & Rescue Service, St. Asaph Business Park, St. Asaph, Denbighshire Tel: 01745 535286 alwen.davies@nwales-fireservice.org.uk
North Wales Police Authority	2	Glenys Diskin and Amanda Bragg	Annual Appoint- ment	Meinir Mai McCall, P.A. to Chief Executive & Chairman, North Wales Police Authority, Glan y Don, Colwyn Bay, LL29 8AW Tel: 01492 804903 NWPA@nthwales.pnn.police.uk
North Wales Psychiatric Fund	1	Trefor Howorth	Until May 2017	Lynda Davies, Secretarial Support to Hilary Owen, Ablett Unit, Ysbyty Glan Clwyd, Bodelwyddan, Denbighshire, LL18 5UJ Tel: 01745 445631 Lynda.davies3@wale.nhs.uk

OUTSIDE BODY	NO. OF SEATS	COUNCILLOR REPRESENTATIVES	TERM OF OFFICE	CONTACT DETAILS
North Wales Residual Waste Partnership	2	Aaron Shotton and Kevin Jones	Until May 2017	Steve Jones, Head of Streetscene Stephen O Jones/Environment/Flintshire/GB@Flintshire Tel 01352 704700
North Wales Safer Communities Board	1	Awaiting nomination from Aaron Shotton	Until May 2017	Sian Jones, Team Leader Community Protection ext 2132
North Wales Trunk Road Agency Joint committee	1	Bernie Attridge	Until May 2017	Steve Jones, Head of Streetscene Stephen O Jones/Environment/Flintshire/GB@Flintshire Tel 01352 704700
North Wales Waste Planning Member Group	2	Bernie Attridge and David Wisinger	Until May 2017	Mr. Mike Pender, Policy Information & Research Manager, Denbighshire County Council, Trem Clwyd, Canol y Dre, Ruthin, LL15 1QA
Popeth Cymraeg – Welsh Unlimited (formerly Canolfan Iaith Clwyd)	1	Gareth Roberts	Until May 2017	Mr. Ioan Talfryn, Welsh Language Centre, Lenten Pool, Denbigh, LL16
Quarry Liaison Groups		Local and adjoining ward Members as appropriate	Until May 2017	Celeste Ringrose, Planning Development Control, Environment, Flintshire County Council, County Hall, Mold, Flintshire.

OUTSIDE BODY	NO. OF SEATS	COUNCILLOR REPRESENTATIVES	TERM OF OFFICE	CONTACT DETAILS
SACRE *	8	Chris Bithell, Colin Legg, Carolyn Thomas, Nigel Steele-Mortimer, Adele Davies-Cooke, Hilary Isherwood and 2 vacancies	Until May 2017	Tracy Waters, Committee Services, County Hall, Mold. Tel: 01352 702331
School Budget Forum	2	Aaron Shotton and Chris Bithell	Until May 2017	Maureen Potter, Committee Services, County Hall, Mold Tel: 01352 702322
Shotton Community Association	2	Ron Davies and David Evans	Until May 2017	Mrs. Helen Hill, Secretary, Shotton Community Council, 2 Kent Avenue, Shotton, Deeside, Flintshire, CH5 1BE Tel: 01244 823655 helsapoppin@hotmail.co.uk
Taith Consortium	2	Bernie Attridge and Tony Sharps	Until May 2017	Iwan Prys Jones, Taith Executive Officer, Environment, Flintshire County Council, County Hall, Mold, Flintshire. Tel: 01352 704541
Talacre Warren and Gronant Dunes Consultative Board	3	Sharon Williams, Glyn Banks and Patrick Heesom	Until May 2017	Mr Tom Woodall Flintshire County Council Wepre Park Connah's Quay Tel: 01244 814931 tom.woodall@flintshire.gov.uk

OUTSIDE BODY	NO. OF SEATS	COUNCILLOR REPRESENTATIVES	TERM OF OFFICE	CONTACT DETAILS
TA Voluntary Reserve	1	Ron Hampson	Until May 2017	Kevin Rowan, Office Manager, Reserve Forces & Cadets Ass. For Wales, Centre Block, Maindy Barracks, Cardiff ,CF14 3YE. Tel: 02920 375735 Wa-ceps@wa.rfca.cod.uk
Tourism Partnership North Wales	1	Peter Macfarlane	Until May 2017	Ms. Sian Williams, Partnership Secretary, Tourism Partnership North Wales, 25 St. Asaph Business Park, St. Asaph LL17 0LJ Tel: 01745 589020 Sian.williams@tpnw.org
University of Wales, Bangor (Court)	1	Chris Bithell	Until May 2017	Dr. Sue Burton, Vice Chancellor's Office, University of Wales, Bangor, Gwynedd, LL57 2DG Tel:01248 388408 aos216@bangor.ac.uk
Valuation Tribunal for Wales North Wales Region – Joint Appointing Panel (Flintshire) Area	1	Alan Diskin	Until May 2017	Gillian Kind, Clerical Officer, Valuation Tribunal for Wales, Dinerth Road, Rhos on Sea, Colwyn Bay, LL28 4UL Tel: 01492 546610 Northwales.vt@vto.gsx.gov.uk
Voluntary Council for Wales	1	Trefor Howorth	Until May 2017	Mike Dupree, Help Unit, Council for Voluntary Action, Baltic House, Mount Stuart Square, Cardiff, CF10 5FH

OUTSIDE BODY	NO. OF SEATS	COUNCILLOR REPRESENTATIVES	TERM OF OFFICE	CONTACT DETAILS
Wales Council for the Blind	1	Peter Curtis	Until May 2017	Ms. Rebecca Phillips, Administrator, Wales Council for the Blind, 3 rd Floor, Shand House, 20 Newport Road, Cardiff, CF24 0DB Tel: 02920 473954 staff@wcb-ccd.org.uk
Wales Home Safety Council	2 + 1 Officer	Helen Brown and Marion Bateman	Until May 2017	Helen Wilson, Private Sector, Housing Team, Pembrokeshire County Hall, Haverford West, Pembrokeshire, SA61 1TP
Welsh Books Council	1	Chris Bithell	Until May 2017	Mr. Elwyn Jones, Head of Administration & Public Relations Welsh Books Council, Castell Brychan, Aberystwyth, Ceredigion, SY23 2JB Tel: 01970 624151 castellbrychan@cllc.org.uk
Welsh Border Community Transport	1	Veronica Gay	Until May 2017	Mr. Gary Feather, Welsh Border Community Transport, Town Council Building, The Cross, Mold Road, Buckley, Flintshire, CH7 2AP Tel: 01244 544474 welshborderct@aol.com

OUTSIDE BODY	NO. OF SEATS	COUNCILLOR REPRESENTATIVES	TERM OF OFFICE	CONTACT DETAILS
Welsh Joint Education Committee	1	Chris Bithell	Until May 2017	Mr. Gareth Pierce, Chief Executive, Welsh Joint Education Committee, 245 Western Avenue, Llandaff, Cardiff, CH5 2YX.
WLGA Co-ordinating Committee	1	Aaron Shotton	Until May 2017	Lorraine D'Agnilli, HR & Executive Officer Welsh Local Government Association Local Government House, Drake Walk, Cardiff, CF10 4LG Tel: 029 2046 8627 lorraine.dagnilli@wlga.gov.uk

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: FLINTSHIRE COUNTY COUNCIL

DATE: TUESDAY, 17 JULY 2012

REPORT BY: HEAD OF FINANCE

SUBJECT: ANNUAL TREASURY MANAGEMENT REPORT FOR 2011/12

1.00 PURPOSE OF REPORT

- 1.01 To present to Members the draft Annual Treasury Management Report for 2011/12

2.00 BACKGROUND

- 2.01 On 17th February, 2010 the Council adopted the 2009 edition of the CIPFA Treasury Management in the Public Services: Code of Practice, which requires the Council to approve a treasury management strategy before the start of each financial year, a mid year report and an annual report after the end of each financial year.
- 2.02 The Council delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to Cabinet and for the execution and administration of treasury management decisions to the Head of Finance, who acts in accordance with the Council's Policy and Strategy Statement and Treasury Management Practices.
- 2.03 The Council has nominated the Audit Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies. A treasury management update was provided to the Audit Committee at each quarterly meeting during 2011/12. The Treasury Management Mid Year Report 2011/12 was presented to Cabinet on 18th October 2011 and Council on 22nd November 2011.
- 2.04 Council approved the 2011/12 Treasury Management Policy and Strategy Statement at its meeting on 1st March 2011. This report provides members with a review of the treasury management function in 2011/12 which was reviewed by the Audit Committee on 25th June 2012 and Cabinet on 10th July 2012.
- 2.05 The Council approved the Treasury Management Policy & Strategy Statement for 2012/13 on 1st March 2012. A mid year update will be provided to the Audit Committee on 25th September 2012, Cabinet on 16th October 2012 and Council on 13th November 2012.

3.00 CONSIDERATIONS

3.01 The draft Treasury Management Annual Report for 2011/12 is attached as Appendix A. In summary, The Annual Report concluded the following:

- Confirms that the treasury function operated within the limits detailed within the Treasury Management Policy & Strategy Statement 2011/12.
- The financial environment within which the treasury function operated remained challenging and this is likely to continue for the foreseeable future.
- The Policy was implemented in a pro-active manner with security and liquidity as the focus.

4.00 RECOMMENDATIONS

4.01 That the Council approves the draft Treasury Management Annual Report for 2011/12.

5.00 FINANCIAL IMPLICATIONS

5.01 None directly as a result of this report.

6.00 ANTI POVERTY IMPACT

6.01 None directly as a result of this report.

7.00 ENVIRONMENTAL IMPACT

7.01 None directly as a result of this report.

8.00 EQUALITIES IMPACT

8.01 None directly as a result of this report.

9.00 PERSONNEL IMPLICATIONS

9.01 None directly as a result of this report.

10.00 CONSULTATION REQUIRED

10.01 Sterling Consultancy Services.

11.00 CONSULTATION UNDERTAKEN

11.01 Sterling Consultancy Services.

12.00 APPENDICES

Draft Treasury Management Annual Report 2011/12.

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS

Contact Officer: Philip Latham
Telephone: 01352 702264
Email: Philip.latham@flintshire.gov.uk

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FLINTSHIRE COUNTY COUNCIL

TREASURY MANAGEMENT *DRAFT*

ANNUAL REPORT 2011/12

1.00 INTRODUCTION

- 1.01 The Council approved the Treasury Management Policy and Strategy Statement (Policy Statement) 2011/12 including key indicators, limits and an annual investment strategy on 1st March 2011.
- 1.02 The Policy Statement was produced based on the 2009 edition of the CIPFA Treasury Management in the Public Services: Code of Practice.
- 1.03 The purpose of this report is to review the outcomes from 2011/12 treasury management operations and compare with the Policy Statement.

2.00 TREASURY MANAGEMENT COMPLIANCE STATEMENT 2011/12

- 2.01 Treasury management comprises the management of the local 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.
- 2.02 All treasury management activity undertaken during 2011/12 complied with the approved Policy and Strategy Statement 2011/12, the CIPFA Code of Practice 2009, and the relevant legislative provisions.
- 2.03 The Authority's current policy is to appoint an external consultant to advise on its treasury management function. The external adviser is Sterling Consultancy Services.

