

Public Document Pack

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Head of Legal and Democratic Services
Pennaeth Gwasanaethau Cyfreithiol a Democraataidd



To: Cllr Aaron Shotton (Leader)

CS/NG

Councillors: Bernie Attridge, Chris Bithell,
Helen Brown, Christine Jones, Kevin Jones,
Peter Macfarlane and Billy Mullin

13 February 2013

Sharon Thomas 01352 702324
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Dear Sir / Madam

A meeting of the **CABINET** will be held in the **CLWYD COMMITTEE ROOM, COUNTY HALL, MOLD CH7 6NA** on **TUESDAY, 19TH FEBRUARY, 2013** at **9.30 AM** to consider the following items.

Yours faithfully

Democracy & Governance Manager

AGENDA

- 1 **APOLOGIES**
- 2 **DECLARATIONS OF INTEREST**
- 3 **MINUTES** (Pages 1 - 10)

To confirm as a correct record the minutes of the meeting held on 22 January 2013.

TO CONSIDER THE FOLLOWING REPORTS

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The Council welcomes correspondence in Welsh or English
Mae'r Cyngor yn croesawau gohebiaeth yn y Cymraeg neu'r Saesneg

STRATEGIC REPORTS

- 4 **COUNCIL FUND REVENUE BUDGET 2013/14** (Pages 11 - 88)
Report of Head of Finance, Chief Executive - Leader of the Council and Cabinet Member for Finance
- 5 **HOUSING REVENUE ACCOUNT 2013/14 AND CAPITAL PROGRAMME 2013/14** (Pages 89 - 102)
Report of Chief Executive, Head of Finance, Director of Community Services, Head of Housing - Leader of the Council and Cabinet Member for Finance, Cabinet Member for Housing
- 6 **COUNCIL FUND CAPITAL PROGRAMME 2013/14 TO 2022/23** (Pages 103 - 142)
Report of Head of Finance, Chief Executive, Director of Environment - Leader of the Council and Cabinet Member for Finance
- 7 **TREASURY MANAGEMENT STRATEGY 2013/14, TREASURY MANAGEMENT POLICY STATEMENT 2013-2016 AND TREASURY MANAGEMENT PRACTICES 2013-16** (Pages 143 - 208)
Report of Head of Finance - Cabinet Member for Corporate Management
- 8 **PRUDENTIAL INDICATORS 2013/14 - 2015/16** (Pages 209 - 216)
Report of Head of Finance - Leader of the Council and Cabinet Member for Finance
- 9 **MINIMUM REVENUE PROVISION 2013/14** (Pages 217 - 220)
Report of Head of Finance - Leader of the Council and Cabinet Member for Finance
- 10 **IMPROVEMENT ASSESSMENT LETTER FROM THE AUDITOR GENERAL FOR WALES** (Pages 221 - 234)
Report of Chief Executive - Cabinet Member for Corporate Management
- 11 **BUS FUNDING** (Pages 235 - 262)
Report of Director of Environment - Deputy Leader of the Council and Cabinet Member for Environment
- 12 **REVIEW OF THE COUNCIL'S POLICY ON HIGHWAY SAFETY INSPECTIONS - INTERVENTION CRITERIA AND RESPONSE TIMES** (Pages 263 - 272)
Report of Director of Environment - Deputy Leader of the Council and Cabinet Member for Environment
- 13 **CIVIL PARKING ENFORCEMENT** (Pages 273 - 338)
Report of Director of Environment - Deputy Leader of the Council and Cabinet Member for Environment
- 14 **FLINTSHIRE CONNECTS** (Pages 339 - 362)
Report of Head of ICT and Customer Services, Head of Housing - Cabinet Member for Corporate Management

15 **PROPOSED REGIONAL EMERGENCY PLANNING SERVICE** (Pages 363 - 394)

Report of Chief Executive - Cabinet Member for Corporate Management

16 **EQUALITY UPDATE** (Pages 395 - 422)

Report of Chief Executive - Cabinet Member for Corporate Management

OPERATIONAL REPORTS

17 **COUNCIL TAX AND BUSINESS RATE POLICIES 2013-14** (Pages 423 - 428)

Report of Head of Finance - Cabinet Member for Corporate Management

18 **REVENUE BUDGET MONITORING 2012/13 (MONTH 8)** (Pages 429 - 470)

Report of Head of Finance - Leader of the Council and Cabinet Member for Finance

19 **MUNICIPAL MUTUAL INSURANCE - TRIGGER OF SCHEME OF ARRANGEMENT** (Pages 471 - 474)

Report of Head of Finance - Leader of the Council and Cabinet Member for Finance

20 **SCHOOL FUNDING FORMULA REVIEW UPDATE** (Pages 475 - 480)

Report of Director of Lifelong Learning - Cabinet Member for Education

21 **CONSULTATION ON THE FUTURE OF POST-16 PROVISION** (Pages 481 - 484)

Report of Director of Lifelong Learning - Cabinet Member for Education

22 **SCHOOL ADMISSION ARRANGEMENTS 2014** (Pages 485 - 502)

Report of Director of Lifelong Learning - Cabinet Member for Education

23 **HAWARDEN INFANT & RECTOR DREW CHURCH IN WALES VOLUNTARY AIDED JUNIOR SCHOOL AMALGAMATION - FEEDBACK FROM CONSULTATION** (Pages 503 - 510)

Report of Director of Lifelong Learning - Cabinet Member for Education

24 **QUARTERLY MONITORING REPORT ON PROGRESS WITH IMPLEMENTATION OF THE ESTYN ACTION PLAN** (Pages 511 - 542)

Report of Director of Lifelong Learning - Cabinet Member for Education

FORWARD WORK PROGRAMME - COUNTY COUNCIL, CABINET, AUDIT AND OVERVIEW & SCRUTINY - FOR INFORMATION

The following items were listed on the Forward Plan for February 2013 but will not be submitted for the following reasons:

1. Flood Risk Management Strategy - report deferred to Cabinet on 23 April 2013 following public consultation.
2. Unadopted Roads and the Council's policy for Dealing with Low Skidding Resistance on the Highway Network - report deferred to Cabinet on 19 March 2013.
3. Council's new Streetlighting Policy - report deferred to Cabinet on 19 March 2013 due to further background work still being undertaken.
4. Early Retirement Summary July-December 2012 - this information now contained in the Workforce Information Report.
5. Workforce Information Quarter 3 Oct-Dec 2012 - report deferred to Cabinet on 19 March 2013.
6. Flintshire Self Assessment - report deferred to Cabinet on 19 March 2013.
7. Diversity and Equality Policy - this information now contained in the Equality Update report.
8. Council Tax Grants for Pensioners - report to be submitted to Cabinet on 19 March 2013 due to the deferred implementation date by Welsh Government.
9. Corporate Debt Write Off - awaiting further information, report deferred to Cabinet on 19 March 2013.
10. Youth Service Review - deferred to Cabinet on 19 March 2013 to continue further work on a whole service strategy.
11. CCTV Regional Project - deferred to Cabinet on 19 March 2013 to include further information.

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

STRATEGIC

The following item is considered to be exempt by virtue of Paragraph(s) 13 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended).

The information is likely to reveal the identity of individuals and it is not in the public interest for their identities to be revealed.

25 **MANAGEMENT OF INTERNAL AUDIT** (Pages 579 - 586)

Report of Head of Finance, Chief Executive - Leader of the Council and Cabinet Member for Finance

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

The report contains information relating to contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority and employees of the authority. It is in the public interest for that information to remain exempt until after those negotiations have concluded.

26 **TRANSFORMING TRANSPORT** (Pages 587 - 646)

Report of Director of Environment - Deputy Leader of the Council and Cabinet Member for Environment

OPERATIONAL

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

It would be detrimental to working relationships with staff affected and their Unions if details were made public prior to normal consultation arrangements. It is therefore not in the public interest for the report to be considered in public.

27 **RESTRUCTURE OF LIFELONG LEARNING DIRECTORATE
MANAGEMENT TEAM** (Pages 647 - 662)

Report of Director of Lifelong Learning - Cabinet Member for Education

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CABINET 22 JANUARY 2013

Minutes of the meeting of the Cabinet of Flintshire County Council held at County Hall, Mold on Tuesday, 22 January 2013

PRESENT: Councillor Aaron Shotton (Chairman)

Councillors: Bernie Attridge (Deputy Leader), Chris Bithell, Helen Brown, Christine Jones, Kevin Jones, Peter Macfarlane and Billy Mullin

ALSO PRESENT:

Councillors: Peter Curtis, Veronica Gay, Patrick Heesom, Carolyn Thomas and Arnold Woolley

APOLOGY:

Head of Human Resources and Organisational Development

IN ATTENDANCE:

Chief Executive, Director of Environment, Director of Lifelong Learning, Director of Community Services, Head of Finance, Head of Legal and Democratic Services, Head of ICT and Customer Services and Committee Officer

Ms. Tanya Clancy, Military Civil Integration for minute number 150 – Flintshire Community Covenant

146. VARIATION IN ORDER OF BUSINESS

The Leader of the Council indicated that there would be a slight change in the order of business to bring forward agenda item 8 – Flintshire Community Covenant. He welcomed Tanya Clancy to the meeting and explained that she would be providing a presentation.

147. DECLARATIONS OF INTEREST

No declarations of interest were made.

148. MINUTES

The minutes of the meeting held on 18 December 2012 had been circulated with the agenda.

RESOLVED:

That the minutes be approved as a correct record.

149. ANNOUNCEMENT BY THE LEADER OF THE COUNCIL

The Leader of the Council praised the work of the Highway Gritting Team for their work during the recent snowy weather and asked the Director

of Environment to pass on his thanks. The Chief Executive and other Cabinet Members concurred with the comments made.

150. COMMUNITY COVENANT

The Leader of the Council welcomed Tanya Clancy from Military Civil Integration to the meeting and invited her to provide a presentation on the Community Covenant for Wales.

Ms. Clancy provided a detailed presentation on the following areas:-

- The aim of the Community Covenant
- Making the Covenant Count
- Who has signed?
- Myth v Fact
- Service Leavers
- Community Covenant Grants

The Leader of the Council thanked Ms. Clancy for the informative presentation. The Chief Executive said that the covenant template would need development to move it forward for Flintshire. The Cabinet Member for Regeneration, Enterprise and Leisure spoke of the need to ensure that Flintshire County Council employees who had made a commitment to the Territorial Army were able to fulfil their requirement to train when needed.

Ms. Clancy responded to a series of questions from Cabinet Members.

The Leader of the Council referred to a Notice of Motion which had been submitted to County Council for an Armed Forces Day in Flintshire and the commitment by local government to provide a North Wales event. He asked that his thanks be passed on to Sharron Jones for the work undertaken to date on the establishment of an Armed Forces Day in Flintshire which had been arranged for 22 June 2013; further information would be shared at a later date. He said that this would reaffirm the commitment to the Armed Forces and he looked forward to a successful event later in the year.

The Leader of the Council asked that an additional recommendation be included that a Champion for Armed Forces Community Covenant be appointed and suggested that this should be the Leader of the Council. Following a discussion it was agreed to recommend to County Council that responsibility for the Community Covenant and Armed Forces issues sit within the portfolio of the Leader and Cabinet Member for Finance.

RESOLVED:

- (a) That the presentation be received; and
- (b) That the following be recommended to the County Council meeting on 29 January 2013:-

- i. the adoption of a Community Covenant for Flintshire
- ii. the signatories as proposed
- iii. the launch of the Community Covenant
- iv. that the responsibility for the Community Covenant and Armed Forces issues sit within the portfolio of the Leader and Cabinet Member for Finance.

151. HOUSING REVENUE ACCOUNT 2013/14 & CAPITAL PROGRAMME

The Cabinet Member for Housing introduced a report to consider the Housing Revenue Account (HRA) budget and the Revenue budget proposals for the 2013/14 financial year and the budget proposals for the HRA Capital Programme 2013/14. She explained that a revised recommendation had been circulated for Members' consideration.

The Director of Community Services emphasised that the Capital expenditure financed from the revenue account (CERA) enabled additional investment in the HRA Capital Programme. An investment of £5.195m had been included in the 2013/14 budget which was an increase of £0.758m on the 2012/13 budget and £1.960m on the 2011/12 budget.

The Leader of the Council welcomed the positive report but asked Members to consider the inclusion of an additional recommendation that a letter be sent to the Minister for Housing expressing the Council's wish that the rent convergence policy for tenants should be postponed again during 2013/14 due to the difficult economic circumstances.

RESOLVED:

That the following be approved and recommended to Council:-

- i. the proposed HRA for 2013/14 as set out in appendix 1, incorporating the proposals in appendix 2 and the Service Improvements and Efficiencies in appendix 3;
- ii. the level of rent for 2013/14 as set out in paragraph 3.01, subject to receipt of the final HRAS item 8 determinations from Welsh Government;
- iii. the proposed revised approach and timing for setting annual service charges as set out in paragraph 3.16
- iv. the level of projected balances at 31 March 2014 at 3.20% of total expenditure
- v. the proposed HRA Capital Programme as set out in appendix 4
- vi. that a letter be sent to the Minister for Housing expressing the Council's wish that the rent convergence policy for tenants should be postponed again during 2013/14 due to difficult economic circumstances.

152. ADOPTION OF COUNCIL TAX SUPPORT SCHEME – APRIL 2013

The Cabinet Member for Corporate Management introduced a report which explained the change from Council Tax Benefit to the Council Tax

Reduction Scheme, addressed the funding implications and the requirement to adopt the scheme by 31 January 2013. A statement from the Minister for Local Government and Communities and a revised recommendation was circulated for Member's consideration.

The Head of Finance explained that the report had been considered by Corporate Resources Overview & Scrutiny Committee on 17 January 2013 prior to an announcement by Welsh Government (WG) to increase the maximum level of support from the current 90% to 100%. This meant that for 2013/14, claimants would now receive the full amount of support for their council tax bills to which they were eligible. Adoption of the new scheme was required at the County Council meeting on 29 January 2013 and the revised recommendations incorporated the change announced by WG.

The Leader of the Council welcomed the announcement from WG but said that even though the impact of the Welfare Reform proposals would be eased by the proposals, they would still be a concern to those affected. On the issue of the set up costs which had initially been funded by WG, the Head of Finance said that funding of £2.3m for authorities across Wales had been secured for set up costs which if shared equally would equate to £0.105m per Council. The Chief Executive advised that commitment for 100% level of support had only been given for this year and it was not yet known if this would continue for future years.

RESOLVED:

- (a) That the making of the Council Tax Reduction Scheme and Prescribed Requirements (Wales) Regulations ("the Prescribed Requirement Regulations") by the Welsh Assembly on 19 December 2012 be noted;
- (b) That the outcome of the consultation exercise undertaken by the Council on the introduction of the Council Tax Support Scheme be noted;
- (c) That the written statement by the Minister for Local Government and Communities on 17 January 2013, which sets out the intention to increase the maximum level of support from the current 90 per cent to 100 per cent be welcomed;
- (d) That the scheme as set out in Appendix 1 be recommended to full Council, subject to the inclusion of any change in prescribed limits set by Welsh Government and the consequential detail; and
- (e) That the proposed Discretionary Elements as set out in Appendix 2 be supported and that those be recommended to Full Council.

153. CONSTRUCTION PROCUREMENT NORTH WALES: PROCEUREMENT STRATEGY

The Cabinet Member for Education introduced a report on Construction Procurement North Wales: Procurement Strategy as a decision was required from each North Wales authority to agree to implement the project (set up a framework for construction projects over £4.35m) for the North Wales region as a condition of grant funding from the 21st Century Schools Programme. He detailed the background to the report and explained that the Procurement Strategy document had been placed in the Members' Library.

The Director of Lifelong Learning said that it was an exciting opportunity to make a difference across Flintshire and to benefit communities and local businesses.

The Cabinet Member for Public Protection, Waste & Recycling welcomed the report and the opportunities to maximise the benefits of projects to the local communities and to sustain economic development through training and employment opportunities.

RESOLVED:

That the project be approved to proceed to implementation stage to set up a framework for projects over £4.35m and improve current construction procurement practices below this level across the region.

154. FLINTSHIRE FUTURES UPDATE

The Cabinet Member for Corporate Management introduced a report to provide an update on progress of achievement against the Flintshire Futures efficiency targets and the strengthened Flintshire Futures governance arrangements and to consider capacity building proposals recommended by the Flintshire Futures Programme Board for agreement. He explained that the Board was now in place with the Member representation being the Leader, Deputy Leader, Cabinet Member for Corporate Management and the Chair of Corporate Resources Overview & Scrutiny Committee. The Terms of Reference of the Board had been agreed and were attached at Appendix 1.

The Chief Executive explained that Appendix 2 showed all projects that were intended to be undertaken with minimum return on investment ratio of 5:1. These proposals in fact estimated a 9:1 return.

The Head of ICT and Customer Services explained that the Corporate Resources Overview & Scrutiny Committee had agreed to look at elements of the programme in more detail in their Forward Work Programme. The P2P system was now in place across Corporate Services and work to roll it out to the Environment Directorate was ongoing.

The Leader of the Council welcomed the Member involvement on the Project Board and the contribution made by Councillor R.B. Jones, the Chair of Corporate Resources Overview & Scrutiny Committee.

RESOLVED:

- (a) That the level of Flintshire Futures efficiencies included in the current Medium Term Financial Plan which will be updated and reported in the final 2012/13 budget report be noted;
- (b) That the Flintshire Futures governance arrangements and the Terms of Reference for the main Programme Board be noted; and
- (c) That the capacity proposals agreed and recommended by the Board be approved.

155. GYPSY AND TRAVELLERS NEEDS ASSESSMENT

The Deputy Leader and Cabinet Member for Environment introduced a report to consider the Gypsy-Traveller Needs Assessment that will inform the development of a Gypsy-Traveller Strategy. He detailed the background to the report and explained that Flintshire accommodated 66 caravans representing 58% of all of the caravans available in North Wales. Appendix 1 detailed the Gypsy-Traveller Residential Needs Calculation for 2011-16. He said that it was imperative that all other authorities in North Wales had their fair share of Gypsy-Traveller sites.

The Leader of the Council reminded Members that Flintshire and Wrexham Councils were meeting what was expected of them and asked that the remaining North Wales authorities undertake what was expected of them by Welsh Government.

The Cabinet Member for Housing spoke of the potential to expand the Riverside site as a transit site to benefit the whole of the community. The Cabinet Member for Education welcomed the report and said that Flintshire County Council had always met its duty morally and legally in making provision for Gypsy-Travellers and raised concern about the lack of provision by other authorities.

RESOLVED:

- (a) That the findings of the Gypsy Traveller Accommodation Assessment (GTAA) be received and the approach to develop a Gypsy-Traveller Strategy for Flintshire be endorsed;
- (b) That Cabinet expects that all other counties in the region consider fully the outcomes of the GTAA and contributes towards a regional strategy to meet need; and

- (c) That the Council clarifies with Welsh Government its expectations over a regional approach and the resource availability to meet it, with all Councils meeting their localised needs as identified.

156. NATIONAL PENSIONERS CONVENTION DIGNITY CODE

The Cabinet Member for Social Services introduced a report to update Cabinet on the National Pensioners Convention Dignity Code. The report proposed that Cabinet confirm to the National Pensioners Convention that Flintshire County Council adopt the principles of the code across services provided and commissioned by the Council. She asked that Cabinet formally adopt the National Pensioners Convention Dignity code as further evidence of our commitment to pensioners.

RESOLVED:

That Cabinet formally adopt the National Pensioners Convention Dignity Code as further evidence of the Council's commitment to pensioners.

157. REVENUE BUDGET MONITORING 2012/13 (MONTH 7)

The Head of Finance introduced a report to provide Members with the most up to date revenue budget monitoring information (Month 7) for the Council Fund and the Housing Revenue Account (HRA) in 2012/13 which had been reported to Corporate Resources Overview & Scrutiny Committee on 17 January 2013.

It was reported that the projected year end position, as estimated at Month 7, was a net overspend of £0.516m on the Council Fund and a net underspend of £0.401m on the HRA. The in year over/(under) spends as detailed in the report reflected a number of risk and assumptions and four requests for carry forward were also reported. The Head of Finance said that it was the intention of Management to contain the currently projected variation within the overall agreed Council budget for the year.

The Head of Finance reminded Cabinet Members that the Overview & Scrutiny budget meetings were to be held before the end of January 2013 as part of the consultation on the budget for 2013/14.

RESOLVED:

- (i) That the overall report and the management actions being taken to address the projected overspend be noted;
- (ii) That the Council Fund contingency sum as at 31 March 2013 (paragraph 5.02) be noted;
- (iii) That the carry forward requests included in the report (paragraphs 3.06 to 3.09) be approved; and
- (iv) That the projected final level of balances on the Housing Revenue Account (paragraph 6.03) be noted.

158. PROPOSED AMALGAMATION OF SHOTTON INFANTS AND TALIESIN JUNIOR SCHOOLS

The Cabinet Member for Education introduced a report to inform Members of the outcome of the consultation process and to seek approval to publish the statutory notice proposing the amalgamation scheduled for September 2014. He provided further details of the consultation which had been undertaken and which ended on 21 December 2012.

The Leader of the Council referred to the letters of support from Shotton and Taliesin schools about the establishment of a through school for infants and juniors. The Director of Lifelong Learning referred to the sense of excitement in the letters and said that it was important to work closely with the school and its neighbours on the design of the new building in ensuring that all felt involved.

RESOLVED:

- (i) That the outcome of the consultations be noted; and
- (ii) That the publication of the statutory notice in the local press and at the affected schools be approved.

159. COUNCIL POLICY FOR INSTALLING NEW VEHICULAR CROSSINGS ON THE ADOPTED HIGHWAYS

The Deputy Leader and Cabinet Member for Environment introduced a report to seek Cabinet approval of the new Council Policy for the installation of new vehicular crossings on Adopted Highways. He welcomed the report and explained that the proposed new arrangements would allow residents to obtain competitive quotations for the work, without the Council losing control of any structural changes made to the highway network.

The Leader of the Council also welcomed the report and said that it was important that the contractors were included on a preferred list. He added that it would be a cheaper option for residents but would ensure that they were safeguarded for the works undertaken.

RESOLVED:

That the Council's policy for the installation of new vehicular crossings on Adopted Highways be approved.

160. FLINTSHIRE BUSINESS WEEK

The Cabinet Member for Regeneration, Enterprise and Leisure introduced a report on Flintshire Business Week to provide an update for Cabinet on the sixth event which took place in October 2012. He praised the work of the dedicated team responsible for arranging Flintshire Business Week and making it the success that it had become. He welcomed the highly

positive report and added that he was looking forward to the seventh event which was to be held later in the year.

RESOLVED:

That the report be noted.

161. RESPONSE FROM ENVIRONMENT OVERVIEW & SCRUTINY COMMITTEE TO THE CALL IN OF A CABINET DECISION

The Head of Legal and Democratic Services introduced a report to inform Cabinet of the result of the call in meeting arising out of the calling in of decision 2769, Civil Parking Enforcement.

He explained that the decision taken by Cabinet at its meeting in December 2012 was called in and the call in meeting had been held on 9 January 2013 where it was resolved that the issue be referred back to Cabinet for reconsideration. At its meeting in December, Cabinet had resolved to receive a further report in February and it was recommended that Cabinet note this report and take account of the comments made at the Environment Overview & Scrutiny Committee call in meeting when considering the report in February.

RESOLVED:

- (a) That the report be received; and
- (b) That the comments from the Environment Overview & Scrutiny Committee be considered and incorporated into the scheduled report in February 2013.

162. EXERCISE OF DELEGATED POWERS

An information report on the actions taken under delegated powers was submitted.

The actions taken were as set out below:-

Corporate Services

Business Rates – Applications for
Hardship Rate Relief

163. DURATION OF MEETING

The meeting commenced at 9.30 a.m. and ended at 11.15 a.m.

164. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE

There were two members of the press in attendance.

.....
Chairman

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**
DATE: **TUESDAY, 19 FEBRUARY 2013**
REPORT BY: **CHIEF EXECUTIVE AND HEAD OF FINANCE**
SUBJECT: **COUNCIL FUND REVENUE BUDGET 2013/14**

1.00 PURPOSE OF REPORT

1.01 To present the finalised Council Fund Revenue budget strategy and detailed proposals for 2013/14 for recommendation to County Council on 1 March 2013.

2.00 BACKGROUND

2.01 A report was considered by Cabinet on 18 December 2012 which presented a first draft of the Council Fund Revenue Budget for 2013/14 for initial approval. Further work was to follow and the draft was to be presented to Overview and Scrutiny Committees throughout January for consultation.

2.02 The budget strategy and proposals were considered by the five Overview and Scrutiny Committees between 22 and 31 January 2013 and feedback is detailed in sections 3.07 – 3.11.

2.03 The budget strategy and proposals and their implications for school budgets were discussed with the School Budget Forum on 31 January 2013. The budget strategy and proposals were shared with the Flintshire Joint Trades Union Committee on 23 January 2013.

2.04 The formal Council Fund budget setting for 2013/14 and setting of the Council Tax for the year will take place at County Council on 1 March 2013.

3.00 DEVELOPING THE BUDGET STRATEGY AND CLOSING THE GAP

National and Local Context

3.01 The national and local financial context in which the budget is being set was shared and explored at Cabinet in December and with the Overview and Scrutiny Committees throughout January.

3.02 The budget strategy has been developed within the context of the Council's Medium Term Financial Strategy (MTFS). The aims of the developing strategy are:-

- To ensure revenue and capital resources are targeted to support Council priorities and to achieve their outcomes
- To fully integrate revenue and capital plans
- To maintain Council Tax increases at affordable levels for the tax payer
- To optimise opportunities for income generation from fees, charges and grants
- To maintain appropriate level of reserves and provisions
- To ensure strong financial services, systems and processes to underpin the strategy and balance annual budgets

Budget Strategy 2013/14

3.03 The objectives of the budget strategy for 2013/14 have been:-

- To respond to the reduced level of funding available to local government and the wider public sector and the ongoing impacts of the economic position
- To protect 'front line' public services despite the scale of the fiscal challenge
- To minimise the effects on communities
- To reinvest in new, expanded or improved services to meet Council Priorities wherever possible

3.04 We have sought to achieve these objectives by:-

- Challenging and 'compressing' identified service/budget pressures by drawing on evidence-based forecasting and a risk management approach
- Reviewing service/budget pressures and efficiencies identified in previous years and revising them to meet current need
- Taking a targeted approach to inflation – providing additional resources only where necessary
- Ongoing review and challenge of the in-year budget position to identify challenges and opportunities for the 2013/14 budget year
- Reviewing reserves and balances to ensure they are at the level needed
- Progressing the work streams within the Flintshire Futures Programme to achieve our efficiency savings targets.

Budget 'Headlines'

3.05 The budget headlines are:-

- The draft budget as recommended is now balanced
- There are no significant cuts to services or new job reductions
- There is additional investment in Council Priorities. The investment in Schools and Social Care budgets both meets Council Priorities and exceeds the levels set by Ministers as expectations
- Core services are protected where national grant is reducing
- Provision is made to prepare communities for the impacts of Welfare Reform
- Resources are provided to invest-to-save
- The budget is protected for inflationary, economic and demographic impacts on a measured basis
- The recommended increases in council tax and fees and charges and the recommended new charges for introduction, meet the test of reasonableness and affordability

3.06 On Council Priorities specific additional investment is made in:-

- Council Priority 1: Modern and Efficient Organisation
- Council Priority 3: Modern Employer
- Council Priority 4: Customer Services
- Council Priority 5: Safeguarding the Vulnerable
- Council Priority 7: Independent and Healthy Living
- Council Priority 8: Meeting Housing Need (in conjunction with the separate report on the Housing Revenue Account Budget 2013/14)
- Council Priority 9: Learning, Play and Leisure

Overview and Scrutiny Considerations

3.07 The report to Cabinet on 18 December 2012 identified a budget shortfall at that stage of £1.480m made up of £0.417m for one-off costs and £1.063m for ongoing base budget items. This report formed the basis of the Overview and Scrutiny meetings held during January:-

1.	Housing (inc HRA)	22 January
2.	Environment	24 January
3.	Lifelong Learning	25 January
4.	Social & Health Care	28 January
5.	Corporate Resources	28 January

A further Corporate Resources meeting, open to all members was held on 31 January. The purpose of the meeting was to summarise the key issues discussed for consideration by the Cabinet within this report and to resolve specific information requests from members.

- 3.08 Each of the meetings began with a corporate overview of the whole budget and the national and local strategic context jointly presented by the Chief Executive and Head of Finance. This was followed by a portfolio specific presentation by Directors on the service strategies behind the service specific budget proposals along with details of the proposed budget growth, pressures and efficiencies for 2013/14, the investment in the service area arising from the budget proposals and a forward look at the key service issues for the medium term. Cabinet members were present to explain their priorities and the reasoning behind decisions on the draft budget.
- 3.09 In addition, members were advised of a number of “live issues” which had arisen since the initial budget proposals were made and which were still under consideration. These are summarised as follows and are covered in Section 3.10 to 3.20:-

Environment

- Energy generation at landfill sites

Lifelong Learning

- Senior Management Restructure
- Music Service
- Out of County Placements
- Leisure Service
- Play Schemes
- Play Areas
- Reduction in Schools Service Level Agreement pressure

Social and Health Care

- Out of County Placements

Corporate Resources

- Council Tax Support Scheme
- Council Fund improving in-year budget projection
- Level of reserves and balances
- Municipal Mutual Insurance Risk
- Profiling of investment and organisational change needs

Outcome from Scrutiny Meetings

- 3.10 The outcomes from the Overview and Scrutiny meetings round were:-
- The budget proposals were noted by each committee
 - A specific request from the Lifelong Learning Committee for the Task and Finish Group’s recommendation for additional funding of £0.012m for Play Schemes to allow the programme to meet local demand from Town and Community Councils

- There was a request for information on the whole budget as context for investment or efficiency proposals. This was provided at the Corporate Resources meeting on 31 January.
 - Social and Health Care requested detail of £1.9m investment in the service.
- 3.11 Members offered comments and asked a number of questions to clarify issues and a summary of these observations and questions, together with the response of accountable officers, is attached as Appendix 9.

Closing the Gap

- 3.12 At the final Corporate Resources Scrutiny meeting on 31 January, members were advised that following the Final Local Government Settlement and the ongoing work to refine efficiencies and pressures, the revised shortfall stood at £1.400m (0.362 for one-off costs and £1.038m for ongoing base budget items).
- 3.13 It was noted that to reduce the budget for Out of County Placements in 2013/14 to 60% of the projected underspend in 2012/13, would reduce the shortfall to £0.745m (further detailed work following the meeting has enabled a further reduction of £0.128m in this area). However, the cost of including new pressures raised through the Overview and Scrutiny round was in the region of £0.300m. Inclusion of these pressures would therefore increase the shortfall to an estimated £1m.

Achieving a Balanced Budget

- 3.14 Key events since the initial budget proposals were presented were:-
- Notification of the Final Local Government Finance Settlement for 2013/14 from Welsh Government
 - A decision of the Board of Municipal Mutual Insurance (MMI) to 'trigger' the scheme of arrangement
 - An improved estimate of the projected out-turn in 2012/13 from a previously projected overspend to an under-spend of £0.611m
 - Revised regulations laid out by Welsh Government in January amending the level of Council Tax Support in 2013/14 from 90% to 100%
 - Full consideration of service investment and protection needs

Final Local Government Finance Settlement 2013/14

- 3.15 The Final Local Government Settlement was received from the Welsh Government on 11 December 2012. This included details of the final Standard Spending Assessment (SSA), Aggregate External Finance (AEF) and Outcome Agreement Grant.

A briefing note on the changes included compared to the provisional settlement stage was sent to all members in December and is attached as Appendix 1.

Insurance Provision following MMI Scheme of Arrangement

- 3.16 The Board of Municipal Mutual Insurance (MMI) has decided to 'trigger' the scheme of arrangement. This was identified in the 2011/12 accounts as a contingent liability, which did not require financial provision to be made. However, the impact of the decision is to require, under the Accounts and Audit regulations, the making of provision in the 2012/13 accounts. A separate report on this agenda provides further information on this issue and recommends that provision is made from the contingency reserve in 2012/13.

Projected Outturn for 2012/13

- 3.17 The 2012/13 Month 8 Budget Monitoring report (reported separately on this agenda) shows an estimated balance of £0.497m in the Contingency Reserve as at 31st March 2013, after provision is made for the additional insurance costs with MMI (see 3.16). There is the opportunity to meet one-off items of expenditure (from the under-spend in 2012/13) and to review the level of budget required in 2013/14 for those services contributing to the under-spend, most notably the provision of Out of County Placements.

Council Tax Support Scheme 2013/14

- 3.18 In anticipation of the combined impact of Welfare Reform changes and the ongoing economic situation, the initial budget proposals assumed a reduction in the Council Tax Collection Rate to 97.5% (from 99%).
- 3.19 The announcement in January of Council Tax support for 2013/14 being at 100% (instead of 90%) enables a more optimistic view to be taken of income to be collected. Whilst a revised collection rate cannot be used in setting the budget, it is reasonable to assume that there will be a surplus in-year in 2013/14. At this stage there is no indication of the level of support in future years of the funding.
- 3.20 At a 98.5% collection rate, there would be an in year surplus of £0.750m, although the final amount will depend on the collection rate achieved. It is proposed therefore to fund the costs associated with Council Tax support (£0.215m) from this in-year and to make a further contribution of £0.205m to base level of reserves to bring this up to 2% of turnover which now includes £9.6m for Council Tax support. This additional income will also provide protection against fluctuating caseloads when the level of funding is fixed. The one-off pressure of £0.027m to fund additional temporary resources within council tax has also been removed.

Council Tax Level

- 3.21 The Council has a policy commitment to maintain Council Tax at an affordable rate for the payer. The Council has to balance the need to maintain its Council Tax base to meet cost pressures and inflation, through annual rises in Council Tax, with this commitment. In recent years the Council has set an annual Council Tax rise of between 3.0% and 3.5% to achieve this balance. The Medium Term Financial Strategy needs to profile a revenue base including local taxation income.
- 3.22 For 2013/14 the Council has to be mindful of the financial pressures on Council Tax payers which come from the economic position, welfare reform and high energy and fuel costs. For some Council Tax payers these pressures will be acute. Therefore, the Council should aim to set the lowest possible Council Tax rise to achieve the 'balancing act' explained above. A Council Tax rise of 2.9% for 2013/14 is recommended.

Answering the Requests of Overview and Scrutiny

- 3.23 Following the round of Overview and Scrutiny Committee meetings the following is proposed to answer the requests for service investment or protection.
- **Music Service:** maintain the service at current levels without change to the charging policy and subsidised transport policy pending completion of the review of the service. The investment in service continuity pending the review, which will be completed and reported by 30 June 2013, is a maximum of £0.130m.
 - **Play Schemes:** the equitable minimum provision to be provided per area as recommended. The requests for local service enhancements, above the minimum provision, to match town and community council requests to be met in full at £0.012m. Given the risks of the continuity of national grant beyond 2013/14 and the pressure on available resources, the on-going review of future provision to be completed as part of a Cabinet-led review of priorities by 30 September 2013. The initial outcomes of the Task and Finish Group on Play is a valuable source of advice for both this annual budget recommendation and the on-going review.
 - **Play Areas:** the additional requests for town and community councils for matching funds for the renewal of play equipment in local play areas/parks to be met in full at £0.035m. The future capital and revenue needs for play areas and the scale and purpose of the annual budget to be set aside for the matching scheme to be reviewed and reported by 30 September 2013.

Further Budget Adjustments

3.24 During the budget discussions it has been reported that there was ongoing refinement to pressures and efficiencies to reflect the latest position. These have been reflected in the final draft and the significant items are:-

- **Denominational Transport:** the efficiency has been re-profiled for implementation from the 2014/15 academic year. Entitlement will be maintained in 2013/14 pending the outcome of the consultation process.
- **Out of County Placements:** the efficiency has been increased to reflect current levels of provision with an allowance for two additional high cost placements within the year. This is seen as a minimum requirement to respond to anticipated demand.
- **Car Park Management:** the efficiency has been revised in line with the report to Cabinet (also on this agenda) following consideration by Overview and Scrutiny.
- **Investment Costs:** the revised amount included reflects available funding for investment in change which adds to funds remaining from previous investment allocations.
- **Landfill Sites:** a new pressure has been included in relation to reduced energy income generation as a result of the deteriorating quality of gas as a consequence of contamination and the age of the sites.
- **Senior Management Restructure:** an additional efficiency has been included in relation to a senior management restructure within Lifelong Learning (see separate report on this agenda)
- **Insurance Contingency:** a refinement in the efficiency in light of the MMI issue
- **Fire Levy:** a reduction in the levy amount following final notification from NW Fire and Rescue Authority.

3.25 Taking into account the issues in 3.14 to 3.24 above, and the continuing work to review new and existing pressures and efficiencies and inflation assumptions, a balanced budget position for recommendation has been achieved. A summary of how the total budget gap has been eliminated is detailed in Appendix 12.

Risk Assessment and Budget Management

- 3.26 The approach to the budget has been to take a risk based approach. This has applied to new costs and efficiencies and also to assessing the on-going impacts of pressures and efficiencies in the current year's budget to ensure the robustness of the budget.
- 3.26 Inevitably in managing a budget of this scale across a large and diverse organisation, variances will occur and will be reported, along with management action to correct in monthly budget monitoring.
- 3.27 During the year, the Council will be implementing its Single Status Agreement. Where previous year or new budget proposals link with the implementation (e.g. part 3 terms and conditions efficiencies), the impact of any delay in implementation will be met from the Single Status/Equal Pay Reserve in line with the approach adopted for 2012/13.

Schools Budget

- 3.28 Under the School Funding (Wales) Regulations 2010 local authorities are required to notify Welsh Government of the proposed budget for schools for the forthcoming year by 14 February each year.
- 3.29 To fulfil the First Minister's commitment of protecting school budgets by 1% above the Welsh Government revenue block grant, councils need to ensure that their net (i.e. excluding specific grants) Individual School Budget is adjusted by one percent more than the WG block grant adjustment. For 2013/14 this equates to an increase of 2.08%. The equivalent increase for 2014/15 is 1.27%. It should be noted that the protection expectation is relative to WG's funding from the UK Treasury and not the level of Individual Council settlements from WG.
- 3.30 The Council is committed to increase the level of school budget and the amount of the school budget delegated to schools. We aim to do this progressively over a number of years. This is within the strategic framework which embraces the school modernisation programme, numbers of children in school (demographic change) and investment through the 21st Century Schools Programme.
- 3.31 The proposed schools budget, as notified to WG, increases from £91.874m to £96.510m, an increase of £4.636m (4.8%). This includes grant transfers into settlement of £2.258m. The budget has been uplifted for the estimated impact of inflationary increases for both pay and non-pay costs.
- 3.32 Throughout 2012/13 there has been an ongoing review of the schools funding formula. The Specialist School formula review has been completed and this identified a shortfall of funding in this sector of £0.250m which has been addressed in the 2013/14 budget. A significant amount of analysis has been undertaken to date on the primary and secondary formulas and the objective is to have a revised formula in place for 2014/15. Any funding issues identified will be fed through into the medium term financial plan.

- 3.33 The Assembly has just notified authorities of their Post 16 Special Education Needs allocation for 2013/14. The allocations for Mainstream Schools with Sixth Forms, Special Educational Needs in Mainstream and Adult Community Learning will increase by 1%. The Welsh Government is intending to introduce a new funding formula for post 16 education in Wales by 2014/15; for 2013/14 the post 16 funds will continue to be delegated to schools on the basis of a locally agreed formula.

Equality Impact Assessment

- 3.34 The Council has an obligation to assess the potential equalities impacts of its budget proposals.
- 3.35 An initial equalities impact assessment has been undertaken for all proposed efficiencies and no major risks have been identified through this work.
- 3.36 Further and more detailed impact assessments are being undertaken on a small number of efficiencies to ensure that there is no discriminatory impact in their implementation.

4.00 FINAL BUDGET PROPOSALS

- 4.01 As a result of the changes outlined above total expenditure and funding now equates to £293.346m and the total budget build up is outlined below. Details of the figures making up the total budget are attached as Appendices 2-8.

It is recommended that the 2013/14 Council Fund Revenue Budget Requirement be set at £258,284,539 (which is £1,720,145 below the calculated Standard Spending Assessment).

<u>Funding</u>		£m
Revenue Support Grant (RSG)		152.733
Additional Allocation (Council Tax Support Scheme)		0.869
National Non Domestic Rates (NDR)		46.872
Council Tax		57.809
Budget Requirement		<u>258.285</u>
<u>Unhypothecated Grants</u>		
Outcome Agreement Grant		1.467
Planned Use of Contingency Reserve		0.297
Specific Grants (Estimated)		33.297
Total Funding		<u>293.346</u>
<u>Expenditure</u>		
Total Budget 2012/13		280.991
Previous Year's Growth / Items Dropping Out	Appendix 2	1.336
Pay & Price Inflation	Appendix 3	2.900
New Responsibilities and Transfers into the Settlement	Appendix 4	14.042
Pressures and Investments - Ongoing	Appendix 5	3.261
Pressures and Investments - One-off and Time Limited	Appendix 6	0.297
Efficiencies	Appendix 7	(5.437)
Less Specific Grants 2012/13	Appendix 8	(37.341)
Plus Specific Grants 2013/14 (Estimated)	Appendix 8	33.297
Total Expenditure		<u>293.346</u>
Shortfall		<u>(0.000)</u>

Income

4.02 The budget proposals in this report set a budget requirement of £258,284,539. At this level of spend, the increase on the Band D Council Tax Rate (excluding Police and Town/Community Councils' precepts) is 2.9%. This equates to an increase of £27.04 on 2012/13 and a Band D rate of £959.43.

The Council Tax system in Wales contains nine property bands ranging from Band A to Band I. In order to ensure consistency between councils when reporting Council Tax information it is agreed practice that all related information is expressed in terms of Band D equivalents.

Members are requested to confirm that there be a 2.9% increase in Council Tax at Band D and an assumed 97.5% collection rate.

- 4.03 The amount of Outcome Agreement Grant available for 2013/14 has been advised by the Assembly. Achievement of this is subject to performance. The Council has been successful in achieving 100% of its grant in previous years and so it is a reasonable assumption for 2013/14.

Members are requested to confirm the inclusion of the Outcome Agreement Grant of £1,467,158 in the budget.

- 4.04 The specific grants figure is provisional, and based on the latest information known at this time. Expenditure levels will be managed within the final figures announced by the Assembly.

Members are requested to confirm that the budget will be adjusted to reflect the actual level of specific grant received.

Expenditure

Inflation

- 4.05 Pay and Price Inflation of £2.900m is included in the budget proposals as detailed in Appendix 3. The proposals include pay inflation of £1.279m which assume a 1% increase for teaching staff from September 2013 and 1% for non-teaching staff from April 2013.

- 4.06 Price inflation of £0.988m has been included which represents a targeted 1%-2% increase for all services as required. In addition to the standard level of price inflation outlined above, central non-standard inflation of £0.766m has been included, as detailed in Appendix 3, to reflect the increasing costs of energy, fuel, business rates and food for which inflation is anticipated to be at higher levels based on national intelligence. This sum will be held centrally until it is demonstrated that there is a requirement for the funding to be released. This will be reported in budget monitoring reports during the year.

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

- 4.07 Inflation on income amounting to £0.133m has been assumed on the yield from existing fees and charges which has generally been applied at 3%. Appendix 7a also details service areas where existing charges have been increased or new charges introduced (including inflation).

Members are requested to confirm the levels of inflation assumed in the budget.

- 4.08 The final settlement included various transfers in totalling £4.400m of funding previously received through a specific grant and an additional new responsibility for the Council Tax Support Scheme of £9.642m as detailed in Appendix 4.

Members are requested to confirm the amounts included in the budget relating to transfers into and out of the settlement.

- 4.09 Appendix 5 a-d sets out recurring pressures totalling £3.261m recommended for inclusion in the budget. These pressures are proposed to be funded from the base budget.

Members are requested to confirm the inclusion of £3.261m of pressures in the budget.

It is recommended that the Council's adopted practice continues that resource to fund new pressures be approved for the purposes set out. Any proposals to vary the use of the sums allocated are to be the subject of a further report to Cabinet.

- 4.10 In addition, Appendix 6 details estimated one-off costs of £0.297m which will be funded by way of a contribution from the Contingency Reserve.

Members are requested to confirm the inclusion of estimated one-off costs totalling £0.297m in the budget.

- 4.11 Appendix 7a-e sets out the efficiencies, totalling £5.437m, recommended for inclusion in the budget.

Members are requested to confirm the inclusion of efficiencies of £5.437m in the budget.

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

- 4.12 Full details of the total budget will be included in the 2013/14 Budget Book which will be made available early in the new financial year.

5.00 UNEARMARKED BALANCES AND EARMARKED RESERVES

- 5.01 Under the Local Authority Accounting Panel (LAAP) Bulletin 55, the level and utilisation of all reserves must be determined formally by the Council, informed by the advice and judgement of the Chief Finance Officer. As part of the budget process, officers have reviewed all of the reserves and balances held as detailed below. This is to ensure that any reserves held are at a reasonable level for the purpose for which they are intended and, if no longer required, are released back into useable funding.

- 5.02 Total Revenue Reserves comprise both the Council Fund Unearmarked balance and various Earmarked Council Fund Reserves, as reported annually in the Statement of Accounts.

- 5.03 The total value of the Council Fund reserves as at 1st April 2012 was £44.520m as outlined below:

Council Fund (Unearmarked) Balance	£m
Base Level of Unearmarked Reserves	5.564
Contingency Reserve	<u>0.992</u>
Sub -Total	6.556
Earmarked Council Fund Reserves	
Service Balances	6.479
Corporate Balances	24.156
Schools' Balances	2.658
Other Specific Reserves	<u>4.671</u>
Total	44.520

Council Fund (Unearmarked) Balance

Base Level of Reserves

- 5.04 The Council's Medium Term Financial Strategy includes a commitment to achieving a base level of reserves of 2% of turnover. The base level of reserves as at 1st April 2012 was £5.564m and it is proposed to increase this by £0.065m in 2013/14 taking the base level of reserves to £5.629m. In addition it is planned to make a further contribution in-year from the anticipated council tax collection fund surplus (see para 3.20).

Contingency Reserve

- 5.05 When the 2012/13 budget was set, the Contingency Reserve was estimated to be £0.414m at 31st March 2012. As a result of the net under-spend reported in the final outturn for 2011/12 the actual amount in the Contingency Reserve at the year end was £0.992m.
- 5.06 Cabinet on 18 September 2012, agreed to utilise £0.361m of this additional funding to support the new leisure facilities in its first year of operation.
- 5.07 The 2012/13 Month 8 Budget Monitoring report which is also on this agenda, shows an estimated balance of £0.497m in the contingency as at 31st March 2013 after setting aside provision for the MMI trigger of the Scheme of Arrangement (see 3.16).

- 5.08 The 2013/14 budget proposals include a recommendation to utilise £0.297m of the contingency reserve to fund one-off costs which would leave an estimated amount remaining at the end of the current financial year of £0.200m.
- 5.09 Whilst the base level of reserves is a known sum which is set aside, the level of Contingency reserve is based on the current estimate and is subject to change at the end of the financial year. The level of contingency reserve will continue to be reported through the monthly budget monitoring reports.

Earmarked Council Fund Reserves

- 5.10 Earmarked Council Fund Reserves include service balances/corporate balances, specific reserves and schools' balances.
- 5.11 Service balances are made up of those balances held by departments which Cabinet has agreed can be carried forward. Corporate Balances are held to meet commitments which fall in future years on specific items of expenditure.
- 5.12 The Council also holds Specific Reserves which are set aside for a specific future purpose.
- 5.13 Appendix 10 details the estimated closing balances for 2012/13 and 2013/14 in respect of all reserves and balances. The Head of Finance is satisfied that the level of these reserves is appropriate.

6.00 CHIEF FINANCE OFFICER REPORT ON ESTIMATES AND RESERVES

- 6.01 Section 25 of the Local Government Act 2003 includes a specific duty on the Chief Finance Officer to report to the Authority when it is considering its Budget and Council Tax on the robustness of the estimates and the adequacy of reserves. The Act requires the Council to have regard to this report in making its decisions (the reference to the first person which follows is to the Head of Finance in this role).
- 6.02 Consideration of the budget has been within the framework of the Medium Term Financial Strategy 2011/15. The specific strategy for 2013/14 has been to target inflation, robustly review the ongoing impacts of in-year pressures, challenge and compress new pressures and optimise efficiency options.
- 6.03 I confirm the reasonableness of the estimates contained in the proposed budget, having regard to the Council's spending needs in 2013/14. Inevitably in managing a budget of this scale across and large and diverse organisation variances will occur, but I believe that the budget assumptions represent a measured and acceptable level of risk.
- 6.04 Effective and disciplined in-year financial management will be key to ensuring that budgets are managed effectively and prompt action taken to mitigate the impacts should variances occur.

6.05 The 2013/14 budget has been prepared within the context of reduced funding available to local government and the ongoing impacts of the economic downturn. Economic forecasts show that this will be the case for some years to come. Future rises in spending need (choice and demand led) and real terms cuts in funding mean that the Council needs not only to plan ahead, but also to carefully safeguard its levels of balances.

6.06 The level of reserves and balances is set out in Section 5.00. Within the context described above, I recommend that the Council should maintain the level of general balances of £5.629m and the further planned in-year contribution of £0.205m in 2013/14 (alongside other specific reserves as outlined) to safeguard its position and be in a strong position to plan ahead to meet the continuing period of constraint in public sector funding, the impacts of the economic downturn and be able to invest in its priorities for the future.

7.00 2014/15 AND THE MEDIUM TERM

7.01 The national and local financial context which was shared and explored with members through Cabinet and Overview and Scrutiny meetings during the budget process, sets the backdrop to the likely financial position over the medium term. Significant pressure on public sector finances is expected to continue to the end of the decade through a combination of UK Fiscal Policy, a flat economy and increasing demands and expectations for key services.

7.02 Whilst the Council has had indications of its level of funding for 2014/15 by Welsh Government, its funding forecast from the UK Treasury has subsequently been reduced. As a consequence it is highly probable that the projected budget gap of £29m over 5 years will be increased. The impacts of any WG decisions on the allocation of funding to other areas of the public sector would have a significant additional bearing.

7.03 In this context the Medium Term Financial Plan (MTFP) continues to be under review. The next version will be published in mid 2013, by which time the Council will have a clearer picture of a number of the investment options for key priorities including Single Status and Equal Pay, School Modernisation, School Funding Formula Review, Social Care and Capital Strategy.

7.04 The updated MTFP will model:-

- possible medium-term fiscal outcomes and impacts from the forthcoming comprehensive spending review and potential levels of future funding from Welsh Government
- local taxation and income from fees and charges and other income streams
- necessity-led and priority local choice-led budget revenue and capital needs
- efficiency needs and opportunities

7.05 This work will inform a challenging and evidence based review of priorities for investment and priorities for disinvestment/efficiency and be a true basis and impetus for the next phase of big organisational change within the council.

7.06 The latest position on our MTFP, prior to the inclusion of this work is detailed in Appendix 11.

8.00 RECOMMENDATIONS

8.01 That the Cabinet makes the following recommendations to County Council on 1 March 2013:-

1. That the 2013/14 Council Fund Revenue Budget Requirement be set at £258,284,539 (which is £1,720,145 below the calculated Standard Spending Assessment) (4.01).
2. That there be a 2.9% increase in Council Tax at Band D and an assumed 97.5% collection rate (4.02).
3. The inclusion of the Outcome Agreement Grant of £1.467m in the budget (4.03).
4. The levels of inflation assumed in the budget (4.05-4.07).
6. That items of non-standard inflation are only allocated out to services when the actual increase in cost is known (4.06).
7. The amounts included in the budget relating to transfers into and out of the settlement (4.08).
8. The inclusion of £3.261m of pressures in the budget (Appendix 5 a-d).
9. That the Council's adopted practice continues that resources to fund new pressures be approved for the purpose set out. Any proposals to vary the use of the sums allocated are to be the subject of a further report to Cabinet (4.09).
10. The inclusion of estimated one-off costs totalling £0.297m in the budget (Appendix 6), to be funded from the contingency reserve.
11. The inclusion of efficiencies of £5.437m in the budget (4.11 and Appendix 7 a-e).
12. That if it should become apparent that achievement of any of the savings (in full or part) is proving to be not as anticipated that this is dealt with corporately, with the Corporate Management Team bringing alternatives to Cabinet for consideration (4.11).

13. That additional income derived from the anticipated collection fund surplus be utilised to fund welfare reform costs and increase the base level of reserves (3.20)

9.00 FINANCIAL IMPLICATIONS

- 9.01 As set out in the report.

10.00 ANTI POVERTY IMPACT

- 10.01 Individual growth and efficiency items may have specific anti-poverty impacts.

11.00 ENVIRONMENTAL IMPACT

- 11.01 Individual growth and efficiency items may have specific anti-poverty impacts.

12.00 EQUALITIES IMPACT

- 12.01 Individual growth and efficiency items may have specific equality impacts.

13.00 PERSONNEL IMPLICATIONS

- 13.01 Individual growth and efficiency items may have specific personnel impacts.

14.00 CONSULTATION REQUIRED

- 14.01 Overview and Scrutiny, Business Ratepayers, School Budget Forum, Flintshire Joint Trades Union Committee.

15.00 CONSULTATION UNDERTAKEN

- 15.01 Overview and Scrutiny as set out in the report.

School Budget Forum and Flintshire Joint Trade Union have been updated throughout the process.

No responses received to the formal consultation with business ratepayers.

No objections received from proposals shared with Local Service Board and Regional Partners.

16.00 APPENDICES

- 16.01 Appendices 1-12

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985 BACKGROUND DOCUMENTS

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Briefing Note on the Final Local Government Settlement 2013/14

Revenue

Aggregate External Finance (AEF)

- Flintshire's AEF has decreased by £0.045m compared to the provisional settlement (from £199.651m to £199.606m) as detailed below:-

	£m
Transfers Into Settlement:	
<i>Increase in Post 16 SEN Special Schools Transfer</i>	0.013
Less Council Tax Support Scheme funding	(0.050)
Distributional Changes	<u>(0.008)</u>
Total	(0.045)

Standard Spending Assessment (SSA)

Flintshire's calculated SSA has decreased by £0.120m compared to the provisional settlement (from £259.255 to £259.135m)

Transfers into the Settlement

The transfers into the settlement remain the same as per the provisional settlement with the exception of an increase of £0.013m in relation to Post 16 SEN Special Schools.

Council Tax Support Scheme

This new responsibility has been confirmed with a revised amount identified of £8.773m, a reduction of £0.050m on the provisional settlement figure. The Minister has also announced in the Final Settlement an additional £4.6m of additional funding across Wales in the current financial year to assist local authorities with the costs of introducing this new scheme and to help mitigate the wider impact of welfare reforms. Work is underway to assess the specific implications for Flintshire of this complex area.

Specific Grants

Only limited information at an All Wales level has been received to date.

Outcome Agreement Grant

Flintshire's allocation is £1.465m, a reduction of £0.002m than at the provisional stage.

Regional Collaboration Fund

The Provisional Settlement advised that £10.174 million (All Wales) had been taken out of the settlement to form a new specific grant for regional collaboration. The Final Settlement advised of a North Wales indicative allocation of £2.293m and some guidance on eligibility criteria.

Capital

General Capital Funding

- Flintshire's general capital funding has reduced by £0.002m compared to the provisional settlement of £6.868m.

Gary Ferguson – Corporate Finance Manager (12th Dec 12)

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Budget 2013/14
Council Fund - Revenue

Previous Years' Growth / Items Dropping Out

	2013/14	2013/14
	£m	£m
<u>APPROVED 2011/12 BUDGET</u>		
<u>Community Services</u>		
Transition to Adulthood	0.910	
Supporting People	0.200	
Provision of Hired Transport	(0.617)	
	0.493	
<u>Environment</u>		
Additional energy cost as a result of new street lighting	0.060	
Land searches Income	(0.020)	
Building Control Income	(0.010)	
Planning Fees Income	(0.010)	
Landfill Tax Adjustment	0.032	
	0.052	
<u>Lifelong Learning</u>		
Development of Broadband	(0.019)	
Transport policy review - rationalisation of non statutory entitlement	(0.072)	
Rationalisation of LEA run Music Service	(0.118)	
	(0.209)	
<u>Corporate Services</u>		
Employers' Pension - LGPS	0.362	
Intrusion Detection & Prevention System Options	(0.040)	
Changes to Housing Benefit/Council Tax Benefit Administration Grant	0.062	
ISA Registration	0.030	
	0.414	
		0.750

Budget 2013/14
Council Fund - Revenue

Previous Years' Growth / Items Dropping Out

	2013/14	2013/14
	£m	£m
<u>APPROVED 2012/13 BUDGET</u>		
<u>Community Services</u>		
Increase in Homelessness costs	0.106	
Homecare - Increased complexity of care	0.100	
Transition to Adulthood	0.067	
Occupational Therapy Service	(0.020)	
Safeguarding for Adults	0.046	
Housing Renewal Agency - income	(0.013)	
Transfer of Responsibility for Community Centres from HRA	0.001	
Shortfall in achievement of Provision of Hired Transport efficiency	0.617	
Management Efficiencies Through Collaborative Working	(0.026)	
Team Manager's Post Efficiency	(0.051)	
Mold Extra Care Scheme	0.300	
	1.127	
<u>Environment</u>		
Rental Income Shortfalls and NNDR charges for vacant properties	0.050	
Environmental Waste Management - reduction in grant funding	0.047	
Revenue Lost due to phased disposal of Agricultural Estates	0.026	
Implementation of Highways Asset Management Plan (HAMP)	0.225	
Continuation of 2011/12 Landfill Tax efficiency	0.145	
Food Waste - increased diversion from landfill	0.128	
	0.621	
<u>Lifelong Learning</u>		
Extension of the centrally hosted school Moodle VLE virtual server farm and supporting infrastructure	0.050	
Transport Policy Review - rationalisation of non statutory entitlement	(0.276)	
Music Service - Adjustment to reflect decision in 2011/12 budget	0.118	
Saltney Library - Lease	0.010	
	(0.098)	
<u>Corporate Services</u>		
Internal Insurance Fund Recharge	0.150	
Business Systems - Software Maintenance Costs	0.019	
Prudential Borrowing Requirement for Capital Investment	0.112	
Methods of Payment	(0.075)	
Review of Admin and Support (Council-wide)	(0.300)	
Procurement Review	(0.022)	
Changes to Housing Benefit/Council Tax Benefit Administration Grant	0.122	
	0.006	
<u>Council-Wide</u>		
Asset Management - planned closure of externally leased properties	(0.097)	
	(0.097)	
		1.559

Budget 2013/14
Council Fund - Revenue

Previous Years' Growth / Items Dropping Out

	2013/14	2013/14
	£m	£m
ONE OFF AND TIME-LIMITED PRESSURES		
<u>Lifelong Learning</u>		
Review of Kitchens	(0.150)	
Play Areas Additional Allocation for Match Funding	(0.022)	
Flint Leisure Centre - loss of income due to effects of redevelopment	(0.076)	
School Maternity Costs	(0.060)	
Redundancy and early retirement costs from schools	(0.219)	
	(0.527)	
<u>Environment</u>		
Local Transport Services Grant	(0.149)	
	(0.149)	
<u>Corporate Services</u>		
Public Sector Broadband Aggregation	(0.098)	
Base Level of Reserves - 'Top-Up to 2% of Turnover	(0.088)	
Telephone Maintenance	(0.031)	
County Elections - May 2012	(0.080)	
	(0.297)	
		(0.973)
Total Previous years items		<u>1.336</u>

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Budget 2013/14
Council Fund - Revenue

Inflation

	£m	£m
<u>Pay</u>		
Non-Teachers Pay Inflation from April 2013 (1%)	0.914	
Teachers Pay Inflation from September 2013 (1%)	<u>0.365</u>	
		1.279
<u>Price</u>		
Targeted General Price Inflation (1-2%)	<u>0.988</u>	
		0.988
<u>Non Standard</u>		
Energy - Street Lighting (10%)	0.079	
Energy - Other (8%)	0.285	
Fuel (11.2%)	0.187	
Food (5.8%)	0.141	
Non-Domestic Rates (2.3%)	<u>0.074</u>	
		0.766
<u>Income (3% - see also Fees and Charges Efficiencies)</u>		(0.133)
Total Inflation		<u><u>2.900</u></u>

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Budget 2013/14

Council Fund - Revenue

New Responsibilities and Transfers Into the Settlement

	£m	£m
<u>New Responsibilities</u>		
Council Tax Support Scheme	8.773	
Additional Support (100% from 90%)	<u>0.869</u>	
		9.642
<u>Transfers In From Specific Grant Funding</u>		
Blue Badge Scheme Grant	0.018	
Appetite for Life Grant	0.121	
School Counselling Grant	0.224	
School Breakfasts Grant	0.560	
Local Government Borrowing Initiative Grant	0.385	
Post 16-SEN in Mainstream Grant	0.126	
Post 16-SEN Special Schools and Out of County Grant	1.348	
Learning Disabilities Resettlement Grant	<u>1.618</u>	
		4.400
Total New Responsibilities and Transfers Into the Settlement		<u><u>14.042</u></u>

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Budget 2013/14
Council Fund - Revenue

Summary of Pressures and Investments

		2013/14 £m	2014/15 £m	2015/16 £m
Economic Impact	Appendix 5a	0.347	0.347	0.847
Welsh Government Policy / Legislative	Appendix 5b	0.078	0.088	0.088
Other Pressures and Investments	Appendix 5c	2.545	2.676	3.918
Council Priority / Invest to Save	Appendix 5d	0.291	1.888	2.804
Total		<u>3.261</u>	<u>4.999</u>	<u>7.657</u>

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Budget 2013/14
Council Fund - Revenue

Pressures and Investments - Economic Impact

	2013/14 £m	2014/15 £m	2015/16 £m
<u>Environment</u>			
Rental Income Shortfalls for vacant Properties	0.050	0.050	0.050
Income reduction due to Power Station closures	0.120	0.120	0.120
	<u>0.170</u>	<u>0.170</u>	<u>0.170</u>
<u>Lifelong Learning</u>			
Reduced income - Deeside Ice Rink	0.177	0.177	0.177
	<u>0.177</u>	<u>0.177</u>	<u>0.177</u>
<u>Corporate Services</u>			
Income reduction - Vacation of former Council Offices , Ewloe	-	-	0.500
	<u>-</u>	<u>-</u>	<u>0.500</u>
Total	<u><u>0.347</u></u>	<u><u>0.347</u></u>	<u><u>0.847</u></u>

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Budget 2013/14
Council Fund - Revenue

Pressures and Investments - Welsh Government Policy / Legislative

	2013/14	2014/15	2015/16
	£m	£m	£m
<u>Community Services</u>			
Mental Health - Additional Social Work support	0.032	0.042	0.042
Learning Disability resettlement grant - impact of transfer into RSG	0.046	0.046	0.046
Total	<u>0.078</u>	<u>0.088</u>	<u>0.088</u>

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Budget 2013/14
Council Fund - Revenue

Other Pressures and Investments

	2013/14 £m	2014/15 £m	2015/16 £m
<u>Community Services</u>			
Transition to Adulthood	0.138	0.267	1.506
Family Placement team (Children's Services)	0.110	0.110	0.110
Disabled Facility Grants / Aids and Adaptations	0.046	0.062	0.062
Independent Sector residential fees	0.115	0.115	0.115
	0.409	0.554	1.793
<u>Council Wide</u>			
Closure of externally leased properties - revision to previous efficiency	0.097	0.097	0.097
	0.097	0.097	0.097
<u>Corporate Services</u>			
Criminal Records Bureau (CRB) checks	0.070	0.070	0.070
Methods of Payment - delayed efficiency	0.075	0.075	0.075
	0.145	0.145	0.145
<u>Environment</u>			
Landfill Sites - reduced income generation - energy	0.144	0.144	0.144
	0.144	0.144	0.144
<u>Lifelong Learning</u>			
Review of Schools kitchens - revision to previous efficiency	0.300	0.300	0.300
Cleaning Services - Loss of contract income	0.050	0.050	0.050
Staffing Budget Shortfall following restructure	0.120	0.103	0.103
Music Licensing - increased costs	0.037	0.037	0.037
Health & Safety issues - Deeside Leisure Centre	0.025	0.025	0.025
Transport Policy review - previous efficiency unachieved - replaced by new efficiencies	0.348	0.348	0.348
Free School Meals - increased demand	0.144	0.147	0.150
School Remissions - increased demand	0.085	0.085	0.085
Schools redundancy / early retirement costs	0.219	0.219	0.219
Schools maternity pay costs	0.060	0.060	0.060
Special Schools Investment - Formula Review	0.250	0.250	0.250
Play Schemes - Match Funding	0.012	0.012	0.012
Music Service	0.100	0.100	0.100
	1.750	1.736	1.739
Total	2.545	2.676	3.918

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Budget 2013/14
Council Fund - Revenue

Pressures and Investments - Council Priority / Invest to Save

	2013/14 £m	2014/15 £m	2015/16 £m
<u>Council Wide</u>			
Investment in Organisational Change and Priorities	0.420	2.000	2.000
Revised Effect of Prudential Borrowing costs for agreed Capital Projects (change due to revised interest rates and receipt of grant funding)	(0.129)	(0.112)	0.804
Total	<u>0.291</u>	<u>1.888</u>	<u>2.804</u>

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Budget 2013/14

Council Fund - Revenue

Pressures and Investments - One-Off and Time Limited

	2013/14 £m	2014/15 £m	2015/16 £m
<u>Corporate Services</u>			
Base Level of Reserves - 2% of Turnover	0.065	0.000	0.000
	<hr/> 0.065	<hr/> 0.000	<hr/> 0.000
<u>Lifelong Learning</u>			
School Modernisation Programme	0.025	0.000	0.000
Schools Service Level Agreements (SLA's)	0.172	0.000	0.000
Play Areas - Match Funding	0.035	0.000	0.000
	<hr/> 0.232	<hr/> 0.000	<hr/> 0.000
Total	<hr/> 0.297 <hr/>	<hr/> 0.000 <hr/>	<hr/> 0.000 <hr/>

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Budget 2013/14
Council Fund - Revenue
Summary of Efficiencies

		2013/14	2014/15	2015/16
		£m	£m	£m
Fees & Charges	Appendix 7a	0.586	0.723	0.760
Service Change	Appendix 7b	1.631	1.569	1.344
Procurement	Appendix 7c	1.803	1.949	2.005
Organisational Design	Appendix 7d	0.531	0.574	0.574
Other Efficiencies	Appendix 7e	0.886	0.913	0.963
Total		<u>5.437</u>	<u>5.728</u>	<u>5.646</u>

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Budget 2013/14
Council Fund - Revenue