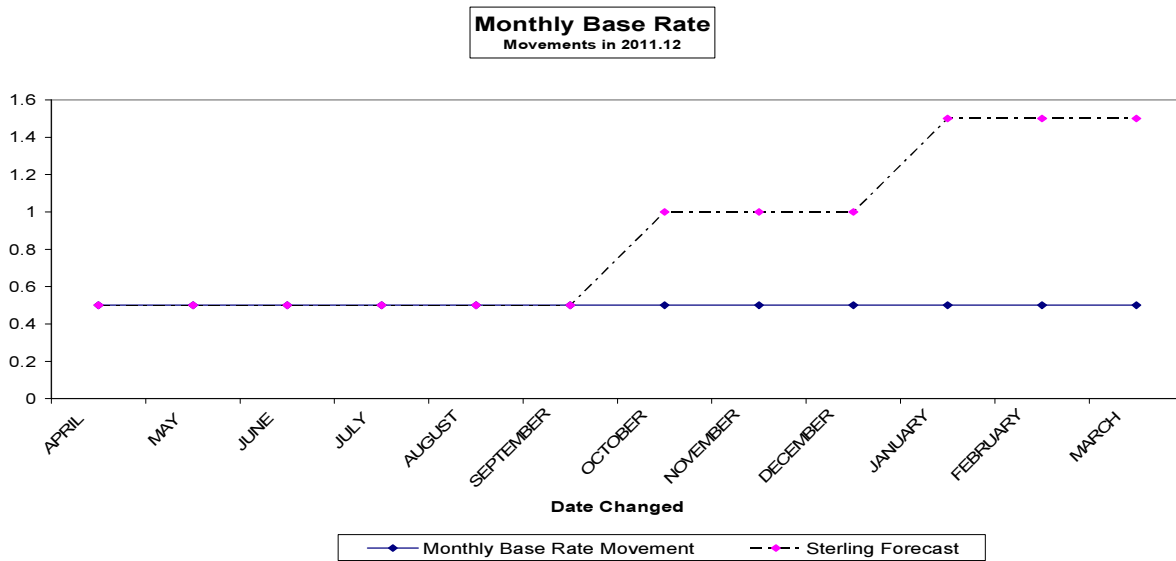
3.00 ECONOMIC & INTEREST RATE REVIEW 2011/12

- 3.01 The UK base rate remained at 0.50% throughout 2011/12.
- 3.02 The 2011/12 maximum and minimum PWLB rates for fixed maturity loans were:

Period	Maximum	Minimum	31/03/2012
4 to 5 years	3.73%	1.81%	2.05%
9 to 10 years	4.89%	2.90%	3.21%
10 to 15 years	5.29%	3.05%	3.85%
15 to 25 years	5.44%	3.54%	4.32%

- 3.03 The graph below shows the movement in U.K. base rate during 2011/12 and Sterling's November 2010 forecast for 2011/12 upon which the Strategy was based. As can be seen from the graph, the forecasted rise in Base Rate to 1.5% did not materialise, as interest rates have remained lower for longer than generally forecast. Sterling provided revisions to this forecast during the year and

their review of the year follows.



3.04 Annual Review 2011/12 by Sterling Consultancy Services

The Eurozone debt crisis dominated the financial year 2011/12. The apparent inability of leaders to either agree on remedial policies or implement fiscal consolidation measures prompted frequent bouts of market volatility, exacerbated by multiple sovereign rating downgrades, as investors positioned themselves for potential government defaults or even the break-up of the Eurozone itself. Investor confidence in struggling Eurozone nations, such as Greece, Italy and Spain, dived, prompting sharp upward movements in government borrowing rates. This pressure toppled a number of political leaders, culminating in the appointment of unelected technocrats in Greece and Italy to ensure these countries implemented austerity measures. Greece, unable to access financial markets for funding, was bailed out for a second time, a requirement of which was a selective default on private sector-owned bonds.

Exposure to the Eurozone periphery and new regulation reducing the probability of government support placed downward pressure on the creditworthiness of many European banks, prompting a raft of credit rating downgrades and sharp rises in Credit Default Swap (CDS) spreads. This led to an increase in funding costs, as wholesale interbank lending rates rose sharply above policy rates. Dexia, a banking group based in Belgium, France and Luxembourg was the main casualty, but was bailed out and broken up by the respective governments. Two Danish banks failed, while Spain forced its regional banking sector to consolidate.

The European Central Bank (ECB) pulled the Eurozone back from the brink in late December. The central bank cut interest rates and flooded the Eurozone

banking sector with cheap long-term loans, immediately reducing the near-term risk of a liquidity crisis and temporarily calming financial markets. The action had a marked impact on Eurozone wholesale interbank lending rates; 3-month Euribor declined from 1.34% at the start of December to 0.77% at the end of March. The decline in funding rates for UK banks was less significant, but 3-month LIBOR still fell from 1.08% to 1.03%. Unfortunately, the ECB action could not prevent the debt crisis causing a sharp decline in household and business confidence, eventually pushing the Eurozone into recession.

The UK's reliance on the Eurozone as a major trading partner was illustrated when the country followed the Eurozone into recession over the last six months of the financial year. Other factors responsible for the fall in economic activity included the government's deficit reduction programme and the weakness in household and business spending. The decline in household spending was the result of low confidence and the erosion of disposable income by persistently elevated inflation, subdued wage growth, higher taxes and rising unemployment. Businesses were in a similarly weak position, with access to credit restricted or too expensive due to a risk-averse banking sector, and subdued domestic and foreign demand.

Weakening economic growth and signs of further deterioration in the Eurozone prompted the Bank of England to loosen monetary policy in October, despite above target inflation. With Bank Rate already at 0.5%, the Monetary Policy Committee (MPC) voted for a further £50bn of quantitative easing (QE), which, in addition to safe haven buying, helped push gilt yields to record lows over the next few months. Policymakers justified the action because they were confident inflation would fall quickly back to target during 2012. However, although the annual Consumer Price Index (CPI) rate declined from the September peak of 5.2%, a combination of higher crude oil and food prices caused the rate to rise slightly in March to 3.5%, leaving Bank of England policymakers in the unenviable position of setting policy to battle both weak growth and high inflation.

4.00 TREASURY MANAGEMENT ACTIVITIES DURING 2011/12

4.01 The following were the main treasury activities during 2011/12:

- The Head of Finance received a monthly update on Treasury activities.
- The Council received a Mid Year Report on 22nd November 2011.
- Quarterly updates reports were presented to the Audit Committee including the Icelandic monies at risk (see paragraph 7).
- All Members were invited to a training session undertaken by Sterling Consultancy Services on 17th January 2012, which was hosted by Audit Committee.
- The new Policy and Strategy Statement 2012/13 was approved by Council on 1st March 2012.

- The Council continues to be an active member of both the CIPFA Treasury Management Forum and the CIPFA Benchmarking Club.
- The Council's cash flow was managed on a daily basis. During the year the Authority acted both as a borrower and as a lender and was a net borrower over the year in question. The maximum investments the Authority had on deposit at any one time was £84.4m and the maximum long-term borrowing at any one time was £173.6m. The average investment balance was £70.9m.

4.02 At the time of writing the 2011/12 Treasury Management Policy Statement (the Policy) in early 2011, it was hoped that the global financial environment was starting to stabilise and this confidence was reflected in the implementation of the Policy in the first quarter of 2011/12. The Audit Committee report of 13th July 2011, listed the main activities for members including two long term investments both at an interest rate of 2.65% which boosted the average interest rate to over 1% compared to 0.8% in 2010/11.

4.03 Unfortunately, this optimism was short lived as the risks of a sovereign debt default by Greece and the potential knock on effects to financial stability re-surfaced. Sterling, the Council's advisers, changed the counterparty credit risk marker to a 'red flag' status and immediate action was taken to de-risk the approach. As reported to Audit Committee of 14th December 2011, from early September 2011 in anticipation of further deterioration of market conditions, the following investment practices were followed:

- Money 'on call' with banks
- Deposits with other local authorities
- Use of AAA Money Market Funds
- Use of the Debt Management Office

4.04 This approach was still within the Treasury Management Strategy, however some distance from the planned approach outlined in the Policy. The above low risk approach did mean that the average interest rate would reduce.

4.05 By the time of the Audit Committee report of 26th March 2012, the red flag status had been removed to an 'amber status' following steps taken by European policy makers to alleviate some of the risks. The restriction of only having money on call was lifted and as a first step deposits could be made with banks and buildings societies on the Council's counterparty list for up to 3 months, thus marginally increasing the interest rate that could be achieved. This continues to be the position in 2012/13.

5.00 TREASURY MANAGEMENT DEBT STRATEGY

5.01 The total long term debt outstanding, brought forward into 2012/13 totalled £173.6

million. Loans with the Public Works Loans Board were in the form of fixed rate (£144.66m) and variable rate (£10m). The remaining £18.95m was variable in the form of Lobo's (Lender's Option, Borrower's Option). The Council's average borrowing rate throughout the year was 5.43%.

5.02 The Debt Strategy as stated in the Policy Statement 2011/12 and outcomes are recorded below:

- (1) To effect borrowing required in 2011/12 at the cheapest cost commensurate with future risk based on interest rate forecasts outlined in the strategy statement

For a number of years the Council has not taken any new long term borrowing and used available cash reserves to fund capital expenditure as the most financially effective means of financing. No borrowing was required during 2011/12.

- (2) The Head of Finance 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 Cabinet and County Council as appropriate.

Debt was reviewed throughout the year. No debt-restructuring opportunities arose.

- (3) 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 within the strategy statement.

The debt maturity profile as at 31 March 2012 is shown on page 11. This shows a debt maturity profile in line with CIPFA's recommendations of having no more than 10% of the debt portfolio maturing in any one future year. The Council remained within the approved Prudential Limits for Debt Maturity.

- (4) 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 the strategy statement.

The Council had one variable PWLB rate loan during 2011/12. The interest rate on this loan varied between 0.59% - 0.71% during the year. The interest rate on the Council's LOBOs can be increased by the lender but the Council has the

opportunity to repay. As forecast, this event did not occur in 2011/12 as market rates remain low. The Council remained within the approved Prudential Limits for Variable Interest Rate Exposure.

6.00 TREASURY MANAGEMENT INVESTMENT STRATEGY

6.01 The Council's investment strategy during 2011/12 was:

Investments will be made in accordance with the Guidance on Local Government Investments issued by the Welsh Government 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.

6.02 Investment transactions totalled £252.4m in 2011/12 with interest earned amounting to £635k on an average balance of £70.9m. The weighted average temporary investment rate obtained in the year was 0.9%. This compares with the Policy Statement which assumed an average rate of 1.00% on an average balance of around £60m, estimating income of £590k. A full list of transactions undertaken during the year is available in the background papers. All investments were made in accordance with the Treasury Management Policy & Strategy Statement 2011/12.

6.03 The weighted average temporary investment rate obtained in the year of 0.9% is higher than the seven day LIBID rate of 0.48% which is a proxy of a return without effective cash flow management.

6.04 No temporary borrowing costs were incurred during 2011/12 which is a measure of the accuracy of short term cash flow management.

6.05 The maturity of investments was regularly reviewed with the aim of maximising returns whilst managing the risk of future interest rate movements and counterparty risk. As at 31st March 2012, the maturity of investments is shown in the table below:

Maturity Due	Actual %	Forecast %
< 1 month	55.0%	35%
1 – 3 months	16.9%	55%
3 – 12 months	19.9%	
> 12 months	3.6%	10%
Icelandic Investments	4.6%	

The table above only illustrates the position as at 31st March 2012. The

percentages fluctuated throughout the year but marginally more cash was held short term than forecast following the red credit risk alert from Sterling in September 2011 as explained in paragraphs 4.02 to 4.05.

6.06 The Investment Strategy set a Prudential Limit of £40 million for non-specified investments. In 2011/12, non-specified investments were limited to investments over 364 days including forward deals with counterparties which meet the credit rating criteria and Money Market Funds. As part of this strategy, the following longer term investments were made during 2011/12.

Amount (£)	Counterparty	Date From	Date to	Period (days)	Interest rate (%)
£2 million	Bank of Scotland	09/05/11	27/07/12	445	2.65
£2 million	Bank of Scotland	02/05/11	27/07/12	434	2.65
£2 million	Doncaster MBC	30/10/11	16/04/13	561	1.3

6.07 Cash balances in relation to other Funds were utilised in the year and interest was paid at the following rates and times as stated in the Treasury Management Practices –

- Education Trust Funds – base rate, annually
- Optec Youth Exchange Fund – average monthly rate, quarterly
- Insurance Fund – average seven day rate, annually
- Education Delegated Fund – average seven day rate, annually

6.08 It is Council policy to minimise daily cash flow balances. However, on certain occasions it is uneconomic to deal (below £200,000) and therefore, the balance is kept in the bank account.