Efficiencies - Fees & Charges

	2013/14 £m	2014/15 £m	2015/16 £m
<u>EXISTING CHARGES</u>			
<u>Community Services</u>			
Residential Charging - increased income from demand	0.100	0.100	0.100
	<hr/>	<hr/>	<hr/>
	0.100	0.100	0.100
<u>Environment</u>			
Agricultural Estate rentals	0.008	0.008	0.008
Public Protection - increase to market rates	0.025	0.025	0.025
Markets Service - increased lettable space	0.019	0.019	0.019
	<hr/>	<hr/>	<hr/>
	0.052	0.052	0.052
<u>Lifelong Learning</u>			
Library Service - Fines	0.001	0.001	0.001
Library - Hire charges increase	0.001	0.001	0.001
Leisure Services - increased charges	0.175	0.175	0.175
	<hr/>	<hr/>	<hr/>
	0.177	0.177	0.177
<u>Finance - Corporate Services</u>			
Revenues - increased number of Council Tax fines	0.027	0.027	0.027
	<hr/>	<hr/>	<hr/>
	0.027	0.027	0.027
<u>ICT & Customer Services - Corporate Services</u>			
Registrars - increased fees	0.019	0.019	0.019
	<hr/>	<hr/>	<hr/>
	0.019	0.019	0.019
Total	<hr/> 0.375 <hr/>	<hr/> 0.375 <hr/>	<hr/> 0.375 <hr/>

Budget 2013/14
Council Fund - Revenue
Efficiencies - Fees & Charges

	2013/14 £m	2014/15 £m	2015/16 £m
<u>NEW CHARGES</u>			
<u>Community Services</u>			
Mental Health Service users	0.018	0.018	0.018
	<u>0.018</u>	<u>0.018</u>	<u>0.018</u>
<u>Environment</u>			
Traffic Regulation order Notices	0.013	0.013	0.013
Streetscene - leachate processing	0.075	0.075	0.075
Car Park Management	0.056	0.102	0.109
	<u>0.144</u>	<u>0.190</u>	<u>0.197</u>
<u>Lifelong Learning</u>			
Review of post 16 distance limit	0.030	0.051	0.051
Review of Denominational transport provision	0.000	0.070	0.100
	<u>0.030</u>	<u>0.121</u>	<u>0.151</u>
<u>Legal & Democratic - Corporate Services</u>			
External Fees - conveyancing / S106 agreements	0.015	0.015	0.015
	<u>0.015</u>	<u>0.015</u>	<u>0.015</u>
<u>ICT & Customer Services - Corporate Services</u>			
Network Services - income from hosting PSBA equipment	0.004	0.004	0.004
	<u>0.004</u>	<u>0.004</u>	<u>0.004</u>
Total	<u>0.211</u>	<u>0.348</u>	<u>0.385</u>
Grand Total	<u>0.586</u>	<u>0.723</u>	<u>0.760</u>

Budget 2013/14
Council Fund - Revenue

Efficiencies - Service Change

	2013/14 £m	2014/15 £m	2015/16 £m
<u>Community Services</u>			
Reablement in the level of extra care	0.100	0.100	0.100
Preserved Rights - reduced activity levels	0.053	0.053	0.053
External funding for existing post - Children's Services	0.043	0.043	0.043
Family Placement team - revision of existing practices	0.040	0.040	0.040
Early retirement - non replacement of staff - CSA	0.015	0.015	0.015
General Office Administration review	0.021	0.021	0.021
Housing efficiency savings	0.028	0.028	0.028
Homelessness - timing of presentations	0.106	0.000	0.000
Youth Justice - appropriate adult service	0.010	0.010	0.010
Legal Fees - use of solicitors / barristers	0.010	0.010	0.010
Children's Services - Transport costs efficiency	0.015	0.015	0.015
Children's Services - FAST team budget reduction	0.010	0.010	0.010
Preventative foster care service - day care	0.005	0.005	0.005
	0.456	0.350	0.350
<u>Chief Executive's - Corporate Services</u>			
Corporate Comms - reduced workforce bulletins	0.003	0.003	0.003
Emergency Planning - collaborative working	0.000	0.025	0.025
	0.003	0.028	0.028
<u>Corporate Finance - Corporate Service</u>			
Clwyd Theatr Cymru - Agreed reduction to	0.015	0.015	0.015
	0.015	0.015	0.015
<u>ICT & Customer Services - Corporate Services</u>			
Information & Business services - use of LLPG	0.000	0.014	0.014
	0.000	0.014	0.014

Budget 2013/14
Council Fund - Revenue

Efficiencies - Service Change

	2013/14 £m	2014/15 £m	2015/16 £m
<u>HR & OD - Corporate Services</u>			
CRB checks - review of options	0.035	0.035	0.035
	0.035	0.035	0.035
<u>Legal & Democratic - Corporate Services</u>			
Democratic Services - reduced paper usage	0.010	0.010	0.010
Members Allowances (Basic Allowance) - no inflationary increase	0.010	0.010	0.010
Members Allowances - Special Responsibility Allowances - reduction of number allocated	0.070	0.070	0.070
Members Allowances - NI contributions reduction linked to reduced number of Special Responsibility allowances	0.010	0.010	0.010
	0.100	0.100	0.100
<u>Environment</u>			
Street Lighting - non-residential areas post midnight turn-off	0.050	0.050	0.050
Highways Asset Management Plan (HAMP) - rephasing of full implementation	0.225	0.225	0.000
Public Conveniences - revisit of strategy	0.050	0.050	0.050
Streetscene - implementation of Part III agreement	0.300	0.300	0.300
Waste Services - vehicle savings from full roll out of Saturday collection	0.140	0.140	0.140
Business Development team - agile working	0.004	0.004	0.004
Staff travel - reduced mileage payments	0.003	0.003	0.003
Directorate Support & Performance - Supplies and Stationery - Streamline current processes	0.008	0.008	0.008
	0.780	0.780	0.555

Budget 2013/14
Council Fund - Revenue

Efficiencies - Service Change

	2013/14 £m	2014/15 £m	2015/16 £m
<u>Lifelong Learning</u>			
Operational efficiencies	0.025	0.025	0.025
Youth Service - reduction of senior area workers	0.032	0.032	0.032
Youth Service - term time only contracts	0.026	0.026	0.026
Youth Service - Service reconfiguration	0.012	0.012	0.012
Youth Service - Building costs savings	0.011	0.011	0.011
Youth Service - Building rationalisation	0.005	0.010	0.010
Facilities - Management / Central Office - structure review	0.015	0.015	0.015
Facilities - County Hall revised opening hours - reduced energy / overtime costs	0.025	0.025	0.025
LL ICT - Interim Service review - post reduction	0.025	0.025	0.025
Leisure Services - removal of swimming subsidy	0.023	0.023	0.023
Directorate Management Team Restructure	0.043	0.043	0.043
	0.242	0.247	0.247
Total	1.631	1.569	1.344

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Budget 2013/14**Council Fund - Revenue****Efficiencies - Procurement**

	2013/14	2014/15	2015/16
	£m	£m	£m
<u>Community Services</u>			
PARIS - post implementation expenditure review	0.030	0.030	0.030
Housing Services - Supplies and Services	0.003	0.003	0.003
Social Care - Supplies and Services	0.075	0.075	0.075
Procurement Hub - regional procurement of high cost low volume placements	0.020	0.020	0.020
Children's Services - out of county placements - improved procurement practice	0.533	0.533	0.533
Transport Review - revised contracts	0.025	0.025	0.025
	<u>0.686</u>	<u>0.686</u>	<u>0.686</u>
<u>Chief Executive's - Corporate Services</u>			
Employee / Residents Consultations - reduction in number	0.003	0.003	0.003
Supplies and Services	0.010	0.000	0.000
Joint Working - costs reduction	0.002	0.000	0.000
Alterations / Improvements reductions - future agile working	0.002	0.000	0.000
Employee Safety Measures - reduced demand on budget	0.010	0.015	0.015
Community Strategy / LSB partnership - reduction in planned requirements	0.000	0.005	0.005
Conferences/Seminars/Lectures - reduced attendance	0.001	0.001	0.001
	<u>0.028</u>	<u>0.024</u>	<u>0.024</u>
<u>ICT & Customer Services - Corporate Services</u>			
Training Budget - Procurement via new solutions	0.001	0.001	0.001
Reduced maintenance costs due to new security equipment	0.025	0.025	0.025
Networking Hardware - reduced procurement	0.002	0.002	0.002
ICT Cabling - reduction enabled by IPT solution	0.002	0.002	0.002
Leasing - budget adjustment	0.006	0.006	0.006
Software Licensing - Microsoft licences procured through other agreements	0.010	0.010	0.010
Hardware Maintenance - letting of MFD contracts	0.001	0.001	0.001
Reduce influencable spend by 3%	0.004	0.004	0.004
Reduced ICT Expenditure	0.003	0.003	0.003
Rationalisation of third party software costs	0.013	0.013	0.013
Avoidance of inflationary rises - software maintenance costs	0.020	0.020	0.020
Reduced licence costs - via renegotiation	0.018	0.018	0.018
Supplies and Services	0.061	0.061	0.061
Training budget reduction - build around training solutions	0.001	0.001	0.001
Alterations & Improvements - Datacentres	0.004	0.004	0.004
Other Consumables - reduction in expenditure	0.001	0.001	0.001
Hardware Maintenance - new technology with warranty	0.015	0.015	0.015
Listing Paper - More use of electronic means	0.002	0.002	0.002
Enterprise Servers - hardware	0.003	0.003	0.003
Services work and Consultancy	0.004	0.004	0.004
	<u>0.196</u>	<u>0.196</u>	<u>0.196</u>

Budget 2013/14
Council Fund - Revenue
Efficiencies - Procurement

	2013/14	2014/15	2015/16
	£m	£m	£m
<u>HR & OD - Corporate Services</u>			
Supplies & Services	0.009	0.009	0.009
	<u>0.009</u>	<u>0.009</u>	<u>0.009</u>
<u>Finance - Corporate Services</u>			
Supplies & Services	0.012	0.012	0.012
	<u>0.012</u>	<u>0.012</u>	<u>0.012</u>
<u>Environment</u>			
Waste Services - Tender Transport arrangements for waste disposal	0.050	0.050	0.050
Transportation Services - Review of subsidised Bus Service Contracts and re-tender	0.036	0.036	0.036
Reduction in use of consultants	0.013	0.013	0.013
Reduction in influencable spend	0.025	0.025	0.025
Streamline current processes within Directorate Support	0.020	0.020	0.020
	<u>0.144</u>	<u>0.144</u>	<u>0.144</u>
<u>Lifelong Learning</u>			
Reduction of Postage within the Library Service	0.001	0.002	0.002
Out of County - Improved procurement through framework agreements and monitoring of placements.	0.385	0.385	0.385
School Transport Service - Operational efficiencies	0.080	0.120	0.120
	<u>0.466</u>	<u>0.507</u>	<u>0.507</u>
<u>Flintshire Futures Programme</u>			
E-Procurement and Improved Processes	0.102	0.211	0.267
Internal Fleet Review	0.160	0.160	0.160
	<u>0.262</u>	<u>0.371</u>	<u>0.427</u>
Total	<u>1.803</u>	<u>1.949</u>	<u>2.005</u>

Budget 2013/14
Council Fund - Revenue

Efficiencies - Organisational Design

	2013/14 £m	2014/15 £m	2015/16 £m
<u>Chief Executive - Corporate Services</u>			
Reduction in mileage travelled - Emergency Planning	0.001	0.001	0.001
	<hr/> 0.001	<hr/> 0.001	<hr/> 0.001
<u>Community Services</u>			
Review of Supported Living Service	0.350	0.350	0.350
Service Review of Warden Service	0.018	0.018	0.018
Children's Services - Removal of one team manager post	0.040	0.053	0.053
Development and Resources - Rationalisation of Management Team	0.050	0.100	0.100
	<hr/> 0.458	<hr/> 0.521	<hr/> 0.521
<u>Environment</u>			
Review Management Recharge to the Communities First Programme	0.020	0.000	0.000
	<hr/> 0.020	<hr/> 0.000	<hr/> 0.000
<u>Lifelong Learning</u>			
Libraries - Flexible retirement	0.015	0.015	0.015
Libraries - Library Service Review	0.037	0.037	0.037
	<hr/> 0.052	<hr/> 0.052	<hr/> 0.052
Total	<hr/> 0.531 <hr/>	<hr/> 0.574 <hr/>	<hr/> 0.574 <hr/>

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Budget 2013/14
Council Fund - Revenue

Efficiencies - Other

	2013/14 £m	2014/15 £m	2015/16 £m
<u>Flintshire Futures Programme</u>			
Assets Workstream - Facilities Management	0.060	0.060	0.060
Assets Workstream - Office Rationalisation	0.000	0.077	0.077
Customer Workstream - Contact Centre	0.100	0.100	0.100
Customer Workstream - Face to Face Customer Contact	0.100	0.100	0.100
Customer Workstream - Channel Shift	0.100	0.100	0.150
	<hr/> 0.360	<hr/> 0.437	<hr/> 0.487
<u>Corporate Financing - Corporate Services</u>			
Reduced contingencies - one-off investment costs	0.240	0.240	0.240
Reduced contingencies - NDR	0.077	0.077	0.077
Reduction in Fire Levy due to formula changes	0.027	0.027	0.027
	<hr/> 0.344	<hr/> 0.344	<hr/> 0.344
<u>Environment</u>			
Agricultural Estates - balance not required	0.025	0.000	0.000
Licensing / Health & Safety - balance not required	0.025	0.000	0.000
	<hr/> 0.050	<hr/> 0.000	<hr/> 0.000
<u>Lifelong Learning</u>			
Demographic Change in Schools (pupil numbers)	0.132	0.132	0.132
	<hr/> 0.132	<hr/> 0.132	<hr/> 0.132
Total	<hr/> 0.886 <hr/>	<hr/> 0.913 <hr/>	<hr/> 0.963 <hr/>

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Budget 2013/14
Council Fund - Revenue

Specific Grants

		<i>Budget</i>	<i>Projection</i>	<i>Variance to</i>	<i>Confirmed (C)</i>
		<i>2012-13</i>	<i>2013-14</i>	<i>2012-13</i>	<i>or Estimated (E)</i>
		<i>£</i>	<i>£</i>	<i>£</i>	
Lifelong	Appetite For Life (1)	128,233		(128,233)	C
Learning	Basic Skills	316,000	316,000	0	E
Non Delegated	Community Learning	3,278	3,311	33	E
	Families First	1,676,539	1,735,118	58,579	E
	Post 16 SEN provision in schools (1)	1,484,465		(1,484,465)	C
	Education of Travellers	81,534	89,687	8,153	E
	Flying Start	1,566,170	1,652,623	86,453	E
	Foundation Phase	4,818,344	5,021,196	202,852	E
	Foundation Phase Pilot/Early Start Funding	39,581	39,581	0	E
	Free School Milk	179,773	179,773	0	E
	Free Swimming 60+	60,000	60,000	0	E
	Free Swimming Children/Young People	104,807	104,807	0	E
	Funding for Youth Work Training in Wales	22,000	22,000	0	E
	Learning Pathways 14-19	664,080	664,080	0	E
	Minority Ethnic Achievement	101,822	106,913	5,091	E
	National Exercise Referral	0	125,000	125,000	C
	NE Wales Play Forum	61,660	61,660	0	E
	Primary School Free Breakfast Initiative (1)	707,382		(707,382)	C
	School Effectiveness Grant	1,078,580	1,078,580	0	E
	School Uniform Financial Assistance Scheme	30,080	30,080	0	E
	School-based counselling services (1)	228,134		(228,134)	C
	Unlocking the Potential of Special Schools	45,572	45,572	0	E
	Welsh Language (Athrowen Bro and WEG)	218,568	226,611	8,043	E
	Welsh Medium Bilingual Grant	46,940	46,940	0	E
	Welsh Network of Healthy School Schemes	87,320	87,320	0	E
	Youth Service Revenue Grant	90,330	90,330	0	E
		13,841,192	11,787,182	(2,054,010)	
Delegated	DCELLS (Post 16 provision in schools)	6,025,131	6,025,131	0	E
		6,025,131	6,025,131	0	
Community Services	Funding to Implement the Mental Health Act 2007	12,770	12,770	0	E
	LD Strategy Resettlement (1)	1,649,536	0	(1,649,536)	E
	Social Care Workforce Development Programme	346,969	346,969	0	E
	Supporting People	7,109,307	6,824,935	(284,372)	E
	Well Being Activity	25,000	25,000	0	E
	Youth Service Community Safety Grants	60,851	60,851	0	E
	YOT / Youth Justice Board	327,280	327,280	0	E
		9,531,713	7,597,805	(1,933,908)	
Environment	Communities First	873,205	708,911	(164,294)	E
	Concessionary Travel	1,917,131	1,970,427	53,296	E
	Crime Reduction and Anti Social Behaviour	144,461	144,461	0	E
	Domestic Abuse Co-ordinator Funding	27,500	27,500	0	E
	Local Transport Services	397,572	399,062	1,490	E
	Planning - Delivering for Wales	70,000	70,000	0	E
	Safer Communities Fund	205,446	221,882	16,436	E
	Substance Misuse	833,165	926,141	92,976	E
	Sustainable Waste Management	3,334,303	3,287,189	(47,114)	E
	Tidy Towns	90,233	81,742	(8,491)	E
		7,893,016	7,837,315	(55,701)	
Corporate Services	LSB Development Support Grant	50,000	50,000	0	E
		50,000	50,000	0	
Total		37,341,051	33,297,433	(4,043,618)	

1 Transferring into settlement

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OVERVIEW & SCRUTINY
Social & Health - Initial Budget Proposals 2013/14

No.	Comments and Questions:	Responses:
1.0	<u>Social & Health Comments / Issues</u>	
1.1	<u>General Comments / Issues</u>	
1.1.1	<ul style="list-style-type: none"> ▪ Will equality impact assessments be completed before any changes are made to the service e.g. review of Supported Living service? 	<ul style="list-style-type: none"> ▪ Yes. Equality impact assessments will be completed prior to any changes being made to services.
1.1.2	<ul style="list-style-type: none"> ▪ What impact will Welfare Reform have on the current budget proposals, what provisions are being made, and will current charges have to increase? 	<ul style="list-style-type: none"> ▪ There will be impacts particularly for services where charges are made. Where families are on reduced income or benefits in particular there will be an impact. Although no specific provision is being made for the direct impacts, Social & Health service managers are working closely with the corporate team looking at the impacts of Welfare reform for the whole of the Council, and a holistic approach will be taken to help families. Provision is being made for additional staff to help with preventative work liaising closely with families and the Welfare Rights team. There will also be intensive training for all staff dealing at the front line with clients affected by the impacts of welfare reform. There is also the wider perspective of the Council's work with the Welfare Reform Board involving a cross-directorate approach and also engaging with other stakeholders and representatives from other support networks. No increases will be made to charges as a consequence and there is a ceiling of £50 per week.

OVERVIEW & SCRUTINY
Social & Health - Initial Budget Proposals 2013/14

No.	Comments and Questions:	Responses:
1.1.3	<ul style="list-style-type: none"> ▪ A concern was raised about provision for clients with dementia conditions. The concern related to possible future impacts on Flintshire of decisions made by the Betsi Cadwaladr University Health Board (BCUHB) resulting in additional burdens being placed on the Council for clients with dementia care needs. 	<ul style="list-style-type: none"> ▪ This was acknowledged to be a major risk area. Urgent review will be a key priority, including a meeting with representatives from BCUHB. It is a national issue and there are UK studies on sustainability. It is also intended to hold a forum of representatives from Flintshire and neighbouring Authorities to discuss the risks as the extent of impacts is unclear. There was expected to be an additional demand on services. Acknowledgement was made of the level of support within Flintshire for dementia related services including extra care facilities and Living Well. Retaining people within local communities is considered to be the best solution.
1.1.4	<ul style="list-style-type: none"> ▪ Clarification was sought on the quoted figure of £1.9m for investment in protection of key front-line Social Care services. 	<ul style="list-style-type: none"> ▪ The figure reflects the value of new pressures and efficiencies in 2013/14, impacts of previous years budget decisions, provision for possible pay awards and non pay inflation.
1.1.5	<ul style="list-style-type: none"> ▪ A concern was raised about future increases in population putting pressure on Council services recognising that there are major new housing developments currently under way within Flintshire. 	<ul style="list-style-type: none"> • Confirmation was given that population growth has been factored in for future years.
1.1.6	<ul style="list-style-type: none"> ▪ New charges for Mental Health service users - who will this impact upon? 	<ul style="list-style-type: none"> • Historically mental health service users have not been charged. This brings mental health service users in line with other service users but will not affect individuals supported under Section 117.

OVERVIEW & SCRUTINY
Social & Health - Initial Budget Proposals 2013/14

No.	Comments and Questions:	Responses:
<p>2.0</p> <p>2.1</p> <p>2.2</p> <p>2.3</p>	<p><u>Pressures</u></p> <ul style="list-style-type: none"> ▪ An explanation was requested regarding the increase in the pressure amount from £0.138m in 2013/14 to £1.506m in 2015/16 for Transition to Adulthood. ▪ Disabled Facility Grants - the pressure amount of £0.046m rising to £0.062m in 2014/15 and 2015/16 seems a small amount considering the increasing number of referrals month by month. ▪ Mental Health (Additional Social Work support) £0.032m as a result of policy / legislative changes made by Welsh Government - has any additional funding been made available to support this pressure ? 	<ul style="list-style-type: none"> ▪ The budget process is a three year cycle. The figures don't reflect investment already approved in previous years, but the additional growth requirement in 2013/14 as a result of new factors and influences on service demand which couldn't have been foreseen previously. ▪ The pressure bid will provide additional Disability Support Officer provision for ½ post per locality area which should release capacity in the case load for the occupational therapists. Work is also progressing to encourage clients to be signposted to support their own low level adaptation needs. ▪ No additional funding has been allocated from Welsh Government. There is an overall accumulation of additional costs to the Council as a result of the introduction of Welsh Government measures.
<p>3.0</p> <p>3.1</p>	<p><u>Efficiencies</u></p> <ul style="list-style-type: none"> ▪ Review of the Supported Living Service (£0.350m) - This is a very large efficiency - how will this be achieved ? 	<ul style="list-style-type: none"> ▪ Changes proposed include reviewing the management structure, applying organisational design principles to the in-house supported living service, reviewing care packages to ensure consistency with other services and further use of telecare as appropriate.

OVERVIEW & SCRUTINY
Corporate Services - Initial Budget Proposals 2013/14

No.	Comments and Questions:	Responses:
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PART ONE - Corporate Services		
1.0	<u>Corporate Comments / Issues</u>	
1.1	<ul style="list-style-type: none"> Can the reduction in the budget gap from £11m in July to £1.5m at 18th December be explained? 	<ul style="list-style-type: none"> The £11m budget gap as at July was the starting point prior to a rigorous examination of pressures. This include a lengthy review and challenge process leading to identification of efficiencies totalling £5m and a reduction of £4.5m in the value of pressures.
1.2	<ul style="list-style-type: none"> Has the recent Welsh Government announcement on Welfare Reform relating to the removal of the need for some people who previously received 100% Council Tax benefit to pay 10% in the future changed the Council tax base for those Town and Community Councils which had made provision for bad debt? 	<ul style="list-style-type: none"> Although the Council Tax base cannot be changed, there will be a beneficial impact for Flintshire in terms of bad debt. We had made provision for collecting 97.5 % of Council Tax as opposed to our customary 99 %, so it is possible that there will now be a surplus achieved on Council Tax collection in 2013/14.
1.3	<ul style="list-style-type: none"> Please clarify the difference between this being a “stepping stone” budget between the previous and the new Council as stated in the report to Cabinet on 18th December. 	<ul style="list-style-type: none"> At a time of volatility we are aware of potential pitfalls and we need to ensure that we prepare properly for the future. Flintshire Futures is a key part of our strategy to protect front line services. The status quo is not an option and we will need to become more radical in aligning finances with the new challenges.
1.4	<ul style="list-style-type: none"> Is the assumption of a 3% increase in a Band D property a new proposal? 	<ul style="list-style-type: none"> This is consistent with the approach which has been adopted in previous years and the Council’s Medium

OVERVIEW & SCRUTINY
Corporate Services - Initial Budget Proposals 2013/14

No.	Comments and Questions:	Responses:
1.5	<ul style="list-style-type: none"> Why is there an assumption that we will budget at £1.738m below Standard Spending Assessment (SSA)? 	<p>Term Financial Strategy (MTFS).</p> <ul style="list-style-type: none"> This is because if we were to spend up to our standard spending assessment, we would actually need to increase Council Tax by 6% rather than 3% to achieve it because of the amount of Revenue Support Grant (RSG) we receive from Welsh Government.
1.6	<ul style="list-style-type: none"> Is a 1% pay award realistic? 	<ul style="list-style-type: none"> Yes. However, the amount of budget provision doesn't necessarily influence the amount of any pay award. The amount of any pay award will be determined by national negotiations.
1.7	<ul style="list-style-type: none"> Do we use our office space as efficiently as possible? 	<ul style="list-style-type: none"> We have done some rationalisation but we have to recognise that our buildings are old and reworking them for modern use is costly. We are bringing more people into County Hall to free up other buildings.
1.8	<ul style="list-style-type: none"> How much does the Council contribute to Clwyd Theatr Cymru (CTC)? 	<ul style="list-style-type: none"> The Council currently contributes £1.034m to CTC which is around 40% of their running costs. The remaining 60% comes from the Arts Council. CTC is the only local authority producing house in Wales and one of only two in the UK.
1.9	<ul style="list-style-type: none"> Why are we making provision for the former Municipal Mutual Insurance company (MMI)? 	<ul style="list-style-type: none"> MMI faced bankruptcy in 1992. The run-off arrangements which were put in place at the time were intended to ensure that the company would still be able to meet its

OVERVIEW & SCRUTINY
Corporate Services - Initial Budget Proposals 2013/14

No.	Comments and Questions:	Responses:
1.10	<ul style="list-style-type: none"> When we have previously received a specific (hypothecated) grant, which is subsequently subsumed into the non-hypothecated settlement, do we honour the notional amount? 	<p>historic obligations. However, the extent of recent claims has shown that this is no longer possible. Those Authorities which were covered by MMI (most in the UK including Flintshire's constituent Authorities) are effectively being asked for a retrospective premium payment to enable the insurer to meet the needs of former insurance holders.</p> <ul style="list-style-type: none"> Yes we do. The transfer of the finance which was previously a specific grant into the settlement means that its use now becomes an issue of local choice as to how that money is spent. One of the principles contained within our Medium Term Financial Strategy is that we "passport" and thus protect formerly hypothecated sums.
2.0 2.1 2.1.1	<p><u>Corporate Services Comments / Issues</u> <u>Human Resources and Organisational Development</u></p> <p><u>Pressures</u></p> <ul style="list-style-type: none"> Why are we showing a budget pressure of £0.070m for Criminal Records Bureau (CRB) checks and also an efficiency of £0.035m? 	<ul style="list-style-type: none"> This could have been netted off as a pressure of £0.035m but was shown as it has been for the sake of transparency.

OVERVIEW & SCRUTINY
Environment - Initial Budget Proposals 2013/14

No.	Comments and Questions:	Responses:
1.0	<u>Corporate Comments / Issues</u>	
1.1	<ul style="list-style-type: none"> Why are teachers and non-teachers receiving a pay rise? 	<ul style="list-style-type: none"> Pay rises are subject to national negotiations and the 1% included in the budget proposals is a provision only.
1.2	<ul style="list-style-type: none"> What steps are we taking to inform communities about Welfare Reform? 	<ul style="list-style-type: none"> The Welfare Reform Board meets regularly and includes local partners such as the Citizens Advice Bureau and Job Centre Plus. Around 1,100 Council Tenants have been contacted about the 'bedroom tax'
1.3	<ul style="list-style-type: none"> How do we track and monitor achievement of savings? 	<ul style="list-style-type: none"> During 2011/12, monitoring of efficiencies was reflected in budget monitoring reports throughout the year. At final outturn 89 % of the efficiencies reflected in the budget had been realised. There is now a wider ownership of Flintshire Futures efficiencies due to revised governance arrangements and Members are now represented on the Flintshire Futures Board.
1.4	<ul style="list-style-type: none"> When will we get more detail on fees and charges? 	<ul style="list-style-type: none"> All proposals are included within the budget report and will be discussed at each Scrutiny committee meeting.
1.5	<ul style="list-style-type: none"> What are the criteria for the North Wales element of the Regional Collaboration Fund? 	<ul style="list-style-type: none"> It needs to be for new and significant changes involving a number of public bodies - 3 priority bids are currently being worked on.

OVERVIEW & SCRUTINY
Environment - Initial Budget Proposals 2013/14

No.	Comments and Questions:	Responses:
1.6	<ul style="list-style-type: none"> How confident are we around inflation predictions? 	<ul style="list-style-type: none"> Budget provision for non standard inflation is held corporately and is only released to Directorates as and when required. Historically predictions have been reasonably accurate.
1.7	<ul style="list-style-type: none"> Apprenticeships - Not all schools link into colleges / local businesses. 	<ul style="list-style-type: none"> Agree pathways with Lifelong Learning and Stakeholders. Keep focussed on apprenticeship opportunities across Flintshire.
2.0	<p><u>Environment Comments / Issues</u></p>	
2.1	<p><u>General Comments/Issues</u></p>	
2.1.1	<ul style="list-style-type: none"> Assurance was sought that a detailed plan would be put in place for closing the public conveniences - Members did not want to see buildings left empty. 	<ul style="list-style-type: none"> Officers will investigate alternative uses and if none are found then the buildings will be demolished.
2.1.2	<ul style="list-style-type: none"> Which are the 4 public conveniences that will close? 	<ul style="list-style-type: none"> Cilcain, Caerwys, Central Shotton and Holywell (Tower Gardens).
2.1.3	<ul style="list-style-type: none"> Is re-organisation now complete within the Environment Directorate? 	<ul style="list-style-type: none"> The Streetscene service review is now complete, but the other reviews are still ongoing, each at different stages of completion.
2.1.4	<ul style="list-style-type: none"> Have flood issues affecting Saltney been considered in the budget? 	<ul style="list-style-type: none"> Allocations are included in the core capital programme and WG grants. The emerging Flood and Water Management Strategy is to be included in the Forward

OVERVIEW & SCRUTINY
Environment - Initial Budget Proposals 2013/14

No.	Comments and Questions:	Responses:
2.1.5	<ul style="list-style-type: none"> Local Transport Grant for Bus services - is this part of the discussion at the February Environment Overview and Scrutiny committee? 	<p>Work Programme for the Environment Overview & Scrutiny Committee.</p> <ul style="list-style-type: none"> This will be considered at the February meeting of the Environment Overview and Scrutiny committee. Taith are tasked with creating a Regional Bus Strategy.
3.0 3.1	<p><u>Pressures</u></p> <ul style="list-style-type: none"> Regarding the pressure item of £0.144m for energy generation at landfill sites - Weren't the gas engines bought a year ago, why are they failing? How were they acquired? 	<ul style="list-style-type: none"> The gas engines were bought a number of years ago. A detailed report into the output of the engines has been carried out to inform the new pressure. The engines were part of the asset transfer resulting from the former AD Waste Ltd. being transferred into the Council.

OVERVIEW & SCRUTINY
Environment - Initial Budget Proposals 2013/14

No.	Comments and Questions:	Responses:
4.0	<u>Efficiencies</u>	
4.1	<ul style="list-style-type: none"> • A business plan was requested to back up the notion that switching lights off is cheaper than dimming them and that local members and the public would be consulted on all proposals? 	<ul style="list-style-type: none"> • The matter will be looked at again as part of the emerging Street Lighting Policy. Savings comparisons will be included in the Street Lighting report to Cabinet in March 2013.
4.2	<ul style="list-style-type: none"> • Car Parking management efficiency of £0.085m - Is this based on the proposals which were considered at Cabinet, or do they include revisions following consideration at the Environment Overview and Scrutiny committee? 	<ul style="list-style-type: none"> • A revised Appendix D is being worked on following the comments made at the Environment Overview and Scrutiny committee.

OVERVIEW & SCRUTINY
Housing Council Fund - Initial Budget Proposals 2013/14

No.	Comments and Questions:	Responses:
1.0	<u>Corporate Comments / Issues</u>	
1.1	<ul style="list-style-type: none"> • The overall picture given is too optimistic. Why does it appear to be so healthy in a time of reduced grant funding? 	<ul style="list-style-type: none"> • The Council is encountering reduced grant levels in some areas which are being dealt with, but grant applications have been maximised in order to protect the Council's position as much as possible.
2.0	<u>Housing Council Fund Comments / Issues</u>	
2.1	<u>General Comments/Issues</u>	
2.1.1	<ul style="list-style-type: none"> • Have we budgeted sufficiently for our Homelessness responsibilities, and is there also a potential for problems with private sector rents due to the impact of benefit reductions? 	<ul style="list-style-type: none"> • Adequate provision has been made for potential increased demand on the Homelessness service as we recognise that this is an emerging pressure as a consequence of Welfare Reforms. There is a potential for problems with private sector rents and the Council will need to be flexible in dealing with both the public and private sector.
2.2	<u>Efficiencies</u>	
2.2.1	<ul style="list-style-type: none"> • Information was sought on the efficiency of £0.018m arising from the Service Review on the Resident Wardens service. 	<ul style="list-style-type: none"> • The proposal to delete one of the current vacant posts will leave sufficient resources for ongoing service delivery.

OVERVIEW & SCRUTINY
Lifelong Learning - Initial Budget Proposals 2013/14

No.	Comments and Questions:	Responses:
1.0	<p><u>Corporate Comments / Issues</u></p>	
1.1	<ul style="list-style-type: none"> • Will fees and charges be increased by 3 % across the board with consequent implications for users of the Council's youth centres? 	<ul style="list-style-type: none"> • There will be a general 3 % increase on fees and charges but also targeted increases resulting from specific proposals. The Youth Service is currently subsidising other users of its premises from within its own budget.
1.2	<ul style="list-style-type: none"> • Does the Leisure Services budget have to cover the loan repayments for the new developments? 	<ul style="list-style-type: none"> • Yes. The loan repayments are paid for out of the Leisure Services budget on the basis that these additional costs to the service will be covered by the increase in facilities charges.
1.3	<ul style="list-style-type: none"> • A query was raised regarding the effects of inflation on schools energy budgets. 	<ul style="list-style-type: none"> • This is included within the delegation to schools, however, we are aiming to target energy inflation at those schools with higher inflationary pressures on energy we are also working with colleagues in Energy Services with a view to encouraging alternative forms of energy to replace oil, e.g. woodchips.
2.0	<p><u>Lifelong Learning Comments / Issues</u></p>	
2.1	<p><u>General Comments/Issues</u></p>	
2.1.1	<ul style="list-style-type: none"> • Is the budget for schools ever top-sliced within a financial year? 	<ul style="list-style-type: none"> • No. The Council doesn't top-slice the schools budget in-year.
2.1.2	<ul style="list-style-type: none"> • Feedback was given on the Play schemes Task and 	<ul style="list-style-type: none"> • This will be considered alongside other bids within the

OVERVIEW & SCRUTINY
Lifelong Learning - Initial Budget Proposals 2013/14

No.	Comments and Questions:	Responses:
	<p>Finish group, with a request that £11,700 be added as a budget pressure to facilitate match funding to increase the new base provision of 3 weeks and 2 sites.</p>	<p>budget process.</p>
2.1.3	<ul style="list-style-type: none"> • How will faster broadband be delivered to schools as promised by Welsh Government? 	<ul style="list-style-type: none"> • New grant funding of £39m across all Wales for 3 years has been approved by Welsh Government. This funding is to improve the broadband connections in schools and for the schools to purchase additional hardware.
2.1.4	<ul style="list-style-type: none"> • Will increasing the fees and charges in Leisure Centres only lead to less people attending? 	<ul style="list-style-type: none"> • Careful benchmarking has been undertaken. Fees were increased in January and there was no drop-off in income.
2.1.5	<ul style="list-style-type: none"> • Regarding Play Areas - can we look at meeting the higher number of requests from Town and Community Councils? 	<ul style="list-style-type: none"> • This request will be looked at.
2.1.6	<ul style="list-style-type: none"> • Does it cost the Council extra money when a teacher retires? 	<ul style="list-style-type: none"> • This can depend on the individual circumstances of individual cases. Where this occurs for a school with a delegated budget the school would be able to capitalise the cost whereas the Council would be unable to.
2.1.7	<ul style="list-style-type: none"> • Is there a lack of marketing for new developments at Deeside Leisure Centre? 	<ul style="list-style-type: none"> • Members and Officers are conscious of the need for marketing and are currently using a targeted approach including development of a strategy with Alliance Leisure.
2.1.8	<ul style="list-style-type: none"> • Clarification was sought on the delegation of Schools 	<ul style="list-style-type: none"> • An amount is included in the Council's budget to stabilise

OVERVIEW & SCRUTINY
Lifelong Learning - Initial Budget Proposals 2013/14

No.	Comments and Questions:	Responses:
2.1.9	<p>maternity pay costs.</p> <ul style="list-style-type: none"> There are currently problems with parking at Buckley Leisure Centre which could perhaps be overcome by using additional parking at Ysgol Elfed subject to the need for CCTV. Is CCTV included within the budget? 	<p>the funding. The Directorate is currently working with schools to come up with an agreed scheme.</p> <ul style="list-style-type: none"> A capital bid is being prepared relating to a number of issues at the Buckley Leisure Centre site.
2.1.10	<ul style="list-style-type: none"> A query was raised regarding schools paying for the costs of swimming lessons for pupils. 	<ul style="list-style-type: none"> Children have an entitlement to swimming lessons under the Curriculum Entitlement (Wales) Regulations.
2.2		
2.2.1	<p><u>Pressures</u></p> <ul style="list-style-type: none"> Are we giving Special Schools extra funding for the extra work that they are doing, which is proving invaluable in reducing the number and costs of our Out of County placements? 	<ul style="list-style-type: none"> A pressure amount of £0.250m has been included in the budget proposals to help improve staffing levels. The special schools are proving to be a real success story for Flintshire.

Budget 2013/14

Council Fund - Revenue

Summary of Council Fund Earmarked Reserves

	Estimated Balance 01/04/13 £m	Estimated Balance 31/03/14 £m
<u>Service Balances</u>		
Community Services	0.317	0.000
Environment	1.177	0.200
Lifelong Learning	0.025	0.000
Corporate Services	0.658	0.000
Total	2.177	0.200
<u>Corporate Balances</u>		
Equal Pay / Single Status	25.700	Note 1
Total	25.700	
<u>Specific Reserves</u>		
Insurance Fund - Asbestos	0.160	0.160
Benefits Equalisation	0.489	0.489
Supporting People	1.493	1.493
Building Control	0.159	0.109
Milk Quotas	0.076	0.080
Waste Disposal	0.612	0.500
Transfer Facility Pad	0.069	0.000
Flintshire Business Services	0.087	0.000
Winter Maintenance	0.245	0.245
County Elections	0.092	0.092
Third Party Insurance Claims	0.087	0.080
Flintshire Insurance	0.674	0.674
Minor Reserves under £0.050m	0.037	0.037
Total	4.280	3.959

Note 1 :

The use of this balance is subject to the outcome of a negotiated settlement on Single Status and agreement on an Equal Pay settlement, scheduled for conclusion in 2013/14.

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Budget 2013/14 Council Fund - Revenue

	2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
Funding					
Revenue Support Grant (RSG)	152,733	154,098	154,098	154,098	154,098
Additional Allocation (Council Tax Support)	869	869	869	869	869
NNDR	46,872	46,872	46,872	46,872	46,872
Council Tax	57,809	59,751	61,697	63,707	65,782
SSA / Budget Requirement	258,285	261,590	263,537	265,547	267,622
Unhypothecated Grants	1,467	1,467	1,467	1,467	1,467
Specific Grants	33,297	33,297	33,297	33,297	33,297
Use of Contingency Reserve	297				
Total Funding	293,346	296,355	298,302	300,311	302,387
Expenditure					
Base Budget	280,991	298,344	308,686	319,511	328,040
Inflation:					
Pay	1,279	1,549	1,565	1,581	1,596
Price	(0)	2,360	2,407	2,455	2,504
Price - targeted	1,062	0	0	0	0
Price - NSI Energy	285	308	332	359	388
Price - Street Lighting	79	0	0	0	0
Price - NSI Fuel	187	210	232	258	287
Price - NSI Food	141	149	158	167	176
Fees & Charges	(133)	(549)	(565)	(582)	(600)
Other known items:					
Effect of Previous Years Budget Decisions	1,336	1,544			
Movement in Specific Grants	(4,043)				
New Responsibilities	9,642				
Transfers into/out of Settlement	4,400				
Base Level of Reserves - 2% Turnover		130	39	40	42
NEW PRESSURES:					
Economic Impact	347		500		
WG Policy / Legislative	78	10			
Other Pressures	2,545	131	1,242		
Council Priority / Invest to Save	291	1,597	916	252	29
One off and Time Limited	297	(297)	0	0	0
Est of future investment in Council Priorities		4,000	4,000	4,000	4,000
Total Expenditure	298,783	308,686	319,511	328,040	336,463
Funding Shortfall / (Available)	5,437	13,354	22,233	28,753	35,099
Annual increase/(decrease) in shortfall		7,917	8,879	6,520	6,347
Efficiencies carried forward:		(5,437)	(5,728)	(5,646)	(5,646)
Detailed plans in place:					
Other	(886)	(27)	(50)	0	0
Procurement	(1,803)	(146)	(56)	0	0
Service Change	(1,631)	62	225	0	0
Fees and Charges	(586)	(137)	(37)	0	0
Organisational Design Savings	(531)	(43)	0	0	0
Total Efficiencies (incremental effect)	(5,437)	(291)	82	0	0
Possible revised shortfall	0	7,626	16,587	23,107	29,453

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Budget 2013/14
Council Fund - Revenue

Reconciliation of Budget Position December to Balanced Position

	Ongoing £m	One-Off £m	Total £m
Shortfall as per December Report	1.063	0.417	1.480
Adjustments arising from Final Settlement	0.008	0.000	0.008
Shortfall following Final Settlement	1.071	0.417	1.488
<u>Removal / Reduction in Investment/ Pressures</u>			
Reprofile of Investment needs	(0.581)		(0.581)
Welfare Reform Pressures	(0.215)	(0.027)	(0.242)
School SLA		(0.053)	(0.053)
Methods of Payment (change to ongoing)	0.075	(0.075)	0.000
<u>Additional Investment / Pressures</u>			
Landfill Sites - reduced energy income generation	0.144	0.000	0.144
Music Service	0.100	0.000	0.100
Play Schemes -Match Funding	0.012	0.000	0.012
Play Areas - Match Funding		0.035	0.035
Shortfall after Investment/Pressures Adjustments	0.606	0.297	0.903
<u>Removal / Reduction of Efficiency Items</u>			
Music Service - Transport	0.030	0.000	0.030
Denomination transport	0.070	0.000	0.070
Car Park Management	0.029	0.000	0.029
Insurance Contingency	0.061	0.000	0.061
<u>Additional Efficiency Items</u>			
Out of County Placements	(0.783)	0.000	(0.783)
Senior Management Restructure (Lifelong Learning)	(0.042)	0.000	(0.042)
Reduction in Fire Levy	(0.027)	0.000	(0.027)
Shortfall after Efficiency Adjustments	(0.056)	0.297	0.241
Contribution from Contingency Reserve	0.000	(0.297)	(0.297)
Reduction in Council Tax to 2.9%	0.056	0.000	0.056
Revised Position	0.000	(0.000)	0.000

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **TUESDAY, 19 FEBRUARY 2013**

REPORT BY: **CHIEF EXECUTIVE, HEAD OF FINANCE, DIRECTOR OF COMMUNITY SERVICES, HEAD OF HOUSING**

SUBJECT: **HOUSING REVENUE ACCOUNT 2013/14 AND CAPITAL PROGRAMME 2013/14**

1.00 PURPOSE OF REPORT

- 1.01 To consider the Housing Revenue Account (HRA) budget as set out in 1.02 and 1.03 following consultation with the Housing Overview and Scrutiny Committee.
- 1.02 Revenue budget proposals for the 2013/14 financial year, including proposed rent and service charge changes, key areas of income and expenditure, and the level of closing balance at the year end.
- 1.03 Budget proposals for the HRA Capital programme 2013/14, which is year two of a six year improvement programme.

2.00 BACKGROUND

- 2.01 As the Council has a stock of Council housing, it is required by the Local Government and Housing Act 1989 to keep a HRA in accordance with proper accounting practices, and to budget to avoid an end of year deficit.
- 2.02 The HRA is a “ring-fenced” account of certain defined transactions relating to Local Authority Housing. The ring-fenced nature of the account means that funding cannot be transferred between the Council Fund and HRA or vice versa, other than in certain prescribed circumstances.
- 2.03 Although there is a legal requirement to avoid an end of year deficit, it is also considered to be good practice to budget for a closing balance of at least 3% of total expenditure of the HRA.
- 2.04 Prior to the start of each financial year, the Welsh Government (WG) consults with Local Authorities on the draft HRA subsidy and Item 8 determinations. These are the key financial determinations set each year by WG which influence Local Authority rent increases, and also the amount of HRA subsidy payable by the Council. The two main elements of the consultation are the “guideline rent increase” and the Management and Maintenance (M&M) element of HRA subsidy.

- 2.05 The guideline rent increase is the amount by which WG considers the Authority should increase weekly rents in order to make progress towards achievement of the key WG objective of “benchmark” rents where Local Authority and Registered Social Landlords (RSL) rents for similar properties in similar areas are broadly the same. WG stipulates that in order to achieve this Local Authority Guideline rents should increase by RPI (Sept figure) +2%, and Housing Association rents by RPI (Sept figure) +1%.
- 2.06 The management and maintenance allowance element of HRA subsidy is the amount which WG considers each Local Authority requires per HRA dwelling to manage and maintain the housing stock held within the HRA.
- 2.07 Initial budget proposals for 2013/14 were approved by Cabinet on 22 January 2013 and considered by the Housing Overview and Scrutiny Committee later the same day. The revenue budget and capital programme proposals were welcomed by scrutiny and no changes were requested to the initial budget proposals set out by the Cabinet. A summary of the questions raised at the scrutiny meeting and responses provided is included as Appendix 4.

3.00 CONSIDERATIONS

Revenue Budget 2013/14

- 3.01 The final Housing Revenue Account subsidy and Item 8 determinations were received from WG on the 6 February 2013 which reflects a minor adjustment to the proposed guideline rent for Flintshire to the Draft determinations that were received 20th December 2012. It increases the all-Wales average weekly guideline rent by 4.6%. This is based on the Minister for Housing Regeneration and Heritage’s decision to apply the standard uplift policies:
- of using the previous September RPI inflation figure of 2.6%;
and
 - to apply a 2% real increase to the average local authority guideline rent for 2013-14.
- 3.02 The final guideline weekly rent increase for Flintshire for 2013/14 as per the consultation is £3.46 per week, (on a 52 week collection basis). This is a percentage increase of 5.1%, (compared to a 2012/13 average rent increase of 4.75%. This rent increase was reduced from 7% following consultation responses to WG). The Management and Maintenance allowance element of Housing Revenue Account Subsidy increased to £2,610 per dwelling for each local authority, reflecting an increase of £162 per dwelling (6.6%) on 2012/13.

- 3.03 It has come to light from the rents team that as the 31st March 2014 falls on a Monday the HRA will benefit from the full rental income for that additional week within 2013/14 budget year. This happens once every seven years and is not subject to subsidy therefore bringing an additional £0.5m of rental income into the HRA. This will be utilised to increase the CERA contribution to the capital programme.
- 3.04 The current levels of benefit claimants amongst Flintshire housing tenants are illustrated in the table below :-

Flintshire Tenants - Housing Benefit Claimants		
Benefit Status	Tenants	
	Number	%
Full/Partial Benefit	4,968	66.7%
Full Rent	2,478	33.3%
Total	7,446	100.0%

As illustrated above, approximately 66.7% of the Councils 7,446 tenants would face no additional hardship as a consequence of the proposed rent increase. This will be met by housing benefit subject to claimants personal circumstances remaining the same and their households being unaffected by Welfare Reform. Those tenants who are not currently in receipt of benefit will naturally have to meet the full increase in rent, unless they become eligible for housing benefit.

3.05 **Rent Increase – Garages**

The 2013/14 proposed rent level for all HRA garages is £5.50 per week, an increase of £1.45 per week compared to 2012/13. It is proposed to increase at a rate higher than previous years in order to create additional income in the HRA and bring garage rents to line with other social housing providers. This compares to the current Council and Market rents for Wrexham and Denbighshire which range from £5.84 to £7.00. During 2013/14 a garage review will be undertaken and further proposals, including long term rent levels, investment and redevelopment options, will be brought to Council.

3.06 **HRA – Key areas of expenditure**

Are detailed below.

3.07 **Repairs and Maintenance**

The housing repairs service is continuing its drive to develop into a modern and efficient customer focused service, through the implementation of new technology, lean processes and customer focused working practices to deliver continuous improvement. Repairs and Maintenance is the largest element of expenditure within the HRA (30%) and equates to a unit cost of £1,138 per property in 2013/14. This is a reduction on 2012/13 of £41 per property.

Further savings in the Housing Asset restructure have been included at £0.060m per annum.

3.08 **Mobile Working**

The final loan repayment of £0.103m for mobile working was paid in 2012/13. This saving has been partially offset with £0.050m for replacement costs.

3.09 **Estate Management**

The Estate Management service has identified an overall 3.35% efficiency against the 2012/13 budget. Savings have been identified within the housing management structure, the removal of the Kings Head Building costs and payment of the tenant's water rates upfront, providing a total efficiency of £0.163m.

Service improvements amount to £0.100m; these relate to additional Anti Social Behaviour (ASB) staffing as provided for in the Choices document, an increase in the Tenants Incentive programme to support housing transfers and increased bank charges.

3.10 **Home Ownership**

There has been a dramatic decrease in the number of Right to Buy sales in the last five years. Therefore for budget purposes zero sales have been assumed for 2013/14.

3.11 **Allocations and Welfare**

The majority of these costs relate to the tenancy applications and allocations service. Also included within this area are the budgets for communal laundries and community meeting rooms for tenants. Only inflationary increases are proposed for this budget in 2013/14.

3.12 **Capital Expenditure financed from Revenue Account**

Capital expenditure financed from the revenue account (CERA) enables additional investment in the HRA Capital Programme. The use of this additional source of financing for capital improvements helps to progress the work to achieve the requirements of the Welsh Housing Quality Standard (WHQS). An investment of £5.792m has been included in the 2013/14 budget which is an increase of £1.355m on the 2012/13 budget.

3.13 **Finance and Support Services**

Finance and support have identified an overall 3.5% efficiency against the 2012/13 budget. Savings have been identified through the reduction of support recharges as work previously undertaken within Corporate Finance is now undertaken in the Directorate team and no longer recharged, providing a total efficiency of £0.372m, (including removal of one off pension/redundancy costs).

Service improvements totalling £0.281m are proposed. These include an annual contribution to the Flintshire Connects programme which is offset from other savings identified above and one off costs for the implementation of Job scheduling and a new schedule of rates, which will support further modernisation of the repairs service.

3.14 **Capital Financing Charges**

A full review has just been finalised by Corporate Finance on the capital financing charges and has resulted in further savings to the HRA of £0.169m

3.15 **Closing Balance**

A closing balance of 3.20% is recommended for 2013/14. This is a reduction from previous years of 3.25% 2012/13, and 5.02% 2011/12 as strong budgetary control has enabled the Council to reduce the working balance to maximise WHQS investment.

3.16 **Communal Heating Charges**

The proposed communal heating charges will be provided for review within the formal cabinet report.

4.00 RECOMMENDATIONS

4.01 Members are asked to approve and recommend to Council :

- i. The proposed HRA budget for 2013/14 as set out in Appendix 1, incorporating the proposals for Service Improvements and Efficiencies in Appendix 2.
- ii. The level of rent charges for 2013/14 as set out in paragraphs 3.02 and 3.05.
- iii. The level of projected balances at 31st March 2014 at 3.20% of total expenditure.
- iv. The proposed HRA Capital Programme as set out in Appendix 3.

5.00 FINANCIAL IMPLICATIONS

5.01 The Council has a statutory duty to review the income and expenditure of the HRA, and to set a budget for the forthcoming financial year which avoids a deficit closing balance position. This report sets out how this can be achieved for the Council in 2013/14. The key financial assumptions on which this is proposed are set out in Appendix 2. The proposed budget estimates a closing balance of 3.20% to total expenditure.

6.00 ANTI POVERTY IMPACT

6.01 HRA activity helps alleviate poverty by providing safe and secure homes that are energy efficient and economical to run. The ongoing programme maintains the impetus to upgrade heating etc., to minimise fuel use and thereby boost disposable income.

7.00 ENVIRONMENTAL IMPACT

7.01 There are no direct environmental impacts arising from the HRA budget as outlined in the report.

8.00 EQUALITIES IMPACT

8.01 There are no direct equalities impacts arising from this report.

9.00 PERSONNEL IMPLICATIONS

9.01 There are no direct personnel implications arising from this report.

10.00 CONSULTATION REQUIRED

10.01 Consultation with all tenants over any rent increase must take place and must be at least 28 days before any rent increase is due to come into effect.

11.00 CONSULTATION UNDERTAKEN

11.01 Consultation with tenants on the draft budget and proposed rent increase was undertaken at the tenants' conference on 15th January 2013. The Housing Scrutiny committee considered the draft budget proposals at their meeting on 22nd January 2013.

12.00 APPENDICES

12.01 HRA Summary – Appendix 1
HRA Budget Pressures and Savings – Appendix 2
HRA Capital Programme – Appendix 3
Summary of Questions and Response – Appendix 4

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985 BACKGROUND DOCUMENTS

Contact Officer: Rachael Corbelli
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Email: Rachael.Corbelli@flintshire.gov.uk

HRA BUDGET 2013/14 - Appendix 1

	2012/13 Budget	2013/14 Budget	Variance	% to 2012/13
	£	£	£	
INCOME				
Rents (Council Dwellings & Garages)	-25,560,258	-26,945,596	-1,385,338	5%
Capitalised Salaries	-1,075,138	-1,138,661	-63,523	6%
Interest on RTB Mortgages	-4,000	-8,000	-4,000	100%
	-26,639,396	-28,092,257	-1,452,861	5%
EXPENDITURE	£	£	£	
HRA Subsidy (Negative/Deficit)	6,043,519	6,166,805	123,286	2%
Capital Financing - Loan Charges	2,349,042	2,180,166	-168,876	-7%
Estate Management	1,881,458	1,818,424	-63,034	-3.4%
Home Ownership	-1,225	-1,225	0	0%
Allocations and Welfare	159,579	166,913	7,334	5%
Repairs and Maintenance	8,632,627	8,296,743	-335,884	-4%
Landlord Services	302,980	244,711	-58,269	-19%
Welsh Housing Quality Standard - CERA	4,437,000	5,792,000	1,355,000	31%
Finance and Support	2,546,122	2,455,851	-90,271	-3.5%
Capitalised Salaries	1,075,138	1,138,661	63,523	6%
	27,426,240	28,259,049	832,809	3%
(Surplus) / Deficit for the year	786,844	166,792	-620,052	
Opening Balance	-1,857,000	-1,070,156	786,844	
HRA Closing Balance	-1,070,156	-903,364	166,792	
% of Total Expenditure (Guideline 3%)	3.90%	3.20%		

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HRA BUDGET PRESSURES & SAVINGS OPTIONS- Appendix 2

Code		Bid Ref	ADDITIONAL CAPITAL INVESTMENT	2013/14	Notes
HRP/HRR			CERA	1,355,000	Increased contribution to the Capital programme
Code		Bid Ref	Increase in Rents	2013/14	Notes
HRP/HRR			5% Rental Increase as per Welsh Government Guidance	-1,414,396	
Code		Bid Ref	EFFICIENCY SAVING OPTIONS	2013/14	Notes
HRD		17S	Increased Garage Rents to £5.50 per week	-134,482	An increase of £1.45 per week to create additional funds for WHQS.
HRE/HRX/HRM		11S	HRA Savings Target - 2.5%	-33,254	Savings target applied to general costs excluding utilities and costs subject to service level agreements.
HRE		12S	Flintshire Connects Savings - Kings Head Building	-34,452	Closure of Kings Head building in line with Flintshire Connects in Holywell opening.
HRE		13S	Neighbourhood Housing Manager Connans Quay - post deletion	-53,542	Senior Manager Restructure for Housing has created a reduction of 1 Neighbourhood Manager post
HRE		1S	Early Bird Discount on Water charges	-23,000	If Flintshire pay the yearly water bill in one payment we receive a further discount on our water charges, this saving will offset the Water charge deficit of £20k.
HRM		10S	Income	-64,500	Recharge to capital programme for DLO undertaking smoke alarm and electrical rewiring work.
HRM		19S	Further Housing Asset restructure savings	-60,133	These are in addition to savings of £113k in 2012/13
HRP/HRR		9S/18S	Temp loans	-166,876	Reduction in Capital Financing charges to the HRA.
HRX		21S	Reception savings	-30,366	Reduction in reception staff to off set Flintshire Connects costs
HRX		14S	Support Recharges	-187,869	Reduction in support recharges to the HRA following a review of costs.
HRX/HRD		5/7/8/22S	Other General Savings	1,018	
HRP		22S	Increase in Right to Buy Income	-4,000	
Total Savings				-793,455	5.2% of Total Operating Costs
Code		Bid Ref	Budget Realignment/One off pressures reversed	2013/14	Notes
HRM		15S	Review of Utility Costs	-74,863	Reduction in utility costs following a review of Landlord services for HRA properties.
HRM		16S/18P	Hard to Let Voids - Subcontractor spend	-128,080	Removal of the one year pressure on Hard to let Voids, offset by a £70k increase in oil contamination costs
HRM		4S	Mobile working loan repayment	-48,544	Reversal of invest to save
HRM		19S	Voids backlog team	-127,260	9 mth fixed term contract for a voids backlog team comes to an end at March 2013.
HRE		2S	ASB Equipment	-3,000	Removal of the one year pressure on CCTV cameras.
HRE		20S	Transfer post to Council Fund	-30,909	Asset Management Officer to be funded through the Homeless restructure savings. This post should sit within the Council Fund.
HRX		6S	Pension/Redundancy	-120,000	Removal of a one year pressure on redundancy costs following the housing restructures.
Total Savings				-532,656	3.5% of Total Operating Costs

Code	Bid Ref	BUDGET PRESSURES/SERVICE IMPROVEMENTS	2013/14	Notes
HRD/HRM	1/2P	Welfare Reform Costs	255,350	
HRE	4/5/6P	Court costs and Giro Charges	11,208	Increased court costs
HRE	7/8P	Phones	9,570	Mobile phone increase due to mobile working, increased landline charges
HRE	9P	Tenants Incentive	10,000	Expected increase in Tenant incentive payments
HRE	10/16P	Estate Management service improvements / ASB	51,459	2 Anti social behaviour officers pro rata 9 mths as agreed in the Choices document, 0.2 FTE for Janitor weekend cover.
HRE/HRM	11P	Subscriptions	6,313	Increase in subscription costs and Membership to TPAS.
HRM	12P	Quality Assurance and Gas Certificates	12,276	
HRX	19P	STAR Survey	13,000	Implementation of STAR survey
HRX	20P	Software for Repairs and Maintenance	101,942	Implementation of Job scheduling and a new schedule of rates
HRX	14P	Flintshire Connects Contribution	100,000	Offset by efficiency points 12S and 13S
HRD		Increase in Garage Voids	32,740	
ALL		Inflation	161,597	Average %
Service Improvements			765,454	2.8% of Rental Income

Appendix 3

Draft HRA Capital Programme 2013/14

HRA Capital programme 2013/14	£m
Smoke Alarm Installations	0.100
Electrical periodicals and rewires	0.150
Heating Replacement - Programme and survey	2.211
Kitchen Replacements - Programme	4.061
Bathroom replacements	0.173
Asbestos Survey and Removal (Ongoing Programme)	0.150
DDA Audits, Fire Risk Assesments and other urgent works	0.100
Fire Risk Assessments	0.250
Vacant Properties	0.350
Planned urgent works	0.300
Disabled Facility Grants (DFG) - Mandatory/ Minor Adaps	1.000
Off Gas Programme	0.743
Maisonettes	0.500
Glan y Morfa phase 3	0.250
Environmental Works (footpaths and fences)	0.344
Capitalised Salaries	0.310
13/14 Budget	10.992

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OVERVIEW & SCRUTINY**Housing Revenue Account - Initial Budget Proposals for Revenue and Capital 2013/14**

No.	Comments and Questions:	Responses:
1.0	<u>Housing Revenue Account (Revenue) - Comments / Issues</u>	
	<u>General Comments/Issues</u>	
1.1	<ul style="list-style-type: none"> Is the Rent arrears team working properly, as the position is likely to get worse with the impact of Welfare reform ? 	<ul style="list-style-type: none"> Yes, the team is working properly. There have been improvements in the level of rent arrears compared with the same point in 2011/12, but we can't be complacent and are looking for new ways of supporting our tenants.
1.2	<ul style="list-style-type: none"> Why have the increases in charges for communal heating been deferred ? 	<ul style="list-style-type: none"> This is to ensure that the charges are based on the actual position at the end of the quarter as opposed to estimated costs. The increase is likely to be implemented in July.
1.3	<ul style="list-style-type: none"> What is the impact of Flintshire having to pay a proportion of rent income to the Treasury ? 	<ul style="list-style-type: none"> The annual impact for 2013/14 is estimated at £6.1m. At a political level, Members are urged to lobby for this requirement to cease.
1.4	<ul style="list-style-type: none"> Concern was expressed at the proposed increases in garage rents. Will this result in garages being handed back with a resultant loss of income to the HRA ? 	<ul style="list-style-type: none"> Some of the Council's garage sites are considered to be unfit for purpose. Garage rent levels have been much lower than our neighbouring authorities and the proposed increase will bring Flintshire into line with them. The proposal will generate an additional £0.100m of revenue.

OVERVIEW & SCRUTINY**Housing Revenue Account - Initial Budget Proposals for Revenue and Capital 2013/14**

No.	Comments and Questions:	Responses:
1.5	<ul style="list-style-type: none"> A suggestion was made that the age limit for provision of an assisted garden maintenance service be increased to age 70 and over. 	<ul style="list-style-type: none"> This is currently under consideration as part of garden services for the elderly.
2.0	<u>Housing Revenue Account (Capital) - Comments / Issues</u>	
2.1	<u>General Comments/Issues</u>	
	<ul style="list-style-type: none"> Given the need for more houses, can we now start building more housing stock ? 	<ul style="list-style-type: none"> Work is currently underway to look into this, and it is hoped to bring more information to Members in due course.
2.2	<ul style="list-style-type: none"> How has it been possible to achieve such an increase in the provision of heating and kitchen improvements etc.? 	<ul style="list-style-type: none"> The current economic climate has resulted in tenders coming in lower than anticipated which will enable capital allocations to go further in terms of work to be delivered.

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **TUESDAY, 19 FEBRUARY 2013**

REPORT BY: **HEAD OF FINANCE, CHIEF EXECUTIVE AND
DIRECTOR OF ENVIRONMENT**

SUBJECT: **COUNCIL FUND CAPITAL PROGRAMME 2013/14 TO
2022/23**

1.00 PURPOSE OF REPORT

1.01 To propose the Council Fund Capital Programme for 2013/14 and provide indicative details for 2014/15 to 2022/23, following consultation with the Corporate Resources Overview and Scrutiny Committee. As in all years, the capital programme relies upon the availability of budgeted capital funding resources in order to meet its objectives.

2.00 BACKGROUND

2.01 Proposals for the Council Fund Capital Programme 2013/14 to 2022/23, together with details of the continuing work in developing a capital strategy were reported to Cabinet on 18th December 2012.

2.02 The proposals included in the report of 18th December took account of Welsh Government's Provisional Finance Settlement for 2013/14, together with indicative allocations for forward years. A verbal update regarding the Final Settlement was provided to Cabinet, indicating a final figure of £6.866m, which was £0.002m less than that notified at the provisional stage, but £0.007m more than previous planning assumptions (and £0.007m more in each of the forward years than previous planning assumptions).

2.03 At its meeting of 31st January 2013, the Corporate Resources Overview and Scrutiny Committee was consulted on the Cabinet's recommendations. The key issues arising from the meeting are:-

- The anticipated future availability of information regarding the extended Local Government Borrowing Initiative (LGBI), and its likely impact on schools' funding.

- The possibility of a feasibility study for the purpose of establishing the full cost of replacing mobile classrooms, and the financial impact of such.
- Early determination of the cost implications (and funding plans) of any required future works to the Flintshire Bridge.
- A need for greater focus and pace in the move towards the use of more creative capital access options such as asset backed vehicles – a more ambitious and less risk averse approach.
- Re-affirmation of the forward unsupported (prudential) borrowing commitment particularly in respect of 21st Century Schools (by way of the approved 2012/13 Capital Programme), and its recognition in the Medium Term Financial Plan.
- The significance of the review of Council assets (which is currently underway) and the market risks in predicting accurate land sale capital receipts as one form of income to support the capital programme, in informing future capital programme planning and delivery.

2.04 The Corporate Resources Overview and Scrutiny Committee endorsed the recommendations of the 18th December report. A number of comments were made at the meeting and a number of questions asked; details of these, together with the responses provided are included in Appendix 4.

3.00 CONSIDERATIONS

3.01 The development of the Capital Strategy and Capital Programme 2013/14 was set out in detail in the report to Cabinet on 18th December 2012 (as provided at Appendix 5).

3.02 The report to Cabinet on 18th December identified the core capital programme requirements over the ten year capital programme period in key service programme areas including School Buildings and Highways Infrastructure. Details are set out in Appendix 2 attached.

3.03 The allocation of resources to core service programmes in 2013/14 amounting to £10.528m (which includes the second year funding requirement of £1.688m in respect of those schemes funded from 'headroom' as part of the approved 2012/13 Capital Programme) leaves 2013/14 'headroom' of just £0.248m after taking account of the projected general funding available, as set out in Appendix 1 attached. A funding shortfall of £0.142m is projected for 2014/15; on this basis it is prudent to consider a two year programme (2013/14/15), which provides a net £0.106m available to meet minor contingencies, as necessary.

- 304 The total capital availability for 2013/14 is predictive at this stage given the inclusion of targets for capital receipts. The service programme capital allocations are set as maximum allocations subject to the targets being met.
- 3.05 In addition to those programme schemes financed through general capital funding sources, the overall capital programme is supplemented by those schemes funded through specific grants and those ongoing schemes approved in 2012 as part of the Capital Programme and Capital Strategy 2012/13 to 2021/22) funded through unsupported (prudential) borrowing.
- 3.06 The full programme for 2013/14, which includes the core service programmes (as referred to in 3.03), and those schemes financed by way of (indicative) specific grants of £12.785m, unsupported (prudential) borrowing of £3.895m and Local Government Borrowing Initiative (LGBI) funding of £2.700m, amounts to £29.908m, as shown in Appendix 3.

4.00 RECOMMENDATIONS

- 4.01 Taking account of the detail contained in the report to Cabinet on 18th December 2012 and the positive response from Corporate Resources Overview and Scrutiny, Cabinet is asked to recommend to Council on 1st March that they:
- (a) Note the work that has been undertaken (and continues) to develop a Council Fund Capital Strategy and 10 year capital programme.
 - (b) Note the estimated capital funding available over the 10 year period 2013/14 to 2022/23 (as shown in Appendix 1).
 - (c) Approve the inclusion in the programme of the core service allocations to the maximum levels shown for 2013/14 (as detailed in Appendix 2), which takes account of the second year funding requirement (and funding through to completion in 2015/16) in respect of those schemes funded from 'headroom' as part of the approved 2012/13 Capital Programme.
 - (d) Approve the allocation of resources on the basis of a two year programme (2013/14/15), which provides a net £0.106m available to meet minor contingencies, as necessary.
 - (e) Note the total Council Fund Capital Programme for 2013/14 (as set out in Appendix 3) which includes those schemes funded from specific grants, unsupported (prudential) borrowing and LGBI, over and above the general funding detailed in Appendix 1.

- (f) Note the indicative core programme details for 2014/15 to 2022/23 (as set out in Appendix 2).

5.00 FINANCIAL IMPLICATIONS

- 5.01 As set out in the report.

6.00 ANTI POVERTY IMPACT

- 6.01 Individual Capital Programme Schemes may have specific anti-poverty impacts.

7.00 ENVIRONMENTAL IMPACT

- 7.01 Individual Capital Programme Schemes may have specific environmental impacts.

8.00 EQUALITIES IMPACT

- 8.01 Individual Capital Programme Schemes may have specific equality impacts.

9.00 PERSONNEL IMPLICATIONS

- 9.01 None directly as a result of this report.

10.00 CONSULTATION REQUIRED

- 10.01 All Members and Overview & Scrutiny.

11.00 CONSULTATION UNDERTAKEN

- 11.01 An initial workshop on capital was held on 22nd November 2012 for all Members. A public consultation survey was open between 21st December 2012 and 20th January 2013.

12.00 APPENDICES

Appendix 1 - Available Funding

Appendix 2 - Core Capital Programme Schemes

Appendix 3 - Capital Programme 2013/14 (including specific funding sources – Specific Grants, Unsupported Borrowing and LGBI).

Appendix 4 - Responses from Overview and Scrutiny

Appendix 5 - Cabinet Report 18th December 2012.

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS

2013/14 budget papers, including Welsh Government papers.

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ESTIMATED AVAILABLE FUNDING 2013/14 - 2022/23

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Financing (Excluding Specific Grants)											
Unhypothecated Supported Borrowing (USB)	*	4.263	4.263	4.263	4.263	4.263	4.263	4.263	4.263	4.263	42.630
General Capital Grant (GCG)	#	2.603	2.603	2.603	2.603	2.603	2.603	2.603	2.603	2.603	26.030
Capital Receipts		3.910	3.475	5.537	4.555	1.320	4.344	4.200	4.200	4.095	39.836
Total		10.776	10.341	12.403	11.421	8.186	11.210	11.066	11.066	10.961	108.496
Expenditure											
Core Capital Programme Schemes - Appendix 2		10.528	10.483	8.895	8.865	8.865	8.865	8.865	8.865	8.865	91.961
Total		10.528	10.483	8.895	8.865	8.865	8.865	8.865	8.865	8.865	91.961
AVAILABLE/(SHORTFALL)		0.248	(0.142)	3.508	2.556	(0.679)	2.345	2.201	2.201	2.096	16.535
Cumulative		0.248	0.106	3.614	6.170	5.491	7.836	10.037	12.238	14.439	16.535

* WG funding assumptions - USB		
2013/14	per Final Settlement	
2014/15	ref (2013/14) Final Settlement	
2015/16	→ as 2014/15	
2012/13 =	USB	£5.141m

# WG funding assumptions - GCG		
2013/14	per Final Settlement	
2014/15	ref (2013/14) Final Settlement	
2015/16	→ as 2014/15	
2012/13 =	GCG	£2.603m

CORE CAPITAL PROGRAMME SCHEMES

		2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	TOTAL
		Estimate	Indicative	Indicative	Indicative	Indicative	Indicative	Indicative	Indicative	Indicative	Indicative	
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
LIFELONG LEARNING												
Education - General												
Various	School Buildings Repairs and Maintenance	2.350	2.325	2.325	2.325	2.325	2.325	2.325	2.325	2.325	2.325	23.275
Various	Disability Discrimination Act - Individual Pupils	0.275	0.270	0.270	0.270	0.270	0.270	0.270	0.270	0.270	0.270	2.705
Various	Furniture and Equipment	0.060	0.055	0.055	0.055	0.055	0.055	0.055	0.055	0.055	0.055	0.555
Primary Schools												
Various	Learning Environments (Foundation Phase)	0.075	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.705
TOTAL - LIFELONG LEARNING		2.760	2.720	2.720	2.720	2.720	2.720	2.720	2.720	2.720	2.720	27.240

CORPORATE SERVICES												
ICT and Customer Services												
General	ICT Infrastructure	0.200	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	2.450
* General	Agile Working Investment	0.150	0.100									0.250
* General	EDRMS Implementation	0.125	0.105	0.030								0.260
* General	ICT Infrastructure	0.210	0.210									0.420
* General	Microsoft Enterprise Agreement	0.353	0.353									0.706
Flintshire Connects												
* Various	Flintshire Connects	0.500	0.500									1.000
Corporate Finance												
General	Minor Capital Works - Health & Safety	0.075	0.075	0.075	0.075	0.075	0.075	0.075	0.075	0.075	0.075	0.750
General	Corporate Provision - Feasibility Studies	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	1.000
Clwyd Theatr Cymru												
General	Provision	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.250
TOTAL - CORPORATE SERVICES		1.738	1.718	0.480	0.450	0.450	0.450	0.450	0.450	0.450	0.450	7.086

TOTAL - COUNCIL FUND		10.528	10.483	8.895	8.865	8.865	8.865	8.865	8.865	8.865	8.865	91.961
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* Schemes funded from 'headroom' as part of the approved 2012/13 Capital Programme

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	Estimate 2013/14 £m
SUMMARY	
COUNCIL FUND	
COMMUNITY SERVICES	3.350
ENVIRONMENT	16.565
LIFELONG LEARNING	8.255
CORPORATE SERVICES	1.738
TOTAL - COUNCIL FUND	29.908

		Estimate 2013/14 £m
COMMUNITY SERVICES		
Grants		
Various	Private Sector Renewal and Improvements	2.500
General	Housing Renewal Area Support	0.550
Children's Services		
General	Flying Start Capital Expansion Programme	0.150
Travellers' Sites		
Queensferry	Riverside Caravan Site	0.150
TOTAL - COMMUNITY SERVICES		3.350

		Estimate 2013/14 £m
ENVIRONMENT		
Administrative Buildings		
Various	Disability Discrimination Act (DDA) Works	0.180
Various	Energy Efficiency Measures	0.275
Various	Renewable Energy Installations	0.350
Various	Asbestos Removal	0.075
Various	Legionella Monitoring	0.075
Various	Upgrading Fire and Intruder Alarms	0.060
Various	Fire Safety Order Works	0.100
Various	Corporate Property Maintenance	0.500
Alltami	Depot Rationalisation	2.275
Engineering		
Various	Land Drainage Works - General	3.080
Various	Coast Protection Works - General	0.120
Highways		
Various	Highways Infrastructure	0.600
Various	Bridge Assessments and Replacement	0.160
Various	Street Lighting Replacement	0.200
Various	Structural Maintenance	0.200
Various	Local Government Borrowing Initiative (LGBI)	2.700
Regeneration		
Flint	Townscape Heritage Initiative	0.349
Various	Town Centre Regeneration	3.330
Transportation		
Various	Regional Transport Plan	1.700
Various	Local Road Safety Schemes	0.000
Ranger Services		
Connahs Quay	Wepre Park Development	0.236
TOTAL - ENVIRONMENT		16.565

		Estimate 2013/14 £m
LIFELONG LEARNING		
Education - General		
Various	School Buildings Repairs and Maintenance	2.350
Various	Disability Discrimination Act - Individual Pupils	0.275
Various	Furniture and Equipment	0.060
School Modernisation		
Shotton	Taliesin Junior/Shotton Infant	3.437
Various	21st Century Schools	1.308
Primary Schools		
Various	Learning Environments (Foundation Phase)	0.075
General	Flying Start Capital Expansion Programme	0.750
TOTAL - LIFELONG LEARNING		8.255

		Estimate 2013/14 £m
CORPORATE SERVICES		
ICT and Customer Services		
General	ICT Infrastructure	0.410
General	Agile Working Investment	0.150
General	EDRMS Implementation	0.125
General	Microsoft Enterprise Agreement	0.353
Corporate Finance		
General	Minor Capital Works - Health & Safety	0.075
General	Corporate Provision - Feasibility Studies	0.100
Flintshire Connects		
Various	Flintshire Connects Centres - Development Works	0.500
Clwyd Theatr Cymru		
General	Provision	0.025
TOTAL - CORPORATE SERVICES		1.738
TOTAL - COUNCIL FUND		29.908
FINANCING		
Unhypothecated Supported Borrowing (USB)		4.263
General Capital Grant		2.603
Capital Receipts		3.910
Specific Capital Grants		12.785
Unsupported (Prudential) Borrowing		3.895
Local Government Borrowing Initiative (LGBI)		2.700
(Unallocated) / Under Financing - Headroom		(0.248)
TOTAL - FINANCING		29.908

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OVERVIEW & SCRUTINY
Corporate Resources – Council Fund Capital Programme

No.	Comments and Questions:	Responses:
1.0	<p><u>School Modernisation</u></p> <ul style="list-style-type: none"> • 21st Century Schools allocation £64.2m - what is this for? • Can this funding be used for other education priorities? • Should the replacement of mobile classrooms be given greater priority? • What is the basis of the 21st Century Schools allocation? Is it deprivation led? • Why has the school buildings repair and maintenance allocation in 2013/14 reduced by £0.205m when the call on the budget is increasing? 	<ul style="list-style-type: none"> • Prioritised schemes in Holywell and Connah’s Quay, (with some flexibility in respect of works at John Summers High School, Queensferry); 50% of the £64.2m to be funded by Welsh Government (WG). • The WG funding is a specific grant awarded for the above schemes only. The Council awaits details of the extended Local Government Borrowing initiative (LGBI) and its likely impact on school funding (although the funding is not due to commence until 2014/15). • A feasibility study would assist in assessing the financial impact of replacing mobile classrooms (approximate build cost of £0.300m to replace each 30 place mobile unit). The use of associated Section 106 monies could contribute funding towards it. • It is based upon the number of surplus places. • The budget was trimmed (as with other core programme allocations) due to reduced available funding, but increases by £0.025m each year over the next 10 years.

OVERVIEW & SCRUTINY
Corporate Resources – Council Fund Capital Programme

No.	Comments and Questions:	Responses:
2.0	<p><u>Leisure</u></p> <ul style="list-style-type: none"> There's no reference within the paperwork as provided to any budgetary provision for works at leisure centres – funding for painting etc. 	<ul style="list-style-type: none"> There's some scope for funding capital works from the Corporate Property Maintenance budget (within Environment). Painting works would however be a charge to revenue not capital. Photovoltaics (PVs) are now less expensive and more efficient in energy production as technology moves on, and general energy consumption is reducing through efficient working, thus compensating for the fall off in feed in tariffs. A copy of the business case will be provided. The Council's budget levers in substantial specific grants from WG (on top of the core programme) to fund land drainage priorities. Funding for culvert works is provided from within the core programme (for capital works), and from within the revenue budget (StreetScene) for routine repairs and maintenance. The allocation covers all bridges (including the Flintshire bridge) and footbridges. A survey is currently
3.0	<p><u>Administrative Buildings</u></p> <ul style="list-style-type: none"> Energy Efficiency Measures - Renewable energy installations; tariffs have reduced and thereby the return for energy efficiency purposes will fall - has this been recognised in setting the core programme budget? What was the business case for renewable energy? 	
4.0	<p><u>Highways</u></p> <ul style="list-style-type: none"> Land Drainage – Why is budget only £0.080m and who funds culverts? Bridge Assessments – Budget is only £0.160m, what does this cover? 	

OVERVIEW & SCRUTINY
Corporate Resources – Council Fund Capital Programme

No.	Comments and Questions:	Responses:
5.0	<p><u>General</u></p> <ul style="list-style-type: none"> • Unsupported (Prudential) Borrowing – How does the 2012/13 (and forward) commitment impact on the Council’s revenue position? • Capital Programme – I’m struggling to understand why we have a 10 year core programme when the figures across the various programme areas are merely repeated for each year of the 10 years. • Why do unspent programme budgets automatically roll forward when there are other potential schemes left without funding? 	<p>underway in order to assess the full extent of future liabilities in respect of the Flintshire Bridge; the survey costs are funded from the 2012/13 £2.7m LGBI (Highways) monies. If future liabilities become unaffordable, the Council will move to lobby WG for funding.</p> <ul style="list-style-type: none"> • All borrowings have been factored into the Medium Term Financial Plan – borrowing costs rise to approximately £1.5m per annum once the full impact of the 21st Century Schools Programme feeds through. • The core programme is one element only of the total capital programme; the total capital programme includes those schemes funded by way of grants, Capital Expenditure financed from Revenue Account (CERA) and more significantly unsupported (prudential) borrowing. These additional elements are key considerations in the strategic work undertaken in developing the overarching capital strategy, and the linked Medium Term Financial Strategy. • Budgets do not automatically roll forward – this is the clear message from Scrutiny. The Quarter 3 Capital Programme report to Cabinet on 19th March will

OVERVIEW & SCRUTINY
Corporate Resources – Council Fund Capital Programme

No.	Comments and Questions:	Responses:
	<ul style="list-style-type: none"> • Disposal of Assets – Some clarification is required regarding the asset disposal policy. Is there a level of speculation in the list of anticipated sale receipts? 	<p>provide the updated position regarding schemes not yet started.</p> <ul style="list-style-type: none"> • A detailed asset review is to be carried out in order to assess the status of assets held – those which can be disposed of and those which are required for future service delivery. The Council will be looking into more creative ways to raise capital finance including Asset Backed Vehicles.

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **TUESDAY, 18 DECEMBER 2012**

REPORT BY: **HEAD OF FINANCE, CHIEF EXECUTIVE, DIRECTOR
OF ENVIRONMENT**

SUBJECT: **CAPITAL STRATEGY AND CAPITAL PROGRAMME
2013/14 TO 2022/23**

1.00 **PURPOSE OF REPORT**

1.01 The purpose of the report is to –

- (a) Propose the allocation of funding to the core capital programme in 2013/14 (with indicative allocations for future years).
- (b) Set out the work that has been undertaken (and continues), to develop a Council Fund Capital Strategy and 10 year Capital Programme for the Council.

2.00 **BACKGROUND**

2.01 The Council plans on a 4 year capital programme timescale. In June 2011, the Council formally adopted its Medium Term Financial Strategy (MTFS). Two of the key objectives of the MTFS are to ensure that revenue and capital resources are used to achieve the Council's priorities and objectives, and to fully integrate revenue and capital expenditure plans. The co-planning of revenue and capital budgets is essential, for example, to meet the repayment of unsupported borrowing to support the core capital programme for investment in infrastructure.

2.02 One of the Council's 10 priorities is to 'Be a modern, efficient and cost effective public organisation through our four resource strategies - MTFS, People, Asset Management and ICT'. The Asset Management Strategy is key to determining which assets the Council wishes to hold in its portfolio for future service delivery. From this, plans can be drawn up as to where capital investment is required (in new or upgraded facilities), and where there are opportunities to release resources through asset disposals. Asset decisions are based on priority to support services, asset condition and deterioration, asset growth to suit service purpose and health and safety and other requirements.

2.03 This report covers the Council Fund only. The Housing Revenue Account (HRA) capital programme will be considered alongside the HRA revenue budget proposals for 2013/14. This will be reported to Cabinet and Scrutiny in January 2013 prior to the final proposals being recommended by Cabinet to County Council in February 2013.

2.04 The Local Government Final Settlement is due to be announced on 11th December 2012, and an update will be provided on the detail at the meeting.

3.00 CAPITAL STRATEGY

3.01 The aim of the Capital Strategy is to have in place a 10 year affordable, prioritised programme of all capital needs.

3.02 Due to the impacts on public expenditure constraint of National UK Government economy management decisions, the Council's core capital programme is constrained and is coming under severe pressure to maintain our assets portfolio from schools to roads. Welsh Government specific funding sources for capital investment in particular services are limited and are being directed to a small number of policy priorities.

3.03 This position means that the Council will:-

- Need to be more strategic and decisive over the asset portfolio it needs to retain to support service priorities and the portfolio it can release.
- Need to be more creative about partnering, e.g. Flintshire Connects, Community Asset Transfer.
- Be more creative over capital access options and models (e.g. directing its own investment, asset backed vehicles.)
- Rely on more unsupported borrowing to fund priorities, e.g. schools.

3.04 The challenges and opportunities were explored at a recent Member Workshop which was well attended. The work programmes of Cabinet and Overview and Scrutiny, and the MTFs, will need to reflect these actions.

3.05 A significant impact will be the School Modernisation Programme as part of the Capital Strategy and Capital programme 2012/13 to 2021/22. Funding support of 50% towards estimated costs of £64.2m will come from Welsh Government through 21st Century Schools finance for the preferred options in the three schools area reviews.

3.06 There will be significant pressure on the block allocations for core services in the 'static' programme. Careful decision making on allocations across and within these blocks is required to best match resources to priorities. Council officials, both client and contractor, must ensure that value for money is obtained in service design specifications and contract tendering.

4.00 LOCAL GOVERNMENT BORROWING INITIATIVE (LGBI)

4.01 A further £4m is to be made available across Wales by Welsh Government in 2013/14 under the Local Government Borrowing Initiative (on top of the £4m provided in 2012/13) to support the borrowing charges (revenue) of highways capital works. This equates to £2.7m for Flintshire in both 2013/14 and 2014/15. Proposals on how this funding will be utilised in 2012/13 are included in a separate report on this agenda.

4.02 In addition to the above, Welsh Government has recently announced an extension of the LGBI to include schools; this will bring forward funding (between 2014/15 and 2016/17) of £200m across Wales, in relation to their share of the 21st Century Schools Programme.

5.00 CAPITAL FUNDING AVAILABLE

5.01 Capital funding comes from a variety of sources –

General -

- Unhypothecated Supported Borrowing (USB)
- General Capital Grant (GCG)
- Capital Receipts

Specific -

- Specific Capital Grants
- Unsupported (Prudential) Borrowing
- Capital Expenditure financed from Revenue Account (CERA)

5.01.1 USB and GCG are as advised by Welsh Government through the Finance Settlement, and are available for the Council to determine their use. Specific Grants are also received from Welsh Government (and other funding bodies), but allocated for specific purposes as defined by the relevant funding body.

5.01.2 Capital Receipts are the proceeds from asset disposals - land and buildings, and again are available for the Council to determine their use.

5.01.3 Unsupported (Prudential) Borrowing is that borrowing which, as the name implies, is not supported by Welsh Government - borrowing costs (principal and interest) have to be met by the Council from the revenue budget.

- 5.01.4 Capital Expenditure financed from Revenue Account (CERA) is capital expenditure paid for by way of a direct charge to the service revenue account.
- 5.02 The total projected funding available over the 10 year period 2013/14 to 2022/23, by way of the above general sources, amounts to £108.516m as detailed in Appendix 1 (attached); the proposed Core Programme Scheme expenditure (as referred to in Section 6.01 below) amounts to £91.961m (as included in Appendix 1), which produces an available total of £16.555m to fund other programme schemes over the period.
- 5.02.1 In view of the projected shortfall in 2014/15 (£0.140m), which follows a 2013/14 available funding figure of just £0.250m, it may be prudent to consider a consolidated two year programme (2013/14/15). On this basis a cumulative total of £0.110m would be available to provide some headroom for variances.
- 5.03 It can be seen that, taking account of the funding information provided in 5.02 above, there is currently no general funding available to support new capital investment outside of the core programme schemes (see Section 6.00 below) during the consolidated two year programme period (2013/14/15), without the introduction of new and creative ways of delivering capital investment (as described in Section 3.00).

6.00 CORE CAPITAL SCHEMES

- 6.01 'Core' schemes are those that require capital works on an on-going basis in order to ensure life and use enhancement; such schemes include Energy Efficiency Measures, Highways Infrastructure Works, and School Building Works. The proposed Core schemes (as outlined at the Capital Workshop on 22nd November 2012), are detailed in Appendix 2 as attached.
- 6.02 The Appendix 2 information reflects a reviewed position (from that incorporated in the Capital Strategy and Capital Programme 2012/13 to 2021/22) in terms of the listed values, which takes account of the revised available funding projections as referred to in Section 5.02 above. Also included within the Appendix 2 totals are those new schemes approved in 2012/13, funded from the headroom available at the time; these schemes drop out of the analysis in entirety, by the end of 2015/16. The impact on the available funding resources of financing these schemes is recorded in Appendix 1.
- 6.03 A request was received at the Capital Workshop (22nd November 2012) for a reconciliation between the Appendix 2 figures and the indicative Core Programme Schemes list that formed part of the aforementioned Capital Strategy and Capital Programme 2012/13 to 2021/22; this reconciliation is included as Appendix 3. The adjusted

figures reflect those changes referred to in Section 6.02 above, and as noted in the key to Appendix 3; in most cases the 'trimmed' 2013/14 programme scheme budgets are reinstated across the subsequent 9 years (2014/15 to 2022/23).

7.00 CONSULTATION

7.01 A meeting of the Corporate Resources Overview and Scrutiny Committee has been scheduled for 31st January 2013, at which the capital programme proposals as set out in this paper will be considered. The scrutiny meeting will be open to all Members of the Council. Final capital proposals for 2013/14 will be considered by Cabinet in February prior to a recommendation to Council on 1st March 2013.

7.02 A public consultation survey which covers aspects of the Council's Revenue and Capital Budget Strategies is due to open between 21st December 2012 and 20th January 2013.

8.00 RECOMMENDATIONS

8.01 Members are recommended to:

- (a) Note the work which has been undertaken (and continues) to develop a Council Fund Capital Strategy and 10 year capital programme.
- (b) Approve the allocation of funding to the core capital programme in 2013/14 as shown in Appendix 2 (and note the indicative allocations for future years), subject to input by Overview & Scrutiny.

9.00 FINANCIAL IMPLICATIONS

9.01 As set out in the report.

10.00 ANTI-POVERTY IMPACT

10.01 Individual Capital Programme Schemes may have specific anti-poverty impacts.

11.00 ENVIRONMENTAL IMPACT

11.01 Individual Capital Programme Schemes may have specific environmental impacts.

12.00 EQUALITIES IMPACT

12.01 Individual Capital Programme Schemes may have specific equality impacts.

13.00 PERSONNEL IMPLICATIONS

13.01 None directly as a result of this report.

14.00 CONSULTATION REQUIRED

14.01 All Members and Overview & Scrutiny.

15.00 CONSULTATION UNDERTAKEN

15.01 An initial workshop on capital was held on 22nd November 2012 for all Members. A public consultation survey is due to open between 21st December 2012 and 20th January 2013.

16.00 APPENDICES

16.01 Appendix 1 – Available Funding

Appendix 2 – Core Capital Programme Schemes

Appendix 3 - Core Programme Schemes (Reconciliation to 2012/13 Budget Figures)

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

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APPENDIX 1

ESTIMATED AVAILABLE FUNDING 2013/14 - 2022/23

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Financing (Excluding Specific Grants)											
* Unhypotheated Supported Borrowing (USB)	4.270	4.270	4.270	4.270	4.270	4.270	4.270	4.270	4.270	4.270	42.700
# General Capital Grant (GCG)	2.598	2.598	2.598	2.598	2.598	2.598	2.598	2.598	2.598	2.598	25.980
Capital Receipts	3.910	3.475	5.537	4.555	1.320	4.344	4.200	4.200	4.200	4.095	39.836
Total	10.778	10.343	12.405	11.423	8.188	11.212	11.068	11.068	11.068	10.963	108.516
Expenditure											
Core Capital Programme Schemes - Appendix 1	10.528	10.483	8.895	8.865	8.865	8.865	8.865	8.865	8.865	8.865	91.961
Total	10.528	10.483	8.895	8.865	8.865	8.865	8.865	8.865	8.865	8.865	91.961
AVAILABLE/(SHORTFALL)	0.250	(0.140)	3.510	2.558	(0.677)	2.347	2.203	2.203	2.203	2.098	16.555
Cumulative	0.250	0.110	3.620	6.178	5.501	7.848	10.051	12.254	14.457	16.555	

* WG funding assumptions - USB

2013/14 per Provisional Settlement
2014/15 ref (2013/14) Provisional Settlement
2015/16 → as 2014/15

2012/13 = USB £5.141m

WG funding assumptions - GCG

2013/14 per Provisional Settlement
2014/15 ref (2013/14) Provisional Settlement
2015/16 → as 2014/15

2012/13 = GCG £2.603m

CORE PROGRAMME SCHEMES 2013/14 - SUMMARY (RECONCILIATION TO 2012/13 BUDGET FIGURES)

	2013/14	2013/14	Variance
	Indicative * £m	Estimate £m	£m
SUMMARY			
COUNCIL FUND			
COMMUNITY SERVICES	2.950	2.750	(0.200)
ENVIRONMENT	3.155	3.280	0.125
LIFELONG LEARNING	2.965	2.760	(0.205)
CORPORATE SERVICES	0.930	1.738	0.808
TOTAL - COUNCIL FUND	10.000	10.528	0.528

FINANCING			
Unhypotheated Supported Borrowing (USB)	4.254	4.270	0.016
General Capital Grant	2.605	2.598	(0.007)
Capital Receipts	5.360	3.910	(1.450)
Specific Capital Grants	0.000	0.000	0.000
Unsupported (Prudential) Borrowing	0.000	0.000	0.000
TOTAL - FINANCING	12.219	10.778	(1.441)

AVAILABLE HEADROOM	(2.219)	(0.250)	1.969
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Analysis (from above)	£m
Increased Net Budget	0.528
Reduced Funding	1.441
Reduced Headroom	1.969

* as per 2012/13 Budget

CORE PROGRAMME SCHEMES 2013/14 - 2022/23 (RECONCILIATION TO 2012/13 BUDGET FIGURES)

KEY BUDGET 2013/14 2014/15 2015/16 2016/17 2017/18 2018/19 2019/20 2020/21 2021/22 2022/23 TOTAL
 (£m) (£m) (£m) (£m) (£m) (£m) (£m) (£m) (£m) (£m) (£m)

(See below)

COMMUNITY SERVICES		2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	TOTAL
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Grants												
Various	Private Sector Renewal and Improvements	2.700	2.425	2.425	2.425	2.425	2.425	2.425	2.425	2.425	2.425	24.525
		2.500	2.450	2.450	2.450	2.450	2.450	2.450	2.450	2.450	2.450	24.550
	Variance	(0.200)	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025
Shotton	Housing Renewal Area Support	0.250	0.225	0.225	0.225	0.225	0.225	0.225	0.225	0.225	0.225	2.275
		0.250	0.225	0.225	0.225	0.225	0.225	0.225	0.225	0.225	0.225	2.275
	Variance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL - COMMUNITY SERVICES												
		2.950	2.650	2.650	2.650	2.650	2.650	2.650	2.650	2.650	2.650	26.800
		2.750	2.675	2.675	2.675	2.675	2.675	2.675	2.675	2.675	2.675	26.825
	Variance	(0.200)	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025

CORE PROGRAMME SCHEMES 2013/14 - 2022/23 (RECONCILIATION TO 2012/13 BUDGET FIGURES)

KEY	BUDGET	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	TOTAL
(See below)	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
ENVIRONMENT												
Administrative Buildings												
Various												
	Disability Discrimination Act (DDA) Works											
12/13		0.180	0.175	0.175	0.175	0.175	0.175	0.175	0.175	0.175	0.175	1.755
13/14		0.180	0.175	0.175	0.175	0.175	0.175	0.175	0.175	0.175	0.175	1.755
Variance		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1	Energy Efficiency Measures											
12/13		0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	3.000
13/14		0.275	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	2.975
Variance		(0.025)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	(0.025)
2	Renewable Energy Installations											
12/13		0.350	0.350	0.350	0.350	0.350	0.350	0.350	0.350	0.350	0.350	3.000
13/14		0.350	0.350	0.350	0.350	0.350	0.350	0.350	0.350	0.350	0.350	3.000
Variance		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Various	Asbestos Removal											
12/13		0.075	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.705
13/14		0.075	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.705
Variance		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Various	Legionella Monitoring											
12/13		0.075	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.705
13/14		0.075	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.705
Variance		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Various	Upgrading Fire and Intruder Alarms											
12/13		0.060	0.055	0.055	0.055	0.055	0.055	0.055	0.055	0.055	0.055	0.555
13/14		0.060	0.055	0.055	0.055	0.055	0.055	0.055	0.055	0.055	0.055	0.555
Variance		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Various	Fire Safety Order Works											
12/13		0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	1.000
13/14		0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	1.000
Variance		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Various	Corporate Property Maintenance											
12/13		0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	5.000
13/14		0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	5.000
Variance		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Engineering												
Various	Land Drainage Works - General											
12/13		0.080	0.075	0.075	0.075	0.075	0.075	0.075	0.075	0.075	0.075	0.755
13/14		0.080	0.075	0.075	0.075	0.075	0.075	0.075	0.075	0.075	0.075	0.755
Variance		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Various	Coast Protection Works - General											
12/13		0.120	0.110	0.110	0.110	0.110	0.110	0.110	0.110	0.110	0.110	1.110
13/14		0.120	0.110	0.110	0.110	0.110	0.110	0.110	0.110	0.110	0.110	1.110
Variance		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

CORE PROGRAMME SCHEMES 2013/14 - 2022/23 (RECONCILIATION TO 2012/13 BUDGET FIGURES)

KEY BUDGET		2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	TOTAL
(See below)		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1	12/13	0.800	0.725	0.725	0.725	0.725	0.725	0.725	0.725	0.725	0.725	7.325
	13/14	0.600	0.750	0.750	0.750	0.750	0.750	0.750	0.750	0.750	0.750	7.350
	Variance	(0.200)	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025
	Highways Infrastructure											
	12/13	0.160	0.150	0.150	0.150	0.150	0.150	0.150	0.150	0.150	0.150	1.510
	13/14	0.160	0.150	0.150	0.150	0.150	0.150	0.150	0.150	0.150	0.150	1.510
	Variance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	Bridge Assessments and Replacement											
	12/13	0.200	0.180	0.180	0.180	0.180	0.180	0.180	0.180	0.180	0.180	1.820
	13/14	0.200	0.180	0.180	0.180	0.180	0.180	0.180	0.180	0.180	0.180	1.820
	Variance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	Street Lighting Replacement											
	12/13	0.200	0.180	0.180	0.180	0.180	0.180	0.180	0.180	0.180	0.180	1.820
	13/14	0.200	0.180	0.180	0.180	0.180	0.180	0.180	0.180	0.180	0.180	1.820
	Variance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	Structural Maintenance											
	12/13	0.200	0.180	0.180	0.180	0.180	0.180	0.180	0.180	0.180	0.180	1.820
	13/14	0.200	0.180	0.180	0.180	0.180	0.180	0.180	0.180	0.180	0.180	1.820
	Variance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	Regeneration											
	12/13	0.115	0.115	0.115	0.115	0.115	0.115	0.115	0.115	0.115	0.115	1.150
	13/14	0.115	0.115	0.115	0.115	0.115	0.115	0.115	0.115	0.115	0.115	1.150
	Variance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	Townscape Heritage Initiative											
	12/13	0.190	0.190	0.190	0.190	0.190	0.190	0.190	0.190	0.190	0.190	1.900
	13/14	0.190	0.190	0.190	0.190	0.190	0.190	0.190	0.190	0.190	0.190	1.900
	Variance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	Town Centre Regeneration											
	12/13	3.155	2.995	2.995	2.995	2.995	2.995	2.995	2.995	2.995	2.995	30.110
	13/14	3.280	3.370	3.020	3.020	3.020	3.020	3.020	3.020	3.020	3.020	30.810
	Variance	0.125	0.375	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.700
	TOTAL - ENVIRONMENT											

CORE PROGRAMME SCHEMES 2013/14 - 2022/23 (RECONCILIATION TO 2012/13 BUDGET FIGURES)

KEY BUDGET		2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	TOTAL
(See below)		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
LIFELONG LEARNING												
Education - General												
Various	1	2.555	2.300	2.300	2.300	2.300	2.300	2.300	2.300	2.300	2.300	23.255
School Buildings Repairs and Maintenance	13/14	2.350	2.325	2.325	2.325	2.325	2.325	2.325	2.325	2.325	2.325	23.275
	Variance	(0.205)	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.020
Various		0.275	0.270	0.270	0.270	0.270	0.270	0.270	0.270	0.270	0.270	2.705
Disability Discrimination Act - Individual Pupils	13/14	0.275	0.270	0.270	0.270	0.270	0.270	0.270	0.270	0.270	0.270	2.705
	Variance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Various		0.060	0.055	0.055	0.055	0.055	0.055	0.055	0.055	0.055	0.055	0.555
Furniture and Equipment	13/14	0.060	0.055	0.055	0.055	0.055	0.055	0.055	0.055	0.055	0.055	0.555
	Variance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Primary Schools												
Various		0.075	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.705
Learning Environments (Foundation Phase)	13/14	0.075	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.705
	Variance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	12/13	2.965	2.695	2.695	2.695	2.695	2.695	2.695	2.695	2.695	2.695	27.220
TOTAL - LIFELONG LEARNING	13/14	2.760	2.720	2.720	2.720	2.720	2.720	2.720	2.720	2.720	2.720	27.240
	Variance	(0.205)	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.020

CORE PROGRAMME SCHEMES 2013/14 - 2022/23 (RECONCILIATION TO 2012/13 BUDGET FIGURES)

KEY	BUDGET	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	TOTAL
(See below)	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
CORPORATE SERVICES												
ICT and Customer Services												
General	ICT Infrastructure	1	12/13 13/14	0.255 0.200	0.230 0.250	0.230 0.250	0.230 0.250	0.230 0.250	0.230 0.250	0.230 0.250	0.230 0.250	2.325 2.450
			Variance	(0.055)	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.125
General	Agile Working Investment	2	12/13 13/14	0.150 0.100	0.000 0.100	0.000 0.100	0.000 0.100	0.000 0.100	0.000 0.100	0.000 0.100	0.000 0.100	0.000 0.250
			Variance	0.150	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.250
General	EDRMS Implementation	2	12/13 13/14	0.125 0.105	0.105 0.030	0.000 0.030	0.000 0.030	0.000 0.030	0.000 0.030	0.000 0.030	0.000 0.030	0.000 0.260
			Variance	0.125	0.105	0.000	0.000	0.000	0.000	0.000	0.000	0.260
General	ICT Infrastructure	2	12/13 13/14	0.210 0.210	0.000 0.210	0.000 0.210	0.000 0.210	0.000 0.210	0.000 0.210	0.000 0.210	0.000 0.210	0.000 0.420
			Variance	0.210	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.420
General	Microsoft Enterprise Agreement	2	12/13 13/14	0.353 0.353	0.000 0.353	0.000 0.353	0.000 0.353	0.000 0.353	0.000 0.353	0.000 0.353	0.000 0.353	0.000 0.706
			Variance	0.353	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.706
Flintshire Connects												
Various	Flintshire Connects	2	12/13 13/14	0.500 0.500	0.000 0.500	0.000 0.500	0.000 0.500	0.000 0.500	0.000 0.500	0.000 0.500	0.000 0.500	0.000 1.000
			Variance	0.500	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.000
Corporate Finance												
General	Minor Capital Works - Health & Safety		12/13 13/14	0.075 0.075	0.075 0.075	0.075 0.075	0.075 0.075	0.075 0.075	0.075 0.075	0.075 0.075	0.075 0.075	0.750 0.750
			Variance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
General	Corporate Provision - Feasibility Studies	1	12/13 13/14	0.200 0.100	0.200 0.100	0.200 0.100	0.200 0.100	0.200 0.100	0.200 0.100	0.200 0.100	0.200 0.100	2.000 1.000
			Variance	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(1.000)
General	Housing Stock Options (Subject to Housing Review) *	3	12/13 13/14	0.375 0.375	0.375 0.375	0.375 0.375	0.375 0.375	0.375 0.375	0.375 0.375	0.375 0.375	0.375 0.375	3.750 3.750
			Variance	(0.375)	(0.375)	(0.375)	(0.375)	(0.375)	(0.375)	(0.375)	(0.375)	(3.750)

CORE PROGRAMME SCHEMES 2013/14 - 2022/23 (RECONCILIATION TO 2012/13 BUDGET FIGURES)

KEY BUDGET 2013/14 2014/15 2015/16 2016/17 2017/18 2018/19 2019/20 2020/21 2021/22 2022/23 TOTAL
 (£m) (£m) (£m) (£m) (£m) (£m) (£m) (£m) (£m) (£m) (£m)

(See below)

CORPORATE SERVICES (Cont.)											
Clwyd Theatr Cymru											
General Provision											
12/13	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.250
13/14	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.250
Variance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL - CORPORATE SERVICES											
12/13	0.930	0.905	0.905	0.905	0.905	0.905	0.905	0.905	0.905	0.905	9.075
13/14	1.738	1.718	0.480	0.450	0.450	0.450	0.450	0.450	0.450	0.450	7.086
Variance	0.808	0.813	(0.425)	(0.455)	(0.455)	(0.455)	(0.455)	(0.455)	(0.455)	(0.455)	(1.989)
TOTAL - COUNCIL FUND											
12/13	10.000	9.245	9.245	9.245	9.245	9.245	9.245	9.245	9.245	9.245	93.205
13/14	10.528	10.483	8.895	8.865	8.865	8.865	8.865	8.865	8.865	8.865	91.961
Variance	0.528	1.238	(0.350)	(0.380)	(0.380)	(0.380)	(0.380)	(0.380)	(0.380)	(0.380)	(1.244)

VARIANCE Figures in brackets indicate a reduced budget, unbracketed an increased/additional budget.

- KEY 1 2013/14 budget reduced in line with reduced funding projections but re-profiled over future years.
 2 New to 2013/14 onwards as a result of schemes approved in 2012/13 (From Headroom).
 3 No longer needed as a result of the Housing Ballot.

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REPORT TO: CABINET
DATE: 19 FEBRUARY 2013
REPORT BY: HEAD OF FINANCE
SUBJECT: TREASURY MANAGEMENT STRATEGY 2013/14, TREASURY MANAGEMENT POLICY STATEMENT 2013 – 2016 AND TREASURY MANAGEMENT PRACTICES 2013 – 2016.

1.00 PURPOSE OF REPORT

- 1.01 To present the draft Treasury Management Strategy 2013/14 for approval to the Council in conjunction with:-
- Draft Treasury Management Policy Statement 2013 – 2016,
 - Draft Treasury Management Practices 2013 -16.

2.00 BACKGROUND

- 2.01 The Local Government Act 2003 requires all local authorities to have due regard to both the Chartered Institute of Public Finance and Accountancy's Treasury Management in Public Services: Code of Practice (The CIPFA Code of Practice) and Welsh Government guidance on Local Authority Investments.
- 2.02 The Council adopted the 2011 edition of The CIPFA Code of Practice in March 2012 which requires:-
- The Council to create and maintain a Treasury Management Policy Statement which states the Council's policies, objectives and approach to risk management of its treasury management activities.
 - The Council to create and maintain suitable Treasury Management Practices (TMPs) and accompanying schedules, stating how those policies and objectives will be achieved and prescribing how those activities will be managed and controlled.
 - The Council to receive reports on its treasury management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.
 - Responsibility for Treasury Management to be clearly defined. The Council delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to the Cabinet, and for the execution and administration of treasury management decisions to Head of Finance, who will act in accordance with the organisation's policy statement and TMPs and, CIPFA's *Standard of Professional Practice on Treasury Management*.

- A body to be responsible for the scrutiny of Treasury Management Policy, Strategy and Practices. The Council has nominated the Audit Committee to be responsible for ensuring effective scrutiny of the treasury management function. The Audit Committee has previously agreed to include treasury management as a standing item on each quarterly agenda to receive an update.

3.00 CONSIDERATIONS

- 3.01 At a meeting of the Audit Committee on 30th January 2013, Members reviewed the Treasury Management Policy Statement 2013 - 2016, Treasury Management Strategy 2013/14 and Treasury Management Practices 2013 - 2016. Any comments from the Audit Committee will be reported verbally at Cabinet.
- 3.02 The Audit Committee report, which includes the Treasury Management Policy Statement 2013 - 2016, Treasury Management Strategy 2013/14 and Treasury Management Practices 2013 – 2016, and an explanation of changes from previous years, is attached appendix 1.
- 3.03 A training session open to all Members on treasury management was run by Arlingclose, the Council's treasury management advisors on the 29th January 2013.

4.00 RECOMMENDATIONS

- 4.01 Cabinet approves and recommends to the Council the draft Treasury Management Strategy 2013/14 for approval in conjunction with:-
- Draft Treasury Management Policy Statement 2013 – 2016,
 - Draft Treasury Management Practices 2013 -16.

5.00 FINANCIAL IMPLICATIONS

- 5.01 As set out in the 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 Arlingclose Limited.

11.00 CONSULTATION UNDERTAKEN

- 11.01 Arlingclose Limited.

12.00 APPENDICES

12.01 Appendix 1 – Report to Audit Committee – 30th January 2013

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers: Treasury Management Policy Statement 2013 – 2016
Treasury Management Practices 2013 - 2016
Treasury Management Strategy 2013/14

Contact Officer: Liz Thomas
Finance Manager – Strategy & Technical

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E.mail: liz.thomas@flintshire.gov.uk

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REPORT TO: **AUDIT COMMITTEE**

DATE: **30 JANUARY 2013**

REPORT BY: **HEAD OF FINANCE**

SUBJECT: **TREASURY MANAGEMENT STRATEGY 2013/14, TREASURY MANAGEMENT POLICY STATEMENT 2013 – 2016, TREASURY MANAGEMENT PRACTICES 2013 – 16 AND TREASURY MANAGEMENT UPDATE 2012/13,**

1.00 PURPOSE OF REPORT

1.01 To present the draft Treasury Management Strategy 2013/14 for review prior to recommending to Cabinet in conjunction with:-

- Draft Treasury Management Policy Statement 2013 – 2016,
- Draft Treasury Management Practices 2013 -16.

1.02 To provide members with a quarterly update on matters relating to the Council's 2012/13 Treasury Management Policy and Strategy Statement up to the end of December 2012.

1.03 This report will be supplemented with training available to all Members of the Council on treasury management on 29th January 2013.

2.00 BACKGROUND

2.01 The Local Government Act 2003 requires all local authorities to have due regard to both the Chartered Institute of Public Finance and Accountancy's Treasury Management in Public Services: Code of Practice (The CIPFA Code of Practice) and Welsh Government guidance on Local Authority Investments.

2.02 The Council adopted the 2011 edition of The CIPFA Code of Practice in March 2012 which requires:-

- The Council to create and maintain a Treasury Management Policy Statement which states the Council's policies, objectives and approach to risk management of its treasury management activities.
- The Council to create and maintain suitable Treasury Management Practices (TMPs) and accompanying schedules, stating how those policies and objectives will be achieved and prescribing how those activities will be managed and controlled.
- The Council to receive reports on its treasury management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.

- Responsibility for Treasury Management to be clearly defined. The Council delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to the Cabinet, and for the execution and administration of treasury management decisions to Head of Finance, who will act in accordance with the organisation's policy statement and TMPs and, CIPFA's *Standard of Professional Practice on Treasury Management*.
- A body to be responsible for the scrutiny of Treasury Management Policy, Strategy and Practices. The Council has nominated the Audit Committee to be responsible for ensuring effective scrutiny of the treasury management function. The Audit Committee has previously agreed to include treasury management as a standing item on each quarterly agenda to receive an update.

2.03 The Welsh Government guidance on Local Authority investments requires that the Council prepares an Investment strategy before the start of each financial year which sets out the Council's policies for the prudent management of its investments, giving priority, firstly to the security of those investments (protecting the capital sum from loss), and secondly liquidity (keeping money readily available for expenditure). The generation of investment income is distinct from these prudential objectives, however provided that proper levels of security and liquidity are achieved, it may (but only then) be reasonable to seek the highest yield consistent with those priorities.

The guidance stipulates that the investment strategy must also include the following:

- Specified Investments
- Non-specified Investments
- Credit Risk Assessment
- Investment Consultants
- Investment Training
- Investment of money borrowed in advance of need

2.04 On 1st March 2012 the Council approved the Treasury Management Policy and Strategy Statement for 2012/13, following the recommendation of the Cabinet and consideration by Audit Committee.

2.05 The Council's treasury management advisors have changed to Arlingclose Ltd, as detailed in paragraph 3.06.

3.00 CONSIDERATIONS

2013/14 and onwards Treasury Management Documentation

3.01 In previous years members have been asked to approve a combined Treasury Management Policy and Strategy Statement which included the Policy Statement, the annual Strategy and as an appendix, detailed Treasury Management Practices and accompanying Schedules.

3.02 Following discussions with Arlingclose, the Council's Treasury Management advisors, the conclusion was drawn that it would be clearer if separate treasury management documents were provided.

- 3.03 Attached in Appendix 1 for review and discussion is the Treasury Management Policy Statement to cover the 3 year period from 2013/14 to 2015/16. Once approved, this document will only be reported to members during its lifetime in the event of any significant changes. The content of the Policy Statement remains unchanged from its approval in 2012/13; defining the Council's treasury management activities, setting out the Council's criteria to measure the effectiveness of treasury management activities and includes the Council's high level policies for borrowing and investments.
- 3.04 The Treasury Management Practices (TMPs) and accompanying schedules to cover the 3 year period from 2013/14 to 2015/16 are attached in Appendix 2 and Appendix 3 for review and discussion. Again, once approved, this document will only be reported to members during its lifetime in the event of any significant changes.

The TMPs and schedules state how treasury management policies and objectives will be achieved and give specific details of the systems and routines employed and the records to be maintained including:-

- TMP 1 Risk Management
- TMP 2 Performance measurement
- TMP 3 Decision-making
- TMP 4 Approved instruments, methods and techniques
- TMP 5 Organisation, clarity and segregation of responsibilities and dealing Arrangements
- TMP 6 Reporting requirements and management information arrangements
- TMP 7 Budgeting, accounting and audit arrangements
- TMP 8 Cash and cash flow management
- TMP 9 Money laundering
- TMP 10 Training and qualifications
- TMP 11 Use of external service providers
- TMP 12 Corporate Governance

The contents of the practices and schedules have been changed to reflect the transfer of responsibility of the treasury management function from the Funds section to the Strategy and Technical section of Corporate Finance following the Finance Function Review.

Treasury Management Strategy 2013/14

- 3.05 The 2013/14 Treasury Management Strategy is attached in Appendix 4 for review and discussion. The Strategy will be updated and reported annually to members in accordance with the CIPFA Code of Practice and the Welsh Government guidance.

The Treasury Management Strategy details the approach the Council will take for investing and borrowing over the next year, including the budgetary implications of the planned investment and borrowing strategy and a number of treasury management indicators that the CIPFA Code requires.

The contents of the 2013/14 Strategy has not materially changed from that of the 2012/13 Strategy. Following the transfer of the treasury management function as described in paragraph 3.03 above and discussions with Arlingclose, the Council's Treasury Management advisors, the layout of the Strategy has been amended to make plans clearer and easier to follow.

The few minor changes that have been made to the 2013/14 Treasury Management Strategy and the rationale behind the changes made are listed below:-

- In defining 'high credit quality' investments the Council will only use Long Term credit ratings and will no longer use Short Term ratings to simplify and strengthen the Council's counterparty list.
- Time limits on investments have been introduced to differentiate between the grades awarded by the credit rating bodies. For example, previously there was no distinction made between an investment made with a counterparty rated as the highest credit quality AAA, and high credit quality A. The Strategy now reflects the lower credit risk associated with counterparties awarded higher credit quality by placing a higher time limit on investments with those counterparties. An investment could be made for up to 4 years for a counterparty rated as AA / Aa2, but only up to 1 year for a counterparty rated as A / A2.
- Following discussion with Arlingclose, the Council's Treasury Management advisors, investments rated as A-/A3 will be defined as high credit quality. This is a reduction from the A/A2 current position, which does introduce a higher level of credit risk; however this has been mitigated by placing a time limit of 6 months on such investments and is considered to be a measured risk that will introduce more counterparties to spread the risk.

3.06 A training session open to all Members on treasury management will be run by Arlingclose, the Council's treasury management advisors on the morning of the 29th January. Further explanation of the content of the Policy Statement, Practices and Strategy will be covered in this training session.

Treasury Management 2012/13 Update

3.07 A statement setting out the Council's investments as at 31st December 2012 is attached as Appendix 5. Members are requested to note the following:

- The investment balance was £66.4m across 22 counterparties.
- Our self-imposed low risk strategy of investing for a maximum of 3 months with banks and building societies, with consideration given to suitable longer term investments as appropriate, continued.
- Given sustained improvements in monitored credit risk, with credit ratings being more stable and some banks' profitability improving, steps banks have taken towards strengthening their balance sheets, and central bank intervention both in the UK and the Eurozone increasing liquidity the risk of a bank that the council deals with defaulting has reduced and consideration was given to relaxing the self imposed rule of investing for a maximum of 3 months with banks and building societies. Discussions took place with Arlingclose, the Council's treasury management advisors. All though the economic outlook is somewhat mixed, with significant risks still being posed by the US public finance 'fiscal cliff' and a sustainable solution to the Eurozone crisis being somewhat off, as can be see from the economic context in Appendix 4 – 2013/14 Treasury Management Strategy, the decision has been made that the time is right to invest with banks and building societies for longer.
- One long-term investment was made - £3 million with Bank of Scotland at an interest rate of 1.6%, maturing on 5th December 2013.

- The Council's treasury management advisor, Sterling Consultancy Services was acquired by Arlingclose Limited in October 2012. The terms of the contract remain unchanged and Arlingclose continues to provide advice and information on the Council's investments and borrowing activities.
- Arlingclose revised their base interest rate forecast from that included in the 2012/13 Strategy, with the rate now remaining at 0.50% until at least the end of 2015. The financial implications of this change of rate will be reported in the Central Loans and Investment Account in the revenue budget monitoring report.
- A £1.5 million PWLB loan matured on 22nd November 2012, and due consideration was given to either repay or refinance the loan with new borrowing. Given the Council's high level of cash balances, the current cost of debt being higher than returns on investments the prudent decision was made, following discussion with the Arlingclose, to reduce interest risk and credit risk and repay the loan.
- The transfer of responsibility for the treasury management function from the Funds section to Strategy and Technical team in Corporate Finance continues, and is expected to be completed by the end of the 2012/13 financial year.

Landsbanki

- 3.08 Previous reports to the Audit Committee have updated members with the latest position regarding the reimbursement of our investments with Landsbanki and an estimate of associated legal costs.
- 3.09 A further £217k was received from Landsbanki on 9th October 2012. The total received to date is now £1.76 million. The total outstanding is £1.94 million, approximately 52.4%. In March 2012, the Winding up Board announced that recoveries in the Landsbanki administration would now likely be 100% of deposits, subject to potential future exchange rate fluctuations, although this is only a forecast and not guaranteed. The pattern of future distributions is not yet known.
- 3.10 The Local Government Association have recently written to advise that Flintshire's share of the associated legal costs between 18th December 2011 and 17th December 2012 is £2,607. A budget of £3,700 has been set to cover our anticipated legal fees for 2012/13 within the Central Loans and Investment Account.

4.00 RECOMMENDATIONS

- 4.01 That members review the draft Treasury Management Strategy 2013/14 and identify any matters to be drawn to the attention of Cabinet on 19/02/2013.
- 4.02 That members review the draft Treasury Management Policy Statement 2013-2016 and identify any matters to be drawn to the attention of Cabinet on 19/02/2013.
- 4.03 That members review the draft Treasury Management Practices 2013-2016 and identify any matters to be drawn to the attention of Cabinet on 19/02/2013.
- 4.04 That members note the Treasury Management 2012/13 quarterly update.

5.00 FINANCIAL IMPLICATIONS

5.01 As set out in the 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 Arlingclose Limited.

11.00 CONSULTATION UNDERTAKEN

11.01 Arlingclose Limited.

12.00 APPENDICES

- 12.01 Appendix 1 – Draft Treasury Management Policy Statement 2013 – 2016
Appendix 2 – Draft Treasury Management Practices 2013 - 2016
Appendix 3 – Draft Treasury Management Practices Schedules 2013 - 16
Appendix 4 – Draft Treasury Management Strategy 2013/14
Appendix 5 – Investments as at 31/12/2012

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers: Treasury Management Policy Statement 2013 – 2016
Treasury Management Practices 2013 - 2016
Treasury Management Strategy 2013/14

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FLINTSHIRE COUNTY COUNCIL

DRAFT
**TREASURY MANAGEMENT
POLICY STATEMENT**

2013 - 2016

1.0 TREASURY MANAGEMENT POLICY STATEMENT

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

- 1.1 "The management of the authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks".
- 1.2 The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the Council, and any financial instruments entered into to manage these risks.
- 1.3 The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.
- 1.4 The Council greatly values revenue budget stability and will therefore borrow the majority of its long-term funding needs at long-term fixed rates of interest. Short-term and variable rate loans will only be borrowed to the extent that they either offset short-term and variable rate investments or can be shown to produce revenue savings.
- 1.5 The Council will set an affordable borrowing limit each year in compliance with the *Local Government Act 2003*, and will have regard to the *CIPFA Prudential Code for Capital Finance in Local Authorities* when setting that limit. It will also set limits on its exposure to changes to interest rates and limits on the maturity structure of its borrowing in the treasury management strategy report each year.
- 1.6 The Council's primary objectives for the investment of its surplus funds are to protect the principal sums invested from loss, and to ensure adequate liquidity so that funds are available for expenditure when needed. The generation of investment income to support the provision of local authority services is an important, but secondary, objective.
- 1.7 The Council will have regard to Welsh Government Guidance on Local Government Investments and will approve an investment strategy each year as part of the treasury management strategy. The strategy will set criteria to determine suitable organisations in which cash may be invested, limits on the maximum duration of such investments and limits on the amount of cash that may be invested with any one organisation.
- 1.8 The Council has adopted the 2011 edition of the Chartered Institute of Public

Finance and Accountancy's Treasury Management in Public Services: Code of Practice and has included the Code's required clauses in its Financial Procedure Rules.

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**TREASURY MANAGEMENT
PRACTICES**

Part 1: Main Principles

2013 - 2016

Flintshire County Council

TREASURY MANAGEMENT PRACTICES

Treasury Management Practices (TMPs) set out the manner in which this organisation will seek to achieve its treasury management policies and objectives and how it will manage and control those activities.

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TMP1 TREASURY RISK MANAGEMENT

The Head of Finance will design, implement and monitor all arrangements for the identification, management and control of treasury management risk, will report at least annually on the adequacy/suitability thereof, and will report, as a matter of urgency, the circumstances of any actual or likely difficulty in achieving the Council's objectives in this respect, all in accordance with the procedures set out in TMP6 Reporting requirements and management information arrangements.

In respect of each of the following risks, the arrangements which seek to ensure compliance with these objectives are set out in the schedule to this document.

[1] Credit and counterparty risk management

The Council regards a key objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that its counterparty lists and limits reflect a prudent attitude towards organisations with whom funds may be deposited, and will limit its investment activities to the instruments, methods and techniques referred to in TMP4 Approved Instruments, methods and techniques and listed in the schedule to this document. It also recognises the need to have, and will therefore maintain, a formal counterparty policy in respect of those organisations from which it may borrow, or with whom it may enter into other financing or derivative arrangements.

[2] Liquidity risk management

The Council will ensure it has adequate though not excessive cash resources, borrowing arrangements, overdraft or standby facilities to enable it at all times to have the level of funds available to it which are necessary for the achievement of its business/service objectives.

The Council will only borrow in advance of need where there is a clear business case for doing so and will only do so for the current capital programme or to finance future debt maturities.

[3] Interest rate risk management

The Council will manage its exposure to fluctuations in interest rates with a view to containing its interest costs, or securing its interest revenues, in accordance with the amounts provided in its budgetary arrangements as amended in accordance with TMP6 Reporting requirement and management information arrangements.

It will achieve this by the prudent use of its approved instruments, methods and techniques, primarily to create stability and certainty of costs and revenues, but at the same time retaining a sufficient degree of flexibility to take advantage of unexpected, potentially advantageous changes in the level or structure of interest rates. This should be subject at all times to the consideration and, if required, approval of any policy or budgetary implications.

Treasury Management Practices 2013/14

It will ensure that any hedging tools such as derivatives are only used for the management of risk and the prudent management of financial affairs and that the policy for the use of derivatives is clearly detailed in the annual strategy.

[4] Exchange rate risk management

The Council will manage its exposure to fluctuations in exchange rates so as to minimise any detrimental impact on its budgeted income/expenditure levels.

[5] Refinancing risk management

The Council will ensure that its borrowing, private financing and partnership arrangements are negotiated, structured and documented, and the maturity profile of the monies so raised are managed, with a view to obtaining offer terms for renewal or refinancing, if required, which are competitive and as favourable to the organisation as can reasonably be achieved in the light of market conditions prevailing at the time.

It will actively manage its relationships with its counterparties in these transactions in such a manner as to secure this objective, and will avoid over-reliance on any one source of funding if this might jeopardise achievement of the above.

[6] Legal and regulatory risk management

The Council will ensure that all of its treasury management activities comply with its statutory powers and regulatory requirements. It will demonstrate such compliance, if required to do so, to all parties with whom it deals in such activities. In framing its credit and counterparty policy under TMP1.1 credit and counterparty risk management, it will ensure that there is evidence of counterparties' powers, authority and compliance in respect of the transactions they may effect with the organisation, particularly with regard to duty of care and fees charged.

The Council recognises that future legislative or regulatory changes may impact on its treasury management activities and, so far as it is reasonably able to do so, will seek to minimise the risk of these impacting adversely on the organisation.

[7] Fraud, error and corruption, and contingency management

The Council will ensure that it has identified the circumstances which may expose it to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings. Accordingly, it will employ suitable systems and procedures, and will maintain effective contingency management arrangements, to these ends.

[8] Market risk management

The Council will seek to ensure that its stated treasury management policies and objectives will not be compromised by adverse market fluctuations in the value of the principal sums it invests, and will accordingly seek to protect itself from the effects of such fluctuations.

TMP2 PERFORMANCE MEASUREMENT

The Council is committed to the pursuit of value for money in its treasury management activities, and to the use of performance methodology in support of that aim, within the framework set out in its Treasury Management Policy Statement.

Accordingly, the treasury management function will be the subject of ongoing analysis of the value it adds in support of the Council's stated business or service objectives. It will be the subject of regular examination of alternative methods of service delivery, of the availability of fiscal or other grant or subsidy incentives, and of the scope for other potential improvements. The performance of the treasury management function will be measured using the criteria set out in the schedule to this document.

TMP3 DECISION-MAKING AND ANALYSIS

The Council will maintain full records of its treasury management decisions, and of the processes and practices applied in reaching those decisions, both for the purposes of learning from the past, and for demonstrating that reasonable steps were taken to ensure that all issues relevant to those decisions were taken into account at the time. The issues to be addressed and processes and practices to be pursued in reaching decisions are detailed in the schedule to this document.

TMP4 APPROVED INSTRUMENTS, METHODS AND TECHNIQUES

The Council will undertake its treasury management activities by employing only those instruments, methods and techniques detailed in the schedule to this document, and within the limits and parameters defined in TMP1, Risk management.

Where the Council intends to use derivative instruments for the management of risks, these will be limited to those set out in its annual treasury strategy. The Council will seek proper advice and will consider that advice when entering into arrangements to use such products to ensure that it fully understands those products.

TMP5 ORGANISATION, CLARITY AND SEGREGATION OF RESPONSIBILITIES, AND DEALING ARRANGEMENTS

The Council considers it essential, for the purposes of the effective control and monitoring of its treasury management activities, and for the reduction of the risk of fraud or error, and for the pursuit of optimum performance, that these activities are structured and managed in a fully integrated manner, and that there is at all times a clarity of treasury management responsibilities.

The principle on which this will be based is a clear distinction between those charged with setting treasury management policies and those charged with implementing and controlling these policies, particularly with regard to the execution and transmission

Treasury Management Practices 2013/14

of funds, the recording and administering of treasury management decisions, and the audit and review of the treasury management function.

If and when the Council intends, as a result of lack of resources or other circumstances, to depart from these principles, the Head of Finance will ensure that the reasons are properly reported in accordance with TMP6 Reporting requirements and management information arrangements, and the implications properly considered and evaluated.

The Head of Finance will ensure that there are clear written statements of the responsibilities for each post engaged in treasury management, and the arrangement for absence cover. The Head of Finance will also ensure that at all times those engaged in treasury management will follow the policies and procedures set out. The present arrangements are detailed in the schedule to this document.

The Head of Finance will ensure there is proper documentation for all deals and transactions, and that procedures exist for the effective transmission of funds. The present arrangements are detailed in the schedule to this document.

The delegations to the Head of Finance in respect of treasury management are set out in the schedule to this document. The Head of Finance will fulfil all such responsibilities in accordance with the Council's policy statement and TMPs and, if a CIPFA member, the Standard of Professional Practice on treasury management.

TMP6 REPORTING REQUIREMENTS AND MANAGEMENT INFORMATION ARRANGEMENTS

The Council will ensure that regular reports are prepared and considered on the implementation of its treasury management policies; on the effects of decisions taken and the transactions executed in pursuit of those policies; on the implications of changes, particularly budgetary, resulting from regulatory, economic, market or other factors affecting its treasury management activities; and on the performance of the treasury management function.

As a minimum:

The County Council will receive:

- An annual report on the strategy and plan to be pursued in the coming year
- A mid-year review
- An annual report on the performance of the treasury management function, on the effects of the decisions taken and the transactions executed in the past year, and on any circumstances of non-compliance with the organisation's Treasury Management Policy Statement and TMPs.

In addition to the above, the Audit Committee will receive regular monitoring reports on treasury management activities and risks. Audit Committee will also have responsibility for the scrutiny of treasury management policies and practices.

Treasury Management Practices 2013/14

Treasury Management Indicators will be reported in the Strategy. The present arrangements and the form of these reports are detailed in the schedule to this document.

TMP7 BUDGETING, ACCOUNTING AND AUDIT ARRANGEMENTS

The Head of Finance will prepare, and this organisation will approve and, if necessary, from time to time amend, an annual budget for treasury management, which will bring together all of the costs involved in running the treasury management function, together with associated income. The matters to be included in the budget will at minimum be those required by statute or regulation, together with such information as will demonstrate compliance with TMP1 Risk management, TMP2 Performance Measurement, and TMP4 Approved instruments, methods and techniques. The Head of Finance will exercise effective controls over this budget, and will report upon and recommend any changes required in accordance with TMP6 Reporting requirements and management information arrangements.

The Council will account for its treasury management activities, for decisions made and transactions executed, in accordance with appropriate accounting practices and standards, and with statutory and regulatory requirements in force for the time being.

TMP8 CASH AND CASH FLOW MANAGEMENT

Unless statutory or regulatory requirements demand otherwise, all monies in the hands of this organisation will be under the control of the Head of Finance, and will be aggregated for cash flow and investment management purposes. Cash flow projections will be prepared on a regular and timely basis, and the Head of Finance will ensure that these are adequate for the purposes of monitoring compliance with TMP1 [1] liquidity risk management. The present arrangements for preparing cash flow projections, and their form, are set out in the schedule to this document.

TMP9 MONEY LAUNDERING

The Council is alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money. Accordingly, it will maintain procedures for verifying and recording the identity of counterparties and reporting suspicions, and will ensure that staff involved in this are properly trained. The present arrangements, including the name of the officer to whom reports should be made, are detailed in the schedule to this document.

TMP10 STAFF TRAINING AND QUALIFICATIONS

The Council recognises the importance of ensuring that all staff involved in the treasury management function are fully equipped to undertake the duties and responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills. The

Treasury Management Practices 2013/14

Head of Finance will recommend and implement the necessary arrangements. The Head of Finance will ensure that committee/council members tasked with treasury management responsibilities, including those responsible for scrutiny, have access to training relevant to their needs and those responsibilities.

Those charged with governance recognise their individual responsibility to ensure that they have the necessary skills to complete their role effectively.

The present arrangements are detailed in the schedule to this document.

TMP11 USE OF EXTERNAL SERVICE PROVIDERS

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times. It recognises that there may be potential value in employing external providers of treasury management services, in order to acquire access to specialist skills and resources. When it employs such service providers, it will ensure it does so for reasons which have been submitted to a full evaluation of the costs and benefits. It will also ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review. And it will ensure, where feasible and necessary, that a spread of service providers is used, to avoid over reliance on one or a small number of companies. Where services are subject to formal tender or re-tender arrangements, legislative requirements will always be observed. The monitoring of such arrangements rests with the Head of Finance, and details of the current arrangements are set out in the schedule to this document.

TMP12 CORPORATE GOVERNANCE

The Council is committed to the pursuit of proper corporate governance throughout its businesses and services, and to establishing the principles and practices by which this can be achieved. Accordingly, the treasury management function and its activities will be undertaken with openness and transparency, honesty, integrity and accountability.

The Council has adopted and has implemented the key principles of the Code. This, together with the other arrangements detailed in the schedule to this document, are considered vital to the achievement of proper corporate governance in treasury management, and the Head of Finance will monitor and, if and when necessary, report upon the effectiveness of these arrangements.

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**TREASURY MANAGEMENT
PRACTICES**

Part 2: Schedules

2013 - 2016

Flintshire County Council

Treasury Management Practice Schedules 2013/14

TREASURY MANAGEMENT PRACTICES - SCHEDULES

This section contains the schedules which set out the details of how the Treasury Management Practices (TMPs) are put into effect by this organisation.

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Treasury Management Practice Schedules 2013/14

TMP1 RISK MANAGEMENT

1 Credit & Counterparty Policies

1. Criteria to be used for creating/managing approved counterparty lists/limits -
 - The Head of Finance will formulate suitable criteria for assessing and monitoring the credit risk of investment counterparties and shall construct a lending list comprising time, type, sector and specific counterparty limits.
 - Treasury Management staff will add or delete counterparties to/from the approved counterparty list in line with the policy on criteria for selection of counterparties. The complete list is available in the Strategy & Technical Section. It should be noted that not all of these counterparties will be used. This depends on whether they are in the market at the time of investment and whether they are offering competitive rates.
 - The Council will use credit criteria in order to select creditworthy counterparties for placing investments.
 - Credit ratings will be used as supplied from Fitch, Moody's and Standard & Poors credit rating agencies.
 - The minimum level of credit rating for an approved counterparty will be as follows: -

	<u>Cash Limit</u>	<u>Time Limit</u>	<u>Fitch</u>	<u>Moody's</u>	<u>S & P</u>
Banks, Building Societies and other organisations whose lowest published long-term credit rating from Fitch, Moody's and Standard & Poor's is:	£7m each, sum total of investments over 1 year will not exceed £20m	5 years	AAA	Aaa	AAA
		5 years	AA+	Aa1	AA+
		4 years	AA	Aa2	AA
		3 years	AA-	Aa3	AA-
		2 years	A+	A1	A+
		1 year	A	A2	A
	£5m	6 months	A-	A3	A-
The council's current account bank (NatWest Bank plc)	£5m	next day			
UK Building Societies with assets greater than £750m, which are either unrated by the credit rating agencies or have a minimum rating of BBB or equivalent and above	£5m each	3 months			
Money Market Funds ¹ and similar pooled vehicles whose lowest published credit rating is AAA	£7m each	1 year			
UK Central Government (irrespective of credit rating)	unlimited	5 years			
UK Local Authorities ²	£7m each	5 years			

¹ as defined in the Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003 ² as defined in the Local Government Act 2003

A definition of the ratings can be found in appendix A.