7.00 LANDSBANKI INVESTMENTS - UPDATE

7.01 On 7th October 2008, Landsbanki was placed in receivership. At that time Flintshire had £3.7 million of Council monies invested with the UK subsidiary. The investments were made as follows –

- £1.2 million maturing 17th October 2008 (invested on 22nd July 2008)
- £1.5 million maturing 14th November 2008 (invested on 1st September 2008)
- £1.0 million maturing 18th November 2008 (invested on 8th September 2008)

- 7.02 In late 2011, it was confirmed that Priority status had been upheld by the Icelandic Supreme Court, with Local Authority Investors, including Flintshire County Council, being recognised as preferential creditors. The Winding Up Board of Landsbanki made a distribution to priority creditors on 17th February 2012. Flintshire received £1,087,776.79 of the £3.7million original investment. In March 2012, the Winding Up board announced that recoveries in the Landsbanki Administration would now likely be 100% of their deposits, subject to potential future exchange rate fluctuations. Although this is only a forecast and not guaranteed, it is marginally higher than the 95% previously forecast. The impact on Flintshire County Council will not be known until the final distribution is made.
- 7.03 The future pattern of distributions is not known. The 2011/12 accounts were to be closed taking account of the guidance from the Wales Audit Office and CIPFA. It was therefore assumed for accounting purposes that the repayment would be made as follows –

Date	%
December 2012	8.00
December 2013	8.00
December 2014	8.00
December 2015	8.00
December 2016	8.00
December 2017	8.00
December 2018	22.00
Total	70.00

- 7.04 However, a further distribution of £458,173.80 was made on 29th May 2012. We are awaiting further guidance on how future distributions should be accounted for.
- 7.05 Council Officers have been and continue to provide information to assist the Local Government Association (LGA), Welsh Local Government Association (WLGA) and other bodies who are seeking to recover investments.

8.00 PERFORMANCE COMPARISON WITH TREASURY MANAGEMENT INDICATORS

- 8.01 Flintshire County Council is a member of the CIPFA Treasury Management Benchmarking Club. The draft 2011/12 report compared the Council with 57 other authorities. The final report will be issued at the end of June 2012. Whilst this benchmarking information assists in reviewing comparative performance, it must be recognised that not all Councils are in the comparison (57 out of several hundred) and that the size of Councils and their historic Treasury Management positions do not provide comparable situations and so results from benchmarking need to be reviewed with care. The data provided showed that the weighted

average long term borrowing rate for Flintshire of 5.4% was higher than the benchmarking group average of 4.5%. The reason for this difference reflects the Council's historic borrowing and no new borrowing since 2001/02 where rates have been lower. The weighted average investment rate was 0.9% compared with the benchmarking group average of 1.2%. The main reasons for the lower average rate are:

- Average investment balance of the benchmarking group is over £87m compared with £70.9m for the Council. These higher balances may assist larger councils with access to counterparties and better rates for longer periods.
- The average term in days for fixed investments less than 365 days was 54 days for the Council compared with 92 days for the group.

8.02 As explained in section 4, a very low risk appetite was followed in the second half of 2011, which reduced the average interest rate achievable.

8.03 The table below compares actual rates achieved with the benchmarking rates as stated in our Treasury Management Practices. Despite the low risk approach, the rate achieved was above 3 month LIBID (London Interbank Bid Rate).

	<u>2011/12 ACTUAL</u>	<u>7 DAY LIBID</u>	<u>3 MONTH LIBID</u>	<u>BENCHMARK</u>
INVESTMENTS	0.9%	0.5%	0.8%	-
BORROWING	5.4%	-	-	4.5%

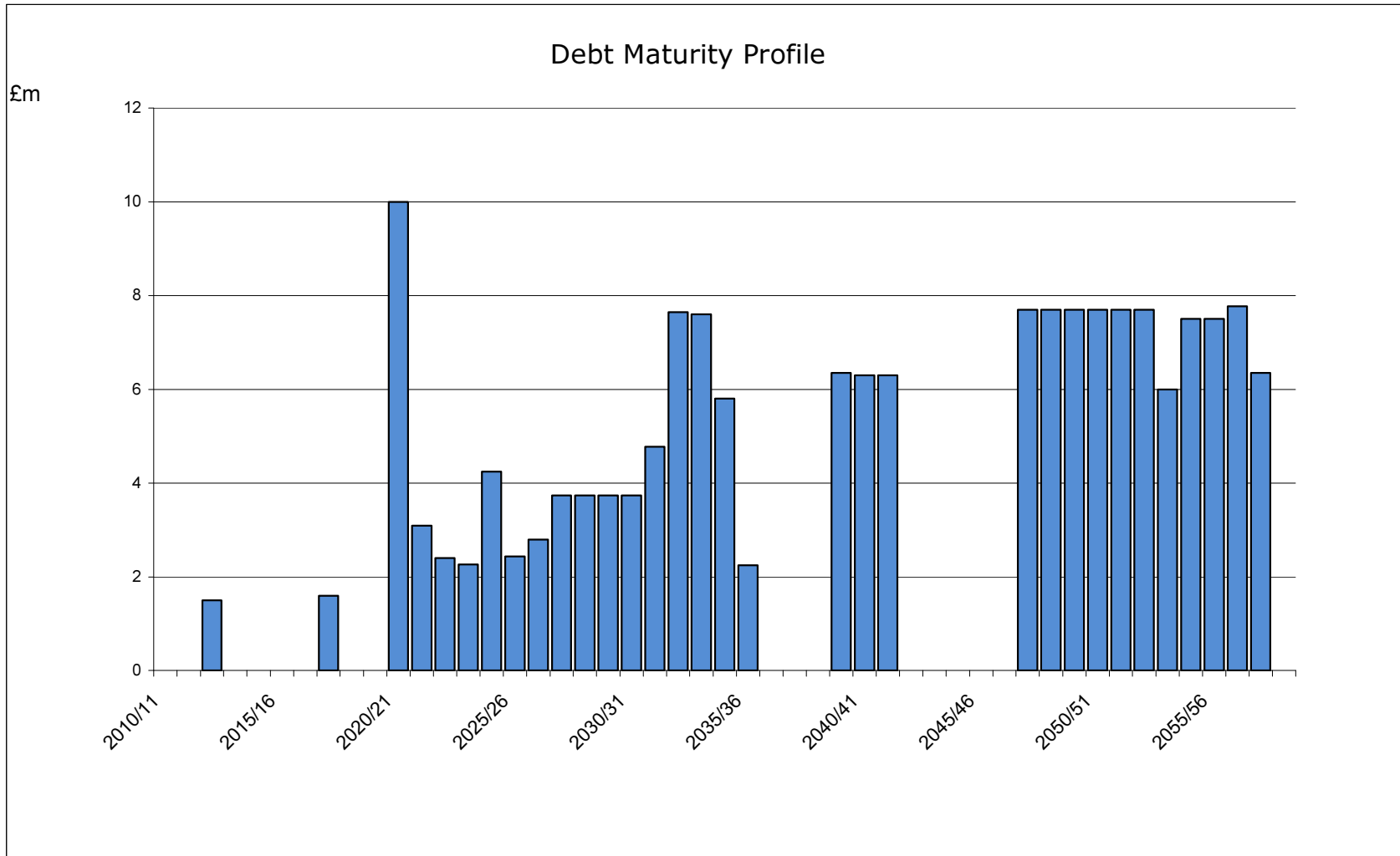
9.00 CONCLUSION

9.01 The treasury management function has operated within the statutory and local limits detailed in the 2011/12 Treasury Management Policy Statement.

9.02 There is a Policy Statement adopted for 2012/13 which was revised from the 2011/12 statement, with the view of continuing to improve performance by managing the various treasury risks.

9.03 The financial environment within which the treasury function operates remains challenging and this is likely to continue for the foreseeable future.

9.04 The Policy was implemented in a pro-active manner with security and liquidity as the focus.



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FLINTSHIRE COUNTY COUNCIL

REPORT TO: FLINTSHIRE COUNTY COUNCIL

DATE: TUESDAY, 17 JULY 2012

REPORT BY: DIRECTOR OF ENVIRONMENT

SUBJECT: LOCAL PLANNING GUIDANCE NOTE NO. 23 -
DEVELOPERS CONTRIBUTIONS TO EDUCATION

1.00 PURPOSE OF REPORT

- 1.01 To seek the approval of Members for the adoption of the Local Planning Guidance Note (LPG) No.23 'Developer Contributions to Education' for use as Supplementary Planning Guidance alongside the UDP. The recent internal audit review of Section 106 Agreements identified that a LPG on this subject was required to be approved as a policy statement, as a matter of priority.

2.00 BACKGROUND

- 2.01 Local Authorities find themselves under increasing financial pressure to meet the educational needs arising from residential development within their area. Cumulatively even a relatively small development can have a significant financial impact on the provision of school places. Welsh Office Circular 13/97 'Planning Obligations' makes provision for developer contributions to offset the negative consequences of development provided there is guidance on this in the local development plan. The Flintshire UDP provides this guidance through its policy on Conditions, Developer Contributions and Planning Obligations, Policy IMP1 'Planning Conditions and Planning Obligations'. The focus of this LPG note is to provide further information on identified educational needs, show how this policy will be applied for the provision of educational facilities, and to clearly set out what will be expected of developers.

3.00 CONSIDERATIONS

- 3.01 Historically, Section 106 agreements for education contributions have been negotiated during the planning application process on a very ad hoc basis, primarily relating to very large developments. Pressure on the education system is however growing where a number of schools are up to or getting close to their capacity. In these situations even relatively small sites can lead to an increase in pupil numbers creating accommodation problems. In order to address this issue it is considered that the requirement for contributions should not be expected purely from large scale developments but be spread more

evenly and fairly across all small, medium and large scale developments where a need arises. To achieve this, a new threshold has been added to the policy which states that contributions will be sought from developments of 5 or more dwellings (or an area of 0.2 ha). This requirement is in line with the current practice of a number of other authorities in Wales.

- 3.02 Previously contributions have been calculated using a figure of £3,500 per pupil resulting from a new development and this was required only when the nearest school was over or at capacity or within 10% of capacity. It is widely recognised amongst Welsh Councils that this historical formula is out of date and this new policy guidance aims to update that figure to bring Flintshire inline with other authorities. The new method of calculating the level of a contribution uses a figure of £12,257 per pupil for primary, and £18,469 for secondary. These figures are taken from the Department for Education and Skills/ Department of Schools and Families, DfES/ DCSF, which publishes a standard multiplier to calculate the costs of providing new schools and extensions to schools. Most other authorities in England and Wales who have supplementary planning guidance on this issue use this guidance to calculate contributions from developers.
- 3.03 The formula for calculating the number of pupils requiring a contribution from a development has also been refined. Previously all new pupils resulting from a development would require a contribution. The new LPG note requires contributions only when the nearest school to a development is over or at capacity or within 5% of capacity and then only the number of pupils which would take surplus places below 5% of capacity, rather than the total number of pupils resulting from the development. Therefore although the new multiplier is a much higher figure, the new formula more accurately reflects new pupils that impact on available capacity. Again this is inline with government guidance and is the practice of most other authorities who have Supplementary Planning Guidance on this matter. However where there is an existing issue of overcapacity a developer would not be expected to make greater provision to address this, over and above the pupils his development would produce.
- 3.04 The Guidance Note sets out clear criteria that define when an obligation will be required from a developer (see Section 3 of the attached document), as well as the formula that will be used and be kept up to date to calculate the amount of contributions (Section 7).
- 3.05 The Guidance has gone through several iterations of consultation with the public in general and specifically with a number of local developers and the Home Builders Federation. The Councils Planning Protocol Work Group have considered and commented on the draft Guidance at each iteration of its development.
- 3.06 A number of issues were raised as part of the consultation and those

that raised valid considerations have resulted in amendments to the draft Guidance which the Planning Protocol Working Group has endorsed. For example, the fact that school portacabins are always considered as temporary accommodation and as such are not included as part of the total capacity calculations.

- 3.07 That said, this supplementary planning guidance note will form part of a wider approach by the Council to addressing the issue of school capacity, that firstly brings the costs of adding new permanent capacity resulting from pupils generated from new development into line with current Welsh practice, secondly can be retained for up to ten years to fit in with current improvement programmes, and thirdly is complemented by financial provision being made for investment in schools via the Capital Programme.

4.00 RECOMMENDATIONS

- 4.01 It is recommended that this guidance is now approved as Supplementary Planning Guidance to the UDP, as is used for Development Management purposes in negotiating appropriate contributions from developers.

5.00 FINANCIAL IMPLICATIONS

The sums involved will be paid to the Council as part of Section 106 Planning Agreements and will be retained for a period of up to 10 years by the Council in order to be used as part of the Education Capital Programme.

6.00 ANTI POVERTY IMPACT

None

7.00 ENVIRONMENTAL IMPACT

None

8.00 EQUALITIES IMPACT

None

9.00 PERSONNEL IMPLICATIONS

None

10.00 CONSULTATION REQUIRED

None

11.00 CONSULTATION UNDERTAKEN

- 11.01 A draft version of the note was considered at the Planning Protocol Meetings on October 30th 2011 and 23rd March 2012. Consultation was carried out with developers and the Home Builders Federation (HBF) over a 4 week period from 26th May to 23rd June 2011. The note was also made available on the Flintshire County Council website for general consideration by any interested party from 13th

June 2011 with a deadline for comments by 30th June 2011 and was available on the website until 18th October 2011.
A meeting was also held with Anwyl Construction on 10th Feb 2012 and further comments from HBF were received which led to more adjustments to the note.

12.00 APPENDICES

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985 BACKGROUND DOCUMENTS

**Contact Officer: Andy Roberts
Telephone: 01352 703211
Email:andy.roberts@flintshire.gov.uk**



Local Planning Guidance Note

No.23 Developer Contributions to Education

Final Version

1 | Background to this note

- 1.0 This is one of a series of Local Planning Guidance notes designed to explain and clarify the policies in the Flintshire Unitary Development Plan (UDP). This guidance note will focus specifically on developer contributions to educational facilities.
- 1.1 Local Planning Guidance Note 22, Planning Obligations explains more generally the use of Planning Obligations in terms of the type of obligations and when they are and are not appropriate.
- 1.2 Local Authorities find themselves under increasing financial pressure to meet the educational needs arising from new residential development within their area. Cumulatively even a relatively small development can have a significant financial impact on the provision of school places. Welsh Office Circular 13/97 'Planning Obligations' makes provision for developer contributions to offset the negative consequences of development provided there is guidance on this in the local development plan. The adopted Flintshire UDP provides this guidance through its policy on Conditions, Developer Contributions and Planning Obligations, Policy IMP1 Planning Conditions and Planning Obligations (see Edited Written Statement for revised policy wording). The rest of this note sets out further information on identified educational needs and shows how this policy will be applied to the provision of educational facilities.

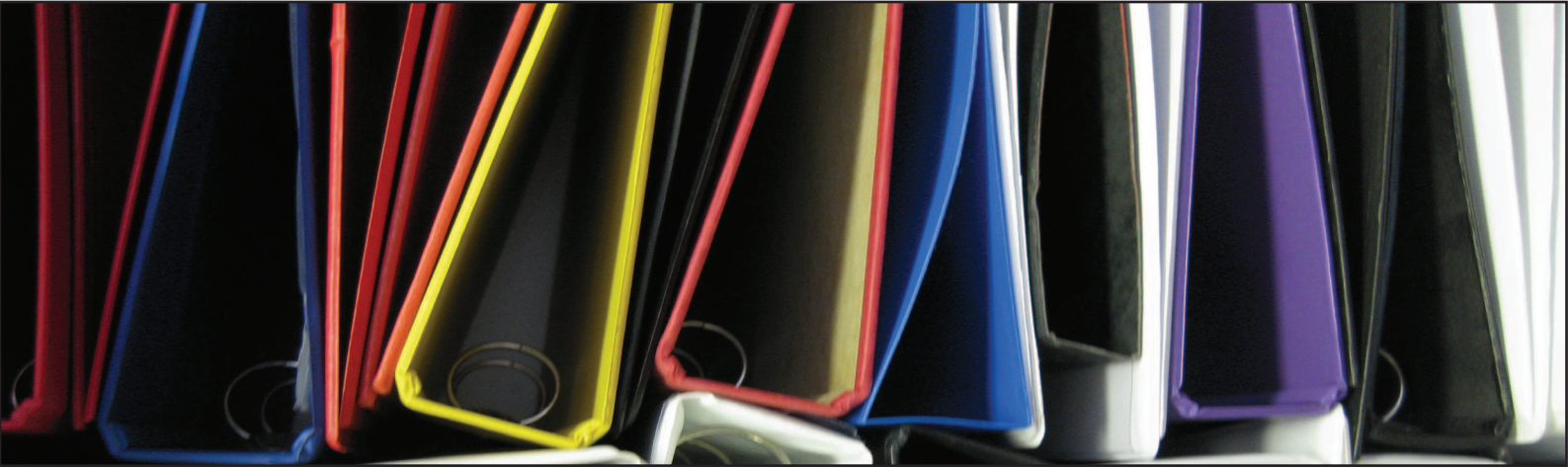
2 | Education Planning In Flintshire

- 2.0 Flintshire has a Schools Modernisation Strategy which sets out how the Flintshire Local Authority (LA) will provide sufficient and suitable school places. In accordance with the requirements of the Welsh Government, the Authority has an obligation to provide suitably located and sufficient school places whilst avoiding significant numbers of surplus places, and ensure that there is sufficient capacity to accommodate pupils in accordance with the capacity formula methodology of the Assembly.
- 2.1 The LA is legally required to maintain class size limits of no larger than 30 in Key stage one, and is obliged to maintain the same limit in Key stage two.
- 2.2 Although there are surplus places presently in some schools, there are other areas where there is an acute shortage of capacity, leading to admission appeals by parents. In some schools those surplus places may only be available in certain year groups. Empty places in a school do not necessarily equate to there being sufficient capacity at that school.

- 2.3 Key Welsh Government policy objectives in relation to sustainable development include the need to locate development as to minimise the need to travel and to promote access to a range of community facilities, including education, whilst maximising opportunities for community development and social welfare. Where new development takes place in a community this can have a significant impact on existing facilities such as the capacity of local schools. Where this is the case the council require appropriate contributions from developers in order to mitigate against these impacts on the nearest suitable school to their development.
- 2.4 In some areas of the County, there are oversubscribed schools in areas where land is earmarked for residential development. This extra development puts additional pressure on the local school, and in some cases would lead to pupils not being accommodated. The cost implications of extending capacity of a school to accommodate local developments can be severe, and financial contributions are currently the only practical means of ensuring adequate capacity.
- 2.5 Using the most up to date information held by the council, the effects of demand for school places and in the future effects of the schools modernisation plan on schools in the vicinity of new residential development will be taken into account at the planning application stage and this will form part of the negotiation process at that time.

3 | Criteria

- 3.0 The Council recognises that a good planning obligation system will help promote economic well being. It will not impose inappropriate burdens on developers which would result in worthwhile development not taking place. However, it is important to clarify the policy requirements of the Council so that real costs of development are reflected in negotiations between landowners and developers. The aim is to make all aware very early on in the development process of the requirements and implications for land values.
- 3.1 The requirement for developer contributions will be based on the following:
1. Developments which comprise 5 or more dwellings or, where this is unknown, a site area of 0.2 hectares or more.
 2. The Council will seek education contributions in all cases where the identified schools have less than 5% surplus places having taken into account the proposed development. Contributions should only be sought in respect of the number of pupils which would take surplus places below 5%, rather than the total number expected from the development. The contributions will be held by the LA to fund works at those schools directly affected by the development.
 3. Where paragraph 2 above is satisfied, contributions will be required for the nearest suitable primary or secondary school or for both. Any development however small will have an impact on the schools nearby and this should be recognised. A list of the primary and secondary schools capacity can be found on the Flintshire County Council Website. It is important to note that this list is a guide only and may be subject to variations, it is therefore important also to contact the department of Lifelong Learning for up to date information.
 4. Only those schools directly affected by a development will be the subject of the financial contribution. Sometimes more than one development will be proposed in close proximity which taken together prompts the need for additional facilities and in these circumstances where there



is a cumulative effect the Council may pool contributions to fund the necessary facilities.

5. In calculating surplus places in schools, the Authority will take in to account approved developments and their future impact upon school numbers.
6. For its part, payments received by the Council as a result of planning agreements will be held in interest bearing accounts with a unique finance code, to be used only for the purposes specified in the obligation; if not spent as intended or within the agreed timescale, they will be reimbursed with interest.
7. For the purposes of planning contributions the pupil capacity will be calculated net of any capacity that has been achieved through using temporary accommodation, for example mobile classrooms within the school grounds.

4 | Use of Contributions

- » Provision of new schools or new classrooms
- » Improvements and refurbishments of existing facilities to provide additional capacity.
- » To provide accommodation improvements and associated resources to enable the school/s affected to meet the accommodation needs arising from the additional pupils generated.

5 | Exceptions

- 5.0 The exceptions to the provision of school places will be the following type of residential development from which planning authorities will not seek contributions.
- » Housing specifically designed for occupation by elderly persons (ie restricted by planning condition or agreement to occupation by those over aged 55 years or more).
 - » 1 bed dwellings or 1 bed apartments or flats.

6 | The Councils Obligations

- 6.0 When negotiating with the Council the developer can expect Section 106 Agreements to address:
- » The schools to which their contributions will be put.
 - » The timing/phasing of the agreed contributions.
 - » Contributions will normally be spent within 10 years of receipt.
 - » Individual developer contributions may not in themselves be enough to fund required projects. In this event such monies will be pooled together with other developer contributions to fund the

necessary facilities.

- » The Council will produce an Annual Statement of funds received from Section 106 Agreements'.

7 | Contribution Formula

7.0 Contributions towards additional or improved school facilities will be based on the following factors:

- » a. The number of qualifying dwelling units in the development (5 or More or Over 0.2 hectare).
- » b. The number of school age children likely to be generated by each residential unit, 0.24 is the primary school formula multiplier and 0.174 is the secondary school multiplier. The primary and secondary figures used above are currently in line with or less than other local authorities and will be reviewed on an annual basis.
- » c. Cost Guidelines

The average cost of providing a school place will be based on:

- » Welsh Assembly Guidance (Measuring Capacity of Schools in Wales Circular 09/06) data to calculate the amount of space required per pupil.
- » DFES/DCSF Project Cost and Performance Data updated in accordance with the Royal Institute of Chartered Surveyors Building costs Information service All Tender Index. The Building Cost Multiplier figures can be found in the Appendix 1 which will be annually updated.

The formula element reads:

Number of housing units x 0.24 (primary school formula) = Child Yield (after calculating the 5% surplus where appropriate) x £12,257 cost multiplier per pupil = Developer Contribution (using the Cost Multiplier figures from 2008/09)

Primary School Pupils

For example if school capacity was 200, 5% would be 10 pupils so that the trigger for contributions would be calculated like this:- Numbers on Roll figure of 190.

And if actual Number of Pupils 185

Development of 50 houses $50 \times 0.24 = 12$ pupils

$$185 + 12 = 197$$

$$197 - 190 = 7$$

We only ask for contributions for 7 pupils.

$$7 \times £12,257 = £85,799$$

Secondary School

For example if School capacity was 1700, 5% would be 85 pupils so that the trigger for contributions would be calculated like this:- Numbers on Roll figure of 1615.