Treasury Management Practice Schedules 2013/14

- In addition, UK Building Societies without credit ratings or those which are lower rated will be considered to be of 'high credit quality', but subject to a lower cash limit (£5m) and shorter time period than higher rated building societies in the table above. The minimum asset size of the building society must be £750m. However, no investments will be made with building societies that hold a long term credit rating lower than BBB Fitch and Standard & Poors or Baa2 Moody's, due to the increased likelihood of default implied by this rating. Due to the strong regulatory framework to which building societies must adhere, the additional risk is minimised and widening the scope for investment will maximise the investment return available.
- The Council also has access to all UK local authorities, the Governments Debt Management Office (DMO) and AAA rated Money Market Funds (MMFs)
- The maximum period for investments will be 5 years.
- For rated banks and building societies, the maximum value for any one investment transaction will be £7 million or 25% of the total portfolio if balances fall below £30 million. For non-rated the limit will be £5 million or 10% of the total portfolio if balances fall below £30 million. The aim is to spread any risk over as many Counterparties as are available within the credit rating criteria.
- A group of financial institutions under the same ownership will be treated as a single organisation for limit purposes with a maximum limit of £7m.
- The maximum percentage of the portfolio which may be invested in the building society sector will be 60%.
- The approved counterparty list may include non UK registered counterparties from foreign countries with a minimum sovereign rating of AA+. The individual overseas country limit will be £10 million. Total Overseas % of investment portfolio will be 25% (Overseas banks do not include UK incorporated banks e.g. Clydesdale. Although they are subsidiaries of foreign banks they are incorporated in the UK, have substantial domestic operations and are subject to full oversight by the FSA.)
- The sector limits are shown below –

UK banks	100%
Building Societies	60%
Overseas Banks	25%
Money Market Funds	100%
Debt Management Office (DMO)	100%

2. Approved methodology for changing limits and adding/removing counterparties

Credit ratings for individual counterparties can change at any time. The Head of Finance is responsible for applying the stated credit rating criteria in 1.1 for selecting approved counterparties, and will add or delete counterparties as appropriate to / from the approved counterparty list when there is a change in

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the credit ratings of individual counterparties or in banking structures e.g. on mergers or take-overs. The Head of Finance will also adjust lending limits and periods when there is a change in the credit ratings of individual counterparties or in banking structures e.g. on mergers or take-overs in accordance with the criteria in 1.1.

3. Details of Credit Rating Agencies' services or other services which provide current credit ratings and updates on changes.
 - Ratings from the three agencies are updated monthly by Arlingclose; however, they will provide immediate notification of any changes which affect Flintshire County Council counterparties. If a counterparty no longer meets the investment criteria, no further investments will be made with that counterparty and consideration will be given to recalling the monies. If a counterparty is being reviewed for a possible downgrade outside the criteria no more investments will be made.
 - Arlingclose will also inform the Head of Finance of any other market information that they have (e.g. Credit Default Swap prices, news reports and opinion, balance sheet analysis in the absence of credit ratings) which may require credit ratings to be overridden and no further investment to be made with that counterparty.

1.2 Liquidity

1. Amounts of approved minimum cash balances and short-term investments
 - The Council manages its cash balances on a daily basis, dependent upon cash flow demands. The objective is to achieve a balance of +/- £300,000 each day by means of temporary investments and borrowing. Temporary investments are cash flow driven with the objective of ensuring that future temporary borrowing is minimised.
2. Details of:
 - Standby facilities - Short-term borrowing undertaken.
 - Bank overdraft arrangements - authorised arrangement up to £300,000 overdrawn.
 - Short-term borrowing facilities - short term borrowing will be arranged for any overdrawn balance in excess of £200,000 through the money market if no call money is available.
 - Insurance/guarantee facilities - not required.
 - Other contingency arrangements - negotiations with the Council's bankers.
 - Call Accounts with limits of £7 million each (subject to ratings and sector limits).

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1.3 Interest Rate

1. Details of approved interest rate exposure limits -
 - The upper limit on fixed interest rate exposures is £200 million.
 - The upper limit on variable interest rate exposures is £40 million.
2. Trigger points and other guidelines for managing changes to interest rate levels –
 - This is monitored in conjunction with the Council's treasury advisers, Arlingclose and through the London money market on a daily basis.
 - The management of a balanced investment portfolio which retains a mix of long term investments (fixed rate) and shorter term (variable rate) investments which are variable to protect against interest risk.

1.4 Exchange Rate

Approved criteria for managing changes in exchange rate levels -

- The Council does not make payments or receive foreign currency in sufficient levels that warrant currency management e.g. hedging

1.5 Refinancing

1. Debt/other capital financing maturity profiling, policies and practices.
 - 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.
2. Projected capital investment requirements.
 - The borrowing requirement is determined as part of the Capital Programme.
3. Policy concerning limits on revenue consequences of capital financing.
 - This is part of the ongoing budget monitoring process

1.6 Legal & Regulatory

References to relevant statutes and regulations

- Prior to entering into any capital financing, lending or investment transaction, it is the responsibility of the Head of Finance to be satisfied, by reference to the Monitoring Officer, the Authority's legal department and external advisors as appropriate, that the proposed transaction does not breach statute, external regulations or the

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Authority's Financial Procedures.

- The Council's legal powers and regulatory requirements come from –
 - ❖ Local Government Act 2003
http://www.opsi.gov.uk/acts/acts2003/pdf/ukpga_20030026_en.pdf
 - ❖ Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003 (and subsequent amending regulations)
http://www.opsi.gov.uk/legislation/wales/wsi2003/wsi_20033239_en.pdf
 - ❖ Welsh Government "Guidance on Local Government Investments"
<http://wales.gov.uk/topics/localgovernment/publications/guideinvest/?jsessionid=mp3KKnDTyn91SG3PQvIFrpqnBVTnlXvyGH1pynJcCpJg5n9hL0tP!514291769?lang=en>
 - ❖ CIPFA "Treasury Management in the Public Services Code of Practice"
 - ❖ CIPFA "Prudential Code for Capital Finance in Local Authorities"

Hard copies are available in the Strategy & Technical Section.

1.7 Fraud, error and corruption, and contingency management

1. Details of systems and procedures to be followed, including internet services.
 - These are documented in the Treasury Management Operational Guidelines.
2. Emergency and contingency planning arrangements
 - This process is currently under review.
3. Fraud, Error & Corruption.
 - There is a system of internal control in place to prevent and identify fraud and error.
 - Any issue identified will be immediately reported to the Head of Finance and Head of Internal Audit and subsequently to Audit Committee and Council.

1.8 Market Value of Investments

Details of approved procedures and limits for controlling exposure to investments whose capital value may fluctuate (Government Issue Long Term Stock - GILTS, Certificates of Deposit - CDs, etc.)

- No current investments are held where capital values may be influenced by market movements and fluctuate.

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TMP 2 PERFORMANCE MEASUREMENT

2.1 Performance Measurement

1. The Council's Treasury Management Consultants recommended the following for use as benchmarks against which to compare performance. For investments, the most commonly used benchmark is the 3 month London Inter-Bank Bid (LIBID) rate.
2. In the annual Treasury Management Out-turn Report, investment and borrowing rates are analysed against the above recommended rates and with previous years.
3. Health checks are undertaken by the Council's Treasury Management Consultants.
4. The Council is a member of CIPFA's benchmarking club on Treasury Management

2.2 Value for Money

Frequency for reviewing and tendering for the following services:

- Banking services - tendered every 5 years.
- Money-broking services - annual review.
- Treasury Consultant services – tendered every 3 years.
- External Cash Managers - none currently employed but this will be analysed as part of a continuous review.

2.3 Methods to be employed for measuring the performance of the organisation's Treasury Management activities

1. The Head of Finance will receive a monthly update on Treasury Management from the Finance Manager (Strategy & Technical).
2. The performance of treasury management will be reported quarterly to the Audit Committee and then to Cabinet and Council in the Mid-year Report and Annual Out-turn Report using the performance measures outlined in 2.1.

2.4 Benchmarks and calculation methodology:

1. Debt management:
 - Average rate on all external debt.
 - Average rate on external debt borrowed in previous financial year.
 - Average rate on internal borrowing.
 - Average period to maturity of external debt.
 - Average period to maturity of new loans in previous year.

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2. Investment:

The performance of investment earnings will be measured against the following benchmarks: -

- 3 month LIBID rate.
- Indicative rates provided by the CIPFA Benchmarking Club on Treasury Management.

TMP 3 DECISION-MAKING AND ANALYSIS

3.1 Funding, borrowing, lending and new instruments/techniques:

1. Records to be kept:

- These are documented in the Treasury Management Operational Guidelines. All records are kept to provide a full audit trail for all Treasury decisions.

2. Processes to be pursued:

- All reports on Treasury Management issues are submitted to the Head of Finance for decision making

3. Issues to be addressed:

- In respect of every decision made the Council will:
 - a. Above all be clear about the nature and extent of the risks to which the Council may become exposed
 - b. Be certain about the legality of the decision reached and the nature of the transaction, and that all authorities to proceed have been obtained
 - c. Be content that the documentation is adequate both to deliver the Council's objectives and protect the organisation's interests, and to deliver good housekeeping
 - d. Ensure that third parties are judged satisfactory in the context of the Council's creditworthiness policies, and that limits have not been exceeded
 - e. Be content that the terms of any transactions have been fully checked against the market, and have been found to be competitive.
- In respect of borrowing and other funding decisions, the Council will:
 - a. Evaluate the economic and market factors that might influence the manner and timing of any decision to fund.
 - b. Consider the merits and demerits of alternative forms of funding, including funding from revenue, leasing and private partnerships.

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- c. Consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use.
 - d. Consider the ongoing revenue liabilities created, and the implications for the organisation's future plans and budgets.
- In respect of investment decisions, the organisation will:
 - a. Consider the optimum period, in the light of cash flow availability and prevailing market conditions.
 - b. Consider the alternative investment products and techniques available, especially the implications of using any which may expose the organisation to changes in the value of its capital.
4. Considerations to be made before each temporary borrowing and investment decision.
 - Borrowing
 - a. Are funds available in call accounts?
 - b. Arrange temporary borrowing through a broker for the shortest period of time at the lowest rate of interest available.
 - Investing
 - a. Establish funds available to be invested
 - b. Establish a maturity date using cash flow and Arlingclose's monthly investment strategy
 - c. Using the Ratings spreadsheet –
Check the limit for building societies (60% of portfolio)
Headroom available with each counterparty
 - d. Check the credit ratings and other market information available for the chosen counterparty.
 - e. Use a broker to find the highest rate of interest for the requirements above
 - f. If after the above, funds still cannot be placed and call accounts are full, then invest with DMO.

TMP 4 APPROVED INSTRUMENTS, METHODS AND TECHNIQUES

4.1 Approved activities of the Treasury Management operation

All borrowing is undertaken in accordance with the Local Government Act 2003 section 1 and all investments undertaken in accordance with section 12.

The approved activities are:

- borrowing;
- lending;

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- debt repayment and rescheduling;
- consideration, approval and use of new financial instruments and treasury management techniques;
- managing the underlying risk associated with the Council's capital financing and surplus funds activities;
- managing cash flow;
- banking activities;
- leasing.

4.2 Approved Instruments for Borrowing

All borrowings are undertaken in line with the following approved loan instruments -

- Public Works Loan Board (PWLB)
- European Investment Bank (EIB)
- Local Authorities
- Banks
- Building Societies
- Pension Funds
- Negotiable Bonds
- Stock Issues
- Internal sources
- Sterling commercial paper (for 7 days to 1 year)
- Sterling medium term notes (for 1 to 5 years)

4.3 Approved Instruments for Investments

The annual Treasury Management Strategy provides details of specified and non-specified investments and the maximum limits for each, as is required under Guidance issued by the Welsh Government. The approved investment instruments are -

- Fixed Term Deposits
- Certificates of Deposit
- Bank Accounts (Instant Access & Notice Accounts)
- Pooled Investment Vehicles (Such as Money Market Funds)
- U.K. Treasury Bills
- U.K. Government Bonds (Gilts)

4.4 Approved Techniques

- Forward dealing up to 364 days;
- Callable deposits.

4.5 Approved methods and sources of raising capital finance

Finance will only be raised in accordance with the Prudential Code for Capital

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Finance, and within this limit the Council has a number of approved methods and sources of raising capital finance. These are:

On Balance Sheet

Public Works Loan Board (PWLB)
European Investment Bank (EIB)
Local Authorities
Banks
Building Societies
Pension Funds
Stock issues
Negotiable Bonds
Internal sources (capital receipts & revenue balances)
Sterling commercial paper
Sterling medium term notes
Finance Leases

Off Balance Sheet

Deferred Purchase

Other Methods of Financing

Government and EC Capital Grants
Lottery monies
Private Finance Initiative (PFI)

All forms of funding will be considered dependent on the prevailing economic climate, regulations and local considerations. The Head of Finance has delegated powers through this Policy and the Strategy to take the most appropriate form of borrowing from approved sources.

TMP5 ORGANISATION, CLARITY AND SEGREGATION OF RESPONSIBILITIES, AND DEALING ARRANGEMENTS

5.1 Limits to Responsibilities/Discretion at Committee/Cabinet levels

1. County Council

The Council is responsible for:-

- Receiving and reviewing reports on treasury management policies, practices and activities.
- Approval of annual policy and strategy.
- Approval of/amendments to the organisation's adopted clauses, treasury management policy and strategy.
- Budget consideration and approval.
- Approval of the division of responsibilities.

2. Cabinet

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The Cabinet is responsible for:

- Receiving reports from the Head of Finance informed by the deliberations of the Audit Committee on the implementation and regular monitoring of its treasury management policy, strategy and practices.
- Consideration of Treasury Policy and Strategy for approval by Council.

3. Audit Committee

The Audit Committee is responsible for –

- Reviewing the treasury management policy and practices and making recommendations to Cabinet.
- Receiving and reviewing regular monitoring reports.

5.2 Principles and practices concerning segregation of duties

Procedure	Regular	Trained in Absence
Cash Balances	Accounting Technician	Accounting Technician
Dealing and Limit Calculations	Accounting Technician	Accountancy Technician
Logotech	Accounting Technician	Accounting Technician
Dealing Check	Accounting Technician	Accounting Technician /Finance Assistant
Dealing Authorisation	5 Authorised Bank Signatories (Head of Finance, Corporate Finance Manager, 3 Finance Managers)	
Funds Transfer Operators	Finance Assistant	Finance Assistant
Funds Transfer Approval	Accountants	
Bankline System Administrators	Administration Manager	Business Support Officer

5.3 Statement of duties/responsibilities of each Treasury post

1. Head of Finance / Corporate Finance Manager –

- Recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance.
- Submitting regular treasury management policy and strategy reports.
- Submitting budgets and budget variations.

- Receiving and reviewing management information reports.
- Reviewing the performance of the treasury management.
- Ensuring the adequacy of treasury management resources and skills

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and the effective division of responsibilities within the treasury management function.

- Ensuring the adequacy of internal audit and liaising with external audit.
- Approving the selection of external service providers (within the Council's Contract Procedure Rules) and agreeing terms of appointment.

2. Finance Manager (Strategy & Technical)

- To deputise for the Head of Finance.
- To advise the Head of Finance in the discharge of his/her duties.
- Regularly review the Treasury Management function.
- Submitting management information reports to the Head of Finance.
- Drafting reports for Audit Committee, Cabinet and Council.
- Review a monthly report from the Technical Accountant on the performance of the Treasury Management function.

3. Technical Accountant

- Supervise treasury management staff.
- Review the draft report on the performance of the Treasury Management function.
- Identify and recommend opportunities for improved practices.
- Ensure that the day to day activities accord with the Treasury Management Policy Statement and Practices.

4. Accounting Technician

- Execution of transactions.
- Adhere to agreed policies and practices on a day-to-day basis.
- Maintain relationships with counterparties and external service providers.
- Draft reports for Audit Committee, Cabinet and Council.
- Produce cash flow projections and monitor performance.
- Report on the performance of the treasury management function.

5. Other Officers

- To deputise as necessary for the above posts, adhering to their duties and responsibilities.

5.4 Dealing Limits

As outlined in 1 - Credit and Counterparty Policies

5.5 List of Approved Brokers

Five approved brokers are currently used by the Council (see 11.2).

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- Garban Intercapital Limited
- Martin Brokers (UK) Plc
- Prebon Marshall Yamane (UK) Limited
- Tradition (UK) Ltd
- Sterling International Brokers Ltd

5.6 Policy on Brokers' Services

Reviewed annually.

5.7 Policy on taping conversations

No conversations are currently taped

5.8 Direct Dealing Practices

This is undertaken as and when required to maximise investment return

5.9 Settlement transmission procedures

Standard Settlement Instructions

5.10 Documentation Requirements

- Flintshire CC Treasury Management Policy Statement.
- Flintshire CC Treasury Management Annual Strategy.
- Flintshire CC Treasury Management Annual Outturn Report.
- Treasury Management Health checks.
- Loans and Treasury Management System Manual (LOGOTECH).
- Manual Diary and Cash Flow Statement (LOGOTECH).
- Money Market Dealing Form.
- Loans Outstanding Form / Limit Calculations.
- List of Brokers and Telephone Numbers.
- Approved Counterparties (Regular update from Arlingclose).
- Outstanding and Matured Investments/Borrowing File.
- Previous TM Consultants Correspondence Files.
- Arlingclose Consultancy Services Correspondence File (TM Consultants).
- Treasury Management Operational Guidelines.
- Treasury Management (Long Term Borrowing) Operational Guidelines.

5.11 Arrangements concerning the management of third-party funds.

Third party funds are included in the net daily bank balance and the funds are utilised by the Council on that basis. Interest is paid as follows -

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

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- Education Delegated Fund – average seven day rate, annually.

TMP 6 REPORTING REQUIREMENTS AND MANAGEMENT INFORMATION ARRANGEMENTS

6.1 Annual Treasury Management Strategy Statement

1. The Treasury Management Strategy sets out the specific expected treasury activities for the forthcoming financial year. This Strategy will be scrutinised by Audit Committee, submitted to the Cabinet and then to the County Council Committee for approval before the commencement of each financial year.
2. The formulation of the annual Treasury Management Strategy involves determining the appropriate borrowing and investment decisions in the light of the anticipated movement in both fixed and shorter-term variable interest rates. For instance, this organisation may decide to postpone borrowing if fixed interest rates are expected to fall, or borrow early if fixed interest rates are expected to rise.
3. The Treasury Management Strategy is concerned with the following elements:
 - the prospects for interest rates;
 - the limits placed by this organisation on treasury activities
 - the expected borrowing strategy;
 - the expected investment strategy;
 - the expectations for debt rescheduling;
 - any extraordinary treasury issue.
 - Treasury Management Indicators.
4. The Treasury Management Strategy will establish the expected move in interest rates (using all available information such as published interest rate forecasts where applicable).

6.2 Prudential Code for Capital Finance

1. In accordance with legislation, the Council is required to approve key indicators and limits for the Prudential Code for Capital Finance. These are listed below and reported in the Prudential Indicators Report.
 - Estimates of Capital Expenditure
 - Ratio of financing costs to net revenue stream
 - Incremental impact of capital investment decisions on council tax/housing rents
 - Capital financing requirement
 - Authorised limit for external debt
 - Operational Boundary for external debt

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The following are within the Treasury Management Code.

- Upper limit on fixed interest rate exposures
 - Upper limit on variable interest rate exposures
 - Upper and lower limits for maturity structure of borrowing
 - Limit for principal sums invested for periods longer than 364 days
2. The Head of Finance is responsible for incorporating the relevant limits for the Treasury Management Code into the Annual Treasury Management Strategy, and for ensuring compliance with the limits. Should it prove necessary to amend these limits, the Head of Finance shall submit the changes for scrutiny by the Audit Committee and recommendation by the Cabinet before submission to County Council for approval.

6.3 Annual Investment Strategy

The Welsh Government requires the documentation of an Annual Investment Strategy including the following:

- Specified Investments – Investments offering high security and liquidity
- Non-specified Investments – Investments with greater potential risk
- Investments which can be prudently committed for longer than 1 year.
- Credit Risk Assessment.
- Use of Investment Consultants.
- Investment Training.
- Investment money borrowed in advance of need.

6.4 Annual Report on Treasury Management Activity

An annual report will be presented to the Audit Committee, Cabinet and then the County Council at the earliest practicable meeting after the end of the financial year, but in any case by the end of September. This report will include the following: -

- a comprehensive picture for the financial year of all treasury policies, plans, activities and results
- transactions executed and their revenue (current) effects
- report on risk implications of decisions taken and transactions executed
- monitoring of compliance with approved policy, practices and statutory / regulatory requirements
- monitoring of compliance with powers delegated to officers
- degree of compliance with the original strategy and explanation of deviations
- explanation of future impact of decisions taken on the organisation
- measurements of performance
- report on compliance with CIPFA Code recommendations

The report will be subject to review by the Audit Committee

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6.5 Mid-Year Review

A mid-year report will be presented to the Audit Committee, Cabinet and Council, which will include the following:

- activities undertaken
- variations (if any) from agreed policies/practices
- interim performance report
- regular monitoring
- monitoring of treasury management indicators for local authorities.

The report will be subject to review by the Audit Committee

6.6 Management Information Reports

The Technical Accountant will report management information to the Finance Manager (Strategy & Technical) monthly for review. The Finance Manager (Strategy & Technical) will report monthly to the Head of Finance/Corporate Finance Manager.

6.7 Presentation of Reports

As a minimum:

The County Council will receive:

- An annual report on the strategy and plan to be pursued in the coming year
- A mid-year review
- An annual report on the performance of the treasury management function, on the effects of the decisions taken and the transactions executed in the past year, and on any circumstances of non-compliance with the organisation's Treasury Management Policy Statement and TMPs.

In addition to the above, the Audit Committee and Cabinet will receive regular monitoring reports on treasury management activities and risks. Audit Committee will also have responsibility for the scrutiny of treasury management policies and practices.

Treasury Management Indicators will be reported in the strategy.

TMP 7 BUDGETING, ACCOUNTING AND AUDIT ARRANGEMENTS

7.1 Statutory/ Regulatory Requirements

The Treasury Management part of the statement of accounts has been prepared in accordance with the accounting policies applicable to local authorities.

7.2 Accounting Practices and Standards

The accounts are prepared in accordance with the CIPFA Treasury Management in the Public Sector Code of Practice, supported by guidance notes on the application of accounting standards.

7.3 Budget Monitoring

The budget for treasury management activities is monitored on a monthly basis through the Central Loans and Investment Account (CLIA).

TMP 8 CASH AND CASH FLOW MANAGEMENT

8.1 Arrangements for preparing/submitted cash flow statements

Annual cash flow prepared before the start of the financial year and updated throughout the year.

8.2 Content and frequency of cash flow budgets

All known cash flow factors are included for the coming financial year.

8.3 Listing of sources of information

Correspondence from external organisations and internal departments, together with various information extracted from the Annual Budget Book.

External –

- Welsh Government
- North Wales Police Authority
- North Wales Fire Authority

Internal –

- Payroll
- Pensions
- Council Tax
- Creditors

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8.4 Bank statement procedures

All bank statement information is obtained electronically from the NatWest Bankline website.

8.5 Procedures for banking of funds

All day to day treasury management transactions are paid and received by the Clearing House Automated Payments System (CHAPS).

8.6 Cash Flow Management

Arrangements as detailed in section 3.1.4

8.7 Debtors and Creditors

Debtors and Creditors are monitored so that any significant moves can be prepared for. Creditors provide warning of payments 2 days in advance.

TMP 9 MONEY LAUNDERING

9.1 Procedures for establishing identity/authenticity of Lenders

1. The Council does not accept loans from individuals. All loans are obtained from the PWLB or from authorised institutions on the FSA Register which is a public record of financial service firms, individuals and other bodies which fall under its regulatory jurisdiction as defined in the Financial Services & Markets Act 2000 (FSMA). This Act came into force on 1st December 2001.
2. Any borrowing undertaken from the money markets is through money brokers, who are also authorised and regulated by the Financial Services Authority. This adds a further layer of protection as the broker vets the institutions involved in any transactions.

TMP 10 STAFF TRAINING AND QUALIFICATIONS

10.1 Details of approved training courses

1. Reviewed as part of the annual Employee Appraisal process. Arlingclose also provide training on treasury issues to staff when required.
2. Flintshire County Council is a member of the CIPFA Treasury Management Network. Treasury officers receive weekly updates from the Network and attend seminars organised by the Network, as required.

10.2 Records of training received by Treasury staff

All training is recorded on a departmental database.

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10.3 Approved qualifications for Treasury staff

All treasury officers are qualified to AAT Technician level as a minimum.

10.4 Training of Members

Audit Committee Members will receive a quarterly Treasury Management report and training will be given as required. Other Members will be invited to attend training and receive treasury reports as outlined in these practices.

10.5 Statement of Professional Practice (SOPP)

1. Where the Head of Finance is a member of CIPFA, there is a professional need for the Head of Finance to be seen to be committed to professional responsibilities through both personal compliance and by ensuring that relevant staff are appropriately trained.
2. Other staff involved in treasury management activities who are members of CIPFA must also comply with the SOPP.

TMP 11 USE OF EXTERNAL SERVICE PROVIDERS

11.1 Details of contracts with Service Providers, including Bankers, Brokers, Consultants & Advisers

1. Banking services:

- National Westminster Bank Plc
- Contract commenced June 2008 to run for 5 years.
- Cost of core service - £35,000 p.a.
- Payments due on an ongoing basis throughout the year

2. Money-broking services:

The following money market brokers services are utilised for day to day transactions as and when required.

- Garban Intercapital plc
- Martin Brokers (UK) plc
- Prebon Marshall Yamane (UK) Limited
- Tradition UK Limited

3. Treasury Consultant services:

- Arlingclose Consultancy Services
- Contract commenced 1st May 2010 for 3 years with the option to extend for a further 2 years.
- Cost of service - £8,800 plus VAT per annum
- Payments due quarterly

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11.2 Procedures and frequency for tendering services

See TMP2 Performance Measurement section (2.2) for full details of services tendered. The process must comply with the Council's Contract Procedure rules.

TMP 12 CORPORATE GOVERNANCE

12.1 List of documents to be made available for public inspection

- 12.1.1 Treasury Management Policy Statement
- 12.1.2 Treasury Management Strategy
- 12.1.3 Treasury Management Practices
- 12.1.4 Treasury Management Mid Year Report
- 12.1.5 Treasury Management Annual Out-turn Report

APPENDIX A

Definition of Ratings

Fitch Long Term

- **AAA** -Highest credit quality. Rating denotes the lowest expectation of credit risk. They are assigned only in case of exceptionally strong capacity for payment of financial commitments. The capacity is highly unlikely to be adversely affected by foreseeable events.
- **AA** - Very high credit quality. Rating denotes expectations of very low credit risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
- **A** - High credit quality. Rating denotes expectation of low credit risk. The capacity for payment of financial commitments is considered strong. The capacity may, nevertheless, be more vulnerable to changes in circumstances or in economic conditions than is the case for higher ratings.
- **BBB** - Good quality rating. 'BBB' ratings indicate that there are currently expectations of low credit risk. The capacity for payment of financial commitments is considered adequate but adverse changes in circumstances and economic conditions are more likely to impair this capacity. This is the lowest investment grade category.

The modifiers "+" & "-" may be appended to any of the ratings above to denote a relative status within major categories.

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Moody's Long Term

- **Aaa** - Judged to be one of the highest quality, with minimal credit risk
- **Aa** - Judged to be of high quality and are subject to very low credit risk
- **A** - Considered upper-medium grade and are subject to low credit risk
- **Baa** - Offers adequate credit quality. However, certain protective elements may be lacking or may be characteristically unreliable over any great length of time.

Moody's appends numerical modifiers 1, 2 and 3 to each rating classification. 1 indicates that the obligation ranks in the higher end of its category, 2 mid-range and 3 a ranking in the lower end of that category.

Standard & Poors Long Term

- **AAA** - An obligor rated 'AAA' has the highest rating assigned by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.
- **AA** - An obligor rated 'AA' differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong.
- **A** - An obligor rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.
- **BBB** - An obligor rated 'BBB' has adequate capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitments.

Plus (+) or minus (-) The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories



FLINTSHIRE COUNTY COUNCIL

DRAFT
**TREASURY MANAGEMENT
STRATEGY**

2013/14

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Treasury Management Strategy Report 2013/14

The Council is recommended to:

- **approve the Treasury Management Strategy for 2013/14**
- **approve the Treasury Management Indicators for 2013/14**

1.0 Introduction

In April 2012 the Council adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year.

In addition, the Welsh Government (WG) issued revised guidance on local authority investments in March 2010 that requires the Council to approve an investment strategy before the start of each financial year.

This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the WG Guidance.

2.0 Economic Context – as provided by Arlingclose Ltd

Despite some stronger economic growth data towards the end of 2012, consumers are yet to loosen their purse strings and businesses are still reticent to make long-term investment decisions. The momentum in GDP growth is therefore unlikely to be sustained while uncertainty over the economic outlook persists. Consumer Price Inflation has picked up from the low of 2.2% in September to 2.7% in December and it is expected to be affected by volatility in energy and commodity prices throughout 2013.

The Bank of England's Monetary Policy Committee is monitoring current economic conditions after voting not to extend quantitative easing in November. Policymakers appear to be hoping the Funding for Lending Scheme (FLS), which started in August, is more effective at easing restricted credit conditions. Although HSBC has opted out of the scheme, most of the UK's biggest lenders have now signed up. There has been some indication in recent data that the FLS is beginning to boost lending to the household sector, but business lending remains relatively subdued. Further asset purchases remain a distinct possibility, although above target inflation may constrain the MPC in the near future. Based on the last Inflation Report, Bank of England policymakers believe there is a good chance that the CPI rate will remain above target throughout 2013.

The US Federal Reserve has responded to the slowdown in growth and employment with large scale asset purchases of \$85bn a month until the outlook for the labour market improves substantially. The US public finance 'fiscal cliff' remains a serious risk despite the last minute deal reached before

the deadline at the end of December. The political turmoil is likely to return in February when the talks on increasing the debt ceiling will create a stage for further political brinkmanship, no doubt prompting further volatility in financial markets unless a political solution is reached soon.

The Eurozone is making slow headway, with the European Stability Mechanism now operational, announcements on the Outright Monetary Transactions programme well received, and some progress being made towards banking union. These have placated markets and curtailed some of the immediate risks to the stability of the monetary union. A sustainable solution to the Eurozone crisis is some way off though, as fiscal integration and mutualisation of Eurozone sovereign debt liabilities remain politically unpalatable.

3.0 Interest Rate Forecasts

The Council's treasury management adviser, Arlingclose, believes that it could be 2016 before official UK interest rates rise. The US Federal Reserve has signalled it will keep interest rates "at exceptionally low levels" until at least 2015. The UK's safe haven status and the minimal prospect of short-term rate rises, should maintain gilt yields near their current lows.

Arlingclose central interest rate forecast – December 2012

	Bank Rate	3 month LIBID	12 month LIBID	20-year gilt yield *
Q1 2013	0.50	0.40	0.90	2.80
Q2 2013	0.50	0.40	0.90	2.80
Q3 2013	0.50	0.40	0.95	2.80
Q4 2013	0.50	0.45	0.95	2.80
H1 2014	0.50	0.50	1.00	2.90
H2 2014	0.50	0.50	1.00	2.90
H1 2015	0.50	0.55	1.10	3.00
H2 2015	0.50	0.60	1.10	3.00

* The Council can currently borrow from the PWLB at 0.80% above gilt yields

HM Treasury Survey of Forecasts – November 2012

	Average annual Bank Rate %			
	2013	2014	2015	2016
Highest	0.60	1.60	2.80	3.60
Average	0.50	0.65	1.30	1.80
Lowest	0.25	0.25	0.50	0.50

For the purpose of setting the budget, it has been assumed that new investments will be made at an average rate of 0.60%, and that new long-term loans will be borrowed at an average rate of 4.1%.

4.0 Current and Expected Treasury Portfolios

Current portfolio

The Council's treasury portfolio as at 31st December 2012 was as follows.

	Principal amount £m	Interest rate %
Investments:		
Call accounts	3.3	0.40
Money market funds	30.9	0.36
Short-term deposits	30.3	0.99
Long-term deposits	-	-
Total Investments	64.5	0.66
Borrowing:		
Short-term loans	-	-
Long-term PWLB loans (fixed)	143.16	5.86
Long-term PWLB loans (variable)	10.00	0.55
Long-term market loans (LOBOs)	18.95	4.53
Total Borrowing	172.11	5.42
Net Borrowing	107.61	

Expected changes in portfolio

According to current cash flow forecasts, net borrowing is expected to increase to £117.11 million by 31st March 2013. Net borrowing will remain at a fairly constant level throughout 2013/14, until the single status agreement is implemented and the reserve created specifically is used.

This forecast increase in net borrowing may be achieved by reducing investment balances, as discussed in the borrowing strategy below.

Budget implications

The budget for investment income in 2013/14 is £380K, based on an average investment portfolio of £64 million at an interest rate of 0.60%. The budget for loan interest paid in 2013/14 is £9.3 million, based on an average debt portfolio of £172.11 million at an average interest rate of 5.42%. If actual levels of investments and borrowing, and actual interest rates differ from those forecast, performance against budget will be correspondingly different.

5.0 Investment Strategy

The Council holds surplus funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's investment balance has ranged between £51.8 and £80.1 million, and similar levels are expected to be maintained in the forthcoming year.

Both the CIPFA Code and the WG Guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield.

Investment criteria and limits

The Council defines the following as being of “high credit quality” (as per the WG Guidance), subject to the monetary and time limits shown.

	<u>Fitch</u>	<u>Moody's</u>	<u>S & P</u>	<u>Cash Limit</u>	<u>Time Limit</u>
Banks, Building Societies and other organisations whose lowest published long-term credit rating from Fitch, Moody's and Standard & Poor's is:	AAA	Aaa	AAA	£7m each	5 years
	AA+	Aa1	AA+		5 years
	AA	Aa2	AA		4 years
	AA-	Aa3	AA-		3 years
	A+	A1	A+		2 years
	A	A2	A		1 year
	A-	A3	A-	£5m	6 months
The council's current account bank (NatWest Bank plc) if rated below A-				£5m	next day
UK Building Societies with assets greater than £1bn, which are either unrated by the credit rating agencies or have a minimum rating of BBB or equivalent and above.				£5m each	1 year
Money Market Funds ¹ and similar pooled vehicles whose lowest published credit rating is AAA				£7m each	1 year
UK Central Government (irrespective of credit rating)				unlimited	5 years
UK Local Authorities ²				£7m each	5 years

¹ as defined in the Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003

² as defined in the Local Government Act 2003

To manage the risk of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £7 million. A group of banks under the same ownership will be treated as a single organisation for limit purposes.

Current account bank

Following a competitive tender exercise held in 2008, the Council's current accounts are held with NatWest Bank plc, which does not currently meet the above credit rating criteria. The Council will treat NatWest as “high credit quality” for the purpose of making investments that can be withdrawn on the next working day, even if it does not meet the above criteria, subject to the bank maintaining a credit rating no lower than BBB-.

Building societies

UK building societies without credit ratings, but with an asset size of at least £1bn will be considered to be of “high credit quality”, but subject to a lower cash limit and shorter time limit than rated societies. The Council takes

additional comfort from the building societies' regulatory framework and insolvency regime where, in the unlikely event of a building society liquidation, the Council's deposits would be paid out in preference to retail depositors. The Government has announced plans to amend the building society insolvency regime alongside its plans for wide ranging banking reform, and investments in lower rated and unrated building societies will therefore be kept under continuous review.

However, no investments will be made with building societies that hold a long-term credit rating lower than BBB or equivalent, due to the increased likelihood of default implied by this rating.

The limit for building society investments is 60% of the total investment portfolio.

Money market funds

Money market funds are pooled investment vehicles consisting of instruments similar to those used by the Council. They have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager. Fees of between 0.10% and 0.20% per annum are deducted from the interest paid to the Council.

Investments in money market funds involve the acquisition of share capital, and are therefore counted as capital expenditure under WG regulations. However, since withdrawals from funds count as capital receipts, these will be used to fund the capital expenditure, leaving no overall impact on the Council's capital programme.

Foreign countries

Investments in foreign countries will be limited to those that hold an AAA or AA+ / Aa1 sovereign credit rating from all three major credit rating agencies, and to a maximum of £10 million per foreign country. Investments in countries whose lowest sovereign rating is not AAA will be limited to one year's duration. No country limit will apply to investments in the UK, irrespective of the sovereign credit rating.

Overseas subsidiaries of foreign banking groups will normally be assessed according to the country of domicile of the parent organisation. However, Santander UK plc (a subsidiary of Spain's Banco Santander) and Clydesdale Bank plc (a subsidiary of National Australia bank) will be classed as UK banks due to their substantial UK franchises and the arms-length nature of the parent-subsidary relationships.

Sovereign credit rating criteria and foreign country limits will not apply to investments in multilateral development banks (e.g. the European Investment Bank and the World Bank) or other supranational organisations (e.g. the European Union).

Risk assessment and credit ratings

The Council uses long-term credit ratings from the three main rating agencies Fitch Ratings Ltd, Moody's Investors Service Inc and Standard & Poor's Financial Services LLC to assess the risk of investment default. The lowest available credit rating will be used to determine credit quality.

Long-term ratings are expressed on a scale from AAA (the highest quality) through to D (indicating default). Ratings of BBB- and above are described as investment grade, while ratings of BB+ and below are described as speculative grade. The Council's credit rating criteria are set to ensure that it is unlikely that the Council will hold speculative grade investments, despite the possibility of repeated downgrades.

Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it is likely to fall below the above criteria, then no further investments will be made in that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks.

The Council's investments are normally senior unsecured liabilities of the borrower, and the credit rating of the investment is therefore normally identical to the credit rating of the counterparty. However, where a credit rating agency awards a different rating to a particular class of investment instruments, the Council will base its investment decisions on the instrument credit rating rather than the counterparty credit rating.

Other information on the security of investments

The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements and reports in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the above criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the

required level of security. The extent of these restrictions will be in line with prevailing financial market conditions.

If these restrictions mean that insufficient commercial organisations of “high credit quality” are available to invest the Council’s cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

Non-specified investments

The WG Guidance defines specified investments as those:

- denominated in pound sterling,
- due to be repaid within 12 months of arrangement,
- not defined as capital expenditure by legislation, and
- invested with one of:
 - the UK Government,
 - a UK local authority, parish council or community council, or
 - a body or investment scheme of “high credit quality”.

Any investment not meeting the definition of a specified investment is classed as non-specified. The Council does not intend to make any investments in foreign currencies, nor any with low credit quality bodies, nor any that are defined as capital expenditure by legislation (such as company shares). Non-specified investments will therefore be limited to money market funds (which are defined as capital expenditure in Wales) and long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement.

The total limit for money market funds is £30 million, the total limit on long-term investments is £20 million and the total limit on non-specified investments is £50 million.

Liquidity management

The Council uses purpose-built cash flow forecasting software to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a pessimistic basis, with receipts under-estimated and payments over-estimated to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments.

Limits on long-term investments are set by reference to the Council’s medium term financial plan and cash flow forecast.

Planned investment strategy for 2013/14

The economic climate in 2012/13 meant it was necessary for the strategic approach to centre on placing money “on call” with banks, depositing with other local authorities and extensive use of AAA rated Money Market Funds.

With the exception of two longer term fixed rate deposits, investments operated within a self-imposed maximum 3 month term for deposits with banks & building societies, unless economic conditions deteriorate.

Following discussions with the Council's treasury management advisors amid an improvement in the credit risk environment, the 3 month self imposed limit will not be applied during 2013/14.

Treasury management staff will continue to seek out investments that meet the criteria detailed within this strategy whilst having full regard for the Council's cash flow requirements, in particular the expectancy to meet single status and equal pay obligations during the 2013/14 financial year.

The cash flow forecast will be used to divide surplus funds into three categories:

- Short-term – cash required to meet known cash outflows in the next month, plus a contingency to cover unexpected cash flows over the same period.
- Medium-term – cash required to manage the annual seasonal cash flow cycle, including amounts to cover forecast shortages, planned uses of reserves, and a longer-term contingency.
- Long-term – cash not required to meet cash flows, and used primarily to generate investment income.

Short-term funds are required to meet cash flows occurring in the next month or so, and the preservation of capital and liquidity is therefore of paramount importance. Generating investment returns is of limited concern here, although it should not be ignored. Instant access AAA-rated money market funds and bank deposit accounts will be the main methods used to manage short-term cash. It is estimated that about 35% of surplus monies will be short term for cash flow purposes, although this may vary depending on changes to the interest rate yield curve.

Medium-term funds which may be required in the next one to twelve months will be managed concentrating on security, with less importance attached to liquidity but a slightly higher emphasis on yield. The majority of investments in this period will be in the form of fixed term deposits with banks and building societies. A wide spread of counterparties and maturity dates will be maintained to maximise the diversification of credit and interest rate risks. It is estimated that about 55% of surplus funds will be medium term. However, again this may vary depending on changes to the interest rate yield curve.

Cash that is not required to meet any liquidity need can be invested for the longer term with a greater emphasis on achieving returns that will support spending on local authority services. Security remains important, as any losses from defaults will impact on the total return, but fluctuations in price and even occasional losses can be managed over the long term within a diversified portfolio. Liquidity is of lesser concern, although it should still be possible to sell investments, with due notice, if large spending commitments

arise unexpectedly. A wider range of instruments, including structured deposits, certificates of deposit, gilts and corporate bonds will be used to diversify the portfolio. The Council will consider employing external fund managers that have the skills and resources to manage the risks inherent in a portfolio of long-term investments. However, in the current economic and financial environment it is likely that only a small percentage, about 10% will be invested longer term, probably over two years in fixed term deposits or callable deposits.

With short-term interest rates currently much lower than long-term rates, due consideration will also be given to using surplus funds to make early repayments of long-term borrowing. In addition to the savings on the interest rate differential, this strategy will also reduce the Council's exposure to credit risk and interest rate risk.

6.0 Borrowing Strategy

The Council currently holds £172.11m of long-term loans, as part of its strategy for funding previous years' capital programmes. The Council's capital financing requirement (CFR, or underlying need to borrow for capital purposes) as at 31st March 2013 is expected to be £175m, and is forecast to rise to £176m by March 2014 as capital expenditure is incurred.

Given the Council's latest cash flow forecast, and the forecast pattern of interest rates during the year, the Council does not anticipate undertaking any long term borrowing during 2013/14, considering it to be more cost effective to defer borrowing until later years, and to temporarily reduce the size of the Council's investment balance instead.

In addition, the Council may borrow for short periods of time (normally for up to two weeks) to cover unexpected cash flow shortages.

The Council's debt portfolio position as at 31st December 2012 is:

	Type	Principal £m	Average Interest Rate %
Fixed Rate Funding	PWLB	143.16	5.86%
Variable Rate Funding	PWLB	10.00	0.55%
	Market	18.95	4.53%
Total Long Term Debt		172.11	5.42%

The efficient management of cash flow should mean that no short term borrowing is required unless as a short term measure during debt restructuring, so it is assumed the cost of short term borrowing will be zero. The Council has an overdraft limit with the bank of £300,000.

The Council has £172.11m of long term borrowing. Most of these loans are

with the Public Loans Works Board (£153m of PWLB debt). Loans of £143.16m are at a fixed rate of interest which has the advantage of providing budget certainty. The interest payment on this debt is £8.4m per annum. A loan of £10 million is at a variable rate (currently 0.55%), which cost the Council £70k in 2012/13. The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a formula based on current interest rates. There may be opportunities to re-structure debt in 2013/14 by replacing some higher rate loans with new loans at a lower rate where this will lead to an overall saving or reduce risk. However, given current expectations of interest rates, this is unlikely.

The remainder of the long term debt (£19m) has been borrowed from banks in the form of three LOBOs (Lenders Option, Borrowers Option). These have a short fixed interest rate period (which has now passed for these loans) followed by a longer variable rate period. There is an option for the Council to repay the loan during the variable rate period if the lender increases the interest rate. The advantage of using these loans is that the interest rate, during the fixed rate period especially, can be lower than the PWLB.

The interest cost on these loans is estimated to be £860K in 2013/14 but they are all in their variable rate period and the lender could increase the interest rate, albeit given the current expectations for interest rates this is unlikely.

The total estimated interest cost for 2013/14 is £9.3m.

For a number of years the Council has not taken any new long term borrowing and used cash reserves to fund capital expenditure. The Council's Capital Programme, including Prudential Borrowing will be reviewed to consider the most financially advantageous method of financing future debt. The situation is monitored on an on-going basis by the Head of Finance.

Sources of borrowing

The approved sources of long-term and short-term borrowing will be:

- Public Works Loan Board
- any institution approved for investments above
- any other bank or building society approved by the Financial Services Authority
- capital market bond investors
- special purpose companies created to enable joint local authority bond issues.

Planned borrowing strategy for 2013/14

The Head of Finance will:

- Manage the Council's debt maturity profile, i.e. to leave no one future year with a high level of repayments that could cause problems in re-borrowing with the limits stated in this Strategy Statement. Appendix A analyses the debt portfolio of the Council, as at 31st December, 2012.
- To effect any borrowing that maybe required in 2013/14 at the cheapest

cost commensurate with future risk based on interest rate forecasts.

- 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 this Strategy.
- Continue to monitor options for debt-restructuring and debt re-payment.

The Head of Finance will monitor the interest rate market and adopt a pragmatic approach to any changing circumstances, reporting any decisions and actions taken under delegated powers to Cabinet via the Audit Committee.

With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either borrow short-term loans, variable rate loans or to not borrow and reduce the level of investments held instead. However, with long-term rates forecast to rise in the coming years, any such short-term savings will need to be balanced against the potential longer-term costs.

The Council has previously raised the majority of its long-term borrowing from the Public Works Loan Board, but it continues to investigate other sources of finance, such as bond issues and bank loans, that may be available at more favourable rates.

Loans that present additional risk to the authority, such as lender's option borrower's option (LOBO) loans and variable rate loans will be restricted to the limit on the net exposure to variable interest rates in the treasury management indicators below.

7.0 Policy on Use of Financial Derivatives

The Localism Act 2011 includes a general power competence that removes the uncertain legal position over English local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment). Although this change does not apply to Wales, the latest CIPFA Code requires authorities to clearly detail their policy on the use of derivatives in the annual strategy.

In the absence of any legislative power, the Council's policy is not to enter into standalone financial derivatives transactions such as swaps, forwards, futures and options. Embedded derivatives will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

8.0 Treasury Management Indicators

The Council measures and manages its exposures to treasury management risks using the following indicators. The Council is asked to approve the following indicators:

Interest rate exposures

This indicator is set to control the Council's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as an amount of net principal borrowed will be:

	2013/14	2014/15	2015/16
Upper limit on fixed interest rate exposures	£200m	£200m	£200m
Upper limit on variable interest rate exposures	£40m	£40m	£40m

Fixed rate investments and borrowings are those where the rate of interest is fixed for the whole financial year. Instruments that mature during the financial year are classed as variable rate.

Maturity structure of borrowing

This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing will be:

	Lower	Upper
Under 12 months	0%	10%
12 months and within 24 months	0%	10%
24 months and within five years	0%	30%
Five years and within 10 years	0%	50%
10 years and above	0%	100%

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

Principal sums invested for periods longer than 364 days

The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the total principal sum invested to final maturities beyond the period end will be:

	2013/14	2014/15	2015/16
Limit on total principal invested beyond year end	£20m	£20m	£20m

Any long term investments carried forward from previous years will be included in each years limit.

Borrowing limits

The Council is being asked to approve these Prudential Indicators as part of the Capital Programme report. However they are repeated here for completeness.

	2013/14	2014/15	2015/16
Operational boundary – borrowing	£182.6	£198	£233.1
Operational boundary – other long-term liabilities	<u>£15.6</u>	<u>£16.6</u>	<u>£17.6</u>
Operational boundary – TOTAL	£198.2	£214.6	£250.7
Authorised limit – borrowing	£202.6	£218	£253.1
Authorised limit – other long-term liabilities	<u>£15.6</u>	<u>£16.6</u>	<u>£17.6</u>
Authorised limit – TOTAL	£218.2	£234.6	£270.7

9.0 Other Matters

The WG Investment Guidance requires the Council to note the following three matters each year as part of the investment strategy:

Treasury Management Advisers

The Council's treasury management adviser Sterling Consultancy Services was acquired by Arlingclose Limited in October 2012. Arlingclose continues to provide advice and information on the Council's investment and borrowing activities, although responsibility for final decision making remains with the Council and its officers. The services received include:

- advice and guidance on relevant policies, strategies and reports,
- advice on investment decisions,
- notification of credit ratings and changes,
- other information on credit quality,
- advice on debt management decisions,
- accounting advice,
- reports on treasury performance,
- forecasts of interest rates, and
- training courses.

The quality of this service is controlled by Financial Procedure Rules

Investment training

The needs of the Council's treasury management staff for training in investment management are assessed as part of the staff appraisal process, and additionally when the responsibilities of individual members of staff change.

Staff regularly attend training courses, seminars and conferences provided by Arlingclose and CIPFA. Relevant staff are also encouraged to study professional qualifications from CIPFA, the Association of Corporate Treasurers and other appropriate organisations.

Investment of Money Borrowed in Advance of Need

The Council will not borrow more than or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed.

The Head of Finance under delegated powers may borrow in advance of need if it is within forward approved Capital Financing Requirement estimates, and if there is a clear business case for doing so.

Risks associated with any advance borrowing activity will be subject to appraisal in advance and subsequent reporting through the mid-year or annual reporting mechanism. The Council would not look to borrow more than 12 months in advance of need.

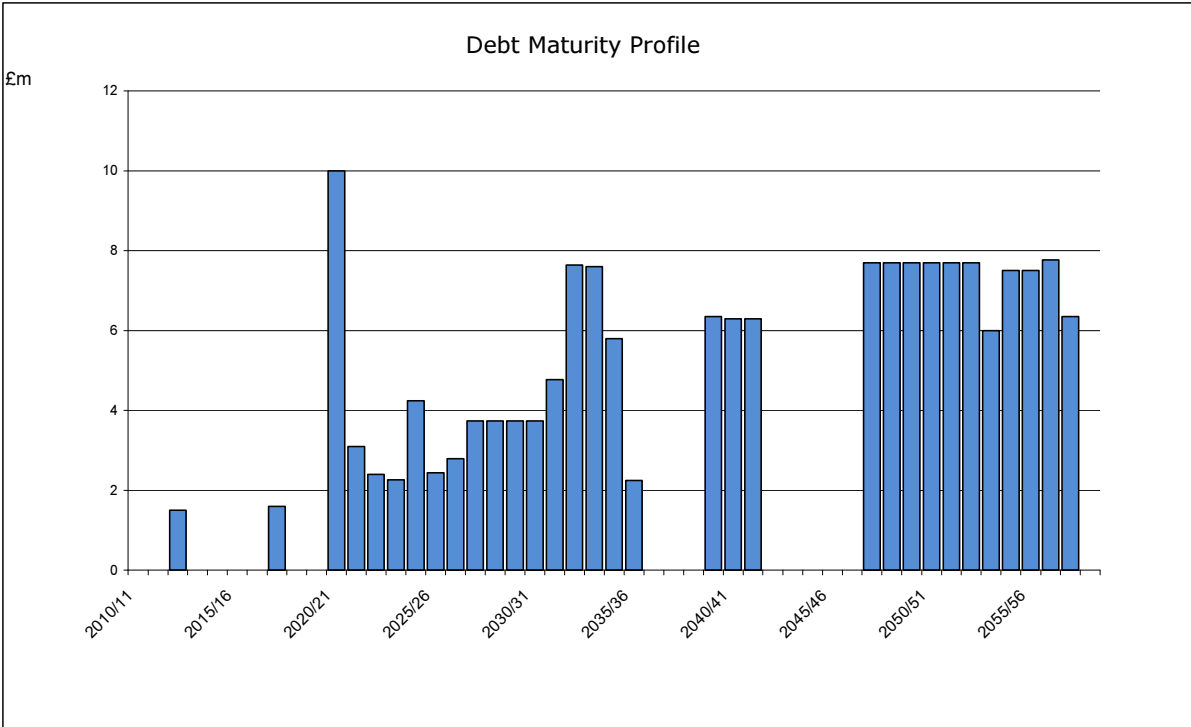
The Council will only invest money borrowed in advance of need for known debt maturities or to finance the borrowing requirement for the year concerned.

Other Options Considered

The WG Investment Guidance and the CIPFA Code of Practice do not prescribe any particular treasury management strategy for local authorities to adopt. The Chief Financial Officer, having consulted the Cabinet Member for Finance, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Alternative	Impact on income and expenditure	Impact on risk management
Adopt a narrower definition of "high credit quality" and/or shorter time limits	Interest income will be lower	Reduced risk of losses from credit related defaults
Adopt a wider definition of "high credit quality" and/or longer time limits	Interest income will be higher	Increased risk of losses from credit related defaults
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs will be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long term costs will be less certain
Reduce level of borrowing if debt rescheduling costs weren't prohibitive	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs will be less certain

APPENDIX A – DEBT MATURITY PROFILE



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Flintshire County Council

Investments as at 31st December 2012 - by maturity date

Counterparty Name	Amount	Start Date	Maturity	Interest Rate	Interest Earned during investment period	Period to Maturity	
	£m						£m
LANDSBANKI ISLANDS	0.6	22-Jul-08	17-Oct-08	5.82%	16,646.79	Returned in part	Iceland
LANDSBANKI ISLANDS	0.8	1-Sep-08	14-Nov-08	5.70%	17,334.25	Returned in part	Iceland
LANDSBANKI ISLANDS	0.5	8-Sep-08	18-Nov-08	5.67%	11,029.32	Returned in part	Iceland
NATIONAL COUNTIES BUILDING SOCIETY	1.0	3-Oct-12	02-Jan-13	0.85%	2,119.18	1 month or less	
OVERSEA-CHINESE BANKING CORPORATION	2.2	5-Nov-12	18-Jan-13	0.36%	1,605.70	1 month or less	
NATIONAL COUNTIES BUILDING SOCIETY	2.0	24-Oct-12	22-Jan-13	0.78%	3,846.58	1 month or less	
NATIONWIDE BUILDING SOCIETY	2.0	5-Nov-12	22-Jan-13	0.44%	1,880.55	1 month or less	
COVENTRY BUILDING SOCIETY	1.5	5-Nov-12	28-Jan-13	0.46%	1,587.95	1 month or less	
COVENTRY BUILDING SOCIETY	2.0	5-Nov-12	28-Jan-13	0.46%	2,117.26	1 month or less	
DEUTSCHE MANAGED STERLING FUND	4.7	2-Apr-12	31-Jan-13	0.34%	13,116.38	1 month or less	
SSGA GBP LIQUIDITY FUND	5.2	2-Apr-12	31-Jan-13	0.37%	16,111.51	1 month or less	
SWIP GLOBAL LIQUIDITY FUND	3.2	1-Jun-12	31-Jan-13	0.35%	7,551.90	1 month or less	
BLACKROCK INST STERLING LIQUIDITY FUND	7.0	25-Jun-12	31-Jan-13	0.32%	13,433.42	1 month or less	
RBS FUND	4.2	1-Nov-12	31-Jan-13	0.34%	3,536.11	1 month or less	
HANDELSBANKEN	3.3	5-Dec-12	31-Jan-13	0.40%	2,061.37	1 month or less	
IGNIS STERLING LIQUIDITY FUND	6.6	5-Dec-12	31-Jan-13	0.51%	5,211.12	1 month or less	44.9
NATIONWIDE BUILDING SOCIETY	1.4	23-Nov-12	22-Feb-13	0.44%	1,535.78	1 - 3 months	
BARCLAYS	2.9	3-Dec-12	22-Feb-13	0.45%	2,896.03	1 - 3 months	
NATIONAL COUNTIES BUILDING SOCIETY	1.0	3-Dec-12	28-Feb-13	0.60%	1,430.14	1 - 3 months	
CAMBRIDGE BUILDING SOCIETY	1.0	3-Dec-12	28-Feb-13	0.35%	834.25	1 - 3 months	
YORKSHIRE BUILDING SOCIETY	1.5	3-Dec-12	28-Feb-13	0.35%	1,251.37	1 - 3 months	
NATIONAL COUNTIES BUILDING SOCIETY	1.0	7-Dec-12	06-Mar-13	0.60%	1,463.01	1 - 3 months	
BARCLAYS	1.8	17-Dec-12	18-Mar-13	0.46%	2,064.33	1 - 3 months	10.6
DONCASTER COUNCIL	2.0	3-Oct-11	16-Apr-13	1.30%	39,961.64	3 months +	
BANK OF SCOTLAND	4.0	27-Jul-12	04-Jul-13	3.00%	112,438.36	3 months +	
BANK OF SCOTLAND	3.0	5-Dec-12	05-Dec-13	1.60%	48,000.00	3 months +	9.0
	66.4				331,064.30		66.4
Summary		Total	1 month or less	1 - 3 months	3 months +	12 months +	Iceland
		£m	£m	£m	£m	£m	
DEBT MANAGEMENT OFFICE (DMO)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
UK	26.1	39.3	8.5	10.6	7.0	0.0	0.0
OVERSEAS	5.5	8.3	5.5	0.0	0.0	0.0	0.0
OTHER LOCAL AUTHORITIES	2.0	3.0	0.0	0.0	2.0	0.0	0.0
ICELAND (LANDSBANKI)	1.9	2.9	0.0	0.0	0.0	0.0	1.9
MONEY MARKET FUNDS	30.9	46.5	30.9	0.0	0.0	0.0	0.0
	66.4		44.9	10.6	9.0	0.0	1.9
		100.0%	67.6%	16.0%	13.5%	0.0%	2.9%

Flintshire County Council

Investments as at 31st December 2012 - by bank

Counterparty Name	Amount £m	Start Date	Maturity	Interest Rate	Interest Earned during investment period	Period to Maturity	£m
BANK OF SCOTLAND	4.0	27-Jul-12	04-Jul-13	3.00%	112,438.36	3 months +	
BANK OF SCOTLAND	3.0	5-Dec-12	05-Dec-13	1.60%	48,000.00	3 months +	7.0
BARCLAYS	2.9	3-Dec-12	22-Feb-13	0.45%	2,896.03	1 - 3 months	
BARCLAYS	1.8	17-Dec-12	18-Mar-13	0.46%	2,064.33	1 - 3 months	4.7
BLACKROCK INST STERLING LIQUIDITY FUND	7.0	25-Jun-12	31-Jan-13	0.32%	13,433.42	1 month or less	7.0
CAMBRIDGE BUILDING SOCIETY	1.0	3-Dec-12	28-Feb-13	0.35%	834.25	1 - 3 months	1.0
COVENTRY BUILDING SOCIETY	1.5	5-Nov-12	28-Jan-13	0.46%	1,587.95	1 month or less	
COVENTRY BUILDING SOCIETY	2.0	5-Nov-12	28-Jan-13	0.46%	2,117.26	1 month or less	3.5
DEUTSCHE MANAGED STERLING FUND	4.7	2-Apr-12	31-Jan-13	0.34%	13,116.38	1 month or less	4.7
DONCASTER COUNCIL	2.0	3-Oct-11	16-Apr-13	1.30%	39,961.64	3 months +	2.0
HANDELSBANKEN	3.3	5-Dec-12	31-Jan-13	0.40%	2,061.37	1 month or less	3.3
IGNIS STERLING LIQUIDITY FUND	6.6	5-Dec-12	31-Jan-13	0.51%	5,211.12	1 month or less	6.6
LANDSBANKI ISLANDS	0.6	22-Jul-08	17-Oct-08	5.82%	16,646.79	Returned in part	Iceland
LANDSBANKI ISLANDS	0.8	1-Sep-08	14-Nov-08	5.70%	17,334.25	Returned in part	Iceland
LANDSBANKI ISLANDS	0.5	8-Sep-08	18-Nov-08	5.67%	11,029.32	Returned in part	Iceland
NATIONAL COUNTIES BUILDING SOCIETY	1.0	3-Oct-12	02-Jan-13	0.85%	2,119.18	1 month or less	
NATIONAL COUNTIES BUILDING SOCIETY	2.0	24-Oct-12	22-Jan-13	0.78%	3,846.58	1 month or less	
NATIONAL COUNTIES BUILDING SOCIETY	1.0	3-Dec-12	28-Feb-13	0.60%	1,430.14	1 - 3 months	
NATIONAL COUNTIES BUILDING SOCIETY	1.0	7-Dec-12	06-Mar-13	0.60%	1,463.01	1 - 3 months	5.0
NATIONWIDE BUILDING SOCIETY	2.0	5-Nov-12	22-Jan-13	0.44%	1,880.55	1 month or less	
NATIONWIDE BUILDING SOCIETY	1.4	23-Nov-12	22-Feb-13	0.44%	1,535.78	1 - 3 months	3.4
OVERSEA-CHINESE BANKING CORPORATION	2.2	5-Nov-12	18-Jan-13	0.36%	1,605.70	1 month or less	2.2
RBS FUND	4.2	1-Nov-12	31-Jan-13	0.34%	3,536.11	1 month or less	4.2
SSGA GBP LIQUIDITY FUND	5.2	2-Apr-12	31-Jan-13	0.37%	16,111.51	1 month or less	5.2
SWIP GLOBAL LIQUIDITY FUND	3.2	1-Jun-12	31-Jan-13	0.35%	7,551.90	1 month or less	3.2
YORKSHIRE BUILDING SOCIETY	1.5	3-Dec-12	28-Feb-13	0.35%	1,251.37	1 - 3 months	1.5
	66.4				331,064.26		66.4

ESTIMATED INTEREST FOR 2012/13 AS AT 30th November 2012 is £621,715.91

FLINTSHIRE COUNTY COUNCIL

REPORT TO: CABINET
DATE: 19 FEBRUARY
REPORT BY: HEAD OF FINANCE
SUBJECT: PRUDENTIAL INDICATORS 2013/14 TO 2015/16

1.00 PURPOSE OF REPORT

1.01 To present proposals for setting a range of prudential indicators in accordance with the Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

2.00 BACKGROUND

2.01 The Prudential Code has been developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) as a professional code of practice to support local authorities in determining their programmes for capital investment in fixed assets. Local authorities are required by Regulation to have regard to the Prudential Code when carrying out duties under Part 1 of the Local Government Act 2003.

2.02 The framework established by the Prudential Code is intended to support local strategic planning, local asset management planning and robust option appraisal. The objectives of the Code are to ensure, within a clear framework, that the capital investments plans of local authorities are **affordable, prudent and sustainable**, and that treasury management decisions are taken in accordance with good professional practice.

2.03 The Prudential Code sets out the indicators that must be used, and the factors that must be taken into account in preparing such.

3.00 CONSIDERATIONS

3.01 The prudential indicators required by the Prudential Code are designed to support and record local decision making; they are not designed to be comparative performance indicators – the use of them in this way would likely to be misleading and counter productive. They are considered in parallel with the treasury management indicators required by the CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes, as reported elsewhere on this agenda.

3.02 The Prudential Code recognises that in making capital investment decisions, and in reviewing the prudential indicators, the Council must have regard to the following:

- Service objectives, e.g. strategic planning for the authority
- Stewardship of assets, e.g. asset management planning

- Value for money, e.g. option appraisal
- Affordability, e.g. implications for Council Tax and Council housing rents
- Prudence and sustainability, e.g. implications for external borrowing
- Practicality, e.g. achievability of the forward plan

The Code does not specify how the Council should have regard to these factors, but instead concentrates on the means by which it demonstrates that the proposals are affordable, prudent and sustainable.

- 3.03 Affordability is the ultimate constraint on the amount that a local authority can spend or borrow. In practice, when making a decision to invest in a capital asset, the authority must do more than simply determine whether it can afford the immediate cost. In order to ensure long term affordability, decisions have to be prudent, and in the long term sustainable. Borrowing has to be prudent because, since future interest rates and revenue streams are uncertain, it must involve an element of risk. Furthermore, if the Council is unable to deliver its capital programme, or to afford the cost of running and maintaining the new facilities, the chosen level of capital investment will not be sustainable in the long term. Prudence and affordability are related concepts.
- 3.04 The Prudential Code specifies that prudential indicators are required to be calculated for the forthcoming financial year and two subsequent financial years, this process links in with the Medium Term Financial Plan.
- 3.05 Based on those resources currently allocated (including specific grants, but excluding any rephasing of expenditure from 2012/13 to future years), the estimates of capital expenditure to be incurred in 2013/14 (and the following two years), are as indicated in the table below; unsupported (prudential) borrowing of £26.49m has been assumed in the three year period for Council Fund purposes. This is in line with the capital programme proposals recommended to commence in 2012/13 in the Council Fund Capital Programme 2013/14 to 2022/23 report which is included elsewhere on this agenda.

CAPITAL EXPENDITURE			
	2013/14	2014/15	2015/16
	Estimate	Estimate	Estimate
	£m	£m	£m
Council Fund	29.908	27.540	53.406
Housing Revenue Account	10.992	11.592	10.395
Total	40.900	39.132	63.801

The capital expenditure totals essentially provide the base financial data from which all other indicators follow.

Prudential Indicators for Affordability

- 3.06 Estimates of the ratio of financing costs to net revenue stream for 2013/14 based on those expenditure assumptions outlined in the Council Fund and Housing Revenue budget report (both included elsewhere on this agenda), are as included in the table below; these indicators of affordability address the revenue implications of the Council's financial strategy.

RATIO OF FINANCING COSTS TO NET REVENUE STREAM			
	2013/14	2014/15	2015/16
	Estimate	Estimate	Estimate
	%	%	%
Council Fund	5.489	5.491	6.153
Housing Revenue Account	7.535	6.940	6.145

The Council Fund net revenue stream is the amount to be met from Welsh Government (WG) grants and local taxpayers, and the HRA equivalent is the amount to be met from WG grants and from Rent payers. The Council Fund ratio reflects an increasing burden of total external interest being borne by the Council Fund due to the continuing reduction in HRA debt outstanding as a percentage of an increasing level of revenue stream income. The estimate of financing costs includes the current commitments and the proposals included in the capital programme report. The HRA as calculated, reflects a reducing financing cost attributable to the continuing reduction in HRA debt outstanding as a percentage of an increasing level of revenue stream income.

- 3.07 The Prudential code requires that the estimate of the incremental impact of capital investment decisions as proposed in the capital budget report for the period 2013/14 to 2015/16, over and above capital investment decisions that have previously been taken by the Council are reported in terms of their impact on Band D Council Tax and Housing Rents, and are shown in the table below:

ESTIMATE OF INCREMENTAL IMPACT OF CAPITAL INVESTMENT			
	2013/4	2014/15	2015/16
	Estimate	Estimate	Estimate
	£	£	£
Band D Council Tax	5.14	8.28	23.38
Average Weekly Housing Rents	Nil	Nil	Nil

The incremental impact of capital investment on the Council Tax reflects the inclusion of annual unsupported (prudential) borrowing charges included in the revenue budget report totals included elsewhere on this agenda.

Whilst the impact of capital investments decision is nominally shown in terms of impact on Council Tax levels, the actual levels of Council Tax increase each year will be in accordance with the Council's policy of 3% to 3.5% as set out in the

Medium Term Financial Strategy. Detailed medium term financial planning will identify efficiencies to enable investment to take place whilst maintaining Council Tax levels as agreed.

Prudential Indicators for Prudence

- 3.08 Estimates of the capital financing requirement, as described in section 3.09 below, for 2013/14 are:

CAPITAL FINANCING REQUIREMENT			
	2013/14	2014/15	2015/16
	Estimate	Estimate	Estimate
	£m	£m	£m
Council Fund	158.454	162.347	172.275
Housing Revenue Account	25.449	24.941	24.442
Total	183.903	187.288	196.717

- 3.09 The capital financing requirement measures the authority's underlying need to finance capital expenditure by borrowing or other long-term liability arrangements. In accordance with best professional practice, Flintshire County Council does not associate debt with particular items or type of expenditure. The authority has an integrated treasury management strategy and has adopted the CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes. Flintshire County Council has, at any point in time, a number of cash flows both positive and negative, and manages its treasury position in terms of its debt and investments in accordance with its approved treasury management policy and strategy. The Treasury Management Policy Statement 2013 – 2016 and the Treasury Management Strategy 2013/14 appear elsewhere on this agenda following consideration by the Audit Committee in January 2013. In day to day cash management, no distinction can be made between revenue cash and capital cash. External debt arises as a consequence of all the financial transactions of the authority and not simply those arising from capital spending. In contrast, the capital financing requirement reflects the authority's underlying need to finance capital expenditure by borrowing or other long-term liability arrangements.
- 3.10 CIPFA's Prudential Code for Capital Finance in Local Authorities includes the following; gross debt and the capital financing requirement, as a key indicator of prudence.

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

In November 2012 CIPFA issued an amendment to the Prudential Code changing the indicator from net debt (total borrowing and other long-term liabilities less any investments held) to gross debt. Following reflection that comparing the capital financing requirement to the net position i.e., net of investments, could potentially mask a position where an authority had borrowed other than for a capital purpose

and then subsequently invested the surplus funds.

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

Prudential Indicators for External Debt and Treasury Management

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

AUTHORISED LIMIT FOR EXTERNAL DEBT			
	2013/14	2014/15	2015/16
	Estimate	Estimate	Estimate
	£m	£m	£m
All Borrowing (Capital/Revenue)	202.600	218.000	253.100
Other Long Term Liabilities	15.600	16.600	17.600
Total	218.200	234.600	270.700

The authorised limits are consistent with the authority's current commitments, existing plans and the proposals in the capital programme report, and with its approved Treasury Management Strategy 2013/14. They are based on the estimate of most likely, prudent position with, sufficient headroom over and above this to allow for operational management, for example unusual cash movements. Risk analysis and risk management strategies have been taken into account, as have plans for capital expenditure, estimates of the capital financing requirement and estimates of cash flow requirements for all purposes.

- 3.12 The Council is also asked to approve the following operational boundary for external debt for the same period. The proposed operational boundary for external debt is based on the same estimates as the authorised limit but reflects directly the estimate of the most likely, prudent provision, without the additional headroom included in the authorised limit to allow for example for unusual cash movements, and equates to the maximum of external debt projected by this estimate. The operational boundary represents a key management tool for in year monitoring. Within the operational boundary, figures borrowing and other long term liabilities are separately identified. The Council is also asked to delegate authority to the Head of Finance, within the total operational boundary for any individual year, to effect movement between the separately agreed figures for borrowing and other long term liabilities, in a similar fashion to the authorised limit. Any such changes will be reported to the Council at its next meeting following the change.

OPERATIONAL BOUNDARY FOR EXTERNAL DEBT			
	2013/14	2014/15	2015/16
	Estimate	Estimate	Estimate
	£m	£m	£m
All Borrowing (Capital/Revenue)	182.600	198.000	233.100
Other Long Term Liabilities	15.600	16.600	17.600
Total	198.200	214.600	250.700

The figure for all borrowing has increased in line with the assumption made in 3.05 that for Council Fund purposes there is a requirement to borrow £26.49m through unsupported (prudential) borrowing over the three year period. In addition, the figure for other long term liabilities has increased from prior years due to the value of those finance leases associated with the redevelopment of Deeside Leisure Centre and the Jade Jones Pavilion Flint.

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

The Council is asked to note that the authorised limit determined in 2013/14 (see section 3.11 above) will be the statutory limit determined under section 3 (1) of the Local Government Act 2003.

- 3.14 The prudential indicator in respect of treasury management is confirmation that the Council has adopted the CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes (as reported elsewhere on this agenda). The aim of this indicator is to ensure that treasury management is led by a clear integrated forward treasury management strategy.

4.00 RECOMMENDATIONS

- 4.01 That Members approve and recommend to County Council on 1st March 2013:

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

- Capital expenditure (3.05)
- Ratio of financing costs to net revenue stream (3.06)
- Incremental impact of capital investment decisions on the council tax (3.07)
- Incremental impact of capital investment decisions on housing rents (3.07)
- Capital financing requirement (3.08)
- Gross debt and the capital financing requirement (3.10)
- Authorised limit for external debt (3.11, 3.13)
- Operational boundary for external debt (3.12)
- Adoption of the CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes (3.14)

b) delegated authority for the Head of Finance to effect movements between the separately agreed limits within the authorised limit for external debt and the operational boundary for external debt (3.11, 3.12)

5.00 FINANCIAL IMPLICATIONS

5.01 As set out in the 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 None

11.00 CONSULTATION UNDERTAKEN

11.01 None directly as a result of this report.

12.00 APPENDICES

12.01 None

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers: Various Welsh Government and CIPFA papers

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REPORT TO: CABINET
DATE: 19 FEBRUARY
REPORT BY: HEAD OF FINANCE
SUBJECT: MINIMUM REVENUE PROVISION 2013/14

1.00 PURPOSE OF REPORT

- 1.01 To present proposals for the setting of a prudent minimum revenue provision for the repayment of debt in 2013/14, as required under the Local Authorities (Capital Finance and Accounting) (Wales) (Amendment) Regulations 2008 ('the 2008 Regulations').

2.00 BACKGROUND

- 2.01 Local Authorities are required each year to set aside some of their revenue reserves as provision for the repayment of debt i.e. a provision in respect of capital expenditure financed from borrowing or credit arrangements.
- 2.02 Regulation 22 of the 2008 Regulations requires an authority to each year make an amount of Minimum Revenue Provision (MRP) which it considers to be 'prudent', but the regulation does not itself define 'prudent provision'. However, the Welsh Government (WG) has provided guidance which makes recommendations to authorities on the interpretation of the term; the guidance was last updated in April 2010.
- 2.03 Authorities are required to prepare an annual statement of their policy on making MRP, which mirrors the existing requirements on the prudential borrowing limit and investment policy.

3.00 CONSIDERATIONS

Meaning of 'Prudent Provision'

- 3.01 The WG guidance provides for number of options for making 'prudent provision'. It explains that provision for the borrowing which financed the acquisition of an asset should be made over a period bearing some relation to that over which the asset continues to provide a service.

Options for Prudent Provision

- 3.02 Option 1 – Regulatory Method.

For debt which is supported by Revenue Support Grant (RSG), authorities may continue to use the formula specified in the Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003 (the regulations which preceded the 2008

Regulations), since the RSG is calculated on that basis, i.e. authorities are able to calculate MRP exactly as if the 2003 Regulations were still in force.

3.03 Option 2 – Capital Financing Requirement Method

This is a technically simpler alternative to option 1 and may also be used in relation to supported debt. While still based on the concept of the Capital Financing Requirement (CFR), which is easily derived from the balance sheet, it avoids the complexities of the formula in Regulation 22. However, for most authorities it will probably result in a higher level of provision (and subsequent impact on service budgets) than Option 1, as it would for Flintshire County Council.

3.04 Option 3 – Asset Life Method

For new borrowing under the Prudential system for which no Government support is being given and is therefore self-financed, there are two options. Option 3 is to make provision in equal instalments over the estimated life of the asset for which borrowing is undertaken. This is a possible simpler alternative to the use of depreciation accounting (Option 4), though it has some similarities to that approach.

3.05 Option 4 – Depreciation Method

Alternatively, for new borrowing under the Prudential system for which no WG support is being given, Option 4 may be used. This means making MRP in accordance with the standard rules for depreciation accounting.

Conditions for using the options

3.06 The intention is that Options 1 and 2 should be used only for WG supported borrowing. Options 3 and 4 should be used in relation to all capital expenditure which is to be financed by unsupported borrowing or credit arrangements.

4.00 RECOMMENDATIONS

4.01 That members approve and recommend to the County Council on 1st March 2013:-

- Option 1 (Regulatory Method) be used for the calculation of the minimum revenue provision in 2013/14 for all supported borrowing; this represents a continuation of the approved and adopted policy for 2012/13.
- Option 3 (Asset Life Method) be used for the calculation of the minimum revenue provision in 2013/14 for all unsupported (prudential) borrowing; this represents a continuation of the approved and adopted policy for 2012/13.

5.00 FINANCIAL IMPLICATIONS

5.01 The 2013/14 Council Fund revenue budget provides for the minimum revenue provision in respect of all supported borrowing, on the basis of Option 1 – Regulatory Method calculation.

5.02 Any planned use of unsupported (prudential) borrowing, will need to take account of the revenue consequences of the Option 3 – Asset Life Method calculation, as part of the overall options appraisal and budget setting processes.

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 None

11.00 CONSULTATION UNDERTAKEN

11.01 None

12.00 APPENDICES

12.01 None

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers: Various Welsh Government papers

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **TUESDAY, 19 FEBRUARY 2013**

REPORT BY: **CHIEF EXECUTIVE**

SUBJECT: **IMPROVEMENT ASSESSMENT LETTER FROM THE
AUDITOR GENERAL FOR WALES**

1.00 PURPOSE OF REPORT

- 1.01 To advise Members of the Council's Improvement Assessment Letter January 2013 from the Auditor General for Wales.
- 1.02 Members to note the report and agree the Council's Executive response.

2.00 BACKGROUND

- 2.01 The Auditor General is required by the Local Government (Wales) Measure 2009 (the Measure) to report any audit and assessment work which informs judgement as to whether a Council has discharged its duties and met the requirements of the Measure.
- 2.02 This is the second letter that the Council has received; The first letter was reported to Cabinet in December 2012 and summarised the Auditor General's views on i) the Council's compliance with requirements to make arrangements to secure continuous improvement, and ii) any relevant issues since the last Auditor General's report. There were no further recommendations or proposals for improvement.
- 2.03 This second letter covers an assessment of both the Council's Improvement Plan and the Annual Performance Report. It also comments on compliance with the Measure.
- 2.04 Reporting on the financial audit was undertaken by receipt of the Annual Audit Letter in November last year and presented to the Audit Committee in December.

3.00 CONSIDERATIONS

- 3.01 The letter summarises the Auditor General's views on:
- whether the Council has discharged its statutory duties in respect of improvement planning;
 - whether the Council has discharged its statutory duties in

respect of improvement reporting;

- views, and the views of relevant regulators, on the reliability of the Council's self-evaluation; and
- further proposals for improvement.

3.02 The full letter is attached at Appendix 1.

3.03 The Auditor General has made no new statutory recommendations but has proposed four proposals for improvement in the letter. These are as follows:

Improvement Planning

- P1 Within the context of its medium-term corporate planning, the Council should define a set of annual Improvement Objectives that encapsulates its ambitions for the year and communicate them in a form that enables the public to hold the Council to account for its performance.
- P2 Ensure that the Improvement Plan available to the public on the Council's website reflects any changes resulting from reviews during the year, and that any revised Plan includes a record of any such changes.

Improvement Reporting

- P3 Increase the use of relevant data to support the Council's evaluation of outcomes in relation to its Improvement Objectives
- P4 Improve the balance of the narrative supporting each assessment, drawing out the lessons learned from particularly successful work and from work that has not gone as well as intended.

3.05 As good practice, the Council always makes a full response. The response is attached at Appendix 2.

3.06 Both the letter and the Council's response will be reported to the Corporate Resources Overview and Scrutiny Committee and Audit Committee meeting in March.

4.00 RECOMMENDATIONS

4.01 To advise Members of the Council's Improvement Assessment letter received from the Auditor General for Wales.

4.02 Members to note the report and agree the Council's Executive response.

5.00 FINANCIAL IMPLICATIONS

5.01 The letter has no direct implication in relation to finance.

6.00 ANTI POVERTY IMPACT

6.01 The letter has no direct implication in relation to poverty.

7.00 ENVIRONMENTAL IMPACT

7.01 The letter has no direct implication in relation to environmental impact.

8.00 EQUALITIES IMPACT

8.01 The letter has no direct implication in relation to equalities.

9.00 PERSONNEL IMPLICATIONS

9.01 The letter refers to the Council's work on implementing Single Status.

10.00 CONSULTATION REQUIRED

10.01 None required.

11.00 CONSULTATION UNDERTAKEN

11.01 Senior officers have had input into this report.

12.00 APPENDICES

12.01 Appendix 1: The Auditor General's Improvement Assessment Letter (January 2013)
Appendix 2: The Council's response to the Auditor General's Improvement Assessment Letter (January 2013)

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

None

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County Hall
Mold
CH7 6NB

Reference	115A2013
Date	28 January 2013
Pages	1 of 7

Dear Colin

Improvement Assessment

This letter summarises the key conclusions arising from my work in respect of improvement planning and reporting under the Local Government (Wales) Measure 2009 (the Measure).

I am required to report my audit and assessment work in relation to whether Flintshire County Council (the Council) has discharged its duties and met the requirements of the Measure.

Further to my earlier Improvement Assessment letter of 25 October 2012, this letter summarises:

- my views on whether the Council has discharged its statutory duties in respect of improvement planning;
- my views on whether the Council has discharged its statutory duties in respect of improvement reporting;
- my views, and the views of relevant regulators, on the reliability of the Council's self-evaluation; and
- my further proposals for improvement.

Further to this I will undertake more detailed work on the arrangements that support the Council's performance management and reporting over the coming months.

I shall summarise all of my work and that of relevant regulators during 2012-13 and publish an Annual Improvement Report for the Council by the end of March 2013.

Improvement Planning

The Council has discharged its improvement planning duties under the Measure but it should ensure that it acts more in accordance with Welsh Government Guidance

I have reached this conclusion because:

- the 2012-13 Improvement Plan meets the requirements of the Measure in all but one respect; but
- aspects of the Improvement Plan's structure, content and publication arrangements do not promote public engagement with the Council's priorities as well as they might.

The 2012-13 Improvement Plan meets the requirements of the Measure in all but one respect

The Council published this year's Improvement Plan (the Plan) on its website in late October 2012. Following the May elections, the decision to defer the publication of the Plan enabled the Council to consider how its Improvement Objectives might better reflect the manifesto commitments of the new political leadership. While the Measure requires councils to publish their improvement plans as soon as possible after the beginning of the financial year, I reported in my October letter that the Council's approach in 2012 was reasonable and understandable.

The Plan sets out the Council's priorities for the period 2012-2017. These 10 priorities, which also represent the Council's Improvement Objectives, are wide-ranging. As required, each Improvement Objective complies with at least one of the seven 'aspects of improvement' described in the Measure. The Flintshire Local Service Board has endorsed the Council's Improvement Objectives as supporting the 'County Vision' as set out in the Community Strategy 2009-2019.

The Measure requires councils to report in their Improvement Plans their proposed actions in response to any statutory recommendations received during the preceding year. The Plan does not include this information in relation to the two recommendations contained in my January 2012 Annual Improvement Report. However, the required information is included in the Council's Annual Performance Report, published at the same time as the Plan.

Aspects of the Improvement Plan's structure, content and publication arrangements do not promote public engagement in the Council's priorities as well as they might

The Council's 10 Improvement Objectives are phrased in a way that reflects the Council's ambitions to improve outcomes for citizens over the five years to 2017. For example, the Council has said that it intends 'to protect and grow the local and regional economy, to be a prosperous County and to provide help and support for those vulnerable to poverty'. To support this and its other nine Improvement Objectives, the Council has defined 66 Secondary Priorities which set out in more detail the Council's intentions. These Secondary Priorities are described mainly in terms of actions that the Council plans to take, but each is supported by a small number of planned 'outcomes' and associated 'strategic targets' and 'key evidence'. Many of the targets are quantitative, referring, for example, to an increase or decrease in national or local performance indicators. However, in many cases, the Plan does not include enough information about current performance to enable councillors and readers of the Plan to hold the Council to account for its performance at the end of the year.

In producing a five-year plan, the Council has set out what it intends to achieve before the next local government elections in 2017. Longer-term planning such as this is clearly beneficial. The Plan aims to fulfil two functions; on the one hand, it is an internal management tool while, on the other, it aims to be a vehicle by which Flintshire citizens might better understand what the Council intends to achieve and hold it to account for doing so. In seeking to address these two aims, there is room for improvement in the presentation and content of the Plan.

Though it lacks certain information, the Plan contains more detail than is necessary in order to communicate effectively with citizens. The Council decided not to produce a summary of its Plan and, in doing so, missed an opportunity to engage with the public and to promote its aims and objectives more widely.

The Council acknowledges that, in any particular year, some of its Improvement Objectives will receive greater attention and priority than others. Given that the Measure requires councils to set their Improvement Objectives annually, the Council has agreed that it might usefully consider choosing fewer objectives from among its current priorities so that its focus in a single year is more sharply defined and to encourage citizens to engage more fully with the Council's planning and performance.

Improvement Reporting

The Council has discharged its improvement reporting duties under the Measure but it should ensure that it acts more in accordance with Welsh Government guidance

I have reached this conclusion because:

- the Annual Performance Report for 2011-12 meets the requirements of the Measure; but
- the Annual Performance Report makes too little use of data and other information to support a balanced narrative evaluation of the Council's work in addressing its Improvement Objectives.

The Annual Performance Report for 2011-12 meets the requirements of the Measure

The Council published its Annual Performance Report (the Report) in English and Welsh on its website ahead of the statutory 31 October deadline. Meeting this deadline represents an improvement on last year and partly addresses one of my previous proposals for improvement.

As is required, the Report provides the Council's assessment of its performance against the Improvement Objectives set in the 2011-12 Improvement Plan. The Report includes an explanation of how its content contributes to the Council's statutory duty to 'make arrangements to secure continuous improvement and account for it'.

The Report also includes, as required, an account of the Council's performance as measured by the full set of statutory performance indicators and a range of non-statutory indicators. The data enable readers to judge the Council's performance against the average performance of other councils in Wales and in relation to the Council's own past performance. Flintshire's performance in 2011-12 was better than the national average in over two-thirds of the statutory and non-statutory national indicators. The Council's performance shows an improvement in 28 (72 per cent) of the 39 national performance indicators for which comparison with previous years is possible.

The Annual Performance Report makes too little use of data and other information to support a balanced narrative evaluation of the Council's work in addressing its Improvement Objectives

The Report provides a clear overall assessment, using a 'Red, Amber, Green' (RAG) colour coding, of how well the Council considers that it performed during 2011-12 against each of its 10 Improvement Objectives. Two RAG assessments for each Improvement Objective distinguish helpfully between 'progress' and 'outcomes'. The two overall RAG assessments for each Improvement Objective are underpinned by similar assessments for each of the 61 'Improvement Activities' associated with the Improvement Objectives.

A further RAG assessment of the risks associated with each Improvement Objective contributes to the overall picture, along with a report of any performance indicators associated with each Improvement Objective.

The Council's overall assessment of its performance against each Improvement Objective is broadly consistent with its assessment of the success or otherwise of the contributory improvement activities. However, the narrative in support of each assessment tends to focus too heavily on success; even in those objectives and activities rated as amber, it is difficult for the reader to understand what has been less successful than planned and the lessons that might be learned as a result. The narrative also refers almost exclusively to activity rather than outcomes. As a result, the Council's RAG assessments of the 'outcomes' of its work during the year are not fully supported by the evidence in the Report.

The Council acknowledges in the introduction to the Report that, in its 2011-12 Improvement Plan, the quantitative success measures associated with its Improvement Objectives were limited to a small number of national performance indicators. The Report on performance in 2011-12 reflects the 2011-12 Plan; the measures and improvement targets associated with each Improvement Objective do not, in general, reflect the breadth of ambition implied by the wording of the Objective. None of the measures reported relate, for example, to customer satisfaction or other data stemming from the Council's engagement with its citizens.

The Report is a long and detailed document. Though clearly written on the whole, it does not enable the reader to grasp readily a succinct evaluation of what the Council intended to achieve during the year, the resulting benefits to the public and what needs to be improved in future. The Council has produced a summary report, which is much shorter than the full Report. However, the summary does not succeed in fully overcoming the weaknesses in the full Report as outlined above.

The Report does not, therefore, do as much as it should to enable the Flintshire public to hold the Council to account for its performance. This accountability is further limited by the fact that the Council, in reviewing its work during the year, made changes to its plans and targets, which were not then incorporated into the version of the 2011-12 Improvement Plan published on its website. This process of review and, where necessary, modification of plans represents sound practice. However, readers making a detailed comparison of the Annual Performance Report against the Improvement Plan would find misleading and unhelpful discrepancies between the two documents.

The Council is able to produce balanced, well-evidenced self-evaluations of specific services but its Annual Performance Review is less robust

Social Services and education have produced mature service-specific analyses of their performance, but this maturity is not fully replicated in the Council's Annual Performance Report

The Care and Social Services Inspectorate Wales (the CSSIW) has judged that the annual report written by the Council's Director of Social Services provides a comprehensive and accurate account of the service's performance in 2011-12. The CSSIW also said that, in its self-evaluation, the Council had carefully aligned its evidence to support its evaluation, which was increasingly outcome-focused with measurable targets, underpinned by clearly-defined timescales and lines of accountability for delivery.

Similarly, in October 2011, Estyn described the Council's self-evaluation process with regard to its education services for children and young people as 'adequate' (strengths outweigh areas for improvement). Estyn reported that much of the Council's self-evaluation report was evaluative and used a range of evidence, including appropriate data. As a shortcoming, Estyn found that the Council had not included other stakeholders and agencies or young people well enough in making judgements about quality and standards.

However, within the Council's Annual Performance Report, the evaluations of those Improvement Objectives to which Social Services and education services contribute most extensively are, as described earlier, too focused on activity rather than on outcomes. They offer the reader too little insight into those aspects that have been less successful than planned.

The Council's on-going review of its governance arrangements is wide-ranging and well-evidenced

The Council is undertaking a self-evaluation of its governance, as well as its strategic and service performance and the performance of partnerships to which it contributes. We continue to provide support and challenge to this work and will provide feedback in due course. At the time of drafting this letter, the Council's leadership has yet to decide how best to involve councillors fully in the self-evaluation. However, our early impressions suggest that officers have drawn on a wide range of evidence thus far.

The accuracy of the Council's performance data has improved but there remains scope to improve the use of data in the Council's self-evaluation

I proposed in my 2012 Annual Improvement Report that the Council should improve quality assurance arrangements to ensure that data used to support performance management is accurate and robust.

In July 2012, we reported the results of our audit of the accuracy of a sample of the Council's performance indicators. Though our sample was smaller this year than in the past, the results were encouraging. This year, we qualified none of the Council's performance indicators and we amended only one indicator. The robustness of performance data represents a key building block in enabling the Council and its citizens to place reliance on the Council's assessment of its own performance. However, we have referred earlier in this letter to areas in which the Council might improve and extend the way in which it uses data to evaluate its performance and improve the management of services.

Further proposals for improvement

We suggest four new proposals for improvement in this letter. We will continue, as necessary, to monitor and report on the progress made by the Council in implementing these proposals and others set out in my previous reports and letters.

Proposals for improvement

Improvement Planning

- P1 Within the context of its medium-term corporate planning, the Council should define a set of annual Improvement Objectives that encapsulates its ambitions for the year and communicate them in a form that enables the public to hold the Council to account for its performance.
- P2 Ensure that the Improvement Plan available to the public on the Council's website reflects any changes resulting from reviews during the year, and that any revised Plan includes a record of any such changes.

Improvement Reporting

- P3 Increase the use of relevant data to support the Council's evaluation of outcomes in relation to its Improvement Objectives.
- P4 Improve the balance of the narrative supporting each assessment, drawing out the lessons learned from particularly successful work and from work that has not gone as well as intended.
-

Yours sincerely



Huw Vaughan Thomas
Auditor General for Wales

Cc Carl Sargeant, Minister for Local Government and Communities

Wales Audit Office Improvement Assessment Letter 2013

Cabinet Response

A: Formal Recommendations

There were no statutory formal recommendations made in the letter.

B: Proposals for Improvement

The Council has the discretion to adopt the proposals made in the letter.

Ref	Proposal for Improvement	Response
P1	<p>Improvement Planning Within the context of its medium-term corporate planning, the Council should define a set of annual Improvement Objectives that encapsulates its ambitions for the year and communicate them in a form that enables the public to hold the Council to account for its performance</p>	<p>The Council will be publishing its Improvement Plan 2013-2017 early in the new financial year of 2013/14. Within the Plan the Council will highlight the priorities of greatest importance for the year. This will meet the proposal to improve public accountability.</p> <p>A public summary will be published on the Council's website and distributed to partners and stakeholders.</p>
P2	<p>Improvement Planning Ensure that the Improvement Plan available to the public on the Council's website reflects any changes resulting from reviews during the year, and that any revised Plan includes a record of any such changes.</p>	<p>Progress against the Improvement Plan is reported to Cabinet on a twice yearly frequency. The Plan, where amended in year, will be refreshed on the website with a 'log' of any in-year changes.</p>
P3	<p>Improvement Reporting Increase the use of relevant data to support the Council's evaluation of outcomes in relation to its Improvement Objectives.</p>	<p>The Council will continue to develop its data set to inform reporting against its priorities (Improvement Objectives). This is work in progress. The Council will review how it uses this data and other information/evidence to provide a comprehensive and balanced narrative. The Wales Audit Office is invited to contribute to improving the internal business model.</p>
P4	<p>Improvement Reporting Improve the balance of the narrative supporting each assessment, drawing out the lessons learned from particularly successful work and from work that has not gone as well as intended.</p>	

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**
DATE: **TUESDAY, 19 FEBRUARY 2013**
REPORT BY: **DIRECTOR OF ENVIRONMENT**
SUBJECT: **BUS FUNDING**

1.00 PURPOSE OF REPORT

1.01 To advise Members of proposed changes to the delivery of bus subsidy funding from 1st April 2013; to highlight the implications of a budget cut in the available funding for bus subsidies and to seek approval to revised management arrangements linked to the delivery of a new bus funding scheme via the Regional Transport Consortia. The paper also seeks approval to change the Constitution of TAIH to allow the delivery of the new scheme in North Wales.

2.00 BACKGROUND

2.01 There are two grant schemes currently provided in support of bus services by the Welsh Government. These are Bus Services Operators Grant (BSOG) and Local Transport Services Grant (LTSG). BSOG is provided directly to bus operators by the WG and takes the form of a subsidy for fuel usage. LTSG is provided to Local Authorities to support local bus networks and these are tendered by Local Authorities and procured from bus companies on a route by route basis. The total combined value of these grants in the 2011-12 financial year was £33 million. In January 2012 the Minister for Local Government and Communities announced a proposed budget reduction of between 25 and 27% in the two funding schemes

2.02 Subsequent to the announcement, a transitional funding period whilst the grant was maintained was agreed by the Minister, subject to a review of the future funding of bus services across Wales. It was finally confirmed for the remainder of the 2012-13 financial year that a cut of approximately 9.5% would apply, from 1st October 2012, which equates to a 19% cut in bus funding for the second half of the financial year.

2.03 The Review was led by a Steering Group comprising the Welsh Government and the Regional Transport Consortia (RTCs), with significant input from the Confederation of Passenger Transport (CPT).

2.04 Driven by the Welsh Government's Case for Change, difficult decisions were embraced by the Steering Group and a report was sent to the Minister by the agreed date. The report has subsequently been approved by the Minister and a new scheme called Regional Transport Services Grant will be in place from 1st April 2013. The key principles of the new arrangements are to be:

- Regional Transport Consortia will be responsible for administering the new Regional Transport Services Grant (RTSG) scheme, which will take over from BSOG and LTSG, from 1st April 2013;
- Consortia will develop a Regional Bus and Community Transport Network Strategy in 2013/14, setting out outcomes consistent with national and regional transport priorities;
- Consortia will monitor performance against outcomes, and publish results in their Annual Progress Report;
- Consortia will be responsible for administering the reimbursement paid to operators under the concessionary bus travel scheme in their area from 1st April 2013.
- The new scheme will have a total budget of £25m for the 2013-14 financial year.

2.05 Substantial work needs to be undertaken to ensure that the Regional Transport Consortia, local authorities and operators are ready to operate the new system by 1st April. Plans for managing and resourcing these new responsibilities are being developed by a Task and Finish Group of the North Wales Local Authority Transport Managers. Arrangements to second a small number of staff into TAITH to develop the implementation work, using additional funding allocated by the WG are also in place.

3.00 CONSIDERATIONS

3.01 There remain issues to be addressed about the timing, resources and joint working arrangements. As the redirection and reduced level of funding is likely to have a major impact on the commercial network and local authority supported services, the apportionment will need to be determined and understood in advance of 1st April 2013. Substantial work needs to be undertaken to understand the current levels of BSOG support for commercial and supported services, to determine the actual levels of funding for the commercial mileage element of the new Grant and funding levels available to local authorities for supported services. The degree of joint working with the Welsh Government needs to increase substantially to undertake this work in the time available.

- 3.02 To mitigate or at least reduce those risks, it has been agreed that the introduction of the new system can take place on a phased basis. For example, the regionalisation of the LTSG can proceed as scheduled on 1st April 2013, whilst the changes to BSOG could be introduced over a 12 months period. This makes sense. It would allow sufficient time to fully understand and implement the administrative procedures necessary to undertake the proposed changes, allow the development and agreement of the quality outcomes of the new scheme, and more importantly, ensure that the effects of the reduced funding levels, and the impact, specifically of BSOG on the commercial network, would be fully understood and taken into account when producing the Regional Bus and Community Transport Network Strategies.
- 3.03 During the first year, it is proposed to allocate the Regional Grant in direct proportion to the allocations to North Wales authorities during the 2011-12 financial year.
- 3.04 There is a risk that the new proposals will have impacts on existing bus networks during the transition period. There will inevitably be a reduction in the number of commercial services operated across the region, which will place pressure on the supported network. The level of unhypothecated funding allocated by Local Authorities will also come under pressure as the impact of the changes and the reduced budget impact on networks. There will need to be a close working relationship between TAITH and the Local Authorities to manage the potential changes and minimise the impact as far as is possible.
- 3.05 The Consortia are not currently structured to manage the delivery of bus funding and neither is this role contained in the current remit for TAITH as defined by its Constitution. Local Authorities currently manage the delivery of LTSG but are not resourced to manage the delivery of BSOG which is currently managed by the Department for Transport.
- 3.06 The TAITH Constitution is attached at Appendix. Clause 1 – ‘Definitions’ reads :-

“Area - means the Local Government Area of each Authority as defined in Part 1 of Schedule IV to the Local Government Act 1972 (as amended) but excluding the Meirionnydd area of Gwynedd Council”

As it is proposed that TAITH will deliver bus funding over the whole of Gwynedd, the following addition to the clause is required :-

“Gwynedd and TAITH may agree for operational purposes that the whole of Gwynedd should be included in the defined area, for the delivery of specific objectives”.

The Constitution also limits the role of TAITH to that set out by the aims and objectives contained in paragraphs 3.1 and 3.2 of the Constitution. It is proposed to amend the Constitution further by the insertion of the additional objective below into paragraph 3.2.5 of the document :-

“to administer, commission, manage and deliver bus funding grants and bus network strategies for the region”.

- 3.07 No further changes are currently proposed and the intention of the change is only to enable the delivery of the new scheme approved by the Minister to take place. Any additional changes to the role of TAITH would require the further approval of the partner Authorities.
- 3.08 The work to prepare for the implementation of the new scheme is currently being managed by two seconded Officers from the North Wales local authorities working with the TAITH core team, using additional budget provided by the WG. As implementation of the new scheme progresses, alternative arrangements will need to be developed in partnership with Authorities across North Wales to manage the future delivery of the new scheme.

4.00 RECOMMENDATIONS

That Members :-

- 4.01 Note the new arrangements for the delivery of bus funding that will be in place from the 1st April 2013 following the approval of the bus funding report by the Minister for Local Government and Communities.
- 4.02 Approve the proposed additional wording set out in paragraph 3.06 to be inserted into the TAITH Constitution to allow the delivery of the new scheme by the Consortium.
- 4.03 Note that further work will be progressed to identify new management arrangements for the delivery of the new scheme during the initial implementation and transitional period for Regional Transport Services Grant.

5.00 FINANCIAL IMPLICATIONS

- 5.01 There are significant financial consequences from the report, and there will be further work carried out to develop a full analysis of the issues.
- 5.02 Payment of future bus revenue grants to TAITH will have implications for TAITH and for the workload of Flintshire County Council, as the host authority. This will be quantified and a revised management charge will be applied to cover management costs.

6.00 ANTI POVERTY IMPACT

Better transport, which is accessible to all, will improve peoples' ability to access employment and key services such as healthcare, leisure, education and retail.

7.00 ENVIRONMENTAL IMPACT

Improving transport will provide greater choice for the travelling public and is likely to result in modal shift away from the car onto buses, thereby helping to reduce congestion and carbon emissions.

8.00 EQUALITIES IMPACT

Better transport, which is accessible to all, will improve peoples' ability to access employment and key services such as healthcare, leisure, education and retail.

9.00 PERSONNEL IMPLICATIONS

9.01 Payment of future bus revenue grants to Consortia may have staffing implications.

10.00 CONSULTATION REQUIRED

Consultation will be required with the following :-

Local Authorities
Regional Transport Consortium
Bus Operators
Bus Users Groups
Community Transport
Traveline

11.00 CONSULTATION UNDERTAKEN

Consultation has been undertaken through representatives attending Steering Group meetings and reporting back to their respective sectors as outlined in 10.00 above.

12.00 APPENDICES

12.01 Agreement and Constitution of TAITH

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985 BACKGROUND DOCUMENTS

Contact Officer: Carl Longland
Telephone: 01352 704500
Email: carl.longland@flintshire.gov.uk

2006

Agreement and Constitution of Taith



**AGREEMENT AND CONSTITUTION
OF
TAITH**

DATED 31st March 2004

(Amended 20th July 2006)

THIS AGREEMENT is made the thirty-first day of March 2004 **BETWEEN**
ISLE OF ANGLESEY COUNTY COUNCIL
CONWY COUNTY BOROUGH COUNCIL
DENBIGHSHIRE COUNTY COUNCIL
FLINTSHIRE COUNTY COUNCIL
GWYNEDD COUNCIL

and **WREXHAM COUNTY BOROUGH COUNCIL**

(collectively referred to as “the parties”) and is made pursuant to Section 101(5) of the Local Government Act 1972 as amended.

1. **DEFINITIONS**

Area means the Local Government Area of each Authority as defined in Part 1 of Schedule IV to the Local Government Act 1972 (as amended) but excluding the Meirionnydd area of Gwynedd Council.

Authority means any one of the individual parties to this Agreement

Board means the joint Committee of the parties established pursuant to Section 101(5) of the Local Government Act 1972 as amended and comprising of two elected Councillors from each Authority as appointed by each Authority.

Business Plan means the annual Business Plan approved by the Board to discharge the functions established by this Agreement for the following twelve month period.

Local means any area within the Area being less than the whole of it

Management Authority means the Authority appointed from time to time to carry out the administrative, secretarial, financial and accountancy functions of Taith as set out in this Agreement

Management Group means the group of Officers of each Authority established by this Agreement.

Region has the same meaning as Area

Taith means the name given to the joint committee, its functions and the work undertaken by its authority as established by this Agreement

2. PURPOSES OF THIS AGREEMENT

The parties wish to establish the Board as a joint Committee under the Local Government Act 1972 as amended and hereby enter into this Agreement in order to:

- 2.1 fulfil the aims as set out in clause 3.1 below within the Region,
- 2.2 promote Taith as a recognisable identity within the Region,
- 2.3 adopt the constitution of Taith as set out in this Agreement and delegate to Taith the power to act on behalf of the parties for the matters and in the manner set out in this Agreement,

3. AIMS & OBJECTIVES

- 3.1 The aims of Taith are the development and adoption of a transport strategy and subsidiary strategies for the Region embodying the following principles and such other principles as may from time to time be agreed by the Board:
- 3.1.1 to extend the multi modal infrastructure of the Region,
 - 3.1.2 to support sustainable improvements to the level of commercial and economic activity in the Region,
 - 3.1.3 to enhance the safety and quality of transport services and infrastructure within the Region,
 - 3.1.4 to support a transport system meeting the needs of all the Region's residents,
 - 3.1.5 to promote improvement to transport links and policy integration with other areas outside the Region.
- 3.2 To achieve the above aims, Taith will undertake to complete the following objectives:
- 3.2.1 the development, review and implementation from time to time of a Regional Transportation Strategy or strategies setting the framework for Regional and Local transport investments to be made,
 - 3.2.2 the development, review and implementation of subsidiary strategies to address specific transport issues,
 - 3.2.3 the maximisation of benefits obtainable from all financial and grant aided sources for Regional and Local transport projects and initiatives,
 - 3.2.4 to support each Authority in the delivery of projects and initiatives contributing to the aims as set out in clause 3.1 above,
 - 3.2.5 to respond to the Welsh Assembly Government's transport initiatives for the benefit of the Region,
 - 3.2.6 to represent the Region in the lobbying and the making of representations on all transport issues within and beyond the Region which affect or relate to the aims as set out in clause 3.1 above.

4 BOARD AND MANAGEMENT GROUP

4.1 Each individual authority shall appoint two of their elected Councillors to the Board to serve preferably for a period of four years.

Each authority shall have the right to nominate a substitute in place of either or both of their appointed Councillors who may carry out their functions at any one or more meetings of the Board.

4.2 A Chairperson shall be appointed by the Board every two years with the Chairperson being a Councillor from each authority in turn (so that each Authority shall provide one chairperson every twelve years).

4.3 A Vice Chairperson shall be appointed by the Board every two years with the vice chairperson being a Councillor from each authority in turn (so that each Authority shall provide one vice-chairperson every twelve years). The Chair and Vice Chair could not be Councillors from the same authority.

4.4 Each Authority on the Board shall have one vote and decisions of the Board will be made by majority of votes. The Authority providing the Chairperson for the time being shall have a casting vote in the case of votes being tied.

4.5 The Board shall be responsible for the adoption of the Business Plan.

4.6 A quorum for meetings of the Board shall consist of at least one elected Councillor (or their nominated substitute) from no less than five of the parties. Meetings of the Board shall be conducted in accordance with the standing orders for proceedings at meetings of the Management Authority. Where the provisions of those standing orders may conflict with the provisions of this Agreement, the provisions of this Agreement shall prevail.

4.7 The Board shall meet at least once a year or at such times as it may determine.

4.8 The Board shall have delegated authority from their parties to make decisions, enter into contracts and incur expenditure in pursuance of the aims of this Agreement as set out in clause 3.1 above.

4.9 The Board shall appoint a Management Group which shall consist of an equal number of officers from each Authority. The Management Group shall:

4.9.1 report to and support the Board,

4.9.2 be responsible for liaising between each Authority and

4.9.3 implement the Business Plan.

- 4.10 The Director of Transportation (or the person holding the equivalent post) of the Management Authority will act as the lead officer of the Management Group.
- 4.11 An officer serving on the Management Group may nominate a substitute to attend meetings of the Management Group in his or her place. Any member of the Management Group (or their nominee) may attend meetings of the Board but no such officer shall have a vote at meetings of the Board.
- 4.12 The quorum for meetings of the Management Group shall consist of at least one officer from at least five of the parties and such meetings shall be conducted in accordance with such procedures as the Management Group may from time to time agree by unanimity.
- 4.13 The Management Group shall meet at least four times a year and more frequently at the request of any officer of the Management Group on the giving to each Authority of seven days notice in writing.
- 4.14 The meetings of the Management Group will be held at the offices of the Management Authority unless otherwise unanimously agreed by the Management Group.
- 4.15 The Management Group shall not have power to amend or vary this Agreement or to bind any Authority on any matter without the approval of the Board.
- 4.16 The Management Group may establish an Operational Team (or Teams) consisting of at least one officer from each Authority (as chosen by the Management Group). Each Operational Team shall undertake such functions relating to this Agreement as may be determined by the Management Group and such functions may include the day-to-day business and management of Taith and the carrying out of the instructions given to that Team by the Management Group. Each Operational Team shall report to the Management Group who will resolve any disagreement amongst the officers of any Operational Team.

5. MANAGEMENT AUTHORITY

- 5.1 The Board shall appoint one Authority to act as Management Authority for a period of at least four years subject to the provisions for terminating this Agreement as set out in clause 7.1 below.
- 5.2 The appointment of the Management Authority may be terminated by all the other parties giving to the Management Authority three months' notice in writing.
- 5.3 Terminating the appointment of the Management Authority within four year period may only be made on the grounds of the Management Authority's incompetence, inability to act, negligence or wilful misconduct.
- 5.4 The Management Authority shall be responsible for the preparation and distribution of Agendas for meetings of the Board and Management Group, the taking of full minutes at such meetings and the preparation and subsequent distribution of those minutes at future meetings of the Board and Management Group respectively. The Management Authority shall, in addition to the foregoing, provide all secretarial and administrative services necessary to fulfil the functions of Taith.
- 5.5 The Section 151 Officer of the Management Authority shall make provision of all financial and accountancy services to Taith in accordance with the financial regulations and standing orders of the Management Authority for the time being.
- 5.6 The cost to the Management Authority of providing administrative, secretarial, financial and accountancy services to Taith shall be borne by each Authority in accordance with the provisions of Schedule 1 to this Agreement.
- 5.7 The Management Authority shall report on a regular basis to the Board on the financial status of Taith and lay before the Board once every year an account of Income and Expenditure for the previous year and a Balance Sheet for that year duly certified by the Section 151 Officer.
- 5.8 The Section 151 Officer shall be responsible for:
 - 5.8.1 receiving and managing all grant monies from the Welsh Assembly Government (and any other grant-awarding body),
 - 5.8.2 paying all proper accounts due under any contracts or agreements entered into by Taith pursuant to this Agreement and
 - 5.8.3 paying all proper invoices rendered to the Management Authority by another Authority in respect of work done by that other Authority in pursuance of this Agreement which work has been authorised by the Board. Payment of such invoices shall be in accordance with the provisions of Schedule 2 to this Agreement.

- 5.9 Each Authority will allow access to any records, documents and accounts created by them in pursuance of this Agreement to the Auditors of the Management Authority within a reasonable time following a written request from such Auditors.
- 5.10. The Management Authority undertakes:
- 5.10.1 To ensure that the contents and specification of bids for funding to the Welsh Assembly Government (or any other funding agency) prepared by the Management Group and approved by the Board are in accordance with the terms agreed by the Board under the procedures set out in this Agreement.
 - 5.10.2 To circulate to all other parties details of all bids for funding and details of the grants awarded or refused arising from such bids.
 - 5.10.3 To abide by the standing orders of any Authority whom the Board has agreed shall procure a contract on behalf of Taith
- 5.11 Management Authority shall appoint the staff as detailed in Schedule 3 to this Agreement in accordance with their policies and procedures for appointments of staff and the costs of appointing and employing such staff shall be borne by each Authority in accordance with the provisions of that Schedule. Appointments to any vacancy amongst such staff shall be made in accordance with recruitment and selection procedures of the said Management Authority in consultation with officers of the Management Group. All appointments, whether initial or subsequent ones, shall only be made by the Management Authority after consultation with the Management Group. The Board must approve the staff structure for Taith.
- 5.12 The parties agree to indemnify the Management Authority for the time being in respect of all costs incurred by it in the discharge of its functions as the Management Authority under this Agreement other than any costs, liabilities or damages arising from the negligence or wilful misconduct of or on behalf of the Management Authority for the time being when discharging such functions.
- 5.13 All the costs properly payable to the Management Authority for the time being in accordance with clause 5.12 above shall be borne by the parties in the proportions as set out in Schedule 1 to this Agreement and shall be paid to the Management Authority in accordance with the provisions of that Schedule.

- 5.14 The Management Authority shall annually prepare and submit a Business Plan to the Board for approval at its first meeting on or after 1st April in each year. Each such Business Plan for the forthcoming year shall be circulated to each Authority before 30th September in the preceding year. The Business Plan shall include the following:
- 5.14.1 The annual budget for Taith which shall include all sums proposed to be recharged to the parties by the Managing Authority in the discharge of its functions as such under this Agreement and as calculated in accordance with Schedule 1 to this Agreement.
 - 5.14.2 The audited account of Income and Expenditure and the Balance Sheet as mentioned in clause 5.7 above including the auditor's comments.
 - 5.14.3 The details of any duly authorised borrowing undertaken in the previous financial year
 - 5.14.4 The details of all contracts entered into in the previous financial year and all those proposed to be entered into for the forthcoming financial year in pursuance of this Agreement.
 - 5.14.5 The details of any sums outstanding to or from each Authority from the previous financial year.
 - 5.14.6 The details of strategies and action programme during the Plan period.
 - 5.14.7 Any such other matter as any Authority may request and approved by the Board, be included.

6. OBLIGATION OF INDIVIDUAL AUTHORITY

- 6.1 Each Authority authorises Taith to act on its behalf in undertaking the role of Regional Consortium for the purpose of fulfilling the requirements of the Welsh Assembly Government relating to Regional Transport Strategies, transport and other grants and matters as may be set out from time to time which such matters shall include:
- 6.1.1 To hold grant monies awarded pursuant to applications made under this Agreement and awarded by the Welsh Assembly Government or any other funding agency and to use them for the purposes authorised by decisions of the Board.
 - 6.1.2 To make further application for and to receive, administer and make proper payments out of such grant monies as shall be required for the purposes of this Agreement throughout its duration and report such applications, rejections and awards to the Board
- 6.2 Each Authority undertakes to be responsible for:
- 6.2.1 The procurement in accordance with their respective standing orders of any contracts that they are authorised to enter into pursuant to a decision of the Board.
 - 6.2.2 Considering the draft Business Plan submitted to it and either approving, rejecting or requesting amendments to it within (four) weeks of its receipt. Any Business Plan or part of such a plan which is rejected by any majority of the parties may not be submitted for approval to the Board in respect of that part of it which is rejected.
 - 6.2.3 Implementing the Business Plan and every subsequent Business Plan within its geographical area and ensuring that the provision of all resources required to fulfil its obligations as detailed in the Business Plan and in accordance with this Agreement are available.
 - 6.2.4 Paying to the Management Authority their own share of the costs incurred by the Management Authority properly acting as such as calculated and in the manner set out in Schedule 1 to this Agreement.
 - 6.2.5 To fund the work undertaken by Taith in each financial year pro rata to the population of each Authority. 'Population' here shall mean the population of each of the parties (excluding the Meirionnydd area when calculating the population of Gwynedd Council) according to the Registrar General's mid-year estimates for the month of June two years prior to each such financial year.
 - 6.2.6 In respect of any work within its geographical area to make good any shortfall in funding between that allocated to the Authority by Taith and the actual cost of completing those works.

- 6.3 Any borrowing proposed to be made by Taith must be expressly approved by each Authority before being agreed to by the Board. Any borrowing so approved and agreed shall as to its principal sum and any interest thereon be treated as a liability of Taith and divided between the parties pro rata to the population of each of the parties (Gwynedd Council shall exclude the population of the Meirionnydd area). 'Population' here shall mean the population of each of the parties according to the Registrar General's mid-year estimates for the month of June two years prior to the financial year in which each such borrowing is incurred.
- 6.4 The ownership of and responsibilities for vehicles, equipment and tools and any other tangible assets to be held by Taith and the ownership and responsibilities of any highway, highway structure and street furniture constructed by monies secured and expended under the terms of this Agreement shall be in accordance with the provisions set out in Schedule 4 to this Agreement.
- 6.5 Where any Authority, other than the Management Authority incurs approved expenditure on behalf of Taith then that Authority shall notify the Management Authority of such expenditure. The Management Authority shall apportion the costs of such expenditure between the parties in accordance with Schedule 2 to this Agreement.

7. GENERAL PROVISIONS

7.1 Termination

7.1.1 Any of the parties may terminate this Agreement by giving to each of the other parties at least six months' notice in writing of its wish to do so. The withdrawal of one Authority will not require the termination of this Agreement.

7.1.2 On termination of this Agreement Taith shall be wound up in accordance with the provisions of Schedule 5 to this Agreement.

7.1.3 The Management Authority may terminate its appointment as such by giving to each of the other parties at least six months' notice in writing prior to the end of the financial year of its wish to do so.

7.2 This Agreement shall not be deemed to create an Agency or Partnership between each individual Authority under the Partnership Act 1890 but each Authority shall owe a duty of care and good faith to each other individual Authority in carrying out the obligations contained in this Agreement.

7.3 Nothing in this Agreement shall prohibit limit or hinder the actions of each Authority as a Local Highway Authority and the lawful application by them of any grant monies allocated to them.

7.4 Each Authority shall be responsible for any works undertaken pursuant to this Agreement on land which lies within that Authority's administrative boundaries.

7.5 Liabilities to Third Parties

7.5.1 Each Authority undertakes to indemnify the other parties to this Agreement against any costs claims demands damages or liabilities arising in favour of third parties as a result of any failure by such Authority to fully observe and perform its obligations contained in this Agreement insofar as such obligations are required to be performed and observed by that Authority.

7.5.2 Where any such costs claims demands damages or liabilities in favour of third parties arise other than through the said failure of any one or more Authority, then such costs claims demands damages and liabilities shall be treated by Taith as a cost of the Management Authority within the meaning of Schedule 1 to this Agreement and shall be recharged to each Authority in the proportions and in the manner provided for in that Schedule.

7.6 Any dispute or difference arising with any Authority as to the respective rights, duties and obligations or to any matter arising out of or in connection with the subject matter of this Agreement (including any dispute or difference with regard to the meaning or construction of this Agreement) save as otherwise provided for by this Agreement shall be referred by any

individual Authority and determined by an independent Solicitor or Barrister of at least 10 years standing and who is also a specialist in relation to such subject matter as is in dispute. Failure to agree on the appointment of such independent Solicitor or Barrister shall result in the appointment of the same by the President or Vice President or other duly authorised Officer of the Law Society on the application of either party. Any person so appointed under this clause shall act as an arbitrator in accordance with the Arbitration Acts 1950-1996 or any statutory modification from time to time in force.

- 7.7 The decision of any Arbitrator appointed hereunder shall be final and binding upon the parties to that dispute and the costs of such arbitration shall be in the absolute discretion of the Arbitrator.
- 7.8. Any notice to be served under this Agreement shall be sufficiently served if it is delivered or sent by Recorded Delivery Post or prepaid first-class post to the Director of Transportation (or the holder of the equivalent post) of each Authority at the address given for each Authority at the head of this Agreement (or such other addresses as subsequently notified by the Authority to the other parties to this Agreement in writing) and such notice shall be effective immediately.
- 7.9 The headings in this Agreement shall be not taken as part of the Agreement or in any way affect the interpretation or construction of the Agreement.
- 7.10 No modification alteration or waiver of any of the provisions of this Agreement shall be effective unless the same is approved by the Board whose decision must be unanimous and is in writing and signed by the duly authorised Representative of each Authority on the Board.
- 7.11 This Agreement represents the entire agreement between the parties and the full extent of the enterprise at the date hereof. Any subsequent variation or extension to the terms of this Agreement shall be fully and effectually incorporated into it and form part of it if set out in full in a Memorandum of Further Agreement sufficiently identifying and referring to this Agreement and signed by each Authority in accordance with clause 7.10 hereof.

IN WITNESS WHERE OF the parties hereto have caused their respective Common Seals to be hereunto affixed the day and year first before written.

SCHEDULE 1

Costs of the Management Authority

- (a) The costs incurred by the Management Authority for the time being properly acting in its capacity as such and in respect of administrative, secretarial, financial and accountancy services to Taith and all other costs incurred by it arising out of or in connection with the work undertaken by it for Taith shall be certified by the Section 151 Officer of that Management Authority for each financial year and divided between the parties pro rata to the population of each of the parties.
- (b) For the purposes of paragraph (a) above the population of each of the parties for the financial year in question will be the Registrar General's mid-year estimates for the month of June two years prior to that financial year. In calculating the population of Gwynedd Council the population of the Meirionnydd area shall be omitted.
- (c) Following certification of the costs as calculated above the said Officer shall notify each Authority of the sum due from them and payment of such sums shall be made in a manner and in accordance with a timetable as agreed by the parties or, in default of such agreement, as notified to each Authority by the said Director.

SCHEDULE 2

Costs incurred by each Authority

Where an Authority other than the Management Authority for the time being, incurs expenditure previously authorised by the Board, such expenditure shall be notified to the Section 151 Officer of the said Management Authority in a manner as shall be agreed by the parties or, in default of such agreement, in a manner chosen by the said Officer and notified to each Authority in writing. Such expenditure, having been duly certified for each financial year and notified to each Authority by the said Officer, shall be divided between the parties pro rata to the population of each of the parties.

“Population” shall have the same meaning as given in paragraph (b) of Schedule 1 to this Agreement.

Having been duly notified of their share of the said expenditure, each Authority shall make payment of their allotted share to the said Management Authority in such a manner and in accordance with a timetable to be agreed by the parties or, in default of such agreement, by the said Officer.

SCHEDULE 3

Staff employed by Taith

In accordance with clause 5.11 of this Agreement, the Management Authority for the time being shall employ the staff and resources as determined by the Management Group and approved by the Board.

On termination of this Agreement the parties shall make reasonable endeavours to offer employment to any member of the said staff who would otherwise be redundant.

All costs of employing such staff including any costs of redundancy shall be treated as a cost of the said Management Authority within the meaning of Schedule 1 to this Agreement and dealt with accordingly.

SCHEDULE 4

Assets and Infrastructure

1. Any equipment, vehicle, tool or other tangible asset (asset) transferred by any Authority to Taith shall be transferred at the value it shall have on the open market at the date of such transfer. In default of any agreement as to that value between the Management Authority and the Authority transferring the asset, that value shall be determined by arbitration as provided for in this Agreement.
2. Any asset acquired by or on behalf of Taith shall be owned by each Authority jointly in shares pro rata to the population of each of the parties except that the population of Gwynedd Council shall exclude that of the Meirionnydd area. 'Population' shall mean the Registrar General's mid-year estimates for the month of June two years prior to the financial year in which such asset was acquired by Taith.
3. Any highway (as is defined in section 328 of the Highways Act 1980), highway structure or street furniture (infrastructure) constructed, adapted or improved pursuant to this Agreement shall be treated thereafter as the responsibility of the Authority within which such infrastructure is located except for highways for which the Welsh Assembly Government is the responsible Authority. The Authority bearing such responsibility shall be solely liable for the costs of future maintenance, improvement and repair of that infrastructure.

SCHEDULE 5

Provisions on Termination

Between the date of service of a notice to terminate this Agreement in accordance with clause 7.1 and the date when such notice takes effect, the Section 151 Officer of the Management Authority for the time being shall calculate all of the following matters for the period up to the date of such termination:

1. all sums due to the Management Authority in accordance with Schedule 1 to this Agreement,
2. any sum due to each Authority in accordance with Schedule 2 to this Agreement,
3. any sum due to the Management Authority in accordance with Schedule 3 to this Agreement,
4. any sum calculated as being a liability of Taith to a third party,
5. the share of each Authority in the assets of Taith as provided for in Schedule 4 to this Agreement,
6. the share of each Authority in respect of any outstanding borrowings (if any) made by or on behalf of Taith as provided for by clause 6.3 of this Agreement.

All such sums and shares as calculated above shall be notified in writing by the said Officer to each Authority within 3 months of the termination of this Agreement.

Any Authority so notified that they owe sums to Taith shall pay such sums to the Management Authority within 28 days of such notification.

Any Authority so notified that a sum is due to them from Taith shall be paid that sum in a manner as may be agreed between it and the Management Authority or, in default of such agreement, in a manner as decided by the said Officer.

If any sums or shares as detailed in the points numbered 1 to 6 in this Schedule shall arise or come to the notice of the said Officer after the date of termination of this Agreement, then each Authority shall, notwithstanding the termination of this Agreement, be bound to pay such sums or to receive such shares as may be notified to them by the said Officer as if such notification had been given before this Agreement had been terminated

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **TUESDAY, 19 FEBRUARY 2013**

REPORT BY: **DIRECTOR OF ENVIRONMENT**

SUBJECT: **REVIEW OF THE COUNCIL'S POLICY ON HIGHWAY SAFETY INSPECTIONS - INTERVENTION CRITERIA AND RESPONSE TIMES**

1.00 PURPOSE OF REPORT

- 1.01** To seek Cabinet approval of the Council's policy on highway safety inspections, intervention criteria and response times

2.00 BACKGROUND

- 2.01** Flintshire County Council as Highway Authority has a statutory duty to maintain all adopted highways (except trunk Roads) within the County. In the event of a breach of that statutory duty, the Council may be liable for claims from highway users for personal injury or loss arising from incidents or accidents which have occurred on the adopted highway network.
- 2.02** In order to ensure the Council's highway network remains in a safe and fit for purpose condition, a robust safety inspection policy is required. The policy will both ensure the continued safety of the highway network and provide a defence against claims made for compensation by users of the network alleging loss or damage whilst doing so.
- 2.03** By virtue of section 58 of the Highways Act 1980 (England and Wales), if a Highway Authority can prove it had in place adequate policies and procedures to maintain the highway, that the policies and procedures were being adhered to and providing there was no prior knowledge of a particular defect before the incident date, a claim for damages against the authority as a result of personal loss or injury can be repudiated.
- 2.04** The proposed Safety Inspection Policy will define inspection frequencies on all classifications of carriageways, footways and cycle ways maintained by the Council. The policy will also define intervention criteria i.e. point at which maintenance work is required and define timescales for completing any required remedial work.

3.00 CONSIDERATIONS

- 3.01** The Council's current arrangements for highway inspection and intervention are not contained within a single comprehensive policy document and although Flintshire County Council are one of the best performers in Wales in terms of the number of claims received each year, the Council still receives numerous compensation claims from highway users arising from alleged breach of the statutory duty to maintain the highway. The implementation of this formal comprehensive policy will assist the Council's defence of such claims, and facilitate the Council's reliance on the statutory defence afforded by Section 58 of the Highways Act 1980 (England and Wales)..
- 3.02** Streetscene supervisors based in the Environment Directorate will oversee out the highway safety inspections and each Supervisor has or will receive training to enable them to carry out the task. The training takes the form of 'shadowing' experienced Supervisors and instruction by experienced highway maintenance engineers or managers. Before Supervisors commence inspection duties a formal appraisal takes place to ensure they hold a good understanding of both the policy and of highway maintenance good practice.
- 3.03** The Policy requires that safety inspections are carried out on each element of the highway infrastructure (e.g. footways) at predetermined intervals, dependant on classification. During the inspection, defects will be noted and the necessary repairs arranged within a period of time also defined in the Policy.
- 3.04** The elements of the highway referred to in the Policy relate to carriageways (roads), footways and cycle ways. The inspections will take place from a moving vehicle (with the Supervisor as a passenger) in the case of carriageways or walked in the case of footway/cycleway inspections.
- 3.05** All inspection frequencies, intervention criteria and response times stated in the Policy meet with or improve on nationally recognised minimum standards for safety inspections
- 3.06** The proposed Council Policy for highway safety Inspection, intervention criteria and response times is included as **Appendix 1** of this report

4.00 RECOMMENDATIONS

- 4.01** That Cabinet approves the Councils Policy on Highway Safety Inspections, intervention criteria and response times, set out in Appendix 1.

5.00 FINANCIAL IMPLICATIONS

5.01 The new proposed Policy formalises the existing arrangement and there will be no increase in operating costs as a result.

5.02 The new Policy will enable the Council to defend claims more robustly reducing the potential costs of claims.

6.00 ANTI POVERTY IMPACT

Not applicable

7.00 ENVIRONMENTAL IMPACT

7.01 A desk top study has been completed and found that the new Policy has no detrimental environmental impact

8.00 EQUALITIES IMPACT

8.01 A desk top study has been completed and found that the new Policy did not discriminate against any particular group

9.00 PERSONNEL IMPLICATIONS

None

10.00 CONSULTATION REQUIRED

None

11.00 CONSULTATION UNDERTAKEN

11.01 With Cabinet Member

11.02 With the Council's Insurance Management Team

12.00 APPENDICES

Appendix 1 – Council Policy on Highway Safety Inspections, intervention levels and response times

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

Contact Officer: S Jones
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Flintshire County Council - Streetscene

Policy for Highway Safety Inspections, Intervention Criteria and Response times

- 1. Background**
- 2. Need for a Policy**
- 3. Carriageway inspections.**
- 4. Footway inspections.**
- 5. Cycleway inspections.**
- 6. Intervention criteria**
- 7. Response times**
- 8. Training of Inspectors**
- 9. Background documents**

1. Background

- 1.1 Flintshire County Council as Highway Authority has responsible for the maintenance of all adopted highways (except trunk Roads) within the County. Flintshire County Council has a statutory duty to maintain the highways but may be responsible for any claims which result from injury or loss to members of the public who may use them.

2. Need for a policy

- 2.1 Flintshire County Council receive numerous claims from highway users following trips, falls or personnel loss/damage to property on the public highway. The implementation of this policy will ensure the highway network is in a fit for purpose and safe condition also providing the Council with a defence against any claims.
- 2.2 By virtue of section 58 of the Highways Act 1980 (England and Wales), if an Authority can prove it had in place adequate policies and procedures to maintain the highway, and that the policies and procedures were being followed and providing there was no prior knowledge of 'the defect' before the incident date, a claim for damages against the Authority as a result of a trip, fall or personnel loss can be repudiated.
- 2.3 Safety inspections involve visiting each section of the highway infrastructure at an approved frequency. During the visit any defects that are present are noted and the required maintenance repair work arranged. Safety inspections are carried out on carriageways (roads), footways and cycleway's.
- 2.4 Highway inspections are carried out by the Area Highway Supervisors based in Streetscene.

3. Carriageway inspections

3.1 In accordance with the national Code of practice for Highway Maintenance, each carriageway in the County has been classified into one of the following groups:

Category	Definition	Detail	Length
2	Class A - Strategic Route	Routes for fast moving, long distance traffic with few frontages or pedestrian traffic	152km
3a	Class B - Main distributor	Routes between strategic routes and linking urban centres.	76 km
3b	Class C - Secondary distributor	Routes carrying mainly local traffic with large numbers of frontages and junctions	262 km
4a	Unclassified - Link Roads	Routes linking main/secondary distributors and local access roads, many frontages and junctions	666km
4b	Unclassified - Local access road	Routes serving properties only with limited access traffic.	

3.2 The following table shows the frequency of inspections that will be undertaken in respect of each road classification. The frequency is based on a risk assessment of each classification and by reference to the recommendations contained in the National Guidance document "Well Maintained Highways – A Code of Practice for Highway Maintenance Management (July 2005)"

Description	Category	Code Frequency		FCC Freq.
Strategic Route – Class A	2	1 month		1 month
Main Distributor – Class B	3(a)	1 month		1 month
Secondary Distributor – Class C	3(b)	1 month		1 month
Link Road – U/C	4(a)	3 months		3 months
Local Access – U/C	4(b)	1 year	Urban	6 months
			Rural	6 months

3.3 The carriageway inspections will be carried out by the Streetscene Area Supervisors from a vehicle, driven as slowly as road conditions will allow. The supervisor will be a passenger in the vehicle, which will be driven by a member of the Streetscene workforce.

4. Footway inspections.

4.1 In accordance with the guidelines within the National Code of practice for Highway Maintenance every footway within the County has been classified into one of the following groups:

Category	Definition	Detail	Length
Cat 1a	Prestige	Very busy main town centre shopping areas	To be confirmed
Cat 1b	Primary	Busy urban shopping and business areas	To be confirmed
Cat 2	Secondary	Medium usage routes local shopping centres	To be confirmed
Cat 3	Link footways	Linking local access footways, busy rural footways	To be confirmed
Cat 4	Local access footways	Low usage estate road footways	To be confirmed

4.2 The following table shows the frequency of inspections that will be undertaken in respect of each footway classification. The frequency is based on a risk assessment of each classification and by reference to the recommendations contained in the National Guidance document "Well Maintained Highways – A Code of Practice for Highway Maintenance Management (July 2005)"

Description	Category	Code Frequency.	FCC Frequency.
Prestige Area	1(a)	1 month	Weekly
Primary Walking Route	1 (b)	1 month	1 month
Secondary Walking Route	2	3 months	3 months
Link Footway	3	6 months	6 months
Local Access Footway	4	1 year	6 months

4.3 The inspections will be carried out by Streetscene Area Supervisors by walking the footway.

5. Cycleway Inspections

- 5.1 In accordance with the guidelines within the National Code of practice for Highway Maintenance every Cycleway within the County has been classified into one of the following groups:

Category	Definition	Detail	Length
Cat A	Integral	Cycle lane forming part of the carriageway	To be confirmed
Cat B	Dedicated	A highway route for cyclist not contiguous with the public footway or carriageway	To be confirmed

- 5.2 The following table shows the frequency of inspections that will be undertaken in respect of each footway classification. The frequency is based on a risk assessment of each classification and by reference to the recommendations contained in the National Guidance document "Well Maintained Highways – A Code of Practice for Highway Maintenance Management (July 2005)"

Description	Category	Code Frequency.	FCC Frequency
Integral	A	As adjacent carriageway	As adjacent carriageway
Dedicated	B	6 months	6 months

- 5.3 The integral cycleway inspections will be driven as part of the carriageway inspection and the dedicated cycleway's will be walked.

6. Intervention Criteria

- 6.1 During the inspection defects will be identified by the Street Scene supervisor. The defect will fall into one of the following categories.

Carriageways:

1. A situation with potential to cause serious injury or accident.
2. Defect above 40mm
3. Defect below 40mm

Footways:

1. A situation with potential to cause serious injury or accident
2. Defect above 25mm
3. Defect below 25mm

Cycleways

1. A situation with potential to cause serious injury or accident.
2. Defect above 40mm
3. Defect below 40mm

7 Response Times

- 7.1 The time to make safe or guard the defect will be as follows:

Asset	Defect	Response Time
Carriageways	A situation with potential to cause serious injury or accident	Immediate or closure
	Defect above 40mm	Rectify within 3 working days
	Defect below 40mm	Review at next inspection
Footways:	A situation with potential to cause serious injury or accident	Immediate or closure
	Defect above 25mm	Rectify within 3 working days
	Defect below 25mm	Review at next inspection
Cycleways	A situation with potential to cause serious injury or accident	Immediate or closure
	Defect above 40mm	Rectify within 3 working days
	Defect below 40mm	Review at next inspection

8. Training of Streetscene Supervisors

- 8.1 Each Supervisor will receive training to enable them to carry out the inspections. The training will take the form of 'shadowing' existing experienced Supervisors, and instruction by Team Leaders Street Scene. Before Street Scene Supervisors carry out their duties, a formal appraisal of their knowledge both of this policy and Highway Maintenance good practice shall be assessed by the Team Leaders..