And if actual Number of Pupils 1610

Development of 50 houses $50 \times 0.174 = 8.7$ pupils (round up to 9)

$$1610 + 9 = 1619$$

$$1619 - 1615 = 4$$

We only ask for contributions for 4 pupils.

$$4 \times £18,469 = £73,876$$

Appendix 1

Building Costs Multiplier for 2008/09* is given as

- » Primary £12,257
- » Secondary £18,469

* NB: These are the latest published figures but the Council will continually monitor this and update as appropriate

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: FLINTSHIRE COUNTY COUNCIL

DATE: TUESDAY, 17 JULY 2012

REPORT BY: CHIEF EXECUTIVE

SUBJECT: LOCAL GOVERNMENT BOUNDARY COMMISSION
FOR WALES - CONSULTATION ON THE SIZE OF
COUNCILS

1.00 PURPOSE OF REPORT

1.01 To agree a Council response to the consultation paper of the Local Government Boundary Commission for Wales on Council Size.

2.00 BACKGROUND

2.01 The Local Government Boundary Commission for Wales is required to carry out periodic reviews of the electoral arrangements for the 22 unitary authorities in Wales. In May the Commission published a consultation paper on its preliminary view, and approach, to how it believes Council sizes should be determined. The Commission uses the term "Council size" to describe the total number of Councillors to be elected to a Council.

2.02 The consultation paper is attached as appendix 1. Flintshire has been given an extension of time to allow a debate at this meeting with a response to the Commission to follow.

2.03 Page 15 of the consultation paper lists the nine specific questions that the Boundary Commission is seeking responses to. The Council's response to consultation does not have to be limited to answering these specific questions and may include other observations.

2.04 The consultation paper explains that the Commission proposes to adopt a banding approach that groups similar authorities together and identifies Council size according to a band. Paragraph 26 proposes four bands - "Broadly Rural" "Urban" "Valley" and "Other". Flintshire has been placed into the "Other" band of authorities with a mixture of rural and urban characteristics. Paragraph 27 of the consultation paper explains the background to these four bands within the Welsh Assembly Government statistical bulletin - March 2008.

2.05 Paragraph 28 explains that using these bands or classifications the Commission has calculated a Council size proposal for each authority. Tale 5 (page 10) proposes that for Flintshire the number of Councillors should be 63 and not the current 70.

2.06 Attached as appendix 2 is a copy of the paper considered by the Welsh Local Government Association at its meeting on 29 June 2012. In view of concerns expressed at that meeting a meeting has been arranged between WLGA Leadership and the Boundary Commission later in July.

3.00 CONSIDERATIONS

3.01 The Commission considers that the unitary authorities should have a Council size that provides for Member elector ratios as follows:-

	<u>Member</u>	<u>Electorate</u>
Rural	1 : approximately	1,750
Urban	1 : approximately	2,500
Valley	1 : approximately	2.350
Other	1 : approximately	1,850

3.02 The Commission considers that before taking any decisions on electoral schemes it should through discussion with the Authority under review understand the various Member roles to inform its decision on the appropriate Council size (see paragraphs 44 to 51 of the consultation paper).

3.03 Paragraph 52 of the consultation paper says that the Minister's Direction issued in 2009 states "It is considered that the aim should be to achieve electoral divisions with a Councillor to electorate ratio no lower than 1:1,750".

3.04 In addition to considering the banding approach and the discussion with the Authority under review, the Commission will consider the geography and composition of the area as detailed in paragraphs 55 to 57.

3.05 The first specific question the consultation asks is whether it is considered that outlining a detailed approach to adopting a particular Council size is helpful. Paragraph 9 of the consultation paper states that Council size is a starting point in any electoral review and paragraph 12 says that Council size is an important part of identifying an electoral scheme that provides for effective and convenient local government as the right number of Members will provide the basis for the Council to conduct its business in the most effective and efficient way.

3.06 The next three specific questions cover the banding proposals. Members are aware that for the purposes of the Independent Remuneration Panel the 22 authorities in Wales have been divided into three separate bands, according to their population size. Paragraph 27 of the consultation paper gives the justification for it proposing four bands. Paragraph 30 indicates that the Commission does not intend to use the banding in a prescriptive manner and that it considers a Council size of plus or minus three from the proposal

figure identified would be satisfactory in clearly defined circumstances.

3.07 The specific questions 5 and 6 cover the proposed discussion with each Authority under review as described in paragraphs 44 to 51. Such discussions should prove helpful in explaining how the various Member roles are discharged in that authority and local geographical factors that the Commission would otherwise be unaware of.

3.08 Attached as appendix 3 is a draft response to the specific consultation questions which the Council may wish to approve or amend as appropriate.

4.00 RECOMMENDATIONS

4.01 The Council is invited to make its response to the consultation paper.

5.00 FINANCIAL IMPLICATIONS

5.01 None as a result of this report.

6.00 ANTI POVERTY IMPACT

6.01 None as a result of this report.

7.00 ENVIRONMENTAL IMPACT

7.01 None as a result of this report.

8.00 EQUALITIES IMPACT

8.01 None as a result of this report.

9.00 PERSONNEL IMPLICATIONS

9.01 None as a result of this report.

10.00 CONSULTATION REQUIRED

10.01 None as a result of this report.

11.00 CONSULTATION UNDERTAKEN

11.01 Consultation has taken place with Group Leaders.

12.00 APPENDICES

12.01 Appendix 1 - Consultation Paper
Appendix 2 - Report to WLGA meeting 29 June 2012
Appendix 3 - Draft response to specific questions.

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS

None

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Comisiwn Ffiniau
Llywodraeth Leol
i Gymru



Local Government
Boundary Commission
for Wales

Electoral Reviews: Council Size Policy Consultation Paper

May 2012

Electoral Reviews: Council Size Policy Consultation Paper

May 2012

1. The Local Government Boundary Commission for Wales is required to carry out periodic reviews of the electoral arrangements of principal areas in Wales. The way the Commission conducts an electoral review is defined by legislation and by Directions issued by the Welsh Government.
2. The Commission published its 'Electoral reviews: policy and practice' paper on 12 March 2012. That paper does not include the Commission's approach to council size. Accordingly, this paper sets out the views of the Commission on how council size should be considered as part of an electoral review.
3. This consultation paper sets out the Commission's preliminary view and approach to how it believes council size should be determined, based on its experience, expertise and knowledge of local government.
4. The Commission's approach is outlined clearly within this consultation paper and the Commission welcomes all views on it so that it may determine its final approach. The Commission welcomes views from all interested parties, local authorities and individuals on how this approach can be improved. All views will be taken into account before the Commission comes to its final determination on how council size should be considered as part of an electoral review.
5. In particular, the Commission welcomes the view of those members who have served as councillors in the past but who no longer do so, particularly those who have most recently finished their term of office. We consider that these individuals may be able to provide a valuable insight into the benefits of the proposals laid out within this document.
6. Respondents are welcome to comment on any aspect of this paper. However, it would be particularly useful if the specific questions detailed at the end of this paper are addressed. Respondents are requested to send their views to the LGBCW by 16 July 2012. All comments should be emailed to lgbc.wales@wales.gsi.gov.uk or by post to;

The Secretary
Local Government Boundary Commission for Wales
Caradog House
1-6 St Andrews Place
Cardiff
CF10 3BE

What is Council Size?

7. The Commission uses the term 'council size' to describe the total number of councillors to be elected to the council.
8. The legislation does not specify how council size should be decided or at what point in the electoral review. The legislation and Minister's Directions set the parameters for how the Commission decides what the council size for a particular authority should be. This paper sets out how the Commission has interpreted the legislation and the Minister's Directions and describes how the Commission seeks to identify the appropriate council size for each authority that it is reviewing.
9. Council size is the starting point in any electoral review – the Commission cannot consider the patterns of divisions without first knowing the optimum number of electors per councillor, which is derived from dividing the electorate by the number of councillors to be elected to the authority.

Effective and Convenient Local Government

10. The term 'effective and convenient local government' comes from section 54 (1) of the Local Government Act 1972.
11. The Commission believes that providing an electoral scheme that provides for effective and convenient local government underpins all of its work and is the paramount and primary function of the Commission.
12. The Commission considers that council size is an important part of identifying an electoral scheme that provides for effective and convenient local government as the right number of members will provide the basis for the council to conduct its business in the most effective and efficient way.

The Commission's approach

13. The Commission notes that when the existing 22 authorities were established in 1996, the council sizes of each of the authorities were broadly established reflecting the council sizes of the existing constituent areas.
14. The then Commission later reviewed the electoral arrangements of each of these 22 authorities. While in some areas the council size changed marginally, broadly speaking the council size remained the same.
15. Accordingly, council size has not been considered as a specific policy issue to be considered beyond the limits of each individual review for many years. The Commission considers that there is a benefit in

considering how council size is established as a general principle outside the remit of a specific review.

16. When considering the issues that relate to council size, the Commission notes that there is a broad range in the councillor:elector ratios of authorities in Wales and that in some rural areas, there is a very high number of electors per member. The Commission also recognises that a high proportion of council seats across Wales are not contested at local elections. The Commission does not consider that this provides for a vibrant democracy and that effective and convenient local government is provided more effectively where seats are contested.
17. The Commission notes that the equivalent bodies who review electoral arrangements in England, Scotland and Northern Ireland, all take a different approach to adopting council size.
18. In England, council size is established on a case by case basis and there is a separate stage at the beginning of the review whereby the Commission decides what council size should be adopted, bearing in mind the individual circumstances of the authority and area.
19. In Scotland, there is a banding approach, whereby cities, islands, population density and the population density of settlements are used to determine a category and subsequently a councillor:elector ratio.
20. In Northern Ireland, legislation sets out the number of wards for each authority under review which has a direct impact on the council size.
21. The different experiences and processes established across the UK demonstrate that there is no 'one size fits all' approach that should be adopted. This Commission believes that the process outlined within this consultation document is appropriate for establishing council size in Wales but welcomes views on how it may be amended to improve the process.

Banding

22. While all authorities are different, it can be helpful for councils, and others, to have an indication of what council size would be considered appropriate by the Commission for a particular authority.
23. While the Commission does not consider that identifying the optimum councillor:elector ratio to identify a specific council size will necessarily provide for effective and convenient local government, the Commission recognises that it can be helpful for councils and other interested parties to have a broad idea of what council size the Commission might consider is appropriate.

24. To support this, the Commission intends to adopt a banding approach that groups similar authorities together and identifies a council size, dependent on the band. This would be combined with discussions with each authority on the balancing factors described later in this document.
25. We broadly agree with the Minister's Direction to cap council size at a minimum of 30 and a maximum of 75 subject to the flexibility proposed in paragraph 31. We consider that very large or very small Councils cannot meet the test of effective and convenient local government.
26. The table below outlines the banding of authorities into 'Broadly Rural', 'Urban', 'Valley' and 'Other'. The Commission recognises that each of these categories do not comprise authorities that are uniformly alike. For example, while Cardiff and Newport are both urban authorities, the nature of them is quite different. However, the Commission considers that for the purposes of grouping similar authorities in order to determine that group's councillor:elector ratio, and consequently council size, they share characteristics that are common and which the Commission believes are satisfactory to use for the purposes of determining council size. The purpose of using categories is not to state that certain authorities are exactly alike but instead reflect that there are some shared characteristics that point towards a councillor:elector ratio that is reasonable and which provides four different categories in which to group the 22 principal authorities.
27. The Commission has proposed using four categories which were identified by the Welsh Assembly Government in 2008¹. The categories were identified following a consideration of how to define 'rural' Wales and which notes there are different measures that can be used, including sparsity, settlement size, and dispersion. The statistical bulletin published by Welsh Assembly Government notes that there is no single definition that applies for all purposes and that the larger the area, the harder it is to give a definition that accurately reflects the entirety of that area. The Commission agrees. However, it considers that these categories and the authorities identified within each category provide a reasonable means of classifying each authority for the purposes of identifying an appropriate council size.