9. Background Documents

Highways Act 1980

Code of Practice for good highway maintenance management July 2005

December 2012

FLINTSHIRE COUNTY COUNCIL

REPORT TO: CABINET
DATE: 19TH FEBRUARY 2013
REPORT BY: DIRECTOR OF ENVIRONMENT
SUBJECT: CIVIL PARKING ENFORCEMENT

1.00 PURPOSE OF REPORT

1.01 To make a final decision on Civil Parking Enforcement (CPE), following a Call-in of the decision taken on 18th December 2012.

2.00 BACKGROUND

2.01 On 18th December 2012, Cabinet considered a report entitled 'Civil Parking Enforcement' (attached at Appendix '1'). A copy of the Decision Notice for the report is attached at Appendix '2'.

2.02 The Council is the only North Wales authority which has not adopted CPE so far. A report was presented to Executive in March 2010 which approved work towards the introduction of a Civil Parking Enforcement Area within the County, with the exception of high speed dual carriageway lengths of trunk roads.

2.03 The effective enforcement of on-street parking regulations is essential for:

- Improving safety for both pedestrians and drivers through de-cluttering streets of illegally parked vehicles which often obstruct clear safe views of the highway network by both pedestrians and other road users
- Improving the general flow and efficiency of pedestrians, vehicles and cyclists through the road network
- Improving the local environment by preventing parking on grass verges, pavements and through such activity causing damage and tripping hazards
- Meeting the needs of people with disabilities through the increased provision of specific parking bays which are easily accessible and close to local shops
- Supporting the local economy through improving the general flow of traffic through our highway network, and regularising journey times; and in doing so improving the

quality, accessibility and overall reliability of public transport which uses the network

- Improving the general ambience of our car parks which are, for many visitors, the first visible arrival point within our towns
- Management and enforcement of Residents Parking Permits and on street parking where applicable

2.04 Any application for CPE has to be associated with a Parking Policy and Business Case.

2.05 As part of the general process of approvals, Members will need to agree a number of measures which will have to be reflected in the Order. Of particular significance will be the need to confirm the adoption of Civil Parking Enforcement Powers. Within Appendix 1 (Appendices 'A', 'B' and 'C') of this report are documents relating to Contravention codes, Residents Permits and Disabled Parking Bays which will require confirmation and adoption.

2.06 The majority of Local Authorities in North Wales process any Penalties through Denbighshire County Council (Wales Penalty Processing Partnership {WPPP}). This is an efficient and cost effective service and links into a regionalised approach to service delivery and cross regional partnership working. Flintshire County Council, as part of the implementation of CPE, proposes to take advantage of this regional service. Under CPE this will create a single enforcement regime that will provide members of the public with a more easily understood parking enforcement system.

2.07 As part of the CPE process, it will be necessary for the Council to nominate a Councillor to serve on the Adjudication Joint Committee. The Joint Committee Lead Authority is Manchester City Council and a Memorandum of Participation will be issued for subsequent signature before the commencement date of CPE within Flintshire. It is proposed that the nominated Councillor will be the Cabinet Member for Environment.

2.08 The Council has already submitted a draft application to Welsh Government (WG) for their consideration and has received some initial feedback on this document. Generally the feedback was positive and has been taken account of in current proposals.

2.09 To accord with legislation, the Council, in addition to other powers set out within this report, need to approve the following :-

- Clamping and removal powers, even if the Council chooses not to use them in the future
- A formal start date
- The use of Bailiffs

- The style, colour and type of uniform to be used by Civil Parking Enforcement Officers
 - How the Council will deal with TUPE issues should they arise
 - The formal SLA with the Central Ticketing Unit
- 2.10 Integral to Civil parking Enforcement, which takes place 'On-Street', is the issue of 'Off-Street' parking, as a significant proportion of vehicles displaced from roads are likely to resort to public and privately owned car parks.
- 2.11 There is an inconsistent practice in car park management and charging which goes back to the predecessor authorities of Delyn and Alyn & Deeside. Delyn had a policy of charging, whereas Alyn & Deeside did not and, as a result of this position not having been reviewed since local government re-organisation, we now have the situation where the Council charges for the use of its car parks in Mold and Holywell, whereas all of the other Council car parks are free. At the moment, the Council provides Off-Street parking permits in both Mold and Holywell for the use of residents and businesses. These currently cost £100 p.a. in Mold and £60 p.a. in Holywell. Furthermore, the level of charges have not been reviewed for over 18 years. It is therefore long overdue for the Council to review current practice and set a new policy. This review was included in the 18th December 2012 Cabinet report as Appendix 'D' 'Off-Street Parking Policy'.
- 2.12 Recognising that Members would want to comment on Appendix 'D', the decision taken on 18th December 2012 was to :-
- “Approve the 'Off-Street' Parking Policy shown in Appendix 'D', subject to the views expressed during the Scrutiny process in January 2013, and a review of all car parks listed against the criteria set out in paragraph 10 of Appendix 'D', with consideration of any temporary exemptions for special Reasons.”
- Also
- “That a further report be brought to Cabinet on Appendix 'D', to finalise the proposals.”
- 2.13 Notwithstanding the above, the decision taken by Cabinet on the Civil Parking Enforcement report was called-in by six Members of the Council. The Call-in meeting was held at the end of the scheduled Environment Overview & Scrutiny meeting held on 9th January 2013. The reason for the Call-in and the debate at the Scrutiny meeting focussed on that part of the Decision dealing with the Off-Street Parking Policy, rather than any of the other parts of the Decision taken in December. For completeness, the Recommendations from the December report, as amended to take account of the Call-in, are set out in Section 4 for Members to re-consider.

2.14 The Minutes of the Call-in meeting are attached at Appendix '3'.

3.00 CONSIDERATIONS

3.01 The key points raised at the Call-in meeting fell into the following categories :-

1. Have we reviewed all car parks consistently?
2. The level of usage of the car parks by residents.
3. The cost of residents' parking permits.
4. Can we undertake a review of signs and lines to ensure they are fit for purpose?
5. Is it possible to have a period of free parking within our car parks, before people are asked to pay?
6. Are we charging people to access health facilities and pharmacies?
7. Can we change the type of machine to be used?
8. Can the number of parking spaces required per dwelling under the planning process be changed?
9. Have Town & Community Councils been notified of the proposals?

These points are addressed in the following text.

3.02 Further work has been done to re-assess the car parks against the criteria in the draft policy, which were not challenged at the Call-in meeting and to take account of the views expressed by Members. For reference, the criteria are :-

- Town Centre location, as identified in the Council's UDP
- Occupancy levels of the car parks
- Vibrancy of the Town Centres
- Proximity of the town centre to public transport
- Percentage use by surrounding residents not having access to a private parking space or on street parking.

3.03 The re-assessment has resulted in some minor amendments to the

charging proposals, which are outlined below :-

- Bistre Avenue, Buckley - retain as free, due to level of usage by surrounding residents without access to a private parking space or On-Street parking
- Somerfield, Connah's Quay – continue with proposals to charge, but review prior to their introduction, due to reduced usage (from 76% to 45%) as a result of Council offices and the Co-op closing
- Feather Street, Flint – introduce charges, as it's a central location, and should be available for shoppers. Should they wish to, employees working in the town will be able to park on other 'free' car parks in the town
- Swan Street, Flint – continue with proposals to charge, but review prior to their introduction, due to the potential impact demolishing the maisonettes and implementation of the Masterplan
- Halkyn Street, Holywell – retain as free, due to the level of usage by people accessing the adjacent healthcare facilities.

3.04 The complete list of car parks suitable for charging is set out at the rear of the proposed Off-Street Parking Policy in Appendix '4'.

3.05 The proposed cost of Residents' Parking Permits has been reviewed. In the 18th December 2012 Cabinet report, Annual Parking Permits for residents would have cost £312 per annum. Currently permits in Mold cost £100 p.a. and in Holywell they cost £60 p.a. It is proposed to change the cost of annual permits for residents living within 250m of a car park the Council charges on to £62.40 for each permit (10% of the aggregated yearly charge). This equates to £0.20 per day and reduces the cost of Off-Street parking permits for residents in Mold.

3.06 Also, the cost of permits for business users has been reviewed. It is proposed that businesses within 250m of a car park the Council charges on will be entitled to one permit at a cost of £156.00 (25% of the aggregates yearly charge). This equates to £0.50 per day.

3.07 It is proposed that a review of signs and lines is undertaken in the centres of Buckley, Holywell and Mold, to ascertain whether it would be appropriate to include any 20 minute stay on street parking areas and also the potential for disabled bays. Such areas would make provision for people that want to make a quick visit to a specific shop-facility without having to use our car parks. Similarly, a review of lines and signs will be undertaken in Shotton prior to the introduction of Civil Parking Enforcement, as part of a long standing commitment to Shotton Town Council.

- 3.08 Some of our car parks have peak usage periods greater than the number of spaces within them. For example, the King Street car park in Mold has 68 spaces, but has a peak usage rate of 91 cars per hour. Without charges for an initial stay, it is likely that the peak number of vehicles would increase and that they would stay for the length of the free period, before going to another car park to gain benefit from the initial free period. It is not therefore considered appropriate to pursue this approach. However, any short stay On-Street provision resulting from the lines review outlined in 3.07 would go some way to providing limited free parking.
- 3.09 In undertaking the re-assessment of car parks outlined in 3.02 and 3.03, the proximity of free car parks to healthcare and pharmacy facilities has been assessed. By keeping the Halkyn Street car park in Holywell free, each Town Centre now has a free car park within easy walking distance of a health facility and pharmacy.
- 3.10 The type of ticket machines has been reviewed and it is proposed to install easier to use models.
- 3.11 It is proposed that the Planning Strategy Group should review the number of car parking spaces associated with new dwellings.
- 3.12 Town & Community Councils have been consulted as part of the development of our proposals for Civil Parking Enforcement. Following the Call-in meeting, the report considered by Cabinet on 18th December 2012 was sent to all Town & Community Councils for their information. On 8th February, a Petition was received from Holywell Town Council, seeking the removal of charges from Holywell.
- 3.13 A copy of the proposed Off-Street Parking Policy, amended from the version considered by Cabinet on 18th December 2012 to take account of the above comments, is attached at Appendix '4'.
- 3.14 Based on the proposed Off-Street Parking Policy shown in Appendix '4', a Summary Business Case has been prepared for the introduction of Civil Parking Enforcement. This takes account of factors such as the level of fines generated by enforcement, the anticipated income from the Council's car parks, and the cost of Civil Enforcement Officers required. This Summary Business Case is shown in Appendix '5'.
- 3.15 For completeness, it is worth noting the full extent of costs that would be borne by the Council, should it decide to withdraw charges from all of its car parks. These fall into two categories, namely: one off; and fixed/ongoing as outlined below, based on the following assumptions :-
1. Charges were withdrawn on 1st July 2013, as we would have to go

through a period of consultation before being able to remove them.

2. It is assumed that the 5.5 employees are assimilated from the existing members of staff to provide the resources required for CPE from its proposed implementation in October 2013, compared to the current 6.5 employees, subject to established HR policies. During the period between 1st July – 1st October, these employees would undergo training for CPE.

➤ One-off costs	£k
<ul style="list-style-type: none"> • Redundancy of 1 Full Time employee, assuming they cannot be re-deployed • Salaries of 5.5 employees from 1st July to 1st October 	<p>20</p> <p>32</p>
TOTAL one-off pressure	<u>52</u>
➤ Ongoing/fixed costs per annum	
<ul style="list-style-type: none"> • National non domestic rates • Electricity • Maintenance <ul style="list-style-type: none"> - Grounds (snow clearance, litter) - Repairs (lining, signing, patching) • Ground rent (for use of others' land) 	<p>56</p> <p>13</p> <p>17</p> <p>30</p> <p>26</p>
	<u>142</u>
<ul style="list-style-type: none"> • Net base revenue budget 	(25)
TOTAL on-going pressure p.a.	<u>117</u>

Taking account of Appendix '5' of this report, which summarises the Business Case for introducing the proposed Parking Policy (Appendix '4'), should Members decide to withdraw charges from all of the Council's car parks, the budget pressure for 2013-14 would be £55k (efficiency in Appendix '5') + £52k (One-off costs) + (£117k x 75% July to March) = £194.75k.

3.16 It is recognised that the implementation of the Off-Street Parking Policy set out in Appendix '4', together with the introduction of CPE,

is likely to have a significant impact upon vehicular usage of our town centres and car parks. In addition, Masterplans are either scheduled to be developed or have already been approved for the County's Town Centres. The implementation of these Masterplans is likely to change the dynamics of our Town Centres. It is therefore intended to review the Policy during the 2013-14 financial year, when the initial impact of the introduction of CPE has had time to settle down, and then annually thereafter.

4.00 RECOMMENDATIONS

4.01 That Members:

4.01.1 Approve the list of Contravention Codes and Policies on Residents Permits and Disabled Parking Bays shown in Appendix '1' (Appendices 'A', 'B' and 'C').

4.01.2 Approve the 'Off-Street' Parking Policy shown in Appendix '4' and grant delegated authority to the Director of Environment, following consultation with the Cabinet Member for Environment, to review the Policy annually and implement any changes, following appropriate consultation.

4.01.3 Approve the Summary Business Case shown in Appendix '5' for submission to WG, as a formal request for CPE powers to be conferred upon Flintshire County Council.

4.01.4 Approve the use of Wales Penalty Processing Partnership {WPPP} to process all Parking Contraventions Notices (PCNs).

4.01.5 To grant delegated authority to the Director of Environment, following consultation with the Cabinet Member for Environment, to finalise all detailed aspects of the process, including the matters listed in paragraph 2.09.

4.01.6 Approve the Cabinet Member for Environment, or their nominated substitute, as the Council's representative on the Adjudication Joint Committee outlined in paragraph 2.07.

5.00 FINANCIAL IMPLICATIONS

5.01 Civil Parking Enforcement has specific resources of £186k allocated to the project.

5.02 Based on Appendix '4' (revised Policy to be introduced on 1st July 2013), and the implementation of CPE on 1st October 2013, the Summary Business Case is set out in Appendix '5'.

5.03 Should Members decide to withdraw charges from all of the Council owned car parks, it would leave a £194.75k pressure on the 2013-14

budget proposals.

6.00 ANTI POVERTY IMPACT

6.01 None as a direct result of this report.

7.00 ENVIRONMENTAL IMPACT

7.01 Should be positive in terms of parking controls and general street improvement.

8.00 EQUALITIES IMPACT

8.01 Positive in creating increased access opportunities for those with disabilities.

9.00 PERSONNEL IMPLICATIONS

9.01 The figures shown in the Summary Business Case in Appendix '5' assume there are 9 employees compared to the current team of 6.5. The roles of affected employees will need to be reviewed to take account of these proposals.

9.02 Should the Council decide to withdraw car park charges from all of its car parks, there would be implications for the 6.5 employees currently undertaking associated works. The Council's established HR processes for dealing with the issues would be followed.

10.00 CONSULTATION REQUIRED

10.01 Key stakeholders and Members is an ongoing activity.

11.00 CONSULTATION UNDERTAKEN

11.01 Initial report into Executive March 2010.

11.02 Update report to Environment Scrutiny Committee, 17 November 2010.

11.03 Meetings with staff and other key stakeholders, such as Town & Community Councils.

12.00 APPENDICES

12.01 Appendix '1' – 18th December 2012 Cabinet report on Civil Parking Enforcement

12.02 Appendix '2' – Decision Notice for the 18th December 2012 report on Civil Parking Enforcement.

- 12.03 Appendix '3' - Minutes of 9th January Environment Overview & Scrutiny Meeting
- 12.04 Appendix '4' – Off-Street Parking Policy, as amended to take account of comments made at the Call-in on 9th January 2013
- 12.05 Appendix '5' – Summary Business Case

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**
DATE: **TUESDAY 18 DECEMBER 2012**
REPORT BY: **DIRECTOR OF ENVIRONMENT**
SUBJECT: **CIVIL PARKING ENFORCEMENT**

1.00 **PURPOSE OF REPORT**

1.01 To provide an update on the introduction of Civil Parking Enforcement (CPE) in Flintshire and to establish an off-street parking policy for the County.

2.00 **BACKGROUND**

2.01 The Regional Transport Plan (RTP) on pages 99 and 100 outlines a Network Management Strategy. As an introduction, it refers to :-

The Traffic Management Act 2004, which was applicable from April 2008, and which imposes a network management duty on all local traffic authorities, including Flintshire County Council states :-

“It is the duty of a local traffic authority to manage their road network with a view to achieving, so far as may be reasonably practicable having regard to their other obligations, policies and objectives :

a) Securing the expeditious movement of traffic (all road users) on the authority’s road network

and

b) Facilitating the expeditious movement of traffic on road networks for which another authority is the traffic authority”.

2.02 The RTP then sets out the objectives of the Network Management Strategy and outlines a number of ways which local authorities will meet them, including :-

- Implementing and enforcing appropriate moving and stationary traffic regulations
- Periodically reviewing the appropriateness, adequacy and relevance of traffic regulations

- Developing and implementing appropriate policies relating to the management and enforcement of on and off street parking provision.

2.03 Currently, within Flintshire, all on-street parking enforcement is the responsibility of North Wales Police, whereas all off-street public car parking management is administered by Flintshire County Council.

2.04 The Council is the only North Wales authority which has not adopted CPE so far. A report was presented to Executive in March 2010 which approved work towards the introduction of a Civil Parking Enforcement Area within the County, with the exception of high speed dual carriageway lengths of trunk roads.

2.05 The effective enforcement of on-street parking regulations is essential for:

- Improving safety for both pedestrians and drivers through de-cluttering streets of illegally parked vehicles which often obstruct clear safe views of the highway network by both pedestrians and other road users
- Improving the general flow and efficiency of pedestrians, vehicles and cyclists through the road network
- Improving the local environment by preventing parking on grass verges, pavements and through such activity causing damage and tripping hazards
- Meeting the needs of people with disabilities through the increased provision of specific parking bays which are easily accessible and close to local shops
- Supporting the local economy through improving the general flow of traffic through our highway network, and regularising journey times; and in doing so improving the quality, accessibility and overall reliability of public transport which uses the network
- Improving the general ambience of our car parks which are, for many visitors, the first visible arrival point within our towns
- Management and enforcement of Residents Parking Permits and on street parking where applicable

2.06 Any application for CPE has to be associated with a Parking Policy and Business Case.

3.00 CONSIDERATIONS

3.01 The process of applying for CPE powers includes a number of steps:-

- Reviewing the County's Traffic Regulation Orders (TROs) and confirming that they are consistent with the position 'on the ground' in terms of lines and signage. This process is now complete.
- Writing to all Town & Community Councils to seek their observations. The Council has written out to all Town and Community Councils seeking their observations on the location and effectiveness of current markings, signage etc, with a view, at some future point after the implementation of CPE, to review such observations. In addition, the Council also holds a list of historic requests for modifications/additions; these will, as a priority, be considered immediately after the implementation of CPE.
- Reviewing the current IT software and its ability to interface with other Third Party systems and other local authority applications. In some instances it may be necessary to upgrade existing systems.

3.02 As part of the general process of approvals, Members will need to agree a number of measures which will have to be reflected in the Order. Of particular significance will be the need to confirm the adoption of Civil Parking Enforcement Powers. Within this report Appendices 'A', 'B' and 'C' are documents relating to Contravention codes, Residents Permits and Disabled Parking Bays which will require confirmation and adoption.

3.03 The majority of Local Authorities in North Wales process any Penalties through Denbighshire County Council (Wales Penalty Processing Partnership {WPPP}). This is an efficient and cost effective service and links into a regionalised approach to service delivery and cross regional partnership working. Flintshire County Council, as part of the implementation of CPE, proposes to take advantage of this regional service. Under CPE this will create a single enforcement regime that will provide members of the public with a more easily understood parking enforcement system.

3.04 As part of the CPE process, it will be necessary for the Council to nominate a Councillor to serve on the Adjudication Joint Committee. The Joint Committee Lead Authority is Manchester City Council and a Memorandum of Participation will be issued for subsequent signature before the commencement date of CPE within Flintshire. It is proposed that the nominated Councillor will be the Cabinet Member for Environment.

Note: Within the Traffic Management Act guidance on CPE, there is provision for appeal to an adjudicator, should anyone having received a Parking Contravention Notice (PCN) wish to make

representation and challenge the decision of the local authority.

- 3.05 The Council has already submitted a draft application to Welsh Government (WG) for their consideration and has received some initial feedback on this document. Generally the feedback was positive and has been taken account of in current proposals.
- 3.06 Integral to Civil Parking Enforcement (CPE), which takes place “On Street”, is the issue of “Off- Street” parking, as a significant proportion of vehicles displaced from roads are likely to resort to public and privately owned car parks.
- 3.07 There is an historic inconsistency in the way the Council’s car parks are managed across the County which goes back to the precursor authorities of Delyn and Alyn & Deeside. Delyn had a policy of charging, whereas Alyn & Deeside did not and, as a result of this position not having been reviewed since local government re-organisation, we now have the situation where the Council charges for the use of its car parks in Mold and Holywell, whereas all of the other Council car parks are free. Furthermore, the level of charges have not been reviewed for over 18 years. It is therefore clearly appropriate to review the current situation and to implement proposals aimed at addressing this inconsistency. This review has been carried out and is included in the Off Street Parking Policy attached to Appendix ‘D’.
- 3.08 Based on the proposed Off-Street Parking Policy shown in Appendix ‘D’, a Summary Business Case has been prepared for the introduction of CPE. This takes account of factors such as the level of fines generated by enforcement, the anticipated income from the Council’s car parks, and the cost of Civil Enforcement Officers required. This Summary Business Case is shown in Appendix ‘E’.
- 3.09 To accord with legislation, the Council, in addition to other powers set out within this report, need to approve the following :-
- Clamping and removal powers, even if the Council chooses not to use them in the future
 - A formal start date
 - The use of Bailiffs
 - The style, colour and type of uniform to be used by Civil Parking Enforcement Officers
 - How the Council will deal with TUPE issues should they arise
 - The formal SLA with the Central Ticketing Unit
- 3.10 The Council wishes to ensure that it maximises the use of the enforcement staff and does not wish, if legal and practicable to do so, to see the Civil Enforcement Officers solely allocated to CPE. Ideally it would be preferable to have the team undertake other enforcement activity such as littering and dog fouling. Whilst this is seen as

positive, in reality it is more complex and the legal framework within which the Officers would operate does not easily accommodate such flexibility. Research is continuing in relation to other local authorities who may also have multi-tasking Enforcement Officers. For instance, whilst this is being undertaken in Manchester, Officers record different penalties on different systems as currently there seems to be no ability to integrate the different Penalty Notices.

- 3.11 It is proposed to submit the application for Civil Parking Enforcement powers in January 2013. Following submission, Welsh Government will take a period of up to six months to review the details within the application. If approved, there will then be a period of recruitment and training of new and existing staff (Civil Enforcement Officers ([CEOs])). It is anticipated that, on the above timetable, CPE could be implemented in October 2013.

4.00 RECOMMENDATIONS

4.01 That Members:

- 4.01.1 Approve the list of Contravention Codes and Policies on Residents Permits and Disabled Parking Bays shown in Appendices 'A', 'B' and 'C'.
- 4.01.2 Approve the 'Off-Street' Parking Policy shown in Appendix 'D'.
- 4.01.3 Approve the Summary Business Case shown in Appendix 'E' for submission to WG, as a formal request for CPE powers to be conferred upon Flintshire County Council.
- 4.01.4 Approve the use of Wales Penalty Processing Partnership {WPPP} to process all Parking Contraventions Notices (PCNs).
- 4.01.5 To grant delegated authority to the Director of Environment, following consultation with the Cabinet Member for Environment, to finalise all detailed aspects of the process, including the matters listed in paragraph 3.09.
- 4.01.6 Approve the Cabinet Member for Environment, or their nominated substitute, as the Council's representative on the Adjudication Joint Committee outlined in paragraph 3.04.

5.00 FINANCIAL IMPLICATIONS

- 5.01 Civil Parking Enforcement has specific resources of £186k allocated to the project, which will require approval for carry forward into 2013/14.

6.00 ANTI POVERTY IMPACT

6.01 None as a direct result of this report.

7.00 ENVIRONMENTAL IMPACT

7.01 Should be positive in terms of parking controls and general street improvement.

8.00 EQUALITIES IMPACT

8.01 Positive in creating increased access opportunities for those with disabilities.

9.00 PERSONNEL IMPLICATIONS

9.01 The figures shown in the Summary Business Case in Appendix 'E' assume there are 9 employees compared to the current team of 6.5. The roles of affected employees will need to be reviewed to take account of these proposals.

10.00 CONSULTATION REQUIRED

10.01 Key stakeholders and Members is an ongoing activity.

11.00 CONSULTATION UNDERTAKEN

11.01 Initial report into Executive March 2010.

11.02 Update report to Environment Scrutiny Committee, 17 November 2010.

11.03 Meetings with staff and other key stakeholders, such as Town & Community Councils.

12.00 APPENDICES

12.01 Appendix 'A' - Contravention Codes

12.02 Appendix 'B' - Draft Policy for Resident Parking Schemes

12.03 Appendix 'C' - Disabled Parking Bays

12.04 Appendix 'D' - Off-Street Parking Policy

12.05 Appendix 'E' - Summary Business Case

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

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**CONTRAVENTIONS FOR WHICH THE HIGHER AND THE LOWER LEVEL
PENALTY CHARGES SHOULD BE MADE**

VEHICLE CLAMPING AND REMOVAL POWERS

The use of clamping and powers of removal.

Note: clamping and removal powers need to be agreed but are not intended to be used without prior approval of Cabinet.

PENALTY CHARGE LEVELS

Penalty charges at the following recommended bands:

- Band level 2 (£70.00 reduced to £35.00 or £50.00 reduced to £25.00 if paid within 14 days as set out in the guidance note on the level of charges).

- Parking Contravention Notice (PCN) level, clamping fee (£40.00), removal fee (£105.00), storage fee (£12.00 per day), and crushing fee (£50.00). It may be necessary to seek recovery of outstanding sums through the appointment of bailiffs. As such approval to use of bailiffs will also be required as part of this report.

CONTRAVENTION CODES

Contravention codes are basically a list of coded parking contraventions. The code would appear on the Parking Contravention Notice (PCN) and would cross reference to the level of fine as advised above, For example contravention code 40 would relate to 'parking in a designated disabled person's parking place without displaying a valid disabled persons badge'.

*= or other specified

****= or other number

+ = or other specified

Higher Level Contraventions

On-Street

Code	Description
01	Parked in a restricted street during prescribed hours
02	Parked or loading/unloading in a restricted street where waiting and loading/unloading restrictions are in force
12	Parked in a residents' or shared use parking place without clearly displaying either a permit or voucher or pay and display ticket issued for that place
14	Parked in an electric vehicles' charging place during restricted hours without charging

16	Parked in a permit space without displaying a valid permit
18	Using a vehicle in a parking place in connection with the sale or offering or exposing for sale of goods when prohibited
20	Parked in a loading gap marked by a yellow line
21	Parked in a suspended bay/space or part of bay/space
23	Parked in a parking place or area not designated for that class of vehicle
25	Parked in a loading place during restricted hours without loading
26	Vehicle parked more than 50 centimetres from the edge of the carriageway and not within a designated parking space
27	Parked adjacent to a dropped footway
40	Parked in a designated disabled person's parking place without clearly displaying a valid disabled person's badge
41	Parked in a parking place designated for diplomatic vehicles
42	Parked in a parking place designated for police vehicles
45	Parked on a taxi rank
46	Stopping where prohibited (on a red route or clearway)
47	Stopped on a restricted bus stop or stand
48	Stopped on a restricted area outside a school
49	Parked wholly or partly on a cycle track
55	A commercial vehicle parked in a restricted street in contravention of the Overnight waiting ban
56	Parked in contravention of a commercial vehicle waiting restriction
57	Parked in contravention of a coach ban
61	A heavy commercial vehicle wholly or partly parked on a footway, verge or land between two carriageways
62	Parked with one or more wheels on any part of an urban road other than a carriageway (footway parking)
99	Stopped on a pedestrian crossing and/or crossing area marked by zig-zags

Off-Street

Code	Description
70	Parked in a loading area during restricted hours without reasonable excuse
74	Using a vehicle in a parking place in connection with the sale of offering or exposing for sale of goods when prohibited
81	Parked in a restricted area in a car park
85	Parked in a permit bay without clearly displaying a valid permit
87	Parked in a disabled person's parking space without clearly displaying a valid disabled person's badge
89	Vehicle parked exceeds maximum weight and/or height and/or length permitted in the area
91	Parked in a car park or area not designated for that class of vehicle
92	Parked causing an obstruction

Lower Level Contraventions

On-Street

Code	Description
04	Parked in a meter bay when penalty time is indicated
05	Parked after the expiry of paid for time
06	Parked without clearly displaying a valid pay-and-display ticket or voucher
07	Parked with payment made to extend the stay beyond initial time
08	Parked at an out-of-order meter during controlled hours
09	Parked displaying multiple pay-and-display tickets where prohibited
10	Parked without clearly displaying two**** valid pay-and-display tickets when required
11	Parked without payment of the parking charge
19	Parked in a residents' or shared use parking place or zone displaying an invalid permit, an invalid voucher or an invalid pay-and-display ticket
22	Re-parked in the same parking place within one hour* of leaving
24	Not parked correctly within the markings of the bay or space
30	Parked for longer than permitted
35	Parked in a disc parking place without clearly displaying a valid disc
36	Parked in a disc parking place for longer than permitted
63	Parked with engine running where prohibited

Off-Street

Code	Description
73	Parked without payment of the parking charge
80	Parked for longer than the maximum period permitted
82	Parked after the expiry of paid for time
83	Parked in a car park without clearly displaying a valid pay-and-display ticket or voucher or parking clock
84	Parked with additional payment made to extend the stay beyond time first purchased
86	Parked beyond the bay markings
90	Re-parked within one hour* of leaving a bay or space in a car park
93	Parked in car park when closed
94	Parked in a pay-and-display car park without clearly displaying two**** valid pay-and-display tickets when required
95	Parked in a parking place for a purpose other than the designated purpose for the parking place
96	Parked with engine running where prohibited

FLINTSHIRE COUNTY COUNCIL

POLICY FOR RESIDENT PARKING SCHEMES

1.0 Background

1.1 The main purpose of the highway is for traffic movement and there is no inherent right for any vehicle to park on a public highway. Parking is accepted where it does not impact upon the movement of traffic, create a safety hazard, obstruct emergency vehicle access or access to properties.

1.2 In other areas parking on the highway is controlled by restrictions introduced by Traffic Regulation Orders after the completion of formal statutory procedures and the resolution of public objections in consultation and subject to Member approval.

These restrictions can take different forms:-

- * double yellow lines prohibiting all parking, introduced specifically for highway safety needs and generally containing exceptions for loading/unloading and disabled badge holders (Providing that these vehicles do not create an obstruction).

- * Single yellow lines restricting parking to specific periods (usually associated with highway operational needs) and containing the same objections.

- * designated parking areas, identified where vehicles can be parked and under what conditions (e.g. time limited and/or pay on street parking) These ration on-street parking in cases where the demand exceeds the supply. It can also cover residential permit parking where residents' parking is prioritised over other highway users.

1.3 Resident Parking Schemes, also introduced by means of a Traffic Regulation Order, provide an alternative mechanism for managing parking demands, in situations where it is not reasonable to manage parking problems through conventional parking restrictions and to make town centres and fringe areas more attractive.

1.4 This policy sets out the principles for the establishment of Residents Parking Schemes. However the issue as a whole can be very complex, with many individual circumstances that can be difficult to address within a prescriptive policy and a degree of interpretation for specific schemes is therefore desirable and inevitable.

2.0 Advantages and Disadvantages of Residents of Parking Schemes

2.1 Whilst there are immediate and obvious attractions for implementing residents' parking schemes there are both advantages and disadvantages:-

Advantages

- * Discourage commuter/shopper/business parking in residential streets.
- * Enhanced environment in residential areas.
- * Residents may find their on-street parking to be easier and more convenient.
- * May provide improved parking and traffic management.
- * Can produce road safety benefits.

Disadvantages.

- * Possible knock-on effect of relocated commuter/shopper/business parking.
- * Costs of introduction and management and payment for permits. On these grounds it is recommended that any individual scheme should be self-financing.
- * Permits do not absolutely guarantee a parking space.
- * May only help manage an under supply of spaces and not solve problems.
- * Can lead to inefficient use of on-street parking space.
- * There are risks that a scheme could reduce levels of on-street parking, with problems for visitors and businesses.

3.0 Types of Parking Permit Schemes

3.1 There may be considered, to be broadly three types of location where residents parking schemes may be appropriate:-

3.2 Demand for Parking Exceeds Supply - Exclusive Permit Schemes.

This is the most traditional and common form of scheme, where a street or area is divided into prohibited and permitted parking areas. To park in a permitted area, a vehicle would be required to display a valid permit. The permit categories may vary but usually provide for residents, visitors, health care workers serving residents and other users the Council may consider to be appropriate. This system provides optimum benefit to residents but low levels of residents' parking can lead to an inefficient use of on-street parking provision, in areas where the overall parking supply is limited.

In areas where the demand for on-street spaces from residents alone exceeds the supply, the management and allocation of permits can be problematic. This is particularly so where a scheme results in a reduction in kerbside space

by the formalisation of parking provision, e.g. clearing parking from junctions etc.

3.3 On-Street Parking Control with Relaxation for Residents – Shared Spaces.

This type of scheme is referred to as 'shared space', where there is dual use of on-street space, overcoming the under use, resulting from the under use issues experience in the exclusive permit schemes detailed above. This scheme enables the time-limited use of on street space (which may or may not be charged for) to operate alongside vehicles with residents' permits that would be exempt from either time or charge restrictions. In isolation, these schemes may eliminate the need for the administration of permits for visitors, carers etc. Possible variations to this type of scheme could provide for the provision of exclusive residents parking bays.

3.4 Areas where Parking has Environmental/Safety/Traffic Management Issues

In some instances the management of parking may be desirable for highway management of traffic flow/safety reasons. Whilst this category can include residents' parking as a management feature, it should be noted that more conventional parking restrictions can be as effective, but where these could interfere with residents, schemes to accommodate their needs may be appropriate.

4.0 Criteria for the Consideration of Residents' Parking Schemes

4.1 The main criteria for the justification of a residents' parking scheme is that there is insufficient highway space for the residents of an area to park, as a result of the presence of vehicles arising from visitor, business or commuter parking and/or as a result of existing parking restrictions. Initial principles would be that:-

- * There should be clear evidence of residents support for a scheme in advance of any details of the scheme being prepared.
- * The enforcement associated with all schemes to be undertaken by the Councils Civil Parking Enforcement Officers.
- * Residents' parking schemes would not be introduced where the majority of residents have off-street parking or where there is insufficient on-street space to accommodate both residential and non residential parking.
- * Generally schemes should not be introduced to manage parking in situations where the problem is linked to over demand from residents for on-street spaces.
- * There is a presumption against small isolated areas remote from the principle areas of parking enforcement.

4.2 It is recommended that the following general principles should be adopted to help further define a manageable scheme or to develop an initial scheme:-

- * At least 50% of properties in any proposed area to have no off-street parking.
- * At times when parking problems are caused by non-residents the kerb space occupied by residents should exceed 40% of the total available.
- * There is sufficient kerb space to enable 85% of all households to park at least one vehicle on-street.
- * Schemes should not create unacceptable problems on adjacent roads.
- * The introduction of reserved parking in areas where parking spaces are severely limited shall not affect the commercial viability of the area.

4.3 Any requests that do not meet these criteria should not be considered further unless:-

- * The scheme forms part of a wider integrated traffic/parking management scheme.
- * There are road safety problems.
- * The parking impact from development in residential areas would be adverse.
- * There are schemes being promoted to use alternative facilities such as off-street parking.

5.0 Legal Framework & Management

5.1 The issue of a Parking Permit will at no time absolve the permit holder from parking legally, without due care and without creating an obstruction. The Council will not accept any responsibility for the damage, theft or loss of, or to, any vehicle or its contents whilst parked in a Residents' Parking Zone. When operated under Civil Parking enforcement procedures, vehicles parking in Residents' Parking Zones without displaying a valid permit will be subject to a Penalty Charge Notice, enforced through the Civil Parking processes and powers, and normal approved procedures will be followed.

5.2 Any schemes implemented under the Civil Parking Enforcement processes will be managed by the Councils parking Services and all appropriate management and appeals processes would apply.

5.3 All schemes will be operated in full accordance with the Council's race and equal opportunities policies and in all decisions preceding any scheme implementation, all comments from special needs groups will be assessed.

6.0 Definitions and Permit Details

6.1 In order for schemes to operate satisfactorily and without ambiguity, it is necessary to detail vehicles that would qualify for permits and the type of permits issued.

6.2 Permitted Vehicles

* Permits will only be issued to cars and light goods vehicles with a weight limit of 3.5 tonnes or under. Vehicles that exceed 6 metres in length, 2.44 metres in height or are capable of carrying more than 13 people including the driver will all be excluded from applying for permits.

* Permits will not be issued to motor cycles due to display practicalities, but, wherever possible, motorcycles will be provided a designated parking area where there is a demand. Should this not be possible or if there is insufficient demand motorcycles may park in permit bays without a permit, subject to prior written approval from the Council.

* Individual permits will not be issued for caravans or trailers, although these may be parked within a scheme on a short term basis whilst loading/unloading provided that they are hitched to a vehicle bearing a valid permit.

6.3 Issue of Permits and Associated Definitions.

The holding of a permit will not guarantee a parking space within a zone and where there are separate zones within an area permits will be zone specific. **No scheme will however be designed, unless the likelihood of spaces not being available to permit holders is low.** Although some indication of definitions and requirements for permit eligibility is provided in this document, further considerations may be required for specific designs.

6.4 Permits and Use

* Permits will be issued on a renewable annual basis and be effective for a period of 12 months. The issue and renewal will be by individual request and via appropriate application forms.

* Permits will show the name and title of the issuing Authority, the relevant parking zone, the vehicle registration number and a reference number. Any specialist permits will provide individual details.

* All permits must be displayed on the inside surface of the windscreen so that recorded particulars are clearly visible.

* The council reserves the right to permits in the event of fraudulent or inappropriate use without any reimbursement of costs.

* Where a hire or courtesy car replaces an existing vehicle a Visitor/Temporary Permit may be issued for a limited period.

* A permit will not be required for vehicles carrying out essential duties and statutory powers, including emergency service vehicles whilst attending an emergency, statutory undertakers, postal collection/delivery, council/government business and formal wedding cars and hearses. In addition permits will not be required for vehicles engaged in the loading/unloading of goods or where passengers are boarding or alighting.

6.5 Residents Permits

The following definitions and guidance should be considered as a part of a residents' parking scheme:-

* A resident will be considered as any person who resides at a residence within the defined scheme, for at least four nights a week and should be registered in the Council Tax records.

* A residence will be defined as a domestic property listed under the Council Tax definitions.

* Specific notes should be made of Houses of Multiple Occupancy, where a house has been converted into a number of separate flats or apartments, at the time of the introduction of the scheme, each of which meets the formal classification of a residence, then each would be eligible to apply for both residents' and visitors permits (as applicable) and as allowed under the policy, or applicable to the individual scheme. However where one house has been converted to contain a number of habitable rooms, remaining as one property, it will be treated as a single residence.

* The number of Residents' Permits available to one property will be specific to the scheme, to allow some flexibility in interpretation.

*The following guidelines will be adopted to underpin permit provision:-

(a) Initially one permit and one visitor permit will be issued to an individual residence but subject to an assessment of parking demand/supply within a zone, additional permits may be available.

(b) Where a residence has at least one off-street parking space available, it would not be eligible for the full allocation of residential permits per residence. It would however be eligible for any allocation of visitors' permits and may be eligible for any subsequent allocation of second round residents' permits.

* (c) Residents' permits will normally be specific to one registered vehicle and proof of ownership/responsibility must be provided to the satisfaction of the Council.

* (d) Residents who are only entitled or choose to apply for only one permit may specify two registration numbers to be inserted on the

permit, to enable them to decide which vehicle is parked in the bays and to avoid swapping cars on and off a driveway. However it is stressed that a permit **must** be displayed at all times on vehicles parked within the residents' parking bays. Penalty Notices will be issued for any vehicle failing to **display** a valid permit and not for failing to **own** a permit.

6.6 Blue Badge Holders

All Blue badge holders will require a relevant Residents Parking permit to park in any Residents' Parking Zone. Any existing on-street disabled parking bays within a zone will be retained, but in order to park within these, both a Blue Badge and valid Residents parking Permit will need to be displayed.

6.7 Attendance Permits

Visitors delivering health and care needs to residents will be afforded access under the schemes. Those residents who live within the zone may apply for a parking permit for family or professionals who visit the property to provide care or medical needs. Where parking demand is heavy, these permits may be restricted to those residents who do not hold a Residents Parking permit. Permit applications in these cases will require to be supported by the resident's medical practitioners.

6.8 Visitors Permits

Visitor permits will be available to all residents within a scheme on submission of proof of residency at a concessionary rate. Should conditions permit additional permits may be available at an undiscounted cost.

6.9 Business Permits

Any business that operates from within a Residents Parking Zone will be eligible for a business permit; although if any form of off-street parking is available these would be severely restricted. Customer parking provision can be catered for by the provision of alternative parking controls e.g. short limited waiting in the vicinity of a small shop.

6.10 Special Permits.

The predominant parking users will be covered by the permits listed above, a few isolated uses lie outside those defined. At the Councils discretion special permits may be authorised for restricted periods on individual application. These will cover health workers, maintenance contractors, visiting tradespersons etc. Within the design of schemes, specific arrangements will be considered for churches and individual businesses located within defined zones but any charges will need to reflect administrative costs.

7.0 Financial Principles

7.1 The costs of Residents Parking Schemes can be split into two categories.

(a) Set up costs i.e. Capital costs covering the investigation of schemes, consultation, design, traffic order and changes to signs and lines.

(b) Ongoing operational costs for enforcement and management.

7.2 It is recommended that all schemes should be fully self financing, including the repayment of all initial set up costs. Any operational surplus should be ring fenced for use on the improvement of parking facilities throughout the County area.

8.0 Scheme Implementation

8.1 From past history it can be expected that the number of schemes requested will be substantial once civil parking is operational and will probably exceed the Authority's resource capacity in any single financial year. It is recommended that all applications are evaluated by Traffic Section staff in conjunction with Parking Services and a shortlist of those considered to be desirable and practical submitted to the respective Local Members for approval, prior to submission to the approval of the Director of Environment and Executive Board Member. Larger schemes covering more than a single Ward may require Executive Board approval.

These approvals are recommended due to the need to alter Traffic Regulation Orders, to rank schemes in order of priority and to verify that a fair and reasonable evaluation has been undertaken.

Factors for determining relative scheme priorities should be:-

- * The tie in with other works being undertaken e.g. town centre reviews.
- * Emergency vehicle access.
- * Availability of off-street parking for non-residents using the area.
- * Impact of displacing non-residents cars.
- * Size of the scheme proposed.
- * Purposes for which non-residents are parking.

8.2 Consultation and Implementation.

All proposed resident parking schemes will be subject to consultation and will include:-

(a) An initial questionnaire sent to all residents and businesses within and adjacent to the proposed area, to identify the level of concern regarding parking difficulties and to establish the level of support for any proposed scheme. This consultation will be used solely to establish the local community requirements for any scheme. The results from this exercise will then be used to determine the need for and to develop proposals based on the majority views expressed. Full details resulting

from the consultation will be available for examination by any consultee.

(b) Once a scheme has been determined there should be further consultations undertaken by means of a local public exhibition, public meeting or residents group meetings and concentrating on the size and scale of any potential scheme to allow officers to answer any questions, followed by a further questionnaire to all residents and business asking respondents to indicate if they agree or disagree with the scheme.

* The formal stage of the process will involve the publication of Notices of Intent in the press and on site. At this stage any objections received will need to be dealt with and resolved in accordance with the Councils agreed procedures.

A scheme should only be considered for implementation if there is clear support for the proposals from households within the zone and agreement to pay the annual permit costs. For any scheme to proceed it is recommended that a minimum response of 50% will be required to the initial questionnaire with 51% remaining in favour of the proposals at all stages of the consultation process.

9.0 Design

9.1 In considering any schemes there needs to be a clear understanding of the parking problems in the area and the implications of the introduction of any new Residents Parking controls, particularly in terms of the potential relocation of displaced parking. All schemes will be introduced on a zonal basis thereby providing greater flexibility by using spare capacity in one street to supplement another. Zone boundaries should remain logical and easily defined and not large enough to provide a benefit for vehicles 'commuting' whilst remaining in their zone.

9.2 In principle daytime parking restrictions reflecting standard scheme timings (for example Monday to Saturday 8am to 6pm), will be adopted and will be the basis for commencing the design process on local schemes. These parking restrictions can however be inconvenient at times when residential demand is at its highest. Flexibility therefore needs to be applied in determining the actual time period of restrictions within each scheme in order to achieve the parking needs of local residents in practical terms. No scheme will be designed that spans night times or excessive cover and the basic principle will be applied that schemes are primarily to resolve the problems created by day time parkers.

9.3 When considering the needs of residents and determining scheme details the following matters will be considered:-

- * Maintaining traffic flow and visibility at junctions.
- * Vehicle accesses.
- * Loading/unloading requirements.

- * Bus stops.
- * Needs of Blue Badge holders.
- * Limited waiting areas for local business.
- * Visitors and other categories of drivers who need to park within the zone.
- * Use of the area i.e. residential or commercial.
- * Safety of public within the zone.

The objective being to maximise the number of residents spaces, reduce the amount of commuter/business parking in residential areas and also provide proper consideration of special issues such as schools/churches and businesses to minimise disruption.

9.4 All signing and markings must be in accordance with the current Traffic Signs Regulations and General Directions and the relevant sections of the Department of Transport/Welsh Assembly Government's Traffic Signs Manual.

9.5 Individual parking bays will not normally be provided. Continual marked bays current at the time will normally be provided in accordance with the Regulations. Vehicles must be wholly parked within a marked bay with no part spanning another bay or extending over yellow lines or some other restriction. Failure to comply with this requirement will make the Permit holder liable to a Penalty Charge Notice.

9.6 Restricted Zones can be used with special authorisation from the Welsh Assembly Government although the approval process can be lengthy. Within these yellow lines can be removed and the marked bays omitted. However, signs are still required to advise motorists of the restrictions and in practice these are only recommended for small areas and cul-de-sacs for clarity of enforcement, as motorists are only made aware of the restrictions at the zone entry points.

9.7 Upon completion of a scheme and within the first year arrangements will be made to undertake an operational review and if necessary initiate improvements in accordance with the approved procedures.

10 Scheme Charges and Review

10.1 Charges for Permits shall be determined by the Authority and should be set at a level that covers the enforcement and operational costs of the scheme. All charges should be clearly set out and published in any consultation literature, along with all other Terms and Conditions of the Residents' Parking scheme.

10.2 All Permit charges shall be reviewed annually.

10.3 The recommended current level of Permit charges are as follows:-

* Residents' Permits	£..... per annum including 'Blue Badge' holders
* Attendance Permits	Provided without costs.
* Visitor Permits	£..... per annum
* Business Permits	£..... per permit
* Second Permits	same charges as above
* Special Permits	covered outside of this policy by dispensations and waivers

10.4 Responsibility for the renewal of Permits is the responsibility of holders. Existing Permit holders will be invited to renew their permits on an annual basis by the Council. In the event that a resident fails to renew their permit before the expiry date, the permit will become invalid.

10.5 The Permit period shall extend from 1 April to 31 March.

10.6 Refunds will be provided where Permits are no longer required. Permits must be returned to the Parking Services Section, Environment Department, County Hall, Mold CH7 6NF and all refunds shall be calculated on the basis of remaining full months less a deduction of 10% of the annual permit costs for administration.

10.7 Lost or stolen Permits must be reported immediately to the Parking Services Section at the address in 10.6 above. A replacement permit will be issued subject to an administration of 10% of the annual permit cost, providing that all terms and conditions are met.

DISABLED PARKING BAYS

I suggest the following guidelines are used by the County Council for the processing of all requests for disabled parking bays, once Civil Parking Enforcement has become operational. These guidelines to be adopted until the results of the Welsh Assembly Governments proposed consultation paper for on and off-street parking for blue badge holders is known.

Information

A disabled parking bay is a boxed area marked in accordance with the Traffic Sign Regulations and General Directions, that enables disabled residents to park near to their property.

Criteria

1. Applicants must be registered as disabled.
2. Applicants must be in possession of a valid blue disabled badge, photocopies of which must accompany the application.
3. Applicants must have no suitable off street parking available at their permanent place of residence such as drives or garages.
4. The applicant must prove that there is a vehicle registered and kept at the blue badge holder's address.
5. All bays will be available for use by any disabled badge holder and will not be provided for individual use.
6. No parking bays will be provided within 10 metres of a junction.
7. Bays will only be provided on roads wide enough to facilitate the unobstructed passage of emergency vehicles.
8. All bays will initially be advisory, but in the event of continual abuse, the Council may consider the introduction of a Traffic Regulation Order to enable enforcement action by the Council's Civil parking Enforcement Officers.
9. No bays will be provided in situations that contravene any existing parking regulations in force on the road.
10. Applications must be submitted in writing to the Traffic Section, Flintshire County Council, County Hall, Mold CH7 6NF. Tel:01352 704634.

OFF STREET PARKING POLICY

1. Integral to Civil Parking Enforcement (CPE), which takes place "On-Street", is the issue of "Off-Street" parking, as a significant proportion of vehicles displaced from roads are likely to resort to public and privately owned car parks.
2. There is an historic inconsistency in the way the Council's car parks are managed across the County which goes back to the precursor authorities of Delyn and Alyn & Deeside. Delyn had a policy of charging, whereas Alyn & Deeside did not and, as a result of this position not having been reviewed since local government re-organisation, we now have the situation where the Council charges for the use of its car parks in Mold and Holywell, whereas all of the other Council car parks are free.

Furthermore, the level of charges have not been reviewed for over 18 years. It is therefore clearly appropriate to review the current situation and to implement proposals aimed at addressing this inconsistency.

3. Surveys have been undertaken of all of the car parks within the seven town centres identified within the Council's UDP. Weekday and Saturday usage figures have been collected, to give indicative utilisation percentages on a daily basis. These have been compared to figures captured during a similar survey undertaken in 2005 and in most cases, the numbers have remained fairly constant.
4. The Regional Transport Plan, which has been developed by TAITH on behalf of all six constituent North Wales authorities, makes a number of references to the importance of 'Demand Management' in relation to the provision of sustainable transport, recognising that over 20% of our community will not have access to a car (this figure will be a lot more in our more disadvantaged neighbourhoods). Demand Management, in relation to car parks, is effectively the process of charging users a proportionate fee, where it's appropriate to do so, in order to encourage a modal shift from cars to public and other forms of transport, thereby reducing congestion and increasing the viability of buses. Extracts from the Regional Transport Plan and Flintshire's Regeneration Strategy are set out below:-

Regional Transport Plan**Managing Demand and Traffic Flows**

Techniques for managing demand and traffic flow include road user charging which is a matter for the Welsh Assembly Government although local access control schemes based on charging such as in Durham or the Peak District National Park in England might be considered for some local problems. Parking management, including the use of workplace or retail parking levies might also be considered,

particularly to generate revenue to support other measures such as public transport services in development of large new commercial sites.

Parking

Parking is an important aspect of transport, given that most vehicles, particularly private cars, spend most of their time not moving and therefore have to be parked somewhere. Taith aims to ensure that the methods used for managing parking are consistent across the region wherever practicable, in line with current joint working on Civil Parking, balancing the needs of all sectors of society in North Wales.

Regeneration Strategy

The Flintshire Economic Regeneration Strategy 2009-2020 identifies the importance of town centre regeneration and stresses the need to 'improve the integrated management of town centres', 'improve the built environment, public realm, and facilities for users' and 'provide alternative means of transport to the private car.'

5. A fundamental review of the Council's subsidised bus services is being undertaken, following the WG announcement of a 27% cut in grants and a commitment given to the Environment Overview & Scrutiny Committee at its budget Scrutiny meeting in January 2012. This review will be based on criteria aimed at maximising sustainable transport provision to meet social and economic needs. This will include an assessment of bus services serving our town centres in Flintshire.

6. Car park charges are sometimes criticised for having a negative impact upon the local economy, on the assumption that they encourage drivers to go to shopping areas that have free parking. This is not considered to be the case, where charging levels are proportionate to the locality, including the local shopping 'offer' available. The table below sets out the number of ground floor commercial units within each of the seven town centre boundaries, together with the vacancy rates in October 2012, compared to the national average vacancy rate for the same period of 14.6%.

Town	Number of Commercial Units	% Vacancy Rate
Buckley	96	5
Connah's Quay	57	11
Flint	122	11
Holywell	112	10
Mold	231	4
Queensferry	69	7
Shotton	94	9

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7. There is clear evidence to show that some of the Council's car parks are used by residents, where they don't have access to their own private or on street parking. In these circumstances, the level of usage by surrounding residents needs to be taken into account in deciding whether or not to charge. Also, where appropriate, residents Parking Permits could be issued.
8. There is also clear evidence to show that our car parks are being used for 'Park and Share' purposes ie cars are left in them all day at no cost, whilst the drivers share a car to into, say Chester, where they have to pay. This practice does not add anything to the local economy and could be managed by the introduction of parking charges and CPE.
9. Similarly, Flint Station car park is heavily used, but not necessarily by rail travellers, who should be able to find a parking space whenever they want to use the train. Charging at the station car parks, but not others in Flint, will displace the vehicles of employees that work in the town and make it more likely to have spaces for rail users.

The Council is obliged to pay 50% of any income generated by charging to the owners of the car parks, Arriva Trains Wales.

10. Given the above points, a review has been carried out of the Council owned car parks in the County against the following criteria :-
 - Town Centre location, as identified in the Council's UDP
 - Occupancy levels of the car parks
 - Vibrancy of the Town Centres
 - Proximity of the Town Centre to public transport
 - Percentage usage by surrounding residents not having access to a private parking space or on street parking.
11. The outcome of the review is set out in the document attached to this Policy entitled "Initial Proposal for Car Parks Suitable for Charging". It is suggested that the charges will be :-
 - 20p per hour, for up to 3 hours
 - £2.00 for over 3 hours, except the Flint Station Car Park, which will be £3.00 and Love Lane Car Park, Mold, which will be 50p
 - Charges will apply between 08.00 am – 3.00 pm – Monday – Saturday

Annual Parking Permits will be issued at a charge of 75% of the aggregated weekly tariff for business users and 50% for residents.

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12. It is intended to charge more for parking all day at Flint Railway Station as an added 'incentive' for non-rail passengers to park on the 'Free' car parks in Flint. Similarly, Love Lane Car Park in Mold is recommended to remain at the same tariff as now, to provide an option for lower cost parking on the outskirts of the town.
13. It is intended that the Council's Enforcement Officers undertake enforcement action in all of our car parks, whether we charge in them or not. This will cover issues like parking within bays and proper use of disabled bays.
14. As part of the process, it is intended that all car parks proposed for charging will be invested in, to ensure their surfaces, lines and signs are appropriate and that the lighting in them is up to the required quality.
15. It is recognised that the implementation of the above Off-Street Parking policy, together with the introduction of CPE, is likely to have a significant impact upon vehicular usage of our town centres and car parks. It is therefore intended to review the Policy during the 2013-14 financial year, when the initial impact of the introduction of CPE has had time to settle down, and then annually thereafter.

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INITIAL PROPOSAL FOR CAR PARKS SUITABLE FOR CHARGING

All charges will be 20p per hour, for up to 3 hours and £2 all day, unless shown
Charges will apply between 08.00 am – 3.00 pm - Monday - Saturday

Area	Car Park	Proposal to Charge
Buckley	<p><i>FCC Controlled</i> Argoed Road Bistre Avenue (plus 5 cycle bays) Black Horse (plus 4 cycle bays) Brunswick Road Precinct Way</p> <p><i>Privately Controlled</i> Sommerfield</p>	<p>Argoed Road Bistre Avenue Black Horse Brunswick Road</p>
Connah's Quay	<p><i>FCC Controlled</i> Old Dock Road Fron Road Maude Street Sommerfield/Council</p> <p><i>Privately Controlled</i> Area to front of Boathouse/Shops Fron Road Health Centre (has lockable gates)</p>	<p>Sommerfield</p>
Flint	<p><i>FCC Controlled</i> Allt Goch – Large Allt Goch – Small Bollingbroke Heights Castle Heights Feather Street (library) Pavilion Leisure Centre Railway Station Richard Heights (6 residents bays) Swan Street</p> <p><i>Privately Controlled</i> Retail Centre McDonalds/Asda</p>	<p>Railway Station (£3 all day) Swan Street</p>
Holywell	<p><i>FCC Controlled - Free</i> Station Road – inner ring road (7 bays – disabled only) Halkyn Street</p> <p><i>FCC Controlled – Short Stay</i> Bevans Yard (rear 63-69 High Street) Gateway (Sommerfield) Leisure Centre Tower Gardens Upper</p>	<p>Halkyn Street</p> <p>Bevans Yard</p> <p>Tower Gardens Upper</p>

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Area	Car Park	Proposal to Charge
Holywell (Cont)	<p><i>FCC Controlled – Short/Long Stay</i> Plas yn Dre Well Street Car Park</p> <p><i>Privately Controlled</i> Tesco Lidl</p>	Plas yn Dre Well Street
Mold	<p><i>FCC Controlled-Contract</i> Town Hall</p> <p><i>FCC Controlled-Long Stay</i> Love Lane</p> <p><i>FCC controlled – Short Stay</i> Grosvenor Street King Street Meadow Place</p> <p><i>FCC Controlled – Short/Long Stay</i> Griffiths Square New Street</p> <p><i>Privately Controlled</i> Aldi Tesco Lidl</p>	Town Hall Love Lane (50p all day) Grosvenor Street King Street Meadow Place Griffiths Square New Street
Queensferry	<p><i>FCC Controlled</i> Pierce Street Station Road</p> <p><i>Privately Controlled</i> Asda Deeside Leisure Centre</p>	None
Saltney	<p><i>FCC Controlled</i> None</p>	None
Shotton	<p><i>FCC Controlled</i> Alexandra Street P&R Alexandra Street – King Edward Street Ash Grove Bridge Street Central Hotel Charmleys Lane King George Street Plymouth Street</p>	None

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Area	Car Park	Proposal to Charge
Shotton (Cont)	<i>Privately Controlled</i> Old B&Q/Charlies Lidl/B&Q/Pets at Home Pizza Hut Car Park	None
Talacre	<i>FCC Controlled</i> Smugglers Inn Proposed Additional Parking Lighthouse Pub Station Road Beach Car Park BHP	None

**Civil Parking Enforcement and Off-Street Parking
Implementation of 01.07.13 for Off-Street & 01.10.13 for On-Street**

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	Note	Set Up £	2013/14 Year 1 £	2014/15 Year 2 £	2015/16 Year 3 £	2016/17 Year 4 £	2017/18 Year 5 £
Balance B/fwd	1	186,000	-93,623				
<u>On-street</u>							
Start-Up Costs	2	-199,623					
Maintenance of lines and signs			-20,000	-20,000	-20,000	-20,000	-20,000
Expenditure	3		-89,949	-179,898	-179,898	-179,898	-179,898
Less costs with existing budget provision	4		60,000	60,000	60,000	60,000	60,000
Net Expenditure Increase			-29,949	-119,898	-119,898	-119,898	-119,898
Income from PCN's			75,663	211,198	211,198	211,198	211,198
Total On-Street		-199,623	25,714	71,300	71,300	71,300	71,300
<u>Off-street</u>							
Car Park Resurfacing, Lining, Lights & Signs		-80,000					
Enforcement, cash collection, transport, maintenance, CPU and leasing finance	5		-128,316	-171,088	-171,088	-171,088	-171,088
Less costs with existing budget provision	6		65,000	65,000	65,000	65,000	65,000
Net Expenditure Increase			-63,316	-106,088	-106,088	-106,088	-106,088
Forecast Income from Off-Street Parking	7		420,885	493,230	493,230	493,230	493,230
Projected Current income level			-203,850	-203,850	-203,850	-203,850	-203,850
Additional Income from Car Parks			217,035	289,380	289,380	289,380	289,380
Total Off-Street		-80,000	153,719	183,292	183,292	183,292	183,292
Balance C/fwd		-93,623	85,809	254,592	254,592	254,592	254,592

Notes

- 1 Specific Directorate Balance Carried Forward previously approved by Executive in sums of £61k (2008/09), £75k (2009/10) and £50k (2010/11)
- 2 Start-up costs include: Specialist Advice £15k, IT/Office Equipment & Training £30k, Public Relations £10k, Legal Costs/Adverts £10k, TRO Survey & Mapping £40k, Signs & Line upgrade £30k, Signs conversion £30k, Hardware Maintenance for CPU £25k, Uniforms £9k
- 3 Expenditure consists of: Parking Manager £27k, Salary Overheads £25k, Parking Attendants £79k, Office Equipment & Overheads £9k, Transport Costs £30k, Ticket & Permit Processing £9k
- 4 Current Staff Budget Provision for management of car parks of £60k
- 5 Enforcement £89k, Cash Collection £28k, Transport £4k, Machine Maintenance £4k, PCN Levy to CPU £24k, Leasing Finance £22k
- 6 Current Enforcement Budget Provision for Attendants of £65k
- 7 3 months at existing levels (£50,962.50) and 9 months at new projected levels (£369,922.50)

RECORD NO 2769

FLINTSHIRE COUNTY COUNCIL

CABINET RECORD OF DECISION

DATE OF MEETING: 18 DECEMBER 2012 AGENDA ITEM NO 17

REPORT OF : Director of Environment

SUBJECT: CIVIL PARKING ENFORCEMENT

RECOMMENDATION OF REPORT: That Members :-

- (a) Approve the list of Contravention Codes and Policies on Residents Permits and Disabled Parking Bays shown in Appendices 'A', 'B' and 'C'.
- (b) Approve the 'Off Street' Parking Policy shown in Appendix D, subject to the views expressed during the Scrutiny process in January, 2013 and a review of all car parks listed against the criteria set out in paragraph 10 of Appendix D, with consideration of any temporary exemptions for special reasons.
- (c) Approve the Summary Business Case shown in Appendix 'E' for submission to WG, as a formal request for CPE powers to be conferred upon Flintshire County Council.
- (d) Approve the use of Wales Penalty Processing Partnership (WPPP) to process all Parking Contravention Notices (PCNs)
- (e) To grant delegated authority to the Director of Environment, following consultation with the Cabinet Member for Environment to finalise all detailed aspect of the process, including the matters listed in paragraph 3.09

- (f) Approve the Cabinet Member for Environment, or their nominated substitute, as the Council's representative on the Adjudication Joint Committee outlined in paragraph 3.04.
- (g) That a further report be brought to Cabinet on Appendix D, to finalise the proposals.

DECISION:

As detailed in the recommendations

REASON FOR DECISION:

As in the report.

CONSULTATION REQUIRED:

Key stakeholders and Members is an ongoing activity.

CONSULTATION UNDERTAKEN:

Initial report into Executive March 2010.

Update report to Environment Scrutiny Committee, 17 November 2010.

Meetings with staff and other key stakeholders, such as Town & Community Councils.

FINANCIAL IMPLICATIONS:

Civil Parking Enforcement has specific resources of £186k allocated to the project, which will require approval for carry forward into 2013/14.

DECLARATIONS OF INTEREST:

None.

DISPENSATIONS:

None.

DATE PUBLISHED:

19 December 2012

SIGNED Peter Evans

(Proper Officer)

ENVIRONMENT OVERVIEW & SCRUTINY COMMITTEE
9 JANUARY 2013

Minutes of the meeting of the Environment Overview & Scrutiny Committee of Flintshire County Council, held at County Hall, Mold on Wednesday 9 January 2013.

PRESENT: Councillor M G Wright (Chair)

Councillors: G.H. Bateman, P.J. Curtis, C.J. Dolphin, D. Evans, V. Gay, J. Johnson, N. Matthews, A. Minshull, P. Shotton and C.A. Thomas

SUBSTITUTE: Councillors R. Lloyd for D. Hutchinson, D Mackie for C. Legg, G Banks for D. Butler and D. Wisinger for C. Hinds.

ATTENDING FOR THE CALL IN ITEM: Councillors M.J. Peers, C. Ellis, R. Jones, N. Phillips.

ALSO PRESENT: Councillors: C.M. Jones, R.C. Bithell, P.G. Heesom

CONTRIBUTORS: Deputy Leader and Cabinet Member for Environment, Chief Executive Officer, Cabinet Member for Public Protection, Waste and Recycling, Director of Environment, Head of Regeneration, Head of Assets and Transportation, Enterprise Manager, Head of Streetscene, Head of Planning, Cabinet Member for Regeneration, Enterprise and Leisure, Democracy and Governance Manager (for item 51), Leader of the Council (for item 51), Parking Services Manager (for item 51), Performance and Finance Manager (for item 51), Highways Strategy Manager (for item 51), Project Manager Civil Parking Enforcement (for item 51).

IN ATTENDANCE: Member Engagement Manager, Learning & Social Care Overview & Scrutiny Facilitator and Committee Officer

44. DECLARATIONS OF INTEREST (including Whipping Declarations)

Councillor R. Jones declared a personal interest in the issue to be considered under minute 51.

45. MINUTES

The minutes of the meeting held on 21 November 2012 had been circulated with the agenda.

RESOLVED:

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

46. DEESIDE ENTERPRISE ZONE

The Head of Regeneration introduced a progress report and presentation on the Deeside Enterprise Zone.

The Deeside Enterprise Zone (DEZ) came into effect on 2 April 2012. The DEZ Board had submitted Business and Marketing Plans to the Welsh Government which had been well received. These included bids for funding and a response was expected early in 2013.

The DEZ Plan aimed to transform Deeside into a centre for advanced manufacturing and technology on a world scale and it was envisaged that up to 7000 new jobs would be created.

Progress to date included:

- The approval of a planning application for the 200 hectare northern part of the Northern Gateway site, believed to be the single largest development site currently proposed in Wales.
- A feasibility study was underway to examine the opportunity to develop a joint Advanced Manufacturing Park, focussed on a higher education linked, Advanced Manufacturing Centre.
- A local recruitment initiative which had, to date helped 200 local people, with 140 of these having gained permanent employment
- A Development Team approach had been established and this was dealing with all major applications in a coordinated and effective way.

The Chair thanked the Head of Regeneration for the report and presentation.

The Cabinet Member for Regeneration, Enterprise and Leisure said that the Deeside Enterprise Zone was uniquely placed and offered great potential for an Advanced Manufacturing Centre.

The Chief Executive, a member of the DEZ Board, confirmed that a decision from the Welsh Government was imminent and said that there was a feeling that Deeside was ahead of other Enterprise Zones, and stressed the need for governmental facilitation and funding in order to replicate the success of the Sheffield Enterprise Zone. The Head of Regeneration said that the public and private sector partnership that supported the DEZ was first class.

Councillor N. Matthews asked when the project manager and director appointments for the DEZ would be made. The Head of Regeneration said that this would be dependent upon a WG decision, as WG own the project and are responsible for its delivery.

Councillor D. Wisinger thanked the Head of Regeneration for the report and said that this was good news for Deeside. He voiced concern about possible traffic congestion around the area and asked if the Highways Department had already conducted a survey in relation to this. The Director for Environment said that Highways were aware of the proposed developments and that part of the planning process would involve assessing and mitigating the impact of increased traffic in the area. He added that the infrastructure needs for the DEZ were featured in the

Business Case sent to the Welsh Government and that TAITH were currently undertaking a transport study in the area.

The Chair asked if a member of TAITH was on the Enterprise Zone Board. The Director of Environment responded that TAITH was not represented, but the Chief Executive commented said that Flintshire County Council was the lead for TAITH so the views for that body did have a conduit into the Enterprise Zone Board via himself.

Councillor D. Mackie asked if he could have a larger print version of the slides handout as he was unable to read the data on slide 5. Councillor Mackie asked the Director of Environment to convey to the North East Wales Area Based Transport Study Team the importance of strengthening connections to the Flintshire Bridge from the north of the county and the west of North Wales to ensure the advantages of the Deeside Enterprise Zone were experienced by people in those areas. The Director of Environment said that the North East Wales Area Based Transport Study did cover the Flintshire bridge and the potential for its increased use.

Councillor R. Lloyd said that he was disappointed that the Enterprise Zone did not extend into Saltney. The Head of Regeneration said that Flintshire had tried to make the area as large as possible, but were limited by the Welsh Government. The Chief Executive said that a large area had already been successfully negotiated which fulfilled the criteria of high technology, advanced manufacturing businesses together with significant parcels of land available for development.

Councillor P. Shotton said that it was good to see the Welsh and UK government recognised the importance of manufacturing. He asked about the proposed rail station at Deeside and for an update on the recent "Dragon's Den" for young people held at Deeside Leisure Centre. The Director of Environment said that an upgraded rail provision at Hawarden Bridge, Shotton was one of the conditions of the Outline Planning Approval given to Praxis for the northern part of the Northern Gateway site, and that this was being worked through. The Development Officer said that approximately 200 young people attended the entrepreneurship day at Deeside with 9 young people confirming an interest in setting up their own business.

Councillor C. Dolphin said that there was a lack of awareness of Flintshire outside the area and asked how this would be addressed. The Chief Executive said that marketing for the Enterprise Zone had created huge interest from companies interested in re-location.

Councillor D. Evans asked if there were any plans to include the Sealand Road and north side of the river in the Deeside Enterprise Zone. The Head of Regeneration said that the Welsh Government wanted to see one joined up area, and Sandycroft connected the Deeside part of the Zone to the Hawarden part of the Zone.

Councillor C. A. Thomas asked if stronger links with schools could be made, such as encouraging manufacturers to get involved in school governorships. The Chief Executive said that a governor at the Elfed High School had a manufacturing

background. The Head of Regeneration said that UPM Kymmene (UPM) had formed links with John Summers High School.

Councillor P. J. Curtis expressed his thanks for the presentation and report and asked if there would be any benefits to Mostyn Docks. The Head of Regeneration said that there was an increased interest in getting freight off the roads onto the railways and that there may be a future demand to transport goods by water.

The Chair summed up the discussion by saying that the Deeside Enterprise Zone Board worked in an advisory capacity and that all decisions would be taken by the Welsh Government. The subject of infrastructure would need to be raised, such as transport hubs and railway stations. He said that the Deeside Enterprise Zone Board would need to push for funding for capital projects, and that given that one year out of the 5 year project had already lapsed, that there was a need for renewed impetus to drive it forward.

RESOLVED:

- (a) That the report be noted and further updates submitted on a quarterly basis.
- (b) That a copy of the North East Wales Area Based Transport Study Report be forwarded to Councillor C.A. Thomas.

47. NORTH WALES RESIDUAL WASTE TREATMENT PROJECT

The Director of Environment introduced an update report on the progress of The North Wales Residual Waste Treatment Project (NWRWTP) procurement process.

The report stressed one of the key reasons for the project was to comply with the range of waste related targets that now challenged the Welsh authorities. If Flintshire failed to meet these targets, the Authority would face fines of up to £400 per tonne. The NWRWTP would play a key role in helping Flintshire County Council to meet the Municipal Waste targets. The project was worth around £600 million, with £142 million contribution from Welsh Government, of which £38 million related to Flintshire County Council over the 25 years of the project.

The Director of Environment said that as of 1 August 2012, there were two companies bidding for the contract; SITA and Wheelabrator. On 28 November 2012, Jasper Roberts from the Welsh Government had given a presentation at a Member Seminar in County Hall, attended by 35 members which received very positive feedback. A further workshop, scheduled for 6 February 2013, in the Council Chamber, had been arranged with the Health Protection Agency to address health issues. This workshop was one of two being arranged for all Members of the Partner authorities for the project, the second workshop would take place in Gwynedd on 7th February.

The new facility would handle 150-180k tonnes of waste per annum. It was projected that the partnership would provide 115k tonnes per annum of residual

municipal waste. The remaining capacity would be used by the operator to take in waste from other authorities or similar waste from the commercial sector. It was projected that there would be about 55 vehicle movements per day, 32 of them from Flintshire. It was anticipated that two trains per week would be used to transport waste from the west of the Partnership area. Both bidders had confirmed that they would monitor particulate on a more regular frequency than the statutory requirement, emissions as part of their sampling routine.

The Director of Environment said that Community Benefit Schemes were being explored, such as funding for a community facility or renewable energy schemes. The next stages of the procurement process were outlined in the table in Point 3.13 of the report.

Councillor C. A. Thomas asked about funding for transport and its sustainability and if there had been a survey of local needs for the local community. The Director of the Environment said that the two companies that were bidding for the contract were looking at rail based solutions and that there would be a rail head inside the facility. The methods of transportation would be sustainable for the lifetime of the 25 year contract. The Flintshire road based vehicles would carry trackers which would guide them away from the residential areas. The Chief Executive said that the capital costs for a rail head were included in the project and would be a permanent facility. He added that there was ample capacity on the rail system which was sustainable.

Councillor N. Matthews asked if the two companies bidding for the contract were aware of the 2.5 PM particulate European legislation due to take effect in 2015. The Director of Environment said that the two companies would have included this in their bids and that both had agreed to monitor 2.5 PM. The Chief Executive said that at a joint committee meeting, the other councils agreed that the monitoring be conducted on a monthly basis. The Cabinet Member for Waste said that current regulations did not require this, but Flintshire would seek regular monitoring with all partners contributing to the cost.

Councillor D. Mackie asked that in view of the proximity of a national boundary to the proposed site, had sufficient early consultations been conducted with our neighbours to comply with international treaty requirements. The Director of Environment said that as part of the planning process, there would be discussions with neighbouring authorities in England.

Councillor D. Evans asked for a financial breakdown of the reported £50 million penalty to be paid should the project fail to complete. He asked if Flintshire County Council had spoken to a waste facility in Kings Lynn which used non incinerating technology. The Director for the Environment said that they had been in touch with the organisation but it was too late for them to enter into the procurement process. The Cabinet Member for Public Protection, Waste and Recycling said the company could not offer the full process required. The Director of Environment agreed to forward all members of the Committee a breakdown of the costs.

Councillor G.H. Bateman asked if municipal trade waste would be accepted at the facility if there was spare capacity due to a reduction in household residual waste. The Director of Environment said that they had based the project on 63% of household waste having been recycled which equated to 115 tonnes of residual waste. To make up tonnage being treated to the facility's full capacity, the two bidders would source commercial waste similar to municipal waste in its composition or seek other municipal waste; there was the possibility that Wrexham Borough Council would use the facility.

Councillor G. Banks asked how Flintshire County Council would manage the movement of non Flintshire vehicles and asked for more information about the Community Benefit Scheme. The Director of Environment said that there would be a Contract Management Team and they would manage the waste vehicles, as too would the Council manage its only vehicles' movements. There would not be any vehicles from the west of the region as this would come via rail. Proposals for a Community Benefit Scheme were currently being developed. More information would be available at future meetings.

RESOLVED:

That the Committee note and receive the report.

48 QUARTER 2 SERVICE PERFORMANCE REPORTS

Assets and Transportation

The Head of Assets and Transportation introduced the Quarter 2 performance report for Assets and Transportation. He highlighted achievements in Quarter 2:

- The opening of the Holywell Flintshire Connects facility.
- The progression of third party lease terminations.
- The continued development at Alltami Depot.
- The arrival of the Transport Manager in October 2012.
- The investigation of a regional transport solution.
- The rationalisation of agricultural estates.
- The progress made with the new Shotton Primary School and the team were also supporting the Flintshire School modernisation programme.
- The Carbon Trust assessment of the council's Carbon Reductions Strategy was positive and would be fed back to a future meeting of the committee.
- A survey of lines and signs had been completed within Flintshire and work had now commenced to ensure compliance with the related Traffic Regulation Order.
- The speed limit review had been completed.
- The development of design solutions for the Mold Flood Alleviation Scheme was in progress.

Councillor C. A Thomas asked if TAIH would control bus transport grants from April 2013 and if the review of bus services would be completed in February as stated in the forward work plan. The Director of Environment confirmed that TAIH would receive transport grants directly from the Welsh Government from 1 April 2013.

He anticipated that the review of bus transport would not be complete by 1 April 2013. Councillor Thomas asked about links with the police in relation to speed reviews and if street scene staff were able to put up street signage. She also asked if the council was looking at wider plans to deal with flooding. The Head of Assets and Transportation said that the council met regularly with the police to discuss traffic issues, accident cluster sites and review traffic information in order that management information could be considered and targeted action undertaken across Flintshire and North Wales. He said that Streetscene could be used to undertake signage work that would take less than 2 days to complete, with more significant work needing to be tendered in competition. Work around sustainable urban drainage schemes (SUDS) in relation to flooding (surface water) was an issue that was considered as part of the planning process with officers from the drainage team advising, where applicable, colleagues in Planning, in addition it was also part of consultations with other consultees of the planning process such as the Environment Agency and Welsh Water. The Director for Environment said that a report would go to cabinet about flooding. The Chair said that flooding would be an item to be considered at a future meeting of the committee.

Councillor D. Evans reported that the work on the bus bay in Shotton was yet to commence. The Deputy Leader and Cabinet Member for Environment said that contractors would be on site on 21 January. Councillor Evans asked if any signs had been identified as not fit for purpose citing the current arrangement along some of the side streets in Shotton that operated alternate side parking i.e. left or right side of the street available for parking on specified days. The Head of Assets and Transportation said that as part of Civil Parking Enforcement this situation would be revised.

Councillor N. Matthews asked which Overview and Scrutiny Committee the Theatr Clwyd Feasibility Study would go to. The Member Engagement Manager said that it would be dealt with by Community Profile and Partnerships.

Councillor G Banks said that he felt that the coastal road in Flintshire had been let down by Welsh Water and the Environment Agency with regards to Flooding Schemes. The Chair thanked Flintshire County Council staff who had done a good job throughout the festive season and said that if any member had been made aware of any shortcomings to make the relevant supervisors aware.

Streetscene

The Head of Streetscene introduced the Quarter 2 performance report for Streetscene. He highlighted achievements in Quarter 2 :

- The completion of the move of Street Scene contact centre staff to Alltami Depot and improvements in the service.
- The Streetscene team had responded well to numerous calls for assistance at flooding incidents caused by prolonged and significant rainfall between July and September.

- The council now had 10,000 tonnes of rock salt ready for the winter period. All salt bins within the county had now been filled.
- The recycling rates for the first quarter stood at 59% which is a 10% improvement on the previous year.

Councillor D. Wisinger asked if advisory notes could be put through the letter boxes of houses should bins be irrevocably damaged by the waste lorry. The Head of Streetscene said that advisory leaflets had been available to crews for the past 6 months and asked Councillor Wisinger to speak to him after the meeting.

Councillor P. Shotton expressed his thanks for the work of the supervisors in respect of the pothole remedial work. He asked when the resurfacing programme would be available on the website. The Head of Streetscene said that all roads in Flintshire had been surveyed and that a new tender would be offered shortly for the work which would be due to commence in March 2013. He said that the work programme should be available on the website within a few weeks.

Councillor C. A. Thomas said that she had seen an improvement with Streetscene in respect of assistance with flooding incidents and litter. She said that there were still issues about bins that were left in driveways after they had been emptied and asked for this to be fed back to staff. She asked if there were plans for an awareness campaign to eradicate side waste. The Cabinet Member for Public Protection, Waste and Recycling said that refuse lorry drivers would alert Recycling Officers to properties with perpetual side waste issues in order for them to advise the residents on recycling and that it was not his intention to stop side waste collection, but to encourage increased levels of recycling.

The Cabinet Member for Public Protection, Waste and Recycling expressed his thanks to the Streetscene team for the excellent work carried out during the Christmas and New Year period. He expressed disappointment at the instances of verbal abuse directed at Call Centre staff during this time and said that he would visit staff to thank them for their efforts.

Councillor P. J. Curtis congratulated Streetscene staff for their efforts over the holiday period. He asked when the issues with canopies at Tower Gardens, Holywell would be addressed. The Director for Environment said that the matter was being looked at and that a survey and costings had been requested.

Councillor G. H. Bateman asked if there was a cut off date for the collection of side waste. The Cabinet Member for Public Protection, Waste and Recycling said that he wanted to see an improvement in recycling rates before withdrawal of side waste collections. Councillor Bateman asked if the quality of rock salt diminished over time. The Head of Streetscene said that it was acceptable to use rock salt from previous years provided it had been stored undercover, which was the case at Alltami depot.

Councillor V. Gay expressed thanks for the efforts of Streetscene staff in Saltney. She asked that staff be reminded to replace lids on food bins after collections.

Councillor C. Dolphin said that abusive callers to Streetscene contact office should be identified and prosecuted. He said that the holiday calendars for refuse collection were very good. He said that there was still the issue of dropped paper litter in his area and Greenfield. He asked if the gritting agent in the yellow bins from the previous year contained any salt. The Head of Streetscene confirmed that there was rocksalt in the mixture.

Councillor A. Minshull expressed thanks for the removal of side waste in the Shotton West area.

Planning

The Head of Planning introduced the Quarter 2 performance report for Planning. He explained that the significant underperformance with Planning Appeals in indicator PLA/003 was due to 3 out of 4 appeals being allowed by the Welsh Government. Two customer surveys in June and November had attracted positive feedback.

Councillor C.A. Thomas asked about Section 106 funding and said that whenever she raised it in Lifelong Learning Overview and Scrutiny Committee she was told that it did not feature in the capital programme. She asked why Section 106 funding was collected if this was not to be used to increase capacity in schools. Councillor Thomas also asked if the play unit could be involved in early discussions about proposed play areas. The Head of Planning said that the Section 106 planning agenda had changed and that increased monies would go to Lifelong Learning through a more joined up approach. Councillor Thomas asked if the Head of Planning could speak to the Director of Lifelong Learning about this matter. The Chair said that he was happy to pursue this matter with the Director of Lifelong Learning. The Head of Planning said that the subject of play areas would be addressed in the Planning Committee and that this Committee would be kept in the loop.

RESOLVED:

That the reports be received.

49. FORWARD WORK PROGRAMME

The Learning and Social Care Overview and Scrutiny Committee Facilitator introduced a report to enable the Committee to consider the Forward Work Programme.

The Committee were requested to note that that they had been invited to attend a meeting of the Corporate Resources Overview and Scrutiny Committee meeting on 17 January 2013 to consider a report on Assets and Estates.

The Learning and Social Care Overview and Scrutiny Committee Facilitator informed the Committee that the Scrutiny Learning Exchange Team from Wrexham would attend the next meeting on 6 February 2013.

Items that would be added to the Forward Work Programme as a result of the meeting included Carbon Trust report, Area Transport Plan, Reports on Flooding and the introduction of quarterly update reports from the Deeside Enterprise Zone.

RESOLVED:

That subject to the foregoing, the Forward Work Programme be noted.

50. CONSIDERATION OF A MATTER REFERRED TO THE COMMITTEE PURSUANT TO THE CALL IN ARRANGEMENT

The Member Engagement Manager explained the procedure for the call in of a Cabinet Decision.

51. CIVIL PARKING ENFORCEMENT

The Member Engagement Manager referred to the call in of the decision of the Cabinet, from its meeting held on 18 December 2012 on Civil Parking Enforcement. A call in notice had been received, signed by six members of the Council. To assist Members in their deliberations on the issue, the following documents had been circulated with the agenda;

- a) A copy of the report considered by the Cabinet on 18 December 2012.
- b) A copy of the Cabinet Record of Decision.
- c) A copy of the call in notice signed by Councillors M.J. Peers, A. Woolley, C.A. Ellis, D. Hutchinson, N. Phillips and R. Jones.
- d) A copy of the procedure for dealing with a called in item.

The Democracy and Governance Manager was in attendance to explain, if required, decisions he had made on the Call in procedure.

The Chair invited the call in signatories to address the Committee via a spokesperson or individually to which the decision makers could respond.

Councillor M. J. Peers explained that the decision had been called in due to concerns about the inconsistency of car parking charges under consideration for implementation at this stage, in the former Delyn and Alyn and Deeside areas. He argued that out of the 33 car parks in the report which related to Queensferry, Shotton, Connah's Quay and Flint, only 3 of these would have parking charges implemented. In the Buckley area, it was planned to implement charges in 4 out of the 5 Council Controlled car parks, which he felt was disproportionate and would have an adverse effect on business in the town. He pointed out that whilst it was proposed to implement charges at Flint railway station, there were no plans for Shotton railway station, which again demonstrated an inconsistent approach. He asked why the results of the car park usage surveys quoted in Appendix D, point 3 were not included in the report and asked why there were no details available in

Appendix E concerning comparable costs associated with car parking management that pre-dated 2013/14. He asked if any figures were available to compare the costs of operating car parking charges against the income and asked if the option to make all car parks free of charge had been explored. He summed up his opposition to the report by saying that it lacked clarity, substance and financial detail.

Councillor C. A. Ellis said that the report lacked information about the cost to residents to park in the car park at Argoed Road. She said that on a number of occasions, Planning Officers had said that proposed new residential developments would not require additional parking spaces as they could use free car parks in the vicinity. A number of new businesses had recently opened in Buckley and there was concern that parking charges would adversely affect them. She said that there was a lack of detail in the report. The report quoted consultation with Mold and Holywell town councils and she asked if Buckley Town Council would be consulted.

Councillor Ellis went on to express concerns about proposed charges at Brunswick Road car park which would deter customers from using the pharmacy there and encourage them to drive to the pharmacy at Mynydd Isa precinct which had free parking.

Councillor N. Phillips said that the previous administration had looked at car parking charges the previous year and were to consider zero car park charges throughout Flintshire.

Councillor R. Jones confirmed that he was aware of planning inspectors citing the use of free parking in Buckley for residents of proposed new housing developments. He said that the planned parking charges were contrary to the priorities of the council such as promoting the local economy and sustainable living. He said that the plans conflicted with the regeneration strategy and that shoppers would seek alternative places to shop with free parking which would cause harm to local businesses.

The Deputy Leader of the Council and Cabinet Member of the Environment in response said that no decision had yet been taken at Cabinet in relation to car parking charges and that the item had been referred to Scrutiny for discussion with the intention that comments would then be reported back to Cabinet to inform their final decision making process.

The Leader of the Council said that it was unfortunate that the report could not have gone to Scrutiny as planned and then back to Cabinet listing their concerns. He said that the issue of off street parking needed to be addressed and that Highway Officers would offer clarity around the criteria used to produce the report.

The report was necessary for the following reasons:

- Every North Wales local authority except Flintshire had a Civil Parking Enforcement Policy
- There were historic inconsistencies with charges already in force in Mold and Holywell and not in the rest of Flintshire.

- Mold Town Council's wish to retain car parking charges in Mold.
- The need for new sources of income to protect statutory services within a reduced budget.

The Director of Environment said that there had been a workshop in October 2012 around Civil Parking Enforcement which explained the Traffic Management Act and the duty placed upon the authority should they take responsibility for on street parking enforcement from North Wales Police. He advised the committee that once Civil Parking Enforcement was agreed, the council could not hand the responsibility back to the Police. He said that in order to address on-street parking, that off street parking had to be addressed at the same time.

The Director of Environment then outlined the contents of Appendix 'D' to the report. Copies of two documents entitled 'Capacity between Maximum Demand' and 'Analysis of Use between 0800 hours and 1500 hours' were handed out.

The Head of Assets and Transportation said that the maximum occupancy and usage of car parks from 8 am to 6pm had been investigated as part of the study. The Argoed Road, Bistre Avenue and Black Horse car parks had high usage. The Brunswick Road car park was a very intensively used car park with high levels of turnover. The Precinct Way car park was being considered for redevelopment and hence this had not been included in the list of car parks for charging on.

All of the car parks across Flintshire had been reviewed against the criteria in Appendix 'D' namely :-

- Town Centre location, as identified in the Council's UDP
- Occupancy levels of the car parks
- Vibrancy of the Town Centres
- Proximity of the Town Centre to public transport
- Percentage use by surrounding residents not having access to a private parking space or on-street parking

Councillor M.J. Peers asked about the costs to eradicate charges completely. The Director of Environment said that Mold Town Council wanted to retain charges and that the Traffic Management Act put a duty on the council to manage car parking demand. He said that the cost of 20 pence per hour to park was not disproportionate in comparison with other town centres in neighbouring authorities. The use of all car parks had been reviewed, so there was no inequality within the proposed policy.

Councillor P.J. Curtis said that the report lacked detail and that proposals had not been put before Holywell Town Council. He added that Holywell Town had suffered with car parking charges for the last 20 years and that Holywell Town Council had never been in favour of car parking charges. He said that he recommended option 3 of the call in procedure which was to refer back to Cabinet for reconsideration which was seconded by Councillor D. Wisinger.

Councillor D. Evans said that for over 20 years there had not been on street parking enforcement in Shotton and that residents parked in the streets outside their

properties. He said that whilst he supported enforcement in Shotton High Street, that residents should be able to park cars outside their properties. The Head of Assets and Transportation said that street signs would be removed if no longer relevant, before the implementation of Civil Parking Enforcement Policy .

Councillor A. Minshull said that she was fully supportive of Councillor D. Evans' comments. She voiced concern at the proposed charges at the Somerfield car park in Connah's Quay in relation to the impact on the residents of nearby flats.

Councillor C. A. Thomas asked if the size of the 1.5 car parking spaces allocation per dwelling could be increased and if there could be resident only parking areas. She said that the proposed fees represented good value for money and that it would not deter people from using the car park. She asked if there were plans to change the parking machines and whether town centre managers and town and community councils had been consulted. The Director for Environment said that the planning of car parking spaces was part of the Unitary Development Plan (UDP) and said that this could be looked at. He said that the resident only parking areas had not yet been fully investigated. He confirmed that Town and Community Councils would be informed and that new car park ticket machines were being sought.

Councillor C. Dolphin said he welcomed the explanations of the Head of Assets and Transportation and said that the proposals offered a good deal for Holywell, in that the leisure centre and Somerfield car parks would be free of charge.

The Deputy Leader and Cabinet Member for Environment emphasised that no decision had been taken on charging and that the report would go back to Cabinet and that they would look at the issues that had been raised.

Councillor N. Matthews asked if there could be options for one hour or long stay rates on the car parking charges tariff, or even a free short stay provision, after which fees would be payable.

Councillor D. Evans sought assurances from the Director for Environment that he would look at road markings in Shotton prior to the implementation of Civil Parking Enforcement. The Director for Environment said that he would look at the matter, but could not guarantee that it would be done prior to Civil Parking Enforcement implementation. He said that he would advise the enforcement operatives as to the situation.

Councillor V. Gay voiced concerns about inconsistency and lack of detail in the report and asked if the report could go to County Forum. The Deputy Leader and Cabinet Member for Environment said that this had not been addressed and that an update report would go to County Forum at some stage in the future.

In summary, the initiators made the following comments:

Councillor C. Ellis said that the report lacked logic, fairness and equality. Councillor M. J. Peers said that the utilisation survey figures and assumptions may not have given an accurate picture of visits and projected income. Councillor R. Jones said that he proposed Option 4, to take the report to full Council. Councillor N.

Phillips concurred with Councillor R. Jones regarding Option 4 and said that the report lacked consistency.

The Chair thanked the Initiators, Decision Makers and the Committee for their contributions to the Call In Procedure.

On being put to the vote, Option 3, proposed by Councillor P. Curtis and seconded by Councillor D. Wisinger was carried by thirteen votes for and one abstention.

RESOLVED:

That the Cabinet Report of the Director of Environment, relating to Civil Parking Enforcement be referred back to Cabinet for reconsideration.

52. DURATION OF MEETING

The meeting began at 10.00 a.m. and ended at 2.10 p.m.

53. ATTENDANCE BY MEMBERS OF THE PRESS AND PUBLIC

There were three members of the press present.

.....
Chair

OFF STREET PARKING POLICY

1. Integral to Civil Parking Enforcement (CPE), which takes place “On-Street”, is the issue of “Off- Street” parking, as a significant proportion of vehicles displaced from roads are likely to resort to public and privately owned car parks.
2. There is an historic inconsistency in the way the Council’s car parks are managed across the County which goes back to the precursor authorities of Delyn and Alyn & Deeside. Delyn had a policy of charging, whereas Alyn & Deeside did not and, as a result of this position not having been reviewed since local government re-organisation, we now have the situation where the Council charges for the use of its car parks in Mold and Holywell, whereas all of the other Council car parks are free.

Furthermore, the level of charges have not been reviewed for over 18 years. It is therefore clearly appropriate to review the current situation and to implement proposals aimed at addressing this inconsistency.

3. Surveys have been undertaken of all of the car parks within the seven town centres identified within the Council’s UDP. Weekday and Saturday usage figures have been collected, to give indicative utilisation percentages on a daily basis. These have been compared to figures captured during a similar survey undertaken in 2005 and in most cases, the numbers have remained fairly constant.
4. The Regional Transport Plan, which has been developed by TAITH on behalf of all six constituent North Wales authorities, makes a number of references to the importance of ‘Demand Management’ in relation to the provision of sustainable transport, recognising that over 20% of our community will not have access to a car (this figure will be a lot more in our more disadvantaged neighbourhoods). Demand Management, in relation to car parks, is effectively the process of charging users a proportionate fee, where it’s appropriate to do so, in order to encourage a modal shift from cars to public and other forms of transport, thereby reducing congestion and increasing the viability of buses. Extracts from the Regional Transport Plan and Flintshire’s Regeneration Strategy are set out below:-

Regional Transport Plan

Managing Demand and Traffic Flows

Techniques for managing demand and traffic flow include road user charging which is a matter for the Welsh Assembly Government although local access control schemes based on charging such as in Durham or the Peak District National Park in England might be considered for some local problems. Parking management, including the use of workplace or retail parking levies might also be considered,

particularly to generate revenue to support other measures such as public transport services in development of large new commercial sites.

Parking

Parking is an important aspect of transport, given that most vehicles, particularly private cars, spend most of their time not moving and therefore have to be parked somewhere. Taith aims to ensure that the methods used for managing parking are consistent across the region wherever practicable, in line with current joint working on Civil Parking, balancing the needs of all sectors of society in North Wales.

Regeneration Strategy

The Flintshire Economic Regeneration Strategy 2009-2020 identifies the importance of town centre regeneration and stresses the need to ‘improve the integrated management of town centres’, ‘improve the built environment, public realm, and facilities for users’ and ‘provide alternative means of transport to the private car.’

5. A fundamental review of the Council’s subsidised bus services is being undertaken, following the WG announcement of a 27% cut in grants and a commitment given to the Environment Overview & Scrutiny Committee at its budget Scrutiny meeting in January 2012. This review will be based on criteria aimed at maximising sustainable transport provision to meet social and economic needs. This will include an assessment of bus services serving our town centres in Flintshire.

6. Car park charges are sometimes criticised for having a negative impact upon the local economy, on the assumption that they encourage drivers to go to shopping areas that have free parking. This is not considered to be the case, where charging levels are proportionate to the locality, including the local shopping ‘offer’ available. The table below sets out the number of ground floor commercial units within each of the seven town centre boundaries, together with the vacancy rates in October 2012, compared to the national average vacancy rate for the same period of 14.6%.

Town	Number of Commercial Units	% Vacancy Rate
Buckley	96	5
Connah’s Quay	57	11
Flint	122	11
Holywell	112	10
Mold	231	4
Queensferry	69	7
Shotton	94	9

7. There is clear evidence to show that some of the Council’s car parks are used by residents, where they don’t have access to their own private or on street parking. In these circumstances, the level of usage by

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surrounding residents needs to be taken into account in deciding whether or not to charge. Also, where appropriate, residents Parking Permits could be issued.

8. There is also clear evidence to show that our car parks are being used for 'Park and Share' purposes ie cars are left in them all day at no cost, whilst the drivers share a car to into, say Chester, where they have to pay. This practice does not add anything to the local economy and could be managed by the introduction of parking charges and CPE.
9. Similarly, Flint Station car park is heavily used, but not necessarily by rail travellers, who should be able to find a parking space whenever they want to use the train. Charging at the station car parks, but not others in Flint, will displace the vehicles of employees that work in the town and make it more likely to have spaces for rail users.

The Council is obliged to pay 50% of any income generated by charging to the owners of the car parks, Arriva Trains Wales.

10. Given the above points, a review has been carried out of the Council owned car parks in the County against the following criteria :-
 - Town Centre location, as identified in the Council's UDP
 - Occupancy levels of the car parks
 - Vibrancy of the Town Centres
 - Proximity of the Town Centre to public transport
 - Percentage usage by surrounding residents not having access to a private parking space or on street parking.
11. The outcome of the review is set out in the document attached to this Policy entitled "Initial Proposal for Car Parks Suitable for Charging". It is suggested that the charges will be :-
 - 20p per hour, for up to 3 hours
 - £2.00 for over 3 hours, except the Flint Station Car Park, which will be £3.00 and Love Lane Car Park, Mold, which will be 50p
 - Charges will apply between 08.00 am – 3.00 pm – Monday – Saturday

Annual Parking Permits (one per vehicle) will be issued at a charge of 25% of the aggregated weekly tariff for business users and 10% for residents. To be eligible for a business or residents' permit, the business or residence must be within 250m of the car park. Only one permit will be issued for each business.

12. It is intended to charge more for parking all day at Flint Railway Station as an added 'incentive' for non-rail passengers to park on the 'Free' car parks in Flint. Similarly, Love Lane Car Park in Mold is recommended to

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remain at the same tariff as now, to provide an option for lower cost parking on the outskirts of the town.

13. It is intended that the Council's Enforcement Officers undertake enforcement action in all of our car parks, whether we charge in them or not. This will cover issues like parking within bays and proper use of disabled bays.
14. As part of the process, it is intended that all car parks proposed for charging will be invested in, to ensure their surfaces, lines and signs are appropriate and that the lighting in them is up to the required quality.
15. It is recognised that the implementation of the above Off-Street Parking policy, together with the introduction of CPE, is likely to have a significant impact upon vehicular usage of our town centres and car parks. It is therefore intended to review the Policy during the 2013-14 financial year, when the initial impact of the introduction of CPE has had time to settle down, and then annually thereafter.

INITIAL PROPOSAL FOR CAR PARKS SUITABLE FOR CHARGING

All charges will be 20p per hour, for up to 3 hours and £2 all day, unless shown
Charges will apply between 08.00 am – 3.00 pm - Monday - Saturday

Area	Car Park	Proposal to Charge
Buckley	<p><i>FCC Controlled</i> Argoed Road Bistre Avenue (plus 5 cycle bays) Black Horse (plus 4 cycle bays) Brunswick Road Precinct Way</p> <p><i>Privately Controlled</i> Sommerfield</p>	<p>Argoed Road</p> <p>Black Horse Brunswick Road</p>
Connah's Quay	<p><i>FCC Controlled</i> Old Dock Road Fron Road Maude Street Sommerfield/Council</p> <p><i>Privately Controlled</i> Area to front of Boathouse/Shops Fron Road Health Centre (has lockable gates)</p>	<p>Sommerfield</p>
Flint	<p><i>FCC Controlled</i> Allt Goch – Large Allt Goch – Small Bollingbroke Heights Castle Heights Feather Street Pavilion Leisure Centre Railway Station Richard Heights (6 residents bays) Swan Street</p> <p><i>Privately Controlled</i> Retail Centre McDonalds/Asda</p>	<p>Feather Street</p> <p>Railway Station (£3 all day) Swan Street</p>
Holywell	<p><i>FCC Controlled - Free</i> Station Road – inner ring road (7 bays – disabled only) Halkyn Street</p> <p><i>FCC Controlled – Short Stay</i> Bevans Yard (rear 63-69 High Street) Gateway (Sommerfield) Leisure Centre Tower Gardens</p>	<p>Bevans Yard</p> <p>Tower Gardens Upper</p>

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Area	Car Park	Proposal to Charge
Holywell (Cont)	<p><i>FCC Controlled – Short/Long Stay</i> Plas yn Dre Well Street</p> <p><i>Privately Controlled</i> Tesco Lidl</p>	Plas yn Dre Well Street
Mold	<p><i>FCC Controlled-Contract</i> Town Hall</p> <p><i>FCC Controlled-Long Stay</i> Love Lane</p> <p><i>FCC controlled – Short Stay</i> Grosvenor Street King Street Meadow Place</p> <p><i>FCC Controlled – Short/Long Stay</i> Griffiths Square New Street</p> <p><i>Privately Controlled</i> Aldi Tesco Lidl</p>	Town Hall Love Lane (50p all day) Grosvenor Street King Street Meadow Place Griffiths Square New Street
Queensferry	<p><i>FCC Controlled</i> Pierce Street Station Road</p> <p><i>Privately Controlled</i> Asda Deeside Leisure Centre</p>	None
Saltney	<p><i>FCC Controlled</i> None</p>	None
Shotton	<p><i>FCC Controlled</i> Alexandra Street P&R Alexandra Street – King Edward Street Ash Grove Bridge Street Central Hotel Charmleys Lane King George Street Plymouth Street</p>	None

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Area	Car Park	Proposal to Charge
Shotton (Cont)	<i>Privately Controlled</i> Old B&Q/Charlies Lidl/B&Q/Pets at Home Pizza Hut Car Park	None
Talacre	<i>FCC Controlled</i> Smugglers Inn Proposed Additional Parking Lighthouse Pub Station Road Beach Car Park BHP	None

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Civil Parking Enforcement and Off-Street Parking
Implementation of 01.07.13 for Off-Street & 01.10.13 for On-Street

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Implementation in line with revised policy - Bistre Avenue and Haikyn Street removed, Somerfield reduced to 40% usage and Feather Street included Capital costs financed over 5 years with 10% borrowing charge	Note	Set Up £	2013/14 Year 1 £	2014/15 Year 2 £	2015/16 Year 3 £	2016/17 Year 4 £	2017/18 Year 5 £	
Balance B/fwd	1	186,000	54,502					
<u>On-street</u>								
Start-Up Costs (Capital)	2	-94,888	-11,000	-11,000	-11,000	-11,000	-11,000	Financing £50k costs over 5 years
Start-Up Costs (Revenue)		-36,610						
Maintenance of lines and signs			-20,000	-20,000	-20,000	-20,000	-20,000	
Expenditure	3		-91,199	-182,398	-182,398	-182,398	-182,398	6 months (50%) for 2013/14
Less costs with existing budget provision	4		34,000	34,000	34,000	34,000	34,000	
Net Expenditure Increase			-57,199	-148,398	-148,398	-148,398	-148,398	
Income from PCN's			52,628	202,856	210,238	210,238	210,238	6 months @ 35% recovery for 2013/14
Total On-Street		-131,498	-35,571	23,458	30,840	30,840	30,840	
<u>Off-street</u>								
Car Park Resurfacing, Lining, Lights & Signs	2	0	-15,400	-15,000	-15,000	-15,000	-15,000	Financing £70k costs over 5 years
Enforcement, cash collection, transport, maintenance, CPU and leasing finance	5		-112,812	-150,416	-150,416	-150,416	-150,416	9 months (75%) for 2013/14
Less costs with existing budget provision	6		65,000	65,000	65,000	65,000	65,000	£65k Attendants Budget
Net Expenditure Increase			-47,812	-85,416	-85,416	-85,416	-85,416	
Forecast Income from Off-Street Parking Charges & PCN's	7		303,006	432,866	432,866	432,866	432,866	70% recovery July to March 2014
Forecast Income from existing charges April to June 2013	8		50,962					
Current income level forecast	9		-203,850	-203,850	-203,850	-203,850	-203,850	
Anticipated shortfall to Budgeted level	9		-50,000	-50,000	-50,000	-50,000	-50,000	
Additional Income from Car Parks			100,118	179,016	179,016	179,016	179,016	
Total Off-Street		0	36,906	78,600	78,600	78,600	78,600	
Balance C/fwd		54,502	55,837	102,058	109,440	109,440	109,440	

Notes

- Specific Directorate Balance Carried Forward previously approved by Executive in sums of £61k (2008/09), £75k (2009/10) and £50k (2010/11)
- Start-up costs include: Specialist Advice £15k, IT/Office Equipment & Training £30k, Public Relations £10k, Legal Costs/Adverts £10k, TRO Survey & Mapping £40k, Signs & Line upgrade £20k, Signs conversion £20k, Hardware Maintenance for CPU £25k, Uniforms & Comms £9k
- Expenditure consists of: Parking Manager £27k, Salary Overheads £25k, Parking Attendants £79k, Office Equipment & Overheads £9k, Transport Costs £30k, Ticket & Permit Processing £9k
- Current Staff Budget Provision for management of car parks of £34k
- Enforcement £89k, Cash Collection £28k, Transport £4k, Machine Maintenance £4k, PCN Levy to CPU £24k, Leasing Finance £22k
- Current Enforcement Budget Provision for Attendants of £65k
- 9 months at new projected levels
- 3 months at existing levels of fines and fee income
- Current Projected income level for 2012/13 is £204k compared with the budgeted level of £254k, a projected shortfall of £50k.

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **TUESDAY, 19TH FEBRUARY, 2013**

REPORT BY: **CHIEF EXECUTIVE, HEAD OF HOUSING, HEAD OF
ICT AND CUSTOMER SERVICES**

SUBJECT: **FLINTSHIRE CONNECTS**

1.00 PURPOSE OF REPORT

- 1.01 This report provides an update on the progress of the Flintshire Connects programme, the preferred options for the second and third Connects in Connah's Quay and Flint and the strategy for the complete programme across the County.
- 1.02 The report proposes a number of special actions for Phase 1 of the programme, and the development of Phase 2.

2.00 BACKGROUND

- 2.01 Flintshire Connects is a key part of changing and improving the Council with the emphasis on first class customer service.
- 2.02 The vision for Flintshire Connects is to improve customer service by providing simpler and more "*joined up*" access to County Council and public sector services in County towns in a modern and welcoming environment. Connects support the decentralisation of County Council workforce and services and more flexible ways of working.
- 2.03 This vision for Flintshire Connects was approved by the County Council's Executive Committee on 19th July 2011, following extensive consultation and workshop briefings with Elected Members, employees, Trade Unions and partner organisations. In addition to agreeing the concept and vision for customer facing services delivered through Flintshire Connects, elected members also authorised lead officers to bring forward firm proposals on the first location which could be located on the site of the Old Town Hall, High Street, Holywell.

- 2.04 The Centre at Holywell opened on November 1st 2012. Its High Street location means it is highly visible for the public to access. The following services are being delivered from the Connects Centre at Holywell:
- Housing
 - Welfare Benefits Advice
 - Council Tax and Business Rates
 - Streetscene (including refuse collection and Highways)
 - Concessionary Travel
 - Blue Badges
 - Payment facilities for Council services
 - Planning enquiries
 - Referrals to Adult and Social Services
 - Information and referrals to Environmental Services.
- 2.06 The Connects Centre at Holywell is open to the public between 8.30 am to 6.00 pm Monday to Friday, and between 9.00 am and 12.00 pm on Saturdays. These extended hours and Saturday mornings enable customers who experience difficulties in accessing County Council services during the working week to do so after work or on a Saturday morning. Connects Customer Service Advisors also support and complement the County Council's Customer Services Strategy by working with customers to support them to use the self-serve facilities which are available for them to access in the Flintshire Connects Centre.
- 2.07 Training for Connects Centre Customer Service Advisors (CSAs) has been based upon the principle that when a customer has an entitlement to a service verified, such as Council Tax Benefit or Concessionary Travel they are able to process their entitlement and authorise service delivery. Where more specialist or discretionary support and advice is requested on potentially complex or sensitive issues such as homelessness, planning policy or social services, Connects Customer Service Advisors have receive specialist training, so they recognise "*trigger points*" and will know when to refer a case on to specialist staff to make a home visit or appointment in the Connects Centre using the private interview rooms.
- 2.08 A key feature of the Connects Centre at Holywell has been the new collaborative working arrangements with key partner organisations such as North Wales Police, Deeside College, Communities First and JobCentre Plus. North Wales Police have vacated Holywell Police Station to have a permanent presence on the first floor of the Centre. North Wales Police have met the entire costs of the refurbishment of the first floor and will also contribute towards the on-going running costs of the building. Similarly, Communities First presence in the building will enable them to maintain a strong presence in Holywell and the surrounding rural communities it serves. As Communities

First work closely with a number of County Council service areas, their presence will strengthen existing working arrangements through improved cross agency working, referrals and co-location. Deeside College are also a key partner in the partnership, and are already using the Centre for community learning.

- 2.09 More recently, JobCentre Plus has a presence within the Connects Centre. Data collated by JobCentre Plus indicates that up to 50% of customers visiting their Flint office come from the Holywell area. Their involvement at Holywell will also reduce the need for customers to travel to either Flint or Rhyl where the nearest JobCentre Plus offices are currently located.
- 2.10 The Flintshire Connects Centre at Holywell can be regarded as a “*test bed*” for rolling out the Programme across the county. It will set the standard for both the design and approach to the delivery of key County Council and partner organisation services in the future. In order to support this process, data is being collated at Holywell to monitor and evaluate customer contact trends including service areas accessed and customer satisfaction. Appendix 1 provides a summary of the number and nature of enquiries from customers at Holywell
- 2.11 It is also proposed to monitor from where customers are travelling to access services at the Connects Centre at Holywell. This information will be used to support the County Council’s Customer Service Strategy by informing future service delivery arrangements, ensuring that they are efficient, cost effective and tailored to meet the needs and aspirations of customers. This exercise will also help the County Council to target services and customer groups through its “*Channel Shift*” project to gain the most benefit of moving them from face to face to telephone, and telephone to self service – particularly those living in rural or remote communities.
- 2.12 The provision of strategically located Connects Centres is part of a programme of change which will support Flintshire Futures Assets Programme for the management and rationalisation of its property assets. This includes the County Council’s overall approach to agile working provision with the network of Connects Centres supporting the decentralisation of employees. In addition to improving customer access to County Council services, this will have the effect of reducing the need for office space.

3.00 CONSIDERATIONS

- 3.01 The Connects Programme has been broken down into two phases. There has been a commitment from the outset to locate a fully functioning Flintshire Connects in each of the County towns. The order of choice, and therefore phasing, is based to an extent on capitalising on opportunities. When a location emerges, either through the use of our own property portfolio or in partnership with other public

bodies, the County Council have aimed to capitalise on the opportunity. This thinking and creativity was behind the choice of location for Holywell with a firm business plan turning the vision into reality. Both the towns of Flint and Connah's Quay have creative preferred options for allocation and are therefore in Phase 1. Other towns will follow in Phase 2. Two Options have been developed for Flint and Connah's Quay. A number of potential sites had been identified and assessed for location, accessibility to the public and interest from partner organisations. Appendix 2 details the key activities and projected time frame for implementing the Connects programme at Flint and Connah's Quay.

- 3.02 It is proposed that the Connects Centres at both Flint and Connah's Quay will also receive cash and card payments for any Council service (including housing and garage rents and Council Tax), which will also allow the migration of the existing Cash Offices into the proposed Connects Centres.

3.03 Flint: County Offices

- 3.04 The preferred option for a Connects Centre in Flint is the ground floor of County Offices, which are located at the top of Church Street. This site fully compliments the key principles for the Connects Programme and consequently, has been the only site considered for the Connects Centre. The rationale for this includes its central town location, close proximity to excellent public transport and local facilities including library, leisure centre and Post Office. The building also affords the required office space to accommodate key strategic partners such as North Wales Police and JobCentre Plus who also wish to retain a strong community presence in Flint through co-location in the proposed Connects Centre.
- 3.05 County Offices also accommodates key County Council customer-facing service areas such as Housing Management and Repairs, Housing Options, Welfare Rights, Supporting People and the Learning Disability Team. A Connects Centre within the building will support the modernisation and realisation of efficiency savings through more efficient and cost-effective service delivery arrangements, enhanced referral and signposting between different service areas and partner organisations and increased take-up of Council and partner organisation services.
- 3.06 The creation of a modern and welcoming Connects Centre will also support the Flint Master Plan by enhancing the physical appearance of the townscape and support the economic regeneration by supporting local businesses and stakeholder groups.
- 3.07 Appendix 3 provides initial drawings for the site which propose the refurbishment of the existing ground floor reception area, connecting it with the neighbouring vacant former hair salon. This will increase the

floor space available for the public to access services and information provided at the Centre. The Centre will be accessed from Church Street, and it is proposed to introduce a modest glazed canopy which will clearly demarcate the new main entrance to the building. Church Street is classed as a conservation area, and any proposed refurbishment will be sympathetic to the many historic buildings located in close proximity

- 3.08 The Design and Consultancy Team have provided estimated costs for the capital refurbishment of the ground floor of County Offices, Flint of £330K. These are draft costs at this stage and are being challenged for value for money. These projected capital costs will be shared between the County Council and JobCentre Plus. The County Council's contribution to the costs is yet to be finalised but will be within the region of £250k which was the outline costing per facility agreed at the outset of the programme.
- 3.09 North Wales Police are currently conducting internal discussions and assessment of their likely future space and service requirements for their occupation of a separate section of the ground and first floors at County Offices. North Wales Police will meet the entire capital refurbishment costs of the ground and first floor areas of County Offices they will use solely.
- 3.10 In addition to sharing the capital refurbishment costs, all partner organisations would similarly share the on-going annual running costs of County Offices, Flint.
- 3.11 Connah's Quay: Modular integration with the Library and Learning Centre**
- 3.12 The preferred option for a Connects Centre in Connah's Quay is the modular integration with Connah's Quay Library and Learning Centre. This follows a detailed Options Appraisal which considered key factors such as value for money, accessibility to the public, proximity to local facilities and partner organisation involvement. The viability of a number of sites was assessed which also included the former Custom House School and vacant units in the new Quay Medical Centre complex.
- 3.13 The modular integration of a Connects Centre to Connah's Quay Library and Learning Centre will facilitate the phased closure of Civic Offices, generating annual revenue saving of £92K. The central location of the site, prominent position close to shops and amenities, excellent pedestrian and transport links, along with low capital and on-going revenue costs makes the modular integration of a Centre within the existing Library and Learning Centre a viable option. The scheme ties in well with County Council services currently in the area and nearby parking is readily accessible.

- 3.14 Appendix 3 outlines proposals that will look to take advantage of a modular construction on the current Library and Learning Centre car park, using sustainable materials which will integrate well with the surrounding buildings. The form and external finishes of the proposed building will be sympathetic to the local streetscape, whilst at the same time creating a focal point which will be supported by the attractive green-space fronting the High Street. The form will reflect the cellular flat roofed nature of the Library and Learning Centre and will be connected via a glazed link corridor to minimise impact upon the existing structure. This option will enable service integration and shared facilities and it is envisaged that the addition of the Connects Centre will increase footfall to the Library and Learning Centre. This will also enable the inclusion of a display facility for the provision of local artefacts and items of historical interest.
- 3.15 Based upon the preliminary concept drawings, the County Council has received estimated outline costs of £250K as a complete design and build package. This includes all necessary groundwork's, Mechanical and Electrical engineering (M&E) installations, connections and glazed link connection to the Library. Under this option, it is projected that the combined on-going revenue costs for the building will be £15K per annum. This is primarily due to the proposed use of high efficiency and renewable energy sources, sustainable materials, and high levels of thermal insulation that will have obvious benefits on the environment and help reduce the running costs of the building. The on-going revenue costs will be apportioned with the Library.
- 3.16 The proposed use of a modular solution will enable a Connects Centre to be delivered in Connah's Quay within a relatively short timeframe. The utilisation of a modular design also lends itself to providing an option which can be re-used by the County Council at other sites in the future should this be required e.g. educational space.
- 3.17 This approach will enable the County Council to retain a strong and central presence in Connah's Quay whilst proposals for a potentially broader regeneration initiative involving other partner organisations can be further developed. This will also enable additional time for key partner organisations such as North Wales Police to ascertain its future space and service delivery requirements for Connah's Quay in the longer term and as part of a wider regeneration approach.
- 3.18 Flintshire Connects Programme – Phase 2**
- 3.19 The 19th July 2011 report to the County Council's Executive Committee which approved the vision for Flintshire Connects, also approved in principle that there should be a Connects Centre in each of the principal county towns. This will provide a geographical distribution of Connects Centres across Flintshire, providing high quality, public services which are easily accessible for all residents, regardless of where they live or work.

- 3.20 With this in mind, detailed proposals are being developed for Phase 2 of the Flintshire Connects Programme for 2014/15. The needs of Buckley will be a prime consideration. The needs of outlying Saltney will also be reviewed. Key considerations will include projected customer demand and footfall, site identification and assessment, space requirements and the attainment of value-for money from each potential location. Discussions are also continuing with key partner organisations around their strategic service priorities, space requirements and available funding streams which will also inform their level of involvement and presence at these locations. The collation and analysis of this information will enable the development of tailored options which are appropriate and sustainable in each town including service delivery arrangements and targeted opening and closing hours which match customers' needs and aspirations.
- 3.21 A Connects Centre at Mold is projected to be delivered during 2015/16. A decision on Mold will need to be made by the County Council alongside decisions on the future of County Hall. During the interim period, the County Council will continue to deliver the comprehensive range of services which are already easily accessible to the public from County Hall, Mold.
- 3.22 Rural / Remote Communities**
- 3.23 Whilst the intention is for Connects Centres to be located in key towns across Flintshire, research is proposed by the County Council and partner organisations to consider how access to key public services and information can be improved for customers with specific service needs whom live in rural or remote communities, or are unable to visit County Council or partner organisation premises. This will include developing proposals for Connects services, including regular surgeries and appointments to be delivered from buildings and locations which are accessed by the public on a regular basis including leisure centres, health clinics and the key retail centre at Broughton Retail Park.
- 3.24 This approach has proved successful in other rural areas of the UK, and is a low cost option which could be rolled out in a short period of time. The County Council is hoping to explore this option in greater detail in partnership with rural communities.
- 3.25 In order to develop this further and increase the County Council's geographical coverage by improving remote access and facilitate tailored, remote community visits, an expression of interest has been made for funding to the Welsh Government's (WG) "*Digital Inclusion*" Fund. The Fund has been established by WG to support improved accessibility to Council and DWP services in the light of Welfare Reform, with the aim of supporting the delivery of tailored and effective services to vulnerable and excluded households whose

service needs can be highly complex and who often have only limited mobility.

4.00 RECOMMENDATIONS

4.01 That Cabinet approve:

- Progressing Phase 1 of the Flintshire Connects programme,
- That a Flintshire Connects Centre is located on the ground floor of County Offices, Flint, with a proposed opening to the public of February 2014;
- The modular extension to Connah's Quay Library and Learning Centre to deliver a Flintshire Connects Centre, opening to the public in October 2013 and enabling closure of the Connah's Quay Office;
- Authorises lead officers to proceed to design approval and conclude negotiations with North Wales Police and Jobcentre Plus on their proposed occupation of County Offices, Flint;
- Authorises lead officers to proceed with the migration of cash collection services into the Flintshire Connects Centres;
- Authorises lead officers to undertake a consultation period with the local community and stakeholders on proposals for Flintshire Connects Centre at both Flint and Connah's Quay;
- That Cabinet receive an update report on final working arrangements with partners and resulting financial implications.

4.02 That Cabinet authorise lead officers to proceed with key activities to explore proposals for Phases 2 and 3 of the Flintshire Connects programme.

4.03 That Cabinet authorise lead officers to develop options for Flintshire Connects Customer Service Advisors to offer Flintshire Connects services in outlying and rural areas.

5.00 FINANCIAL IMPLICATIONS

5.01 Flintshire Connects Centres, County Offices, Flint

5.02 The projected financial implications for Connects Centres at County Offices, Flint and Connah's Quay Library and Learning Centre are summarised in Appendix 5.

5.03 It is anticipated that the provision of a Connects Centre at County Offices will be delivered within a cost envelope of £330K capital expenditure. As the section is to be occupied jointly by the Connects

Centre and JobCentre Plus, it is proposed that capital refurbishment costs will be shared between both organisations.

- 5.04 Subject to County Council approval, it is anticipated that the County Council's element of the refurbishment works of County Offices, Flint would be met from the Capital Programme Budget for 2013/14 which has a capital allocation of £500,000 for the provision of Connects Centres.(subject to approval).
- 5.05 North Wales Police will meet the entire capital refurbishment costs of the ground and first floor areas of County Offices they will use solely.
- 5.06 The inclusion of the vacant hair salon as part of the Connects Centre would necessitate re-designation from a non-operational unit, and a loss of rental income of £11,250 per annum; however this is more than offset by partner contributions to revenue costs in County Offices which will provide an overall net efficiency on current running costs.
- 5.07 The County Council will work closely with its partner organisations on the tenure arrangements for County Offices, Flint. It is proposed that the County Council will charge an occupation fee to JobCentre Plus on a pro rata basis determined by the amount of space occupied overall. The County Council will sub-let the ground and first floor areas solely occupied by North Wales Police, who will be responsible for the rent and running costs.
- 5.08 It is anticipated that revenue costs for the ground floor of County Offices, Flint will be circa £16,000 per annum, with revenue contributions from North Wales Police and JobCentre Plus totalling £30,000 per annum. This will represent an annual efficiency saving in the running costs for the ground floor of County Offices, Flint of circa £14,000.
- 5.09 Modular extension to Connah's Quay Library and Learning Centre**
- 5.10 It is anticipated that the modular extension to Connah's Quay Library will be delivered within a cost envelope of £250K capital expenditure.
- 5.11 Subject to County Council approval, it is proposed that the County Council's element of the refurbishment works will be met from the Capital Programme Budget for 2013/14 which has a capital allocation of £500,000 for the provision of Connects Centres (subject to approval).
- 5.12 The anticipated revenue costs for the modular extension to Connah's Quay Library and Learning Centre will be £12, 000 per annum. The on-going revenue costs will be apportioned with the Library. The establishment of a Connects Centre in Connah's Quay will facilitate the closure of Civic Offices, generating annual revenue saving of

£92K.

5.13 **Welsh Government Invest-2-Save Fund**

5.14 In order to increase the pace and scale of the implementation of the programme a joint expression of interest has been made with North Wales Police and JobCentre Plus to the Welsh Government's "*Invest-2-Save Fund*" for the capital works and initial start-up costs for the proposed Connects Centres at Flint and Connah's Quay. The Invest-to-Save Fund is available to Welsh Government funded public service organisations to assist them transform the way that they work. In particular, the Fund target's strategic projects which;

- lead to the release of significant cash-releasing savings;
- deliver citizen-focused services; and,
- support key aspects of the Welsh Government's public service efficiency and wider improvement agenda.

5.15 Investments made from the Fund are fully repayable but there are no interest charges and there is flexibility on the payback period. This approach ensures that the Fund is sustainable and available for investment in new projects in the future.

5.16 The joint expression of interest made has been warmly received by the Welsh Government, progressing to the second stage of the Invest-2-Save assessment process. This will take place on the 11th February 2013. The final outcome of the Invest-2-Save funding round will be announced by the Welsh Government's Finance Minister in early March 2013. The attainment of Invest-2-Save Funding will reduce pressure on the County Council's Capital Programme budget, and enable the Connects programme to be implemented to Flint and Connah's Quay in the timescales identified.

5.17 **Flintshire Connects Revenue Costs and Efficiencies**

5.18 A business plan for securing revenue efficiencies to meet the staffing and on-going revenue costs of Phase 1 of the Connects Programme (the first three Connects Centres at Holywell, Flint, and Connah's Quay) from 2013/14 is well developed, with £150,000 efficiency savings already identified. This includes a £100K contribution from Housing and a £50K from Corporate Services.

5.19 It is proposed that each Directorate will make an equal contribution of £50K from each County Council Directorate from identified efficiency savings achieved through elements of service delivery being devolved to the Connects programme.

5.20 There is also a £100,000 staff cost efficiency in each of the next three years, totalling £300,000 as the programme develops.

6.00 ANTI POVERTY IMPACT

- 6.01 The provision of Flintshire Connects Centres at Connah's Quay and Flint respectively will improve face-to-face access to key Council and partner organisation services and information locally by reducing the need for households on low incomes to travel to County Hall, Mold.

7.00 ENVIRONMENTAL IMPACT

- 7.01 It is proposed that the Connects Programme will support the Town Action Plan Programme, which is the County Council's agreed strategic approach to regenerating town centres by boosting footfall. Data will be regularly measured to assess whether the presence of Flintshire Connects Centres on the High Street of Flintshire's towns are increasing the flow of people. The impact of Connects Centres will also be monitored through the business impact survey which is undertaken by the County Council to gauge business performance and confidence across town centre based-businesses.
- 7.02 It is anticipated that locating Connects Centres in town centres will support each town's centre regeneration priorities as set out in the respective "*Masterplan*" strategy documents for Holywell, Connah's Quay and Flint by improving the physical appearance of buildings and stimulating economic activity by increasing the number of people visiting the town centre.
- 7.03 Approved drawings for the Connects Centres at Connah's Quay and Flint will incorporate recommendations from the County Council's Energy Unit to maximise energy efficiency in accordance with the Environmental Policy.
- 7.04 Less carbon will also be emitted as households will be able to access key Council and partner organisation services and information locally.

8.00 EQUALITIES IMPACT

- 8.01 The main focus of Flintshire Connects is to improve access and quality of services to vulnerable groups who often favour face to face contact when interacting with the County Council and partner organisations.
- 8.02 An Equalities Impact Assessment has also been undertaken to ensure that the needs of all households across Flintshire are considered during the scoping, planning, delivery and monitoring of all Council services via the Holywell Connects Centre. This will include consultation with a number of local stakeholder groups, including Flintshire Deaf Forum, Flintshire Disability Forum, Gypsy and Traveller Group, Flintshire Youth Service and local Welsh speakers.
- 8.03 All Connects Centres will also be DDA compliant.

8.04 A Welsh Language Impact Assessment proforma has been completed to ensure that Flintshire Connects complies with the Council's approved Welsh Language Scheme.

9.00 PERSONNEL IMPLICATIONS

9.01 Recruitment for Customer Service Advisors (CSAs) for Flintshire Connects Centres will continue to be undertaken from the existing Council workforce, subject to the required skills and experience being met.

9.02 The migration of cash collection services into Connects will result in the phased closure of the Councils Cash Office network. There will be a need to undertake a full assessment of the staffing impact of these changes in line with the corporate policies already in place, avoiding compulsory redundancies where possible and redeploying some Cashiers to other vacant positions within the Council, including potential assimilation into Customer Service Advisor vacancies.

9.03 There will be implications for staff in terms of work locations and new ways of working which will bring more diverse opportunities for personal development for staff as part of the Council's longer term vision.

9.04 There will also be personnel implications arising from the intention for Connects Centres to have extended opening hours for face to face contact, including Saturday mornings.

10.00 CONSULTATION REQUIRED

10.01 Subject to Cabinet approval, a Communications Plan will be jointly developed with partner organisations and local stakeholders in both Connah's Quay and Flint to raise awareness of the services and information which will be delivered through the Connects Centres. The feedback received will be considered when developing service delivery options from each of the Connects Centres.

11.00 CONSULTATION UNDERTAKEN

11.01 A regular update on progress with the Connects programme is given to the County Forum, which is the representative forum for Town and Community Councils.

12.00 APPENDICES

12.01 Appendix 1 - Breakdown of Enquiries Received at Flintshire Connects Centre, Holywell

12.02 Appendix 2A - Proposed Project Timetable for Flintshire Connects

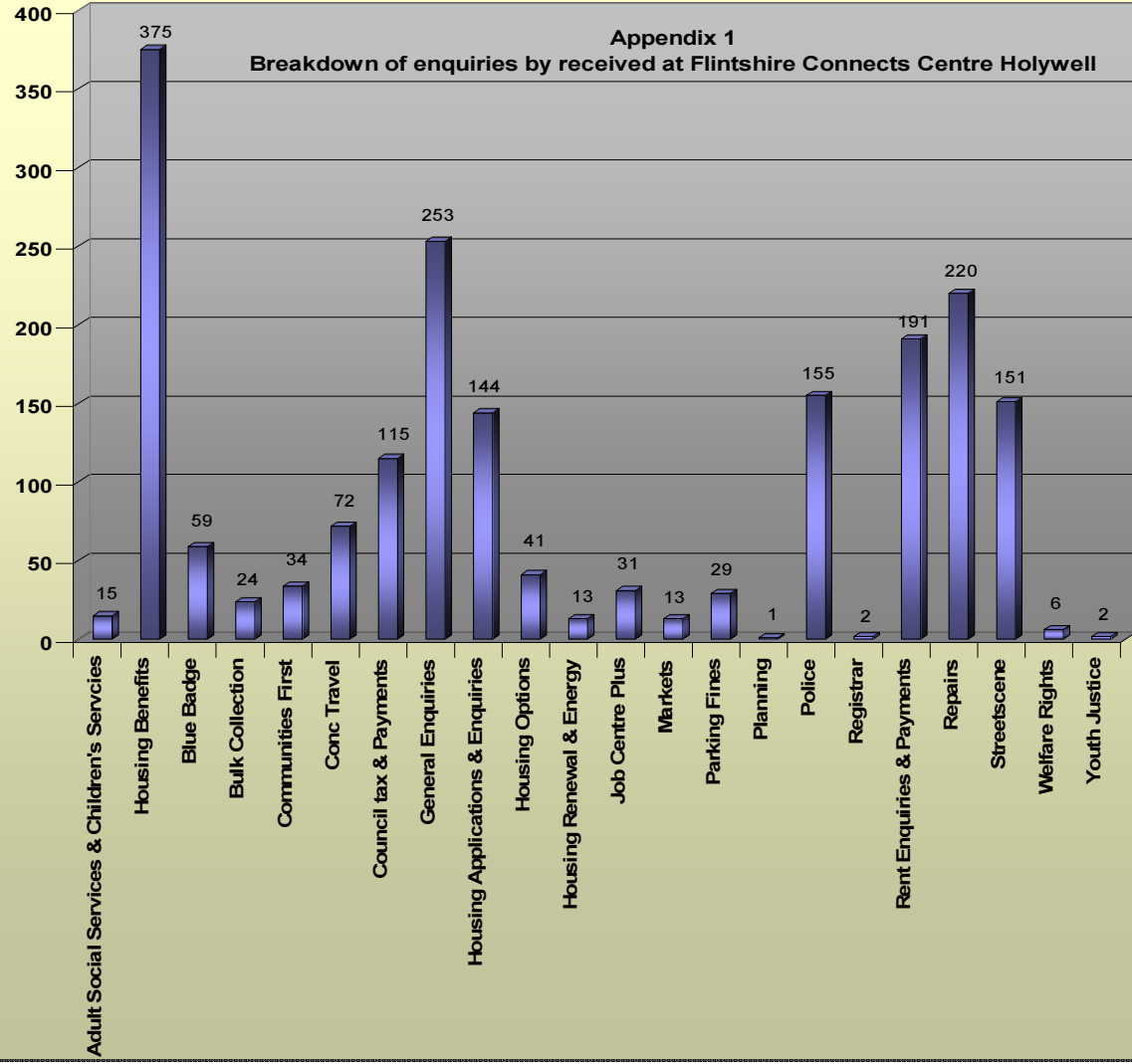
Centre, County Offices, Flint

- 12.03 Appendix 2B - Proposed Project Timetable for Flintshire Connects Centre, Connah's Quay, Library
- 12.04 Appendix 3 - Outline Plans for Flintshire Connects Centre on Ground Floor at County Offices, Flint
- 12.05 Appendix 4 - Outline Floor Plans for Modular Extension at Connah's Quay Library and Learning Centre
- 12.06 Appendix 5 - Projected Financial Implications for Flintshire Connects Centres at County Offices, Flint and Connah's Quay Library and Learning Centre

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS

Contact Officer: Clare Budden
Telephone: 01352 703800
Email: clare.budden@flintshire.gov.uk

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PROJECT	REF	DATE	REVIEW NO	BY
Flintshire Connects Centre - Flint County Offices	OSS000/002	24/12/12	1	

WEEK NO	2013	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
APPROVAL BY FLINTSHIRE COUNTY COUNCIL		6 7 8 9	10 11 12	13 14 15 16 17 18	19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 1 2 3 4 5 6 7 8 9 10									
INITIAL DESIGN (A - B)			>											
DETAIL DESIGN & SCHEME SIGN OFF (C - E)				#										
PRODUCTION INFORMATION (F - G)														
TENDER (H)														
TENDER EVALUATION														
CONTRACTOR LEAD IN (J)														
CONSTRUCTION PHASE (K)														

> Instruction to Proceed
Client Approval/Scheme Sign Off

APPENDIX 2a

Please note the above programme excludes North Wales Police involvement at this stage

PROJECT	REF	DATE	REVIEW NO	BY
Flintshire Connects Centre - Connah's Quay Library	OSS000/005/1	24/12/12	1	

WEEK NO	2013	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
APPROVAL BY FLINTSHIRE COUNTY COUNCIL		6 7 8 9	10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31										
INITIAL DESIGN (A - B)			>										
DETAIL DESIGN & SCHEME SIGN OFF (C - E)				#	*								
PRODUCTION INFORMATION (F - G)													
TENDER (H)													
TENDER EVALUATION													
CONTRACTOR LEAD IN (J)													
CONSTRUCTION PHASE (K)													

- > Instruction to Proceed
- # Client Approval/Scheme Sign Off
- * Design Freeze

APPENDIX 2b

REV.	COMMENTS	INITIALS	DATE
A	Checked drawing for errors and omissions.	LDH	20/01/2023
B	Checked drawing for errors and omissions.	LDH	20/01/2023
C	Checked drawing for errors and omissions.	LDH	20/01/2023

REV.	COMMENTS	INITIALS	DATE
A	Checked drawing for errors and omissions.	LDH	20/01/2023
B	Checked drawing for errors and omissions.	LDH	20/01/2023
C	Checked drawing for errors and omissions.	LDH	20/01/2023

REV.	COMMENTS	INITIALS	DATE
A	Checked drawing for errors and omissions.	LDH	20/01/2023
B	Checked drawing for errors and omissions.	LDH	20/01/2023
C	Checked drawing for errors and omissions.	LDH	20/01/2023

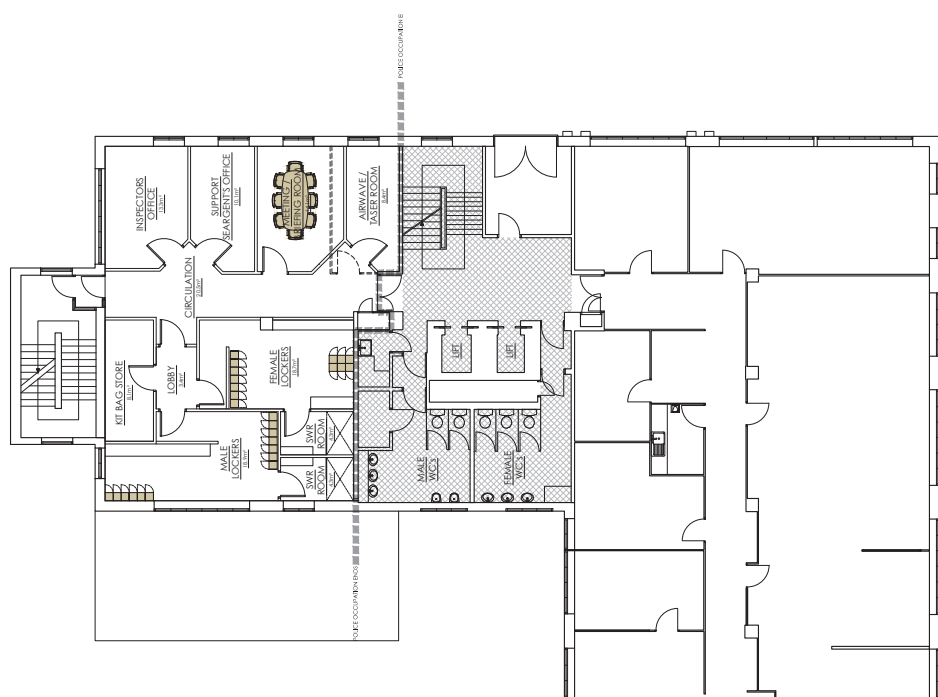
ALL DIMENSIONS INDICATED ON THE DRAWING TO BE CONSIDERED AS FINISH UNLESS OTHERWISE STATED TO COMMENCEMENT OF WORKS.