¹ WAG Statistical Bulletin March 2008

Table 1: Classification of authorities

Rural – authorities with a predominantly rural composition	Carmarthenshire Ceredigion Conwy Denbighshire Gwynedd Isle of Anglesey Monmouthshire Pembrokeshire Powys
Urban – the most heavily populated areas	Cardiff Newport Swansea
Valley – populated areas confined by a unique physical environment.	Blaenau Gwent Caerphilly Merthyr Tydfil Rhondda Cynon Tâf Torfaen
Other – authorities which contain a mixture of rural and urban characteristics	Bridgend Flintshire Neath Port Talbot The Vale of Glamorgan Wrexham

28. Using these classifications, the Commission has calculated a council size proposal for each authority. The tables below show the council size that the Commission considers is reasonable for each authority and is minded to use as a basis for deciding council size.
29. This banding approach is intended as an aid to decision-making and to help focus authorities in their consideration of council size.
30. The Commission does not intend to use this banding in a prescriptive manner and considers that a council size of plus or minus three from the ‘proposal’ figure identified would be satisfactory, in clearly defined circumstances.
31. The Commission intends to have discussions with each authority under review, and as a result of those discussions the Commission may be persuaded to adopt a council size beyond plus or minus three from the figure identified through the banding approach. Where the banding approach provides for an authority to have 30 or 75 councillors the Commission reserves the right to provide for fewer than 30 or more than 75 members if a better fit with the statutory criteria can be achieved compared with the capped limits. The Commission would expect an authority who proposes to have a council size outside these limits to provide additional justification to support their view.

Table 2: Proposals for council size for ‘rural’ authorities.

‘Rural’ Unitary Authority	Electorate 2011	Existing number of councillors	Number of councillors proposed under banding
Carmarthenshire	138,122	74	75*
Ceredigion	56,476	42	32
Conwy	91,246	59	52
Denbighshire	74,798	47	43
Gwynedd	86,144	75	49
Isle of Anglesey	49,484	40	30*
Monmouthshire	70,663	43	40
Pembrokeshire	93,120	60	53
Powys	102,855	73	59
TOTAL	762,908	513	433

32. The Commission considers that these authorities should have a council size that provides for each member representing approximately 1,750 electors.
33. *Carmarthenshire would be allocated 79 councillors under this banding approach but has been capped at 75, as a result of the Minister’s Direction
34. *Anglesey would be allocated 28 councillors but has been allocated 30 members as a result of the Direction.

Table 3: Proposals for council size for ‘urban’ authorities

‘Urban’ Unitary Authority	Electorate 2011	Existing number of councillors	Number of councillors proposed under banding
Cardiff	250,711	75	75*
Newport	105,342	50	42
Swansea	185,058	72	74
TOTAL	541,111	197	191

35. The Commission considers that these authorities should have a council size that provides for each member representing approximately 2,500 electors.
36. The Commission considered that the average councillor:elector ratio using the existing Newport and Swansea figures would provide a fair councillor:elector ratio for all these urban areas. Because the electorate of Cardiff is so large, it is felt that it would create an anomaly if its figures were used to calculate the appropriate council size for these authorities.
37. Accordingly, the number of councillors proposed under the banding approach has been calculated on the basis of 2,500. This is the electorate of Swansea and Newport (290,400) divided by the total number of members currently representing these authorities (122). This leads to a figure of 2,380, rounded to 2,500.
38. *Cardiff has been capped at 75, as a result of the Minister’s Direction.

Table 4: Proposals for council size for ‘valley’ authorities

‘Valley’ Unitary Authority	Electorate 2011	Existing number of councillors	Number of councillors proposed under banding
Blaenau Gwent	53,527	42	30*
Caerphilly	128,977	73	55
Merthyr Tydfil	43,597	33	30*
Rhondda Cynon Tâf	176,144	75	75
Torfaen	69,951	44	30
TOTAL	472,196	267	220

39. The Commission considers that these authorities should have a council size that provides for each member representing approximately 2,350 electors.
40. The Commission notes the reduction in council size from the existing arrangements that this banding approach would provide for, in a number of these ‘valley’ authorities. However, the Commission considers that a councillor:elector ratio broadly between urban and rural authorities is viable and sensible.
41. *Blaenau Gwent and Merthyr Tydfil would be allocated 23 and 19 councillors respectively under this ratio, but have both been allocated 30 members as a result of the Direction.

Table 5: Proposals for council size for ‘other’ authorities

‘Other’ Unitary Authority	Electorate 2011	Existing number of councillors	Number of councillors proposed under banding
Bridgend	103,345	54	56
Flintshire	116,452	70	63
Neath Port Talbot	110,167	64	60
The Vale of Glamorgan	94,102	47	51
Wrexham	102,041	52	55
TOTAL	526,107	287	285

42. The Commission considers that these authorities should have a council size that provides for each member representing approximately 1,850 electors.
43. The ‘number of councillors proposed under banding’ figure for the ‘Other’ authorities has been identified by calculating the average councillor:elector ratio for these existing authorities. This is 1,833 (526,107 divided by 287), rounded to 1,850.

Discussion with authority under review

44. The Commission considers that before taking any decisions on electoral schemes, it should understand the role of the councillor in the area where it is conducting an electoral review in order to help inform its decision on the appropriate council size.
45. Research commissioned by the Welsh Assembly Government² which reviewed the role and function of elected members summarised that the various roles of members were:
- decision making;
 - overview and scrutiny;
 - ward representation; and
 - partnership working and community leadership
46. The Commission considers that an understanding of how these roles fit together within a particular authority can give an indication of how

² Review of the Role and Function of Elected Members, CRG Research 2007

many members that authority needs to provide for effective and convenient local government and that this can be used in conjunction with the banding approach.

47. The Commission welcomes a discussion with the council at the beginning of a review to discuss how these factors work in the council under review to determine the best council size, within the banding approach outlined above.
48. The Commission will wish to understand, through discussions with senior officers and Group Leaders, how many members are required to address the following aspects of council business, as identified by the CRG Research 2007:
 - a. To provide effective community leadership at a strategic level (developing the community strategy, working with partners etc.)
 - b. To represent the council in the outside world (to the Welsh Government, UK government and others)
 - c. To represent the needs and interests of local electoral [wards] to the council and other bodies (including dealing with case work on behalf of individual constituents)
 - d. To conduct effective scrutiny of the council policies and performance
 - e. To conduct effective scrutiny of other agencies (e.g. health trusts)
 - f. To provide effective political management of the authority.
49. The Commission recognises that the representation role (point c above) is an important part of the role councillors play. The 2007 Research noted that 'when asked to outline what they saw as the main role of councillors almost all interviewees reported that it was first and foremost to represent their wards'. Some councillors have noted during previous reviews that council size should not be reduced as this would reduce the ability for members to carry out their representation role effectively, as the number of electors per councillor would increase as a result of a decrease in council size.
50. The Commission will seek to understand the other aspects of a councillor's role in the cases on individual authorities, to gauge how these roles have an implication on the most appropriate council size. The Commission recognises that this will be different in every council as every council works in a different way and has different opportunities and challenges.
51. The Commission considers that a combined approach of using the banding as well as discussion with the authority under review will provide for the best council size.

Minister's Directions

The Councillor:elector ratio

52. The Minister's Direction issued in 2009 states 'it is considered that the aim should be to achieve electoral divisions with a councillor to electorate ratio no lower than 1:1,750'.
53. The Commission considers that this guidance could provide the necessary framework for establishing council size and councillor:elector ratios for each authority under review. The Minister may choose to withdraw his Direction but will retain the option of issuing Directions for specific areas or for particular circumstances. Alternatively, the Direction or a revised Direction may be issued to cover all reviews.
54. Parliament did not set out in legislation how many members each authority should have. However, in his Direction issued in 2009, the Minister gave the Commission indicators that directly relate to council size. This Commission considers that this banding approach whereby a councillor:elector ratio has been identified that does not provide for each authority having a ratio of 1:1,750 is likely to better reflect the different challenges faced by authorities than a single figure. The Commission has always interpreted the Direction as guidance, as the Minister clarified it should be used. The Commission has used its expertise and discretion to identify a councillor:elector ratio for each authority within a band which in its view would provide for effective and convenient local government.

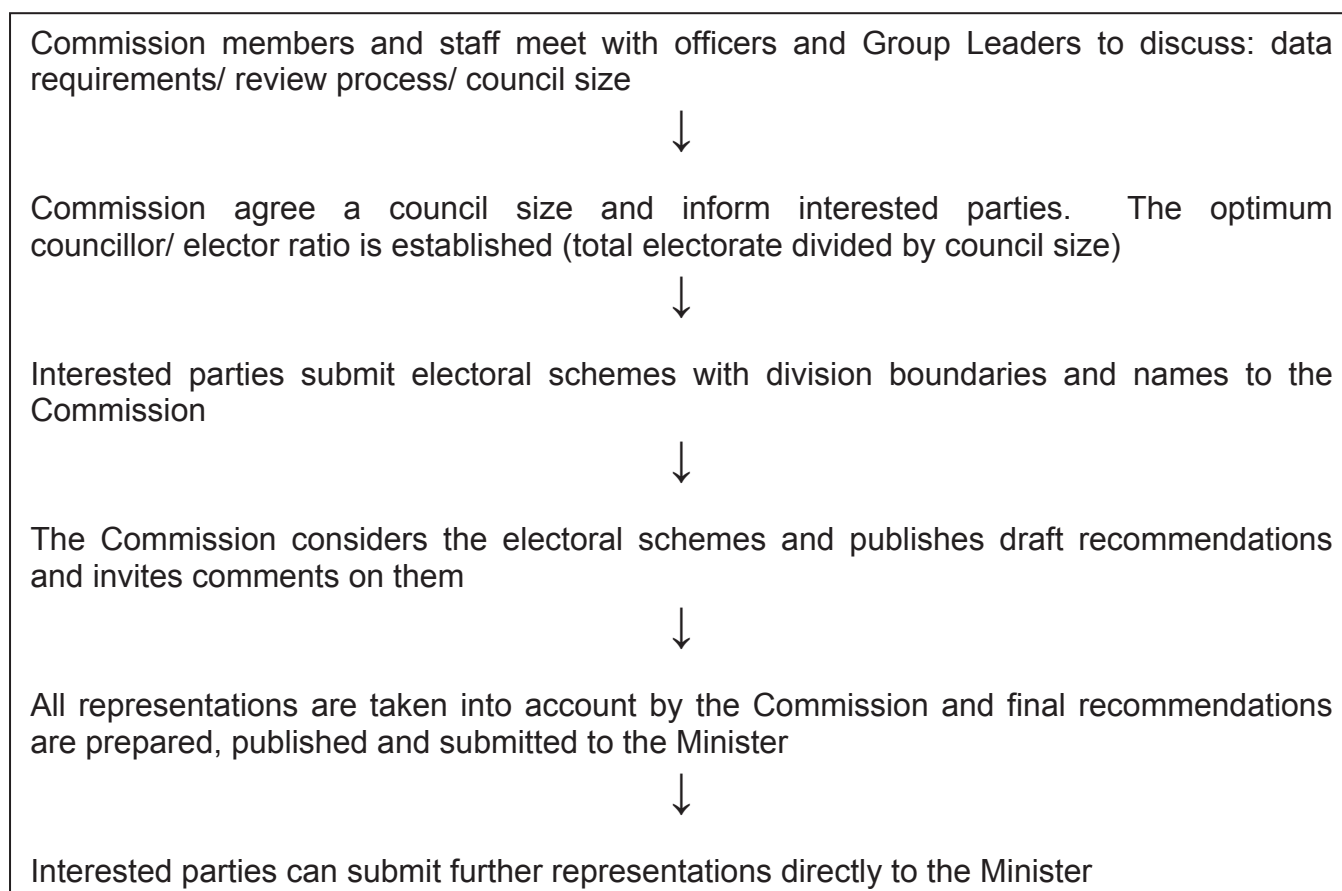
The geography and composition of the area

55. In addition to considering the banding approach and the discussion with the council, the Commission will consider other factors to identify the most appropriate council size.
56. When the Commission started the round of reviews starting in 2008, it sought to identify what council size would best provide for a good level of electoral equality. It did this by considering the size of communities and community wards which are used as the building blocks for electoral divisions and consider which council sizes within a range would provide for a good level of electoral equality.
57. The size of communities and community wards will continue to be a factor in identifying a council size that will provide for divisions that can be based on the Communities and which will provide for a reasonable level of electoral parity.

Procedure for establishing council size as part of an electoral review

58. As set out in the 'electoral reviews: policy and procedure' consultation document, Commission members and officials will meet members and senior officers of the council in advance of the review starting to discuss the procedure of the review, data requirements and to address how the review will be conducted generally. The Commission considers that at these meetings, the issue of council size should also be addressed. Group Leaders on the council should give their views on what membership is appropriate, in the context of how the council works and how it is envisaged to work in the future.
59. Following this discussion, the Commission will agree a council size at a formal commission meeting and subsequently inform those interested parties in the area what that council size is, and accordingly what the councillor:elector ratio is. This will allow all those interested in contributing to the review to create and submit a scheme to the Commission, based on the agreed council size.

The electoral review process:



Balancing all the factors contributing to council size

60. The Commission recognises that all authorities are different. The Commission will seek to balance the factors that influence council size as set out by the Minister's Directions, and balance the geography and size of communities to come up with a recommendation that improves the existing arrangements.
61. The Commission believes that engaging with the council at an early stage of the process, in particular in relation to the role of the councillor, will lead to an electoral scheme which reflects how the council works and how it aspires to work in the future, whilst reflecting the communities and geography of the area.
62. The Commission considers that these discussions alongside a banding approach will lead to the establishment of a council size that will provide the best electoral scheme.
63. The Commission welcomes your views on the approach outlined in this consultation document and in particular your response to the questions outlined below. Please write to us with your views by **16 July 2012**.

Questions to local authorities and other interested parties on the Local Government Boundary Commission for Wales' consultation on its approach to council size.

General

1. Do you consider that outlining a detailed approach to adopting a particular council size is helpful?

Banding

2. Do you think that the principle of banding is useful when considering council size?
3. Do you think the four categories of 'urban', 'rural', 'valley' and 'other' are appropriate? Do you think that each authority has been allocated to the relevant category?
4. Do you think that the councillor:elector ratio for each category of authorities is appropriate? If not, what ratio is better and why?

Discussion with authority under review

5. Do you think it is helpful for the Commission and Council to have detailed discussions at the start of the review process about what the council size should be?
6. Do you agree that the areas of council business identified in paragraph 48 of this consultation document are all pertinent issues, relevant to council size?

This guidance has been prepared on the basis of the existing legislation and Directions. The Commission must conduct all electoral reviews within this framework until any changes are introduced by legislation or in Minister's Directions. However, the Commission welcomes views on what, if any, changes should be made to the legislation for conducting electoral reviews in the future, in relation to matters relevant to council size:

7. Do you consider there should be a range of council sizes for authorities to fall between? Do you think 30 to 75 is an appropriate range?
8. Do you consider there should be a councillor:elector ratio for authorities to aim towards? Should it be different for different authorities?
9. If the proposals contained in this Policy are accepted by the Minister, do you consider that the current Directions are needed? If you are in favour of the Direction, please give the reasons for your view.

Please submit your views to the Local Government Boundary Commission for Wales by 16 July 2012. They can be submitted in writing or by email:

The Secretary
Local Government Boundary Commission for Wales
Caradog House
1-6 St Andrews Place
Cardiff
CF10 3BE

lgbc.wales@wales.gsi.gov.uk

**WELSH LOCAL GOVERNMENT ASSOCIATION
17th ANNUAL MEETING
29TH JUNE 2012**

**LOCAL GOVERNMENT BOUNDARY COMMISSION COUNCIL SIZE
CONSULTATION**

Purpose

1. To seek members' views on the Local Government Boundary Commission's consultation on council size.

Background

2. The Local Government Boundary Commission for Wales [the Commission] has undergone a period of significant change in the recent period following last year's Ministerial decision to conduct a review into the Commission's approach (the Mathias Review).
3. The Minister has also appointed new Commissioners: Owen Watkin OBE (Chair), Ceri Stradling and David Powell. Until April 2012, an interim Commission was in place, which included: Max Caller (Chair), Owen Watkin OBE and Sandy Blair.
4. The interim Commission held a constructive meeting with WLGA Council on 28th October 2011 and announced its intention to review the previous electoral reviews and to consider introducing new policies and processes, including council size. The Commission has published a new 'Electoral reviews: policy and practice' paper on 12 March 2012 following consultation, which sets out clearly how it intends to work with authorities and partners in undertaking electoral reviews.
5. The Welsh Government has recently published its 'Promoting Local Democracy' White Paper, which includes a number of proposals regarding the Commission, including a change of name, additional members and a number of additional powers. The consultation closes on 3rd August 2012 and WLGA members will receive a report at July's Coordinating Committee.
6. The Mathias Review recommended that the Welsh Government should abandon the requirement of a single councillor to elector ratio (currently 1:1,750) and that it should be replaced by 'a transparent approach to assessing council size.'
7. The Commission is therefore currently consulting on policy proposals to introduce council size as 'the starting point in any electoral review'. The consultation closes on 16th July. Whilst the Commission had trailed its intention to consult on council size proposals for some months, the WLGA has requested an extension to the deadline to allow new councillors and councils sufficient time in the post-election period to consider significant proposals. The Commission has however declined this request. The Commission is keen however to meet with the WLGA's new leadership at the earliest opportunity to discuss its proposals in more detail.

8. Council size is currently not a feature of Welsh Electoral Reviews, but is considered (in different ways) as part of Electoral Reviews in England, Northern Ireland and Scotland.
9. As noted in the Commission's Council Size consultation "In England, council size is established on a case by case basis and there is a separate stage at the beginning of the review whereby the Commission decides what council size should be adopted, bearing in mind the individual circumstances of the authority and area." In determining council size, the Local Government Boundary Commission for England considers 4 factors:
 - "The decision-making process – what decisions, taken where, and how is it managed?
 - Quasi-judicial processes – e.g. planning and licensing – what is the workload and how is it managed?
 - The scrutiny process – what is scrutinised and how is the total scrutiny workload managed?
 - The representative role of the elected member."
10. The Local Government Boundary Commission for Scotland has previously operated a council size policy with 7 council sizes based on different councillor to elector ratios, grouped from Large Cities to Island authorities. The key features of the Scottish council size model are population density and proportion of population in settlements of a particular size (see Annex 3). In future, the Scottish Commission will decide whether to continue to apply a consistent approach across local authorities and if so whether methodologies used previously remain appropriate. The Scottish Commission regards that councils should have a membership of between 18 and 80 councillors.
11. The Northern Irish approach is more prescriptive, with legislation setting out the number of wards for each authority under review.

Council Size Proposals

12. The Commission states that its proposals for council size in Wales are designed to be 'helpful for councils, and others, to have an indication of what council size would be considered appropriate by the Commission for a particular authority.'
13. The Commission has outlined a council size model similar to but more simplistic than the Scottish approach and proposes that authorities should be grouped into 4 categories, based on a 2008 Welsh Government Statistical bulletin which sought to define rural Wales¹:
 - "Rural - authorities with a predominantly rural composition
 - Urban - the most heavily populated areas
 - Valley - populated areas confined by a unique physical environment.
 - Other - authorities which contain a mixture of rural and urban characteristics"

¹ <http://wales.gov.uk/topics/statistics/publications/focusrural08/?lang=en>

14. The Commission outlines 4 different councillor to elector ratios for each of the categories and proposes the retention of the current maximum (75 councillors) and minimum (30 councillors) council sizes as outlined in current Ministerial Directions (see annex 1)
15. The consultation document however provides little detail as to the rationale or factors taken into account by the Commission in setting the proposed councillor to elector ratios other than:
- “...there is a broad range in the councillor to elector ratios of authorities in Wales and that in some rural areas, there is a very high number of electors per member. The Commission also recognises that a high proportion of council seats across Wales are not contested at local elections. The Commission does not consider that this provides for a vibrant democracy and that effective and convenient local government is provided more effectively where seats are contested.”
16. The Commission’s proposals are based on 3 different methodologies for determining the ratios for the 4 bands:
- Rural (1:1,750) – the methodology is not specified, but presumably it is based on the current statutory ratio
 - Valley (1:2,350) and Other (1:1,850) – the ratio is calculated by combining the electorates of all councils in each category, divided by the current number of councillors.
 - Urban (1:2,500) – the ratio is calculated by combining the electorates of Newport and Swansea and dividing by the current number of councillors. Cardiff is not included in the calculation due to its large size which would have created an ‘anomaly’.
17. The potential impact of the proposals could mean significant changes to councillor numbers, particularly in Rural and Valleys authorities, with an overall reduction of 135 councillors across Wales. Under the proposals, 2 councils would remain the same, 5 would have additional councillors and 15 would have fewer councillors (5 would see a significant reduction of at least 25%). The breakdown per authority is detailed in Annex 1.
18. Although the Commission has sought to retain the current maximum and minimum council sizes, the approach might lead to concerns about the future of particular authorities in terms of considering ‘effective and convenient local government’ (which is one of the factors the Commission considers during electoral reviews) if the ratios were applied fully. If the proposed ratios were applied fully, a number of authorities would fall below the current minimum council size of 30 members currently specified in Ministerial Directions. Conversely, some councils should receive additional members over and above the current 75 member limit if the proposed ratios were implemented fully.
19. The consultation however states that the Commission does not intend to use banding prescriptively and that council size could vary by ‘plus or minus three’.

20. The Commission states that before taking any decisions on an electoral scheme based on the council size policy, it will have discussions with an authority to 'understand the role of the councillor in the area where it is conducting an electoral review in order to help inform its decision on the appropriate council size.' These considerations will include the 'communities and community wards' in an authority area, as well as views from senior officers and Group Leaders about how many members are required to undertake key aspects of council business (as outlined in Welsh Government commissioned research from 2007):
- To provide effective community leadership at a strategic level
 - To represent the council in the outside world
 - To represent the needs and interests of local electoral [wards] to the council and other bodies (including case work)
 - To conduct effective scrutiny of the council policies and performance
 - To conduct effective scrutiny of other agencies
 - To provide effective political management of the authority.
21. Whilst the above roles are comprehensive, during the current term there will be a changing emphasis in the role of the member and impact on responsibilities and workload given the growing collaborative agenda and the implementation of the new public services scrutiny duty. There is also potential inconsistency between the Commission's factors and weighting afforded to each compared to those considered by the Independent Remuneration Panel for Wales' deliberations when considering not only remuneration but also the appropriate number of Senior Salaries or in effect governance arrangements for each authority (although the WLGA does not endorse the Panel's approach, the Welsh Government is currently consulting in the Promoting Democracy White Paper to strengthen the Panel's role in this area).
22. The Commission's consultation requests views on the proposals around council size as well as whether the above councillor roles and responsibilities are relevant factors when considering council size. The Commission also seeks views on whether the current maximum council size of 75 and minimum size of 30 is appropriate. A full list of questions is included in Annex 2. Key questions include:
- Do you think that the principle of banding is useful when considering council size?
 - Do you think the four categories of 'urban', 'rural', 'valley' and 'other' are appropriate?
 - Do you think that each authority has been allocated to the relevant category?
 - Do you think that the councillor:elector ratio for each category of authorities is appropriate? If not, what ratio is better and why?
 - Do you agree that the areas of council business identified in paragraph 48 of this consultation document are all pertinent issues, relevant to council size?
 - Do you think 30 to 75 councillors is an appropriate range?

Initial Views

23. At the time of writing, WLGA officials have not received formal views from any authorities on the Boundary Commission's Council Size proposals. Most councils have not yet considered the consultation due to the immediacy of other post-election business and Annual General Meetings. The consultation also has a varied impact on

councils, with a number seeing little or no potential change, whilst others would experience significant change.

24. There is some support, given the experiences of recent electoral reviews, for a more sophisticated approach to determining appropriate councillor to elector ratios and hence the appropriate number of councillors in each council area. However, there is some confusion over the Commission's methodology and concerns about the potential impact of the proposals, particularly in those valleys and rural authorities most affected.
25. Whilst the Commission's proposed model is clear and concise, the consultation paper provides little detail about the rationale behind the methodology used or choice of the proposed model, both in terms of grouping authorities and then in determining appropriate councillor to elector ratios; given it is not clear whether other methodologies and/or models have been considered and discounted, the Commission's consultation raises a number of key questions.
26. In terms of the methodology, the Commission's consultation does not provide detailed explanation on the rationale for using different formulae for determining councillor to elector ratios for each of the different council bands. In particular, it is not clear why the ratio of 1:1,750 was deemed appropriate for rural authorities, whereas a ratio of 1:1,500 for rural authorities would have been used if the methodology applied to other bands had been applied consistently.
27. The Commission's consultation paper also does not provide any background on what other options and methodologies were considered and subsequently discounted for determining ratios. For example, a slight variation on the Commission's formulae (using the mean current councillor: elector ratios rather than average current councillor: elector ratio) would have seen an overall reduction of 37 councillors across Wales, with less significant reductions in rural and valleys authorities, although more authorities would have exceeded the maximum 75 councillor threshold. This model is put forward as a comparator only not as an alternative WLGA proposal (a comparative table is included in Annex 4).
28. Similarly, it is not clear why the Commission discounted a more sophisticated (yet more complex) approach to banding councils similar to that used in Scotland. The Commission's proposed model is based on the council bandings (based on population density) developed in the 2008 Welsh Government Statistical Bulletin. However, the Statistical Bulletin itself notes that approaches to categorising authorities can include a range of different factors and that factors should be included or discounted depending on the need to categorise authorities in the first place. It could therefore be argued that the Scottish model for banding councils (or a model informed by its methodology) might be deemed more appropriate in determining local democracy and representation given it combines both population density and the size and number of settlements in an authority.
29. Whilst it is recognised that when developing any proposed model, methodology needs to be based on the information available at the time, the Commission's model does not appear to be 'future-proofed' in that the methodology is based on 2011 electorate figures. Presumably the Commission would seek to revise this when new

data is made available, but this is not mentioned in the consultation. As a result, the Council Size proposals may not be introduced as an electoral review model in some authorities for another 12 or more years (given the Welsh Government is only now consulting in its White Paper to introduce 10 year rolling electoral reviews); it is therefore possible that electoral reviews may be undertaken in 2024 using a model based on 2011 population data.

30. Similarly, it is not clear why the Commission has modelled its council banding proposals based on the current size of councils given it has put forward recommendations for different council sizes in almost half of authorities in its Reviews of Reviews which were recently submitted to the Minister.
31. The Commission's council size proposals and the factors it intends to consider in its electoral reviews (notably around councillor roles and local governance arrangements) do not appear to take into account and are inconsistent with the approaches used by the Independent Remuneration Panel for Wales, which uses 3 population based bands for determining members' remuneration rather than 4 as proposed by the Commission. It remains unclear whether there has been any dialogue between the two bodies and whether the Commission's proposals will in turn influence the Remuneration Panel's future deliberations.
32. The Commission states that it does not intend to use banding prescriptively and will also consider local factors and feedback from authorities. Whilst this commitment to flexibility is welcomed, the Commission's acceptable range of plus or minus 3 members from the proposed bandings would provide limited discretion or flexibility to respond to such a range of complex factors when undertaking an electoral review, which might include geography and size of communities, community ties, as well as the governance needs and role of councillors in each authority.

Recommendations

33. It is recommended that members:

33.1 express views on the consultation questions as outlined at Annex 2, in particular the questions as outlined in paragraph 22 above.

33.2 agree that the WLGA's formal consultation response will reflect views expressed at Council, but will be signed off by WLGA Political Group Leaders by the 16th July deadline when authorities' formal responses have been received.

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Annex 1

Rural Authorities - Councillor to elector ratio 1:1,500

	Existing no. of councillors	Proposed no. of councillors
Carmarthenshire	74	75 (79)
Ceredigion	42	32
Conwy	59	52
Denbighshire	47	43
Gwynedd	75	49
Isle of Anglesey	40	30 (28)
Monmouthshire	43	40
Pembrokeshire	60	53
Powys	73	59
TOTAL	513	433

Urban Authorities - Councillor to elector ratio 1-2,500

	Existing no. of councillors	Proposed no. of councillors
Cardiff	75	75 (100)
Newport	50	42
Swansea	72	74
TOTAL	197	191

Valley Authorities - Councillor to elector ratio 1-2,350

	Existing no. of councillors	Proposed no. of councillors
Blaenau Gwent	42	30 (23)
Caerphilly	73	55
Merthyr Tydfil	33	30 (19)
Rhondda Cynon Taf	75	75
Torfaen	44	30
TOTAL	267	220

Other Authorities - Councillor to elector ratio 1-1850

	Existing no. of councillors	Proposed no. of councillors
Bridgend	54	56
Flintshire	70	63
Neath Port Talbot	64	60
Vale of Glamorgan	47	51
Wrexham	52	55
TOTAL	287	285

The figures in brackets are the number of councillors those councils would have if the Commission's proposed ratios were applied strictly. The Commission has kept proposed council sizes in these authorities in line with the Ministerial Direction (maximum of 75 members and minimum of 30 members).

Annex 2

Consultation Questions

1. Do you consider that outlining a detailed approach to adopting a particular council size is helpful?
2. Do you think that the principle of banding is useful when considering council size?
3. Do you think the four categories of 'urban', 'rural', 'valley' and 'other' are appropriate? Do you think that each authority has been allocated to the relevant category?
4. Do you think that the councillor:elector ratio for each category of authorities is appropriate? If not, what ratio is better and why?
5. Do you think it is helpful for the Commission and Council to have detailed discussions at the start of the review process about what the council size should be?
6. Do you agree that the areas of council business identified in paragraph 48 of this consultation document are all pertinent issues, relevant to council size?
7. Do you consider there should be a range of council sizes for authorities to fall between? Do you think 30 to 75 is an appropriate range?
8. Do you consider there should be a councillor:elector ratio for authorities to aim towards? Should it be different for different authorities?
9. If the proposals contained in this Policy are accepted by the Minister, do you consider that the current Directions are needed? If you are in favour of the Direction, please give the reasons for your view.

Annex 3

Local Government Boundary Commission for Scotland Information Paper Electoral Reviews: Guidance – October 2011

"Councillor numbers is the term used to describe the number of councillors elected to a local authority. In any review, it determines the average number of electors per councillor to be achieved across all wards of that authority. We cannot consider the patterns of wards without knowing the optimum number of electors per councillor, which is derived from dividing the electorate by the number of councillors on the authority...To determine councillor numbers, we have in recent reviews applied a methodology to ensure a consistent approach to councillor numbers across all of Scotland's local authorities. Our methodology is based on categorising each local authority in Scotland, and applying the same formula to all local authorities in a single category."

"For any future review, we will decide after consultation whether to continue to apply a consistent approach across local authorities in Scotland, and if so, whether either of the methodologies used during earlier reviews is still appropriate...It does not follow that changes in an authority's electorate, the pattern of settlements within an authority, or the city status of settlements within an authority will result in a change in the number of councillors being returned."

Category	Description	Ratio
1.	Large Cities	1:6,000
2.	Cities	1:4,000
3.	Authorities with less than 60% of the population living outwith settlements of 10,000 or more persons AND an overall population density of one person or more per hectare	1:3,500
4.	Authorities with EITHER 60% or more of the population living outwith settlements of 10,000 or more persons OR an overall population density of less than one person per hectare	1:3,000
5.	Authorities with 60% or more of the population living outwith settlements of 10,000 or more persons AND an overall population density of less than one person per hectare	1:2,500
6.	Authorities with 60% or more of the population living outwith settlements of 10,000 or more persons AND an overall population density of less than 0.2 persons per hectare	1:2,000
7.	Island authorities	1:750

Annex 4

Comparison of two different methodologies for setting Council Size:

- Boundary Commission proposal: total population in band divided by total number of councillors in band
- Alternative model: total ratios in band divided by number of authorities in band

	2011 Electorate	Ratio under Commission's Proposals	Current councillor: elector ratio	Average of current ratio in each Band	Current Council Size	Council Size - Commission's Proposals for	Council Size - based on alternative model*
Carmarthenshire	138122	1750	1867	1482	74	75	75
Ceredigion	56476	1750	1345	1482	42	32	38
Conwy	91246	1750	1547	1482	59	52	62
Denbighshire	74798	1750	1591	1482	47	43	50
Gwynedd	86144	1750	1149	1482	75	49	58
Isle of Anglesey	49484	1750	1237	1482	40	30	33
Monmouthshire	70663	1750	1643	1482	43	40	48
Pembrokeshire	93120	1750	1552	1482	60	53	63
Powys	102855	1750	1409	1482	73	59	69
Cardiff	250711	2500	3343	2339	75	75	75
Newport	105342	2500	2107	2339	50	42	45
Swansea	185058	2500	2570	2339	72	74	75
Blaenau Gwent	53527	2350	1274	1660	42	30	32
Caerphilly	128977	2350	1767	1660	73	55	75
Merthyr Tydfil	43597	2350	1321	1660	33	30	26
Rhondda Cynon Taf	176144	2350	2349	1660	75	75	75
Torfaen	69951	2350	1590	1660	44	30	42
Bridgend	103345	1850	1914	1853	54	56	56
Flintshire	116452	1850	1664	1853	70	63	63
Neath Port Talbot	110167	1850	1721	1853	64	60	60
Vale of Glamorgan	94102	1850	2002	1853	47	51	51
Wrexham	102041	1850	1962	1853	52	55	55
Total councillors					1,264	1,129	1,227

*Councils have been capped at the current maximum of 75 councillors in both the Commission's model and the Alternative model

Draft Response to Consultation

Draft answers to specific questions:-

1. *Do you consider that outlining a detailed approach to adopting a particular Council size is helpful?*

Yes for the reasons given in the consultation paper paragraphs 9 and 12.

2. *Do you think that the principle of banding is useful when considering Council size?*

Any such principle would need more justification than appears in the current consultation paper, particularly in view of the current Minister's Direction referred to in paragraph 52 making no distinction between different Council bands.

3. *Do you think the four categories of "urban" "rural" "valley" and "other" are appropriate?*

There is insufficient information in the consultation paper to agree that they are appropriate. It is inconsistent with the approach adopted by the Independent Remuneration Panel for Wales which divides Councils according to three population based bands for purposes of determining Members remuneration.

The ratio for rural areas cannot be fixed and needs to be more flexible – there has to be some balance between square miles/number of distinct communities represented and electoral number i.e. the wider the geographical area the lower the voter ratio.

Do you think that each authority has been allocated the relevant category?

The Council is not in a position comment other than in relation to itself. If, notwithstanding responses to consultation there were to be four categories then Flintshire is correctly shown as it comprises a mixture of rural and urban characteristics. It is believed that this band should be described as mixed urban/rural rather than "other".

4. *Do you think that the Councillor : elector ratio for each category of authorities is appropriate?*

There is insufficient justification for this in the consultation paper particularly in view of the current Minister's Direction referred to in paragraph 52.

If not, what ratio is better and why?

The current Direction that for all Councils the ratio should be no lower than one Councillor per 1,750 electors.

5. *Do you think it is helpful for the Commission and Council to have detailed discussions at the start of the review process about what the Council size should be?*

Yes this is essential.

6. *Do you agree that the areas of Council business identified in paragraph 48 of this consultation document are all pertinent issues relevant to Council size?*

Yes.

7. *Do you consider there should be a range of Council sizes for authorities to fall between?*

Yes

Do you think 30 to 75 is an appropriate range?

Any departure from the current range should be justified.

8. *Do you consider there should be a Councillor : elector ratio for authorities to aim towards?*

Yes but this is only one of several different factors that should be taken into account.

Should it be different for different authorities?

No, the consultation paper does not give sufficient justification for this.

9. *If the proposals contained in this policy are accepted by the Minister, do you consider that the current Directions are needed?*

The proposals seem inconsistent with current Minister Direction by treating authorities differently and having different ratios and different bands of Council. The Direction referred to in paragraph 52 should be withdrawn if the proposals in the policy paper are accepted.

If you are in favour of the Direction, please give the reasons for your view. The Council believes that the current Direction should be followed unless and until a good case is made for change which is not evidenced in the current consultation paper.