PROPERTY & DESIGN CONSULTANCY
 COUNTY OFFICES, CHAPEL STREET, FLINT, CH6 4BP.

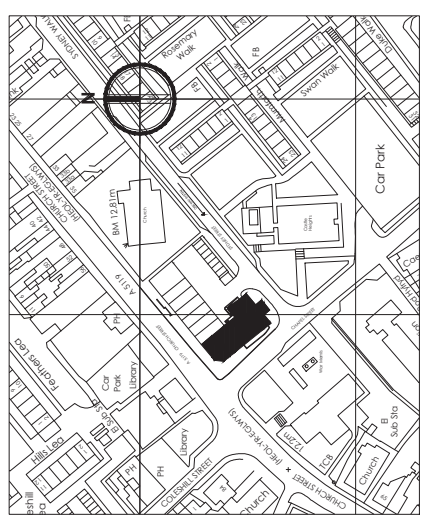
APPENDIX 3
 EXISTING & PROPOSED
 GROUND FLOOR PLANS AND
 ELEVATIONS (FEASIBILITY)

PROJECT: PROPOSED FUTURE CONNECTS
 COUNTY OFFICES, CHAPEL STREET, FLINT, CH6 4BP.

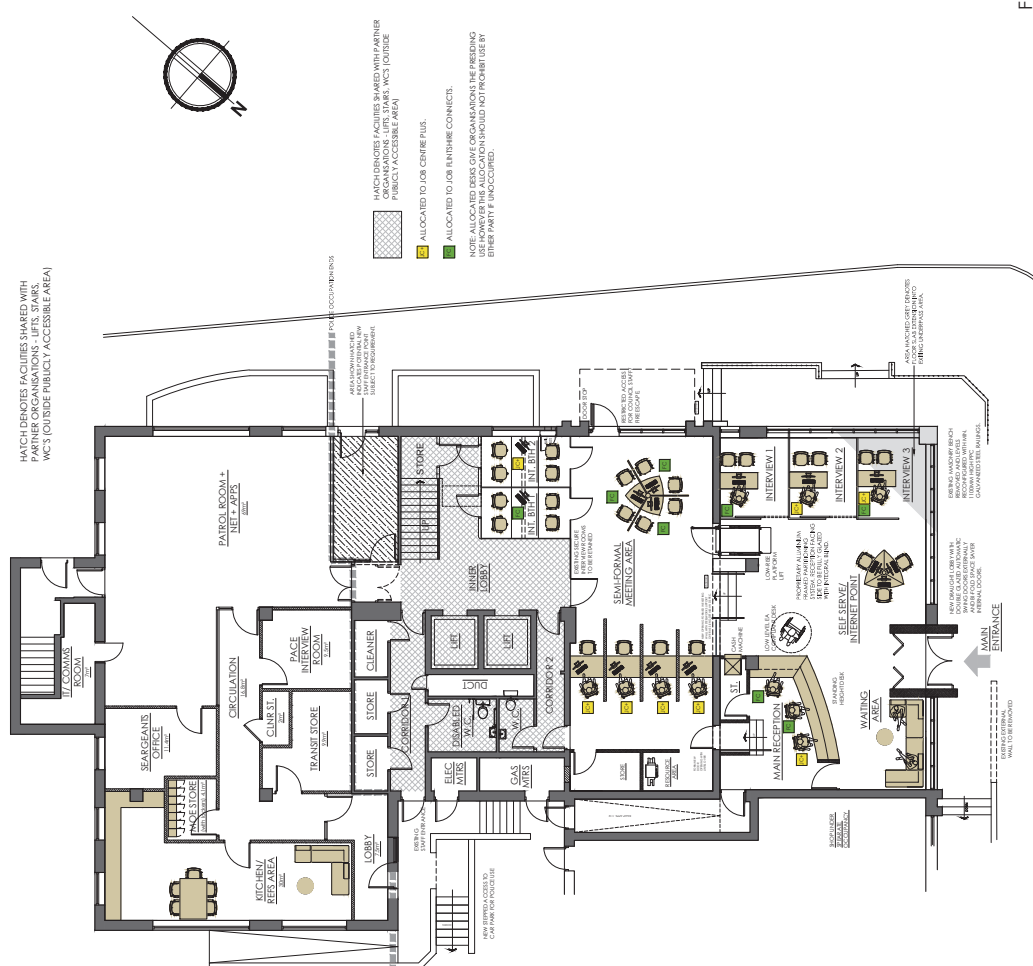
DATE: 20/01/2023
 DRAWN BY: LDH
 CHECKED BY: LDH
 PROJECT NO: CS3000/002/03
 SHEET NO: 03 OF 04



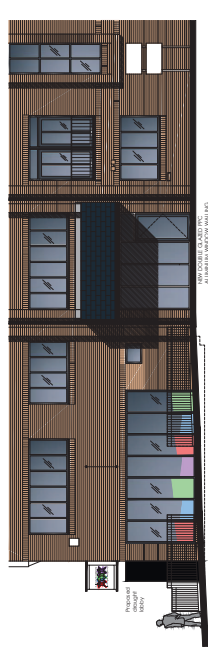
FIRST FLOOR PLAN
 SCALE = 1:100



LOCATION PLAN
 SCALE = 1:1250



GROUND FLOOR PLAN
 SCALE = 1:100



PROPOSED SOUTH WEST ELEVATION
 SCALE = 1:100

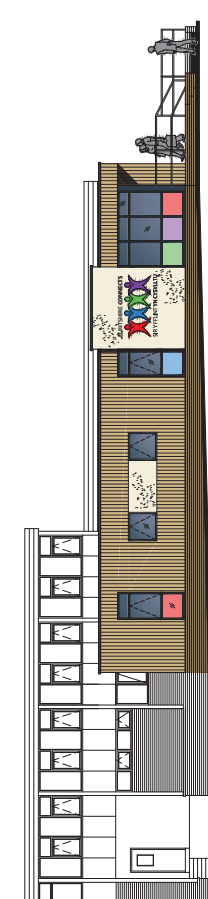


PROPOSED NORTH WEST ELEVATION
 SCALE = 1:100

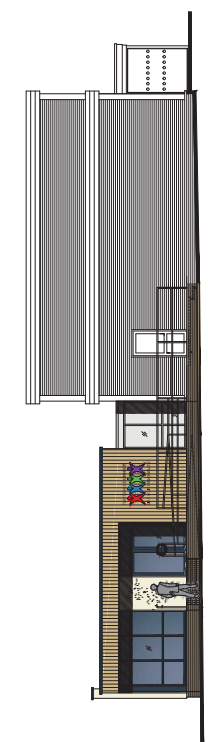
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ALL DIMENSIONS UNLESS OTHERWISE STATED ARE TO FACE UNLESS OTHERWISE SPECIFIED. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS PRIOR TO COMMENCEMENT OF WORKS.

REV.	COMMENTS	INITIAL DATE	REV.
A	Building reserved access to car park shown.	DJB	12.01 2023

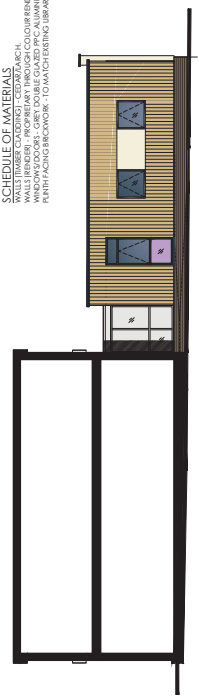


NORTH EAST ELEVATION
SCALE 1:100

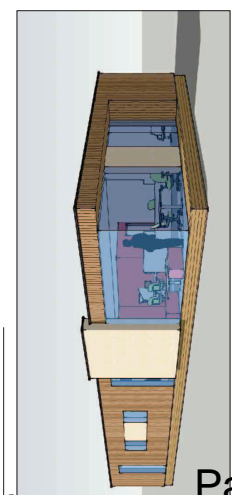


NORTH WEST ELEVATION
SCALE 1:100

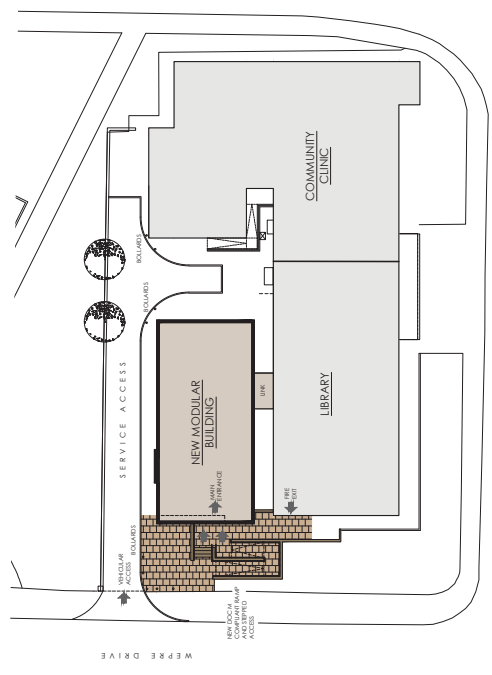
SCHEDULE OF MATERIALS
WALLS: TIMBER CLADDING / CEDAR ARCHITECTURAL
ROOF: METAL CLADDING
WINDOWS: DOUBLE GLAZED PVC ALUMINIUM UNITS
FLOORING: POLISHED CONCRETE
FLOOR-FACING BRICKWORK: TO MATCH EXISTING LIBRARY AS CLOSE AS POSSIBLE.



SOUTH EAST ELEVATION
SCALE 1:100

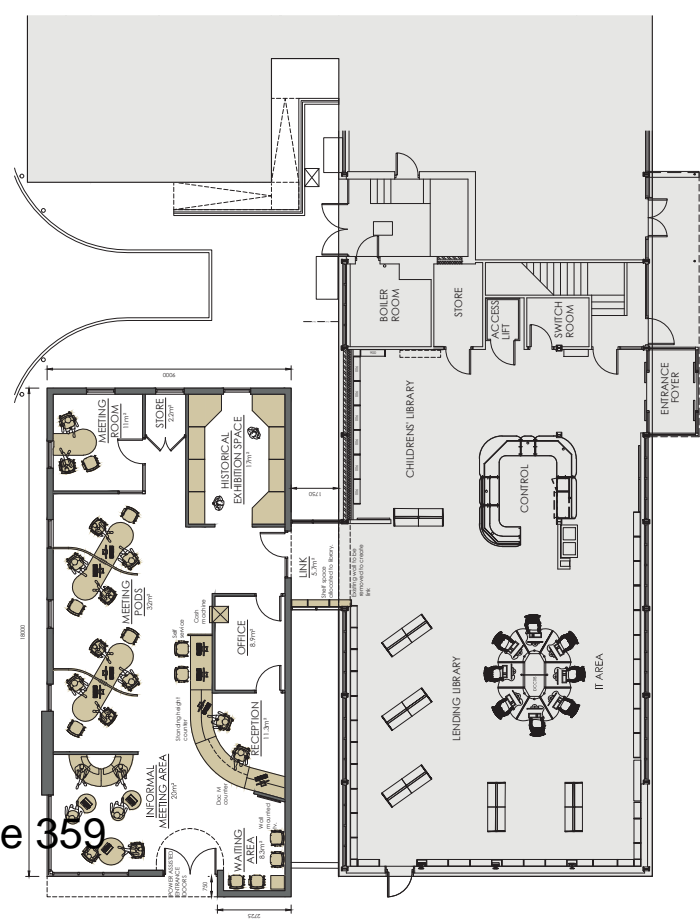


3D MODEL
SCALE 1:100

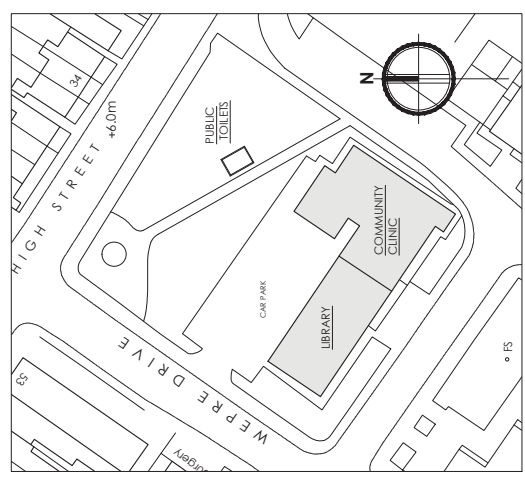


SITE PLAN
SCALE 1:250

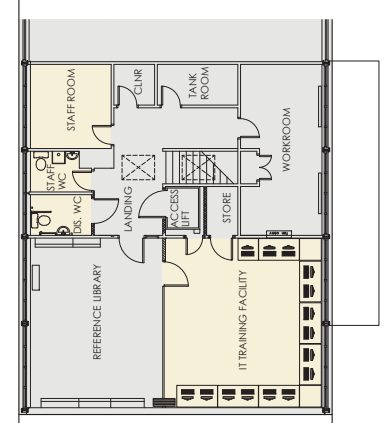
KEY:
 [Hatched Box] HATCH DENOTES EXISTING LIBRARY FACILITY
 [Solid Box] HATCH DENOTES POTENTIAL SHARED FACILITY
 IT IS SPECIFIED THAT ALL CONNECTING FACILITIES WILL PROVIDE ADDITIONAL SHARED RESOURCES FOR THE LIBRARY SHOULD THEY BE REQUIRED. A WORKING BASIS OF UNDER MORE CASUAL ARRANGEMENT FOR THE INFORMAL SPACES.



GROUND FLOOR PLAN
SCALE 1:100



EXISTING SITE PLAN
SCALE 1:500



FIRST FLOOR PLAN (EXISTING LIBRARY ONLY)
SCALE 1:100

FLINTSHIRE CONNECTS
 Sir y Flint
 Flintshire
 COUNTY COUNCIL
 Flintshire
 Architecture & Building Services

FLINTSHIRE CONNECTS
 CONNAHS QUAY - OPTION 3
 MODULAR EXTENSION TO CONNAHS QUAY LIBRARY

DATE	REV.	BY	CHKD
12.01.2023	1	DJB	AS

APPENDIX 6
PROPOSED PLANS AND ELEVATIONS (FEASIBILITY)

PROJECT NO: OS/000/05/01

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Appendix 5 - Projected Financial Implications for Flintshire Connects Centres at County Offices, Flint and Connah's Quay Library and Learning Centre

Flintshire Connects Centre	Overall estimated capital project costs	FCC capital Budget Allocation	Overall estimated capital implications charged to FCC	Proposed estimated capital costs charged to partners	Estimated staff costs (inc' on-costs)	Estimated on-going revenue costs	Estimated contribution from partner organisations
	£	£	£	£	£	£	£
County Offices, Flint	£330K	£250K	£250K	£80K	£28K	c.£16K	c.£30K*
Connah's Quay Library and Learning Centre	£250K	£250K	£250K	0.00	£56K	c.£15K	0.00
Total	£580K	£500K	£500K	£80K	£84K	c.£31K	£30K
<p><i>* Subject to final agreement with North Wales Police and JobCentre Plus</i></p>							

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: Cabinet

DATE: 19 February 2013

REPORT BY: CHIEF EXECUTIVE

SUBJECT: Proposed Regional Emergency Planning Service

1.0 PURPOSE OF REPORT

1.01 The report provides the final business case for a regional emergency planning service for approval.

2.0 BACKGROUND

2.01 The Emergency Planning Service is a discrete but essential service. In North Wales the configuration is five separate service units with a shared service in Flintshire and Denbighshire. The total employer complement is 16.5 full time equivalent (FTC) with a combined budget (in scope of the review) of £722,000.

2.02 Local Authorities are category 1 responders as defined by the Civil Contingencies Act 2004. The act sets out the duties of local authorities and emergency services in preventing, preparing for and responding to emergencies. Duties include:-

- assessments of risks in the local authority area
- maintaining emergency plans
- business continuity arrangements
- liaising with other public services who are category one responders e.g. Police, Fire and Health Services
- advising businesses on business continuity arrangements.

2.03 The core functions of the service are: -

- assessing risk
- preparing plans (emergencies and business continuity)
- liaising with emergency services
- advising senior management on emergency planning
- training employees and volunteers on emergency procedures and plans
- planning resources for responding to an emergency.

- 2.04 Given growing responsibilities over recent years the services have come under strain. Resilience, and best use of resources are challenges to be met.
- 2.05 The key respondent partners are organised on a regional basis e.g. North Wales Police and the Emergency Planning Service lends itself to a collaborative model of working. The rationale for a collaborative model is further demonstrated by the Local Resilience Forum which assesses risks, prepares plans and reviews the operation of plans in real emergencies on a regional basis; the experience is that major emergencies and climatic events can affect more than one county area simultaneously and mutual aid agreements for councils to assist each other in responding to emergencies are enacted.
- 2.06 The regional partners identified the service as one for a convenient and effective collaboration model with the aims of improving prevention of and preparation for emergencies; standardisation of common policies and plans; having a more resilient service through the shared and flexible use of expertise and limited human resources.
- 2.07 The Chief Executives of the six councils commissioned the development and testing of a business case for a single service, with sub-regional teams, and an officer presence within each authority to ensure local expertise and knowledge and local service continuity.
- 2.08 The Welsh Government – Local Government Compact has since included emergency planning as a recommended regional collaborative service.

3.0 CONSIDERATIONS

- 3.01 The business case (attached) proposes a regional service with: -
- a sub-regional service structure
 - one hub led by a Regional Manager and the other by a Deputy Regional Manager
 - an Emergency Planning Officer in each local authority
 - common policies, processes and plans and shared resources in a single management structure.
- 3.02 The regional service would be commissioned and overseen by an operational board of commissioning officers. Periodic performance reports would be made to the constituent authorities for accountability.
- 3.03 The locally placed officer would be responsible for: -
- Engagement with managers, employees and elected members in their host authority
 - Supporting risk identification locally
 - Putting emergency plans into action

- Developing local business continuity plans

3.04 The sub-regional hub officers would:-

- deliver plans
- provide training
- develop and deliver test exercises
- work with the Local Resilience Forum
- provide administrative and management support.

3.05 The benefits of the proposals will be:-

- resilience and improved specialisation
- consistency
- sharing of best practice, capacity and capability
- better liaison with the LRF
- more capacity for working with service managers in each local authority.

3.06 The proposals suggest savings of up to £75,000 at around 10% of cost. Further savings may be possible from reduced duplication. Once the service is established consideration will have to be given to the potential of joint services with Police, Fire and Health.

3.07 The proposal needs to take account of the Compact agreement to:-

- establish a local authority shared service in 2013
- consider the establishment of a joint service serving local authorities, Police, Fire and other partners by September 2015.

3.08 The Welsh Local Government Association has offered £35k from the Improvement Fund to assist North Wales in the management of transition to a regional service. Flintshire County Council is acting as the lead authority for the project.

4.0 RECOMMENDATIONS

4.01 That the Council adopts the final business plan to join a regional emergency planning service on the basis that:-

- the new service will be established on a cost neutral basis and will aim for annual savings of 5% – 10% on existing costs (£35-£75,000 per annum)
- the service will be commissioned by a management board accountable to the constituent councils with regional oversight provided by the North Wales Safer Communities Board

- Flintshire will host the new service and lead the transition to the new service
 - the cost of the new service will be recovered from the partners on the basis of population
 - implementation will include transitional arrangements to ensure that no authority pays more than the current cost of the service
 - the employment model will be decided as part of the transition plan
 - current employees will be given prior consideration for posts in the new structure and the new service will be implemented in such a way as to maximise staff retention and redeployment.
 - the Implementation Team will protect competition for the senior posts within the framework of prior consideration.
 - each Local Authority will nominate to an Implementation Team. The Implementation Team to assist in the appointment of the temporary Project Manager.
- 4.02 Authority to approve the detailed transition arrangements to the new service and undertake all necessary tasks to establish the new service is delegated to the Chief Executive in consultation with the Portfolio /Cabinet Member.
- 4.03 The project works to the following timeline:-
- councils agree to join a regional service by end March 2013
 - commencement of briefing and consultation of staff on the business case and proposals – February 2013
 - each Council to nominate to an Implementation Team by February 2013
 - appoint a project manager to deliver the project by end March 2013
 - appoint Regional Manager and Deputy by June/July 2013
 - employment model agreed by June/July 2013
 - creation of operational structure, operating processes, development of the detailed budget and identification of accommodation by September 2013
 - development of Service Level Agreement and Partnership agreement by September 2013
 - employee selection and transfers made by September 2013
 - new service operational from October 2013.

5.0 FINANCIAL IMPLICATIONS

- 5.01 The implementation of the service will be designed to be cost neutral to all partners and will endeavour to deliver savings to each of the partners in a range of a 5% - 10% reduction in gross costs regionally £35,000- £75,000 per annum

6.0 ANTI POVERTY IMPACT

- 6.01 Improving the quality of Emergency Planning will have a positive impact on vulnerable groups in society by reducing the potential for loss of home, possessions and harm that arise from emergencies.

7.0 ENVIRONMENTAL IMPACT

- 7.01 Preventing, managing and minimising the impact of emergencies will have a positive impact on the environment.

8.0 EQUALITIES IMPACT

- 8.01 Improving the quality of Emergency Planning will have a positive impact on vulnerable groups in society by reducing the potential for loss of home, possessions and harm that arise from emergencies.

9.0 PERSONNEL IMPLICATIONS

- 9.01 It is possible that a small number of employees may opt for early retirement or redundancy on a voluntary basis as a consequence of the re-organisation of this service.
- 9.02 Any costs will be met from future savings.
- 9.03 The new, regional service will be hosted and led by Flintshire.
- 9.04 There may be some Human Resource impact in managing transfers and ensuring that advantageous terms and conditions of transferring staff are protected in the TUPE process.

10.0 CONSULTATION REQUIRED

- 10.01 There will be consultation with Trade Unions in each local authority on the implementation of the new service and potential TUPE transfers, with Trade Unions regionally and with each affected employee.
- 10.02 Flintshire County Council will co-ordinate consultation with employees and trade unions.

11.0 CONSULTATION UNDERTAKEN

11.01 The North Wales Police and Fire Services and the Betsi Cadwaladr University Health Boards have been consulted on this proposal.

11.01. The Chief Executive of each of the six North Wales Local Authorities was consulted on the Business Case.

11.03 The Business case was developed with the Heads of the Emergency Planning Services.

11.04 The Business Case has been shared with the Public Service Leadership Group which oversees the national Compact.

12.0 APPENDICES

Appendix 1: - The Business Case for Change.

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 BACKGROUND DOCUMENTS

Contact Officer: Colin Everett, Chief Executive

Telephone: 01352 702101

Email: Chief.Executive@flintshire.gov.uk

A Collaborative Approach to Regional Emergency Planning

Final Business Case

January 2013

1 BACKGROUND

- 1.1 In September 2010, following some deliberation of the benefits of taking a more collaborative approach to the Emergency Planning Support function, the North Wales Chief Executives commissioned a piece of work to develop a collaborative model which would establish a single regional emergency planning service with two hubs, one led by a regional manager and the other led by a deputy, with a local presence in each authority.
- 1.2 Since that time, those involved with the Emergency Planning function have reviewed the business case and developed a model which would build on the current system and capitalise on benefits which might accrue by taking a more collaborative approach.
- 1.3 It is important to note also that the “Other Services Implementation Contract” in the Compact for Change agreed between Welsh Government and Welsh local government includes a commitment to regionalise the delivery of emergency planning service within 2 years and with other partners on a multi agency basis within 4 years where practicable.
- 1.4 This final business case lays out the business benefits which would accrue and outlines financial estimates for the implementation of the proposed solution.
- 1.5 Detailed financial analysis could only be undertaken once the project is in transition (e.g. detailed employee/employer exist costs).

2 EXECUTIVE SUMMARY

- 2.1 The Emergency Planning Support function for local authorities in North Wales is currently provided by five stand alone Emergency Planning Units typically staffed by between 1.5 and 3 people with two authorities (Denbighshire and Flintshire) having a joint arrangement.

- 2.2 Across North Wales therefore, 16.5 FTEs are involved in the provision of Emergency Planning support at an overall cost of £885,000 representing a figure of £1.29 per head of population.
- 2.3 A self-appraisal of the current arrangements by the emergency planning community shows that current arrangements exhibit:-
- Duplication and repetition of tasks;
 - Lack of harmonisation and resilience;
 - Inconsistency of response (suggesting a lack of systematic dissemination of best practice); and
 - Lack of integration and inter operability.
- 2.4 Effort is being expended by staff employed in these units in developing plans and protocols which are effectively the same from authority to authority, and whilst individual detail and implementation methods may vary between authorities, greater collaboration would reduce duplication.

Proposals contained in the business case

- 2.5 The proposed model would create a single emergency planning support function for local authorities in North Wales formed around two hubs – one in the East and one in the West.
- 2.6 A Civil Contingency Officer would be located at each authority who would be responsible for:-
- general liaison of emergency planning and recovery planning;
 - supporting local authorities in risk identification;
 - ensuring that strategies, plans, and exercises developed by the hubs are converted into local action at local authority level; and
 - ensuring that local authorities develop their business continuity plans.
- 2.7 These individuals would be supported by officers/assistants located at the two hubs charged with developing plans in particular areas and ensuring that we promote best operating practice.
- 2.8 The service would be managed by a manager located at one sub-regional hub area and they would have a deputy who, in order to ease administration and facilitate the distribution of workload, would be located at the other hub area.
- 2.9 Commissioning the required service would need to remain with individual authorities (as they would still be responsible individually for

meeting their statutory duties) and the purpose of the new service would be to ensure that each authority was in the optimum state of readiness to cope with an emergency; thus each authority would be able to agree their requirements at an appropriately senior level.

- 2.10 The business case leaves the exact nature of the commissioning arrangements to the next stage in the process.

Business benefits

- 2.11 The Emergency Planning Officer review identifies that there would be a number of advantages which would arise were we to change to a more collaborative model of delivery:-

- Improved resilience for partner councils due to the team's size (effectiveness);
- Improved focus of available resource by sharing specialist support and common tasks (efficiency);
- Ensuring greater consistency of response and dissemination of best practice amongst authorities (effectiveness); and
- Improved communication channels between the LRF individual authorities (effectiveness).

- 2.12 In the longer term there may also be some benefit both in effectiveness and efficiency in merging the secretariat of the North Wales Resilience Forum with the Unit. This has not been considered as part of this review as it was outside of its remit.

Financial benefits

- 2.13 The proposed model would reduce the staffing complement from 16.5 to 14.
- 2.14 Whilst this may be a conservative estimate of the available reduction, no further savings are proposed before greater assurance of our readiness for emergencies.
- 2.15 Whilst more detailed costing will be required as part of the next stage e.g. on grading assumptions, it is estimated at this stage that that as a result of the reduced staffing and consequent gradings the ongoing saving from the model could be around £75,000 with a further £12,500 accruing after disturbance and protection arrangements had expired (estimated three years).

- 2.16 The distribution of the £75,000 saving if the cost of the new model were distributed according to population are shown below although the business case also offers an alternative financing model which ensures a cost neutral position for Flintshire.

	Current Budget *	Distribution of costs (**)	(Saving)/ Cost
Conwy	133,760	106,010	(27,750)
Denbighshire (***)	104,460	93,030	(11,430)
Flintshire (***)	125,160	142,150	16,990
Gwynedd	138,200	112,510	(25,690)
Wrexham	134,970	127,640	(7,330)
Ynys Mon	85,330	65,540	(19,790)
Total	721,880	646,880	(75,000)

(*) excluding recharges

(**) following immediate savings of £75,000

(***) Denbighshire's contribution assumed to meet the Flintshire support recharge 50:50

- 2.17 It is possible that a small number of employees may opt for early retirement or redundancy on a voluntary basis as a consequence of the re-organisation of this service. There will be some Human Resource impact in managing transfers and ensuring that advantageous terms and conditions of transferring staff are protected in the TUPE process.
- 2.18 Any costs will be met from future savings.

3 BACKGROUND INFORMATION ON THE EMERGENCY PLANNING FUNCTION

- 3.1 Local Authorities are category 1 responders as defined by the Civil Contingencies Act 2004. The act sets out the duties of local authorities and emergency services in preventing, preparing for and responding to emergencies. Duties include:-

- Assessments of risks in the local authority area
- Maintaining emergency plans
- Business continuity arrangements
- Liaising with other public services who are category one responders e.g. Police, Fire and Health Services
- Advising businesses on business continuity arrangements.

- 3.2 The Emergency Planning Support function for local authorities in North Wales is currently provided by five stand alone Emergency Planning Units typically staffed by between 1.5 and 3 people with two authorities' (Denbighshire and Flintshire) support function being provided under a joint arrangement.
- 3.3 The typical Emergency Planning support function involves an Emergency Planning manager with one or two assistants who endeavour to ensure that an authority has adequately planned ahead to prepare for the occurrence of an event, which would be classed as an emergency, along with the other statutory functions.
- 3.4 This entails detailed work on specific areas of activity (such as preparing plans, preparing exercises, mapping out resources etc) and will invariably involve ensuring that council services are themselves ready to respond in the event of an emergency, and facilitating individual service ability to do so.
- 3.5 It is not only local authorities which have duties under the Civil Contingencies Act – the emergency services; health organisations and environment agency are all category 1 responders and must co-operate to enhance the ability to respond to deal in an optimum way with an emergency.
- 3.6 To ensure coordination of emergency planning efforts by the category 1 responders, the North Wales Resilience Forum has been established on which local authorities have one representative (currently the Chief Executive at Conwy County Borough Council). The Forum aims to ensure a coordinated and integrated approach to collective emergency planning work.
- 3.7 The North Wales Resilience Forum is supported by a lower tier North Wales Co-ordinating Group which has a number of sub-groups looking at various issues (for example dealing with fatalities; training; recovery plans etc) and officers from local authority emergency planning units play a leading role in the activities of these sub-groups.
- 3.8 In the event of a major emergency, there is a process whereby co-ordination would be facilitated by a Strategic Co-ordinating Group (SCG) which would meet at the SCG Centre in Colwyn Bay. Each authority would be represented at this group at a senior level (usually a Chief Executive or Senior Director) supported by emergency planning unit staff from their own individual authorities.

3.9 The current staffing establishment of the emergency planning support function for local authorities across North Wales is shown in table 1.

Table 1
Emergency Planning establishments 2011/12

	Manager	Assistants	Total
Conwy	1	2	3
Denbighshire	1	5	6
Flintshire			
Gwynedd	1	2	3
Wrexham	1	2	3
Ynys Mon	0.5	1	2
Total	4.5	12	16.5

3.10 The costs of the Emergency Planning Function are shown in table 2 below.

Table 2
Emergency Planning budgets 2011/12

	Employees	Other	Recharges	Income	Total	Pop (*)	Per head **
Conwy	114,920	18,840	1,590		135,350	112,347	£1.20/£1.19
Denbighshire		137,390			137,390	98,589	£1.19/£0.92
Flintshire	200,430	32,300	65,850	(140,500)	158,080	150,637	
Gwynedd	121,270	16,930	29,060	-	167,260	119,227	£1.40/£1.16
Wrexham	103,420	31,550	28,800	-	163,770	135,263	£1.21/£1.00
Ynys Mon	78,670	6,660	38,130	-	123,460	69,460	£1.78/£1.23
Total	618,710	243,670	163,430	(140,500)	885,310	685,523	£1.29/£1.05

(*) population figures used are the are used in the 2011/12 SSA for RSG distributional purposes

(**) Lower figure excluding recharges

3.11 Across North Wales therefore, 16.5 FTEs are involved in the provision of Emergency Planning support at an overall cost of £885,000, representing a figure of £1.29 per head of population.

4 THE CASE FOR CHANGE

4.1 A view has been expressed by some senior officers that effort is being expended by staff employed in these units in developing plans and protocols which are effectively the same from authority to authority and whilst individual detail and implementation methods may vary between authorities, there seems to be an argument that greater collaboration could lead to reduced duplication.

- 4.2 Experience at Strategic Coordination Group level has highlighted instances when having six individual authorities, each with their own plans with varying responses to particular issues and each requiring their own support tasks to be undertaken 6 times, has not been effective nor efficient.
- 4.3 For example, at a Pandemic Flu exercise back in 2009 (Exercise Taliesin) a key question was asked during the exercise over local authority plans for educating children in the event that their schools were temporarily closed. Each of the senior officers present had to reference six different plans.
- 4.4 Experience at that exercise also highlighted that each authority having its own support function was inefficient and indeed during the exercise, authorities re-modelled the support function available on an ad-hoc basis in order to make better use of the support which individual authorities had brought with them.
- 4.5 More recently this has led to the development of a new process for local authority liaison arrangements which centres around greater a single liaison function if a Strategic Coordination Group were called and liaison support required. We are already following a collaborative approach in this defined area of activity.
- 4.6 To test the hypothesis that a more collaborative approach would be more effective and efficient, the Emergency Planning managers from the six authorities conducted a self-appraisal of the current arrangements and they were asked to identify in what way they considered a more collaborative approach would change the situation. The result of that appraisal is shown in Appendix 1.
- 4.7 The key issues identified in this appraisal are:-
- Duplication and repetition of tasks;
 - Lack of harmonisation and resilience;
 - Inconsistency of response (suggesting a lack of systematic dissemination of best practice); and
 - Lack of integration and inter operability.
- 4.8 It should be recognised that local authorities can be faced with many difficulties when it comes to emergency planning which are not necessarily constraints for other organisations.

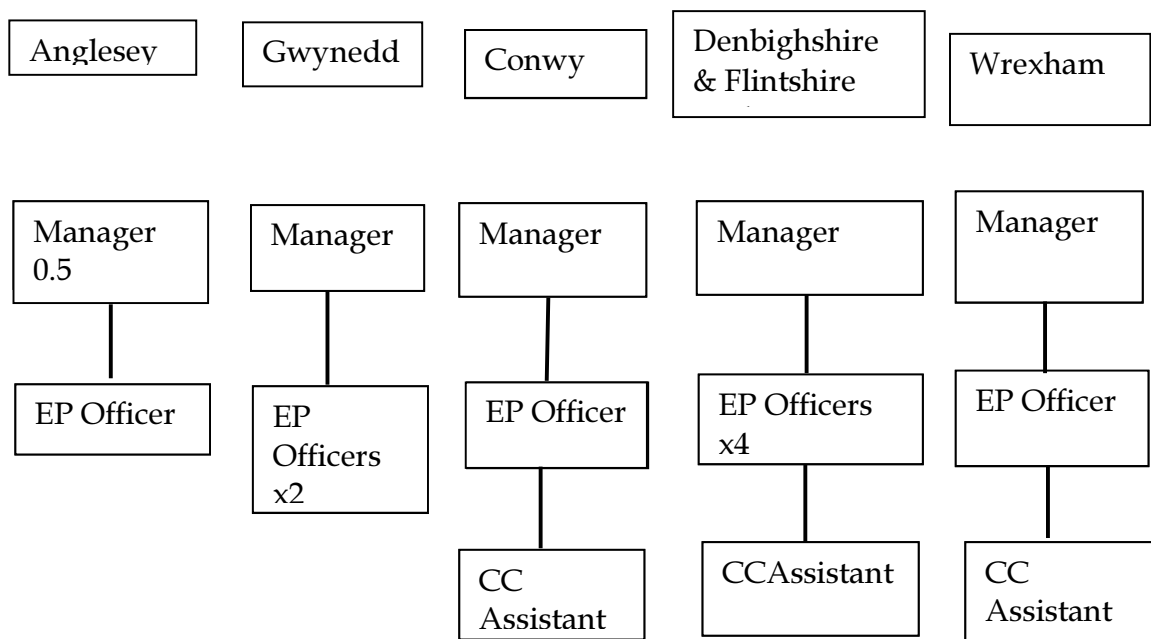
- 4.9 In particular, discussion with Emergency Planning managers highlighted the problem they face of the historical perception of the role of Emergency Planning function. Every one of the Emergency Planning managers identified to greater or lesser degrees the challenge of services owning emergency planning as part of business continuity.
- 4.10 There is also the challenge of immediacy. In times of increasing pressure on resources it is difficult to give priority to an issue which rarely, if ever, happens.
- 4.11 Authorities are embedding an empowering culture into their command and control culture which in itself can prove problematic.
- 4.12 The Emergency Planning Officer review suggests therefore that there would be a number of advantages from a collaborative model of delivery. These can be seen in Appendix 1. The main benefits are:-
- Improved resilience for partner councils due to the team's size (effectiveness);
 - Improved focus of available resource by sharing specialist support and common tasks (efficiency);
 - Ensuring greater consistency of response and dissemination of best practice amongst authorities (effectiveness);
 - Improved communication channels between the LRF and individual authorities (effectiveness).

5 OPTIONS

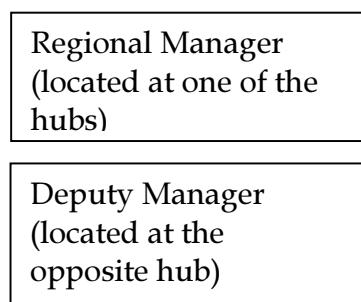
- 5.1 The key driver from the original commission was to make better use of the resource currently utilised for emergency planning.
- 5.2 This entails getting better results for the expenditure incurred or getting the same results for less resource (or a combination of both).
- 5.3 The Chief Executives considered 4 options:-
- Retain the existing provision;
 - Develop three emergency planning units pairing two neighbouring authorities;
 - Develop two emergency planning units each covering three local authorities; and
 - Develop a single regional group with outposted officers.

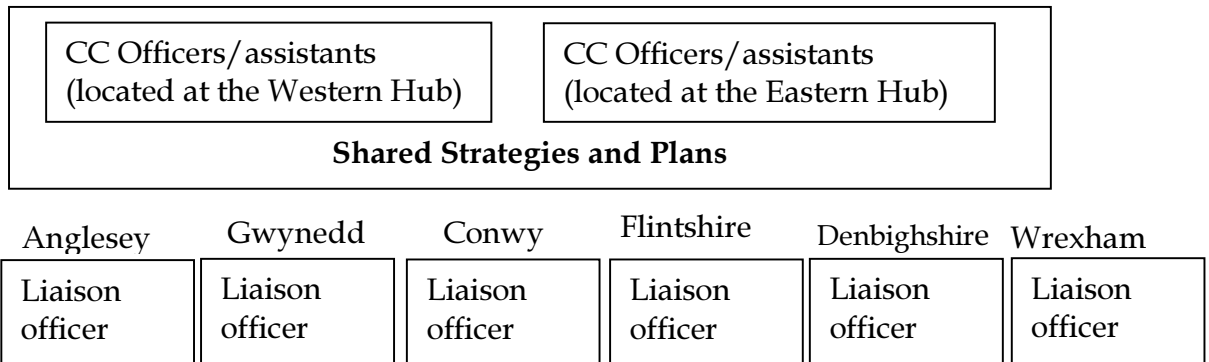
- 5.4 The paper considered by the Chief Executives contained an analysis of the strengths and weaknesses of the options.
- 5.5 Having considered the paper, the Chief Executives commissioned this business case to examine the viability of establishing a single regional service centred around two hubs - one for the East and one for the West with the manager of the service located in one area and the deputy in another.
- 5.6 This is effectively a hybrid of the last two options noted in 5.3 above and this business case centres completely on the commissioned option.
- 5.7 A summary of the proposed operating model and staffing structure for the new model is set out below.

Current organisational chart



New Organisational Chart





5.8 The proposed model would locate a Civil Contingency Officer at each authority who would be responsible for:-

- General liaison for emergency planning and recovery planning;
- Supporting local authorities in risk identification;
- Ensuring that strategies, plans, and exercises developed by the hubs are converted into local action at local authority level; and
- Ensuring that local authorities developed their business continuity plans.

5.9 These individuals would be supported by officers/assistants located at the two hubs which would be charged with developing plans in particular areas and ensuring that we identify, and promote best practice.

5.10 All officers would be overseen by a regional manager located at one hub area and they would have a deputy who, in order to ease administration and facilitate the distribution of workload, would be located at the other hub area.

5.11 The general model would need to ensure that the linguistic characteristics of the service provided for Gwynedd and Ynys Mon Councils could be fully conducted in Welsh and a bilingual service would have to be available for all areas should they require such a service.

6 BENEFITS

6.1 The Emergency Planning Managers consider that the proposed model would have the potential to realise all of the benefits noted in 4.13 above.

- 6.2 It is clear to see the way in which the proposed model could lead to improved effectiveness in terms of resilience (due to a larger operating unit) and dissemination of best practice (as all authorities would be following the same practice).
- 6.3 In the longer term there may also be some benefit in effectiveness and efficiency from merging with the secretariat of the North Wales Resilience Forum.
- 6.4 It is clear to see how the new model could lead to efficiency savings by avoiding duplication.
- 6.5 The model would reduce the staffing complement from 16.5 to 14.
- 6.6 There is no doubt that reducing duplication should lead to a release of the staffing resource needed to fulfil current activities.
- 6.7 The staffing model is based on developing shared strategies and training through 4 FTEs. Taking into account that this activity is currently undertaken 5 times (assuming that Denbighshire and Flintshire's planning operations are already integrated) then one could raise an argument that this could potentially be reduced to 20% of the FTEs currently undertaking the work.
- 6.8 However, there will still be some degree of tailoring for individual authorities and coordination. Thus, on a superficial analysis a reduction of 2.5 FTEs is a realisable target.
- 6.9 Whilst we currently have a response capability across all authorities, there remains some question as to whether all authorities are implementing the actions and planning activities they should be doing in order to fully comply with best practice.
- 6.10 Initially therefore there could be some work in ensuring consistency of ability to respond across all authorities.
- 6.11 In the short term, therefore, the Emergency Planning Managers believe that the proposed reduction in resource implied by the new model should not be reduced further until such time as the new unit had managed to get all authorities up to speed and that only then should the new manager be charged with the aim of achieving further financial savings (as a longer term objective).

- 6.12 In essence this revolves around what the partner authorities want to achieve from this proposal – is it to ensure that the service is made more resilient and improved, or is it to get the current level of service at a reduced cost. This is a matter for each authority to determine but the EP Managers themselves recognise that there is some way to go before we can all be fully satisfied that our emergency readiness is as it could be.
- 6.13 There is some comparative data for a unit of this size. For example we are aware that in East Riding, they provide the EP support for 4 unitary authorities with an establishment of 14. However in Cleveland, they provide a service for 4 unitary authorities with an establishment of 10.

7 COSTS AND FINANCIAL BENEFITS

- 7.1 Any change will involve ongoing financial costs and benefits along with one off costs of change.
- 7.2 In terms of hosting the new model, staff would need to be transferred to a host authority and the relevant pay grade for the posts would be dependent upon that authority's pay evaluation mechanism.
- 7.3 In order to inform the decision making process, the proposed model has been fed through a council job evaluation mechanism. Based on outline job descriptions it is estimated that as a result of the staffing and the consequent gradings the ongoing saving from the model could be around £75,000 with a further £12,500 accruing after disturbance and protection arrangements had expired (say after three years).
- 7.4 This assumes that no central recharges or other operating costs could be saved. It also assumes that there would be no additional unforeseen costs e.g. ICT or at least that these could be subsumed in other compensating savings which have not been taken into account.
- 7.5 As the loss of one or two staff rarely result in authorities being able to realise reductions in central support services any adjustments in these costs have been assumed to be effected at marginal cost (i.e. an authority hosting the function would only be recompensed for the marginal cost of any movements in posts).
- 7.6 The cost of change would depend greatly on the appointments made and any resultant redundancies.

- 7.7 An evaluation of the nature of the revised jobs suggests that whilst the post of manager and deputy manager would be appointed from the current pool of emergency planning managers, those who were unsuccessful could be offered posts in the hub, which would not be classed as suitable alternative employment and as such they could claim constructive dismissal.
- 7.8 Various permutations have been calculated and on the information available the upper range of this cost could be of the order of £175,000.
- 7.9 Distributing the reduced service cost on the basis of population (which is the basis for the distribution of this element of the RSG) would result in the following budgetary effects. An alternative is shown which ensures that no authority pays more than they currently do (the protection being distributed to other authorities based on population).

Table 3
Assumed immediate and longer term budgetary savings

	Current Budget *	Distribution of costs (**)	(Saving) / Cost	Alternative
Conwy	133,760	106,010	(27,750)	(24,180)
Denbighshire (***)	104,460	93,030	(11,430)	(8,300)
Flintshire (***)	125,160	142,150	16,990	-
Gwynedd	138,200	112,510	(25,690)	(21,900)
Wrexham	134,970	127,640	(7,330)	(3,030)
Ynys Mon	85,330	65,540	(19,790)	(17,590)
Total	721,880	646,880	(75,000)	(75,000)

(*) excluding recharges

(**) following immediate savings of £75,000

(***) Denbighshire's contribution assumed to meet the Flint support recharge 50:50

- 7.10 It is likely however that the first two years savings would be required to meet the one off costs of change, and the savings would only accrue from year 3 onwards.

8 GOVERNANCE

- 8.1 As the new Unit would be delivering a service to six authorities there would need to be a provision whereby those authorities were able to feed into the commissioning process and hold the unit to account for performance. Clear commissioning arrangements at the outset will be essential.

- 8.2 Under the current arrangements, the governance arrangements are of course direct and straightforward.
- 8.3 More often than not, the Emergency Planning Manager is answerable to a senior officer in an authority and will be subject to the usual commissioning and performance management arrangements for that authority.
- 8.4 The governance arrangements for the revised model would need to be somewhat more sophisticated, and yet would need to be commensurate to the size of the service.
- 8.5 Commissioning services would need to remain with individual authorities (as they would still be responsible individually for meeting their statutory duties) and the purpose of the Unit would be to ensure that each authority was in the optimum state of readiness to cope with an emergency and thus each authority would need to be able to discuss their requirements at an appropriately senior level.
- 8.6 The Manager of the Unit would need to be answerable to a senior officer in the host authority.
- 8.7 Accordingly, one possible model is one whereby the host authority agreed to provide the service to all other authorities (backed up by a formal service level agreement) with the senior officer in the host authority along with the regional manager meeting the other senior officers from the other authorities on a periodic basis to discuss requirements and performance could be an appropriate model. In particular, they would need to agree far enough beforehand the demands to be placed on the service and the consequent resource implications.
- 8.8 Some consideration would also need to be given in the service level agreement to the day to day lines of communication between various officers in the new unit and commissioning officers at local authority level along with the arrangements for cost sharing and scope for additional work to be carried out for an authority at an additional cost.
- 8.9 For example the governance process outlined above might need to be supplemented by less formal meetings between the manager or his deputy at local level as required.

9 IMPLEMENTATION TIMELINE

- 9.1 Following agreement of the proposal there will need to be a more detailed costing undertaken once a host authority is known; detailed job descriptions formulated and the appropriate manager and deputy appointed.
- 9.2 Thus there needs to be a decision based on the factors highlighted in this outline case before we can proceed further (or any further work defined in order to come to a decision).
- 9.3 The following timeline is proposed -

Commencement of briefing and consultation of staff on the business case and proposals.	February 2013
Each Council to nominate to an Implementation Team.	February 2013
Councils agree to join a regional service.	End of March 2013
Appoint a project manager to deliver the project.	End of March 2013
Appoint Regional Manager and Deputy.	June/July 2013
Notice of Transfer.	End of July 2013
Creation of operational structure, operating processes, development of the detailed budget and identification of accommodation.	September 2013
Development of Service Level Agreement and Partnership agreement.	September 2013
New service operational.	October 2013

10 CRITICAL ASSUMPTIONS AND RISK ASSESSMENT

- 10.1 There are a number of critical assumptions and risks which need to be taken into account. These are highlighted below along with possible mitigating actions.

	Risk	Probability	Mitigating actions
1	Focus on the change process results in less focus on the delivery of the service.	Medium	The relatively short period of implementation and the number of staff involved in major change should in itself be a mitigating factor. However it must be recognised that any upheaval can result in a lower level of service – the new regional manager’s change management abilities must be paramount in mitigating this risk.
2	The anticipated service benefits are not realised.	Low	The size of the new service must result in greater resilience and reduced duplication. If it does not the relative small size of the service could be undone without too much difficulty.
3	Moving to a central service makes it even more difficult to get services to plan accordingly	High	This will depend upon the new unit’s ability to inspire and facilitate. One commentator from another authority already operating such arrangements has warned against “confused chains of command” and another has commented that central teams unfamiliar with individual authority working practices can lead to difficulties. The location of liaison officers at each individual authority is a key mitigating factor along with the governance arrangements which will involve a senior commissioning officer from each authority and the regional manager / deputy.
4	A deterioration in communication between the emergency planning community and services arises as a result of the centralisation	Medium	The location of liaison officers at each individual authority is a key mitigating factor along with the need to establish strong governance arrangements with clear lines of communication which will involve a senior commissioning officer from each authority and the regional

			manager / deputy.
5	Liaison Officers become isolated and follow a “local” agenda as opposed to the agreed programme	Medium	<p>There is some evidence from other collaborative ventures that liaison officers became isolated and started to go “native”.</p> <p>This would be mitigated by the fact that the line management for these individuals would be the Regional Manager or his/her deputy and they would have to have appropriate performance management arrangements in place to ensure that this did not happen.</p> <p>Strong commissioning and governance arrangements would also have to be in place to ensure that Liaison Officers were not deviated from the agreed programme.</p>
6	The loss of senior staff members leads to a reduction in the capability of the facilitation resource.	Unknown as yet	
7	The reduction in resource is too great.	Low	Data from areas such as East Riding and Cumberland suggest that the proposed solution is reasonable.
8	Authorities unable to deal with a commissioning approach and the service deteriorates due to loss of direct control.	Medium	<p>If an authority considers that it is insufficiently mature to manage such an arrangement then it should not subscribe.</p> <p>However differing priorities and political drivers could lead to friction and reduced buy in to the EP function in general.</p> <p>Simple and clear governance procedures should mitigate this risk.</p>
9	Costs are greater than anticipated	Low	A prudent approach has been taken to the costs but nevertheless there may be some hidden costs and some key information is unavailable until such time as more detailed job descriptions

			are available, and those applied through the host authority's job evaluation procedure. The gateway review by Chief Executives once this process has been undertaken should mitigate this risk.
10	Liaison Officers could find their pay grades changed as a result of the host authority's pay evaluation process putting them out of step in comparison with those with whom they work at an individual authority.	Low	This could work both ways. In practice, it is inconceivable that pay rates would be significantly different but it would be an unavoidable consequence of working for a different organisation. The only other mitigating action would be to choose a different operating model.
11	Greater concentration of expertise creates greater risk of loss should an individual officer retire / move on.	Low	This risk is already faced by individual authorities. A larger unit should facilitate the ability to have better workforce planning thus reducing the risk.

10.2 There is also a risk of course of not undertaking the project. It would directly undermine one element of the compact for change and one would have to ask whether the current 6 authority flavours of response is sustainable in the long term.

NORTH WALES EMERGENCY PLANNING REVIEW

SERVICE TASK STATUTORY	CURRENT PROVISION	JOINT PROVISION
Control of Major Accident Hazards (COMAH) Regs, Pipeline Safety Regs; Radiation Emergency Preparedness and Public Information Regulations (REPPIR)	Each authority has well developed plans updated according to an agreed common approach. The individual Emergency Planning Units ensure that their plan matches the common template and the local authority has officers who are able to discharge their emergency response duties through the respective plans.	One emergency planning officer would act as lead officer for the six local authorities on each specific planning topic. This provides consistency and harmonisation with Category 1 organisations across North Wales and the Regulator resulting in a more resilient approach.
Mass Fatalities; Risk Assessment	A single plan covers North Wales but this entails the involvement of officers from each of the emergency planning units to develop the work, resulting in repetitive and duplicated actions.	One emergency planning officer would act as lead officer for the six local authorities. This removes duplication and provides a more resilient approach. Local planning liaison will be needed to address county logistical issues.
Warning & Informing; Business Continuity Promotion	Each authority has developed an individualistic approach to deal with their needs. This results in a considerable amount of duplication across North Wales. There has been collaboration on the production of information leaflets.	A common model would be developed and applied across all the communities in North Wales. This removes duplication and provides a more harmonised and resilient approach.
Nuclear Site Liaison (Wylfa & Trawsfynydd)	Gwynedd & Ynys Môn have collaborated and liaised in developing plans, but site specific arrangements	Specialization would be developed providing more resilience. These skills could also be provided to support

EPCC)	necessitate some duplicated actions.	colleagues across Wales if necessary as part of regional collaboration.
Business Continuity, Fuel Plan, Severe Weather plans & Health	Each authority has developed plans updated according to local circumstances. The individual Emergency Planning Units ensure that each local authority has officers who are able to discharge their emergency response duties through the respective plans. This inconsistent approach results in each local authority possibly responding in a different manner to very similar circumstances.	A common approach would be developed with the Primary Liaison Emergency Planning Officer for each of the authorities to take into account local needs. This removes duplication and provides improved resilience. There will remain a need to embed business continuity within each authority's culture.
Flood Partnerships Reservoir Inundation, Resilient Communications	Existing flood partnerships have arisen due to local experience of flooding, currently only formalised in two authorities. The dissemination of this learning has not been extended to those areas where actual flooding has not yet regularly occurred, but the risk exists. Local flood plans are tailored to the specifics of the locality.	One emergency planning officer would act as lead working closely with the Primary Liaison Emergency Planning Officer for each of the authorities, to ensure that flood partnerships are developed across all risk areas, and flood plans, although specific to their area, follow a common template.
Community Resilience & Voluntary Sector	Each authority has developed an individualistic approach to deal with their needs in relation to community resilience. There has been collaboration in engagement with the voluntary sector.	One emergency planning officer would act as lead officer for the six local authorities. A common approach would be developed with the Primary Liaison Emergency Planning Officer for each of the authorities to take into account local risks. This enhances consistency and resilience.
Learning & Development, Training Needs	Each authority has developed an individualistic approach to deal with their needs. The individual Emergency Planning Units provide the focus for	A common approach would be developed with the Primary Liaison Emergency Planning Officer for each of the authorities to take into account local needs. This would feed the local

Identification	ensuring that each local authority has officers who are able to discharge their emergency response duties by providing local training and exercising . Whilst there is a North Wales provision through the Resilience Forum this provides only a limited capacity for generic training and does not meet all the local needs. This results in a considerable amount of duplication at the local level.	needs into the North Wales Resilience Forum Learning and Development Group. This removes duplication and provides resilience, whilst reflecting client needs in the training programme. The provision of training could also be undertaken in partnership with other Cat 1 responders as part of the developing NWRf Strategy
Pollution of Controlled Waters, Marine Pollution, Events & Safety Advisory Group, Port Authority & Airports, Animal Health, Eisteddfod & Agricultural shows	Each authority has well developed plans updated according to national guidelines and local circumstances. The individual Emergency Planning Units ensure that each local authority has officers who are able to discharge their emergency response duties through the respective plans	A regional approach would be developed with the Primary Liaison Emergency Planning Officer for each of the authorities, taking into account local needs and risks, with the lead officer liaising with the Category 1 responders and event organisers to ensure a harmonised and compatible approach.
SERVICE TASK NORTH WALES RESILIENCE FORUM	CURRENT PROVISION	JOINT PROVISION
Learning & Development; Warning & Informing; Industrial Hazards; Pollution; Mass Fatalities; Risk Assessment; Logistical Preparedness;	Each local authority can provide a representative to one or more of the task groups that meet on a regular basis. This may lead to a considerable duplication of effort. However a sensible approach is taken with rationalization of representation at meetings, and subsequent cascade arrangements need to be effectively managed to disseminate information and tasking.	One emergency planning officer would act as lead officer for the six local authorities on a specific task/risk group. This removes duplication and provides a resilient approach and will allow for greater development of 'in-depth' knowledge on a particular topic.

Telecomms; Voluntary Sector; Infectious Diseases; Flooding; Humanitarian Assistance; Recovery		
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Advantages of two hub service delivery in supporting partnership councils:

- Improved resilience activity to partnership councils due to team size (recognising the limitations of this statement in the event of a widespread incident).
- Improved focus of available resources through hub unit providing shared specialist support to partnership councils
- Based on the underpinning principles of a joint unit that has operated effectively and successfully for 5 years between Denbighshire and Flintshire
- Reflects current out-of-hours duty arrangements
- Potential for eventual cost savings due to reduction in managers and support resources
- officers will provide local focus and gateway into specialist emergency planning support from a larger team for individual authorities
- Refines and simplifies support of NWRP Task Groups and other partners

- More consistent arrangements with respect to CCA duties with Category 1 & 2 Responders across North Wales
- Provides a single point of contact for strategic issues at LRF/SCG level
- Harmonisation of best practices across all Authorities
- Improved resilience for emergency response

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**
DATE: **TUESDAY, 19 FEBRUARY 2013**
REPORT BY: **CHIEF EXECUTIVE**
SUBJECT: **EQUALITY UPDATE**

1.00 PURPOSE OF REPORT

- 1.01 To present the draft revised Diversity and Equality policy for approval to Cabinet before it is published. The policy is attached as Appendix 1.
- 1.02 To endorse the 2011/12 Annual Equality Report. The report is available in the Members' library.
- 1.03 To provide an update on the first 6 months of the implementation of the Council's Strategic Equality Plan 2012-2016.

2.00 BACKGROUND

- 2.01 The Council's Diversity and Equality was revised to reflect changes in equality legislation brought in by the Equality Act 2010. In July 2012 Members agreed that the amended draft Diversity and Equality policy could be circulated for wider consultation with the public, stakeholders and employees. The consultation has been undertaken and the results have now been reviewed and incorporated into the policy.
- 2.02 The Diversity and Equality policy is supported and linked to other Council policies, strategies and schemes. These include the Welsh Language Scheme, Dignity At Work policy and Strategic Equality Plan.
- 2.03 Cabinet have previously received reports outlining the provisions of the Equality Act 2010, the public sector equality duty and the requirement to publish a Strategic Equality Plan.
- 2.04 The public sector equality duty places a general duty to promote equality; this came into force in April 2011.
The general duty to promote equality means that public authorities, must in carrying out their functions have due regard to:
 - (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;

- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 2.05 The Equality and Human Rights Commission has only recently confirmed the requirement for all public bodies to publish an annual equality report by 31 March 2013 for the year 2011/ 2012. This is available in the Members' library and covers our arrangements for meeting the general duty.
- 2.06 The Equality Act also placed a specific duty on public bodies which requires them to :-
- draw up a strategic equality plan by April 2012
 - prepare and publish equality objectives by 2 April 2012
 - publish objectives to address pay differences
 - produce an annual report by 31 March each year
- 2.07 The Council published its 4 year Strategic Equality Plan (SEP) in April 2012 and is required to publish an annual report setting out the progress it is making to achieving its equality objectives. The first report for the SEP for the period April 2012- March 2013 is due by 31 March 2014. An update on the first six months of implementing the SEP is provided in paragraph 3.08.

3.00 CONSIDERATIONS

- 3.01 **Diversity and Equality Policy**
Consultation on the draft Diversity and Equality policy has resulted in greater references to Welsh language and the future Welsh language Standards in several sections including the section relating to Contractors.
- 3.02 Valuing diversity and promoting equality is integral to good practice in employment and service delivery with responsibility for the policy being an integral part of every employee's role, wherever they work. As with any Council policy it is important that managers and employees understand how to apply the policy and their responsibilities to each other and customers.
- 3.03 To promote awareness, understanding and to demonstrate to stakeholders, employees and members of the public the Council's commitment to diversity and equality, it is proposed that a variety of methods will be used to cascade the new policy over the next few months. It will also be available in Easy Read and as a summary.
- 3.04 Monitoring the implementation of the policy will be undertaken through:-

- workforce diversity monitoring
- reviewing complaints about discrimination and incidents of bullying and harassment in the workplace
- reviewing customer complaints about discrimination
- monitoring the diversity profile of customer experience

This will identify if there is any difference in satisfaction levels or complaints from different sectors of our community and if there are areas of potential inequality in employment or trends relating to bullying and harassment in the workplace.

3.05 **Annual Equality Report 2011-2012**

This annual report sets out the Council's progress in meeting the general duty to promote equality. There have been several areas of improvement which demonstrate the Council's commitment to equality. These have been identified in the annual report and include:-

- continued physical alterations to buildings to ensure they are accessible for disabled people
- a significant increase in the use of interpretation and translation facilities from two requests in 2004 -2005 to 163 requests for alternative formats and 94 requests for different languages during 2011- 2012.
- the One Community project, developed in partnership with Barnardos, has continued to provide information and advice to migrant workers; over 1000 Black and minority ethnic people used this service and over 800 White indigenous community accessed this service during 2011- 2012
- an increased number of Traveller pupils have accessed secondary education.

3.06 Although progress continues to be made there are still remain areas of improvement in relation to collating and analysing employee and customer equality data. This information is important in helping to understand the make up of employees and customers, the impact of policies and practices upon them and to identify future equality objectives. This has been identified as an action within the Strategic Equality Plan.

3.07 **Strategic Equality Plan 2012-2016 Update**

Good progress has been made during 2012/13 on the actions contained within this plan.

3.08 Key areas of progress:-

- Social Services for Adults and Social Services for Children have systems in place to capture the diversity profile of their customers and undertake analysis of the data.
- Progress has been made in HR to ensure the diversity profile of employees is captured to meet the employment duty of the

Equality Act; and arrangements are in place to analyse the data and publish the workforce information report.

3.09 Of the 14 actions which were due to be completed during the first six months:

- 5 are complete
- 7 are in progress
- 2 not yet started (or not started by all Directorates)

Half of the 12 actions due to be completed by 30th March 2013, have been started.

Six of the actions without a confirmed completion date have now been completed.

3.10 **Future reporting**

Actions contained in the SEP will be contained within the relevant Service and Directorate plans. Reporting on progress will subsequently be reported in the Quarterly Performance Reports starting with Quarter 1 for 2013/14.

4.00 **RECOMMENDATIONS**

4.01 It is recommended that Cabinet approve the Diversity and Equality policy before publication and wider promotion.

4.02 Cabinet endorse the 2011/12 Annual Equality Report.

4.03 Cabinet note the progress made in relation to the implementation of the Strategic Equality Plan 2012/16.

5.00 **FINANCIAL IMPLICATIONS**

5.01 There will be costs to promote the policy both internally and externally; these will be met from in - year budgets.

5.02 Costs for training employees will be met from in - year budgets.

6.00 **ANTI POVERTY IMPACT**

6.01 Making progress in equality will benefit those disadvantaged groups who experience poverty.

7.00 **ENVIRONMENTAL IMPACT**

7.01 Promoting equality and implementation of the SEP will improve accessibility to the natural and built environment.

8.00 **EQUALITIES IMPACT**

- 8.01 The purpose of the policy is to ensure that equality is at the heart of all way that the Council's employment practices and in the way it carries out its business. The policy takes into account the needs of diverse groups and people with a protected characteristic; it aims to eliminate discrimination and harassment, advance equality of opportunity and foster good relations.
- 8.02 The policy and summary will be available bilingually (English and Welsh) and published in different formats on the website, such as British Sign Language DVD and Easy Read.
- 8.03 The Strategic Equality Plan identifies specific equality objectives which will address discrimination and harassment and will have a positive impact, improving outcomes for Flintshire County Council employees and Flintshire residents.

9.00 PERSONNEL IMPLICATIONS

- 9.01 Workforce implications are identified in the SEP.

10.00 CONSULTATION REQUIRED

- 10.01 No further consultation is required on the Diversity and Equality Policy. Consultation is included within relevant actions in the SEP.

11.00 CONSULTATION UNDERTAKEN

- 11.01 Consultation on the Diversity and Equality Policy has been undertaken with a range of stakeholders including employees, members of the public, Town and Community Councillors and other public bodies. Directorates were consulted in order to update the Strategic Equality Plan and provide information for the 2011/2012 Annual Equality Report.

12.00 APPENDICES

- 12.01 Appendix 1 Diversity and Equality Policy

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985 BACKGROUND DOCUMENTS

Report To Executive 27 March 2012 Strategic Equality Plan 2012 - 2016

Report To Cabinet 10 July 2012 Diversity and Equality Policy

Contact Officer: Fiona Mocko Policy Officer Equalities
Telephone: 01352 702122
Email: fiona.mocko@flintshire.gov.uk



Diversity and Equality Policy

(Excluding Schools)

2013 - 2017



Foreword

It is with great pleasure that the Council's Leadership Team endorses and fully supports the Council's Diversity and Equality policy. We are proud to be part of an organisation that is committed to making equality a reality, creating a working and living environment that improves everyone's quality of life.

Valuing diversity and promoting equality are integral to the way we do business, provide services, commission goods, works and services and through all our employment practices. Most importantly of all diversity and equality are about treating other people, our colleagues and customers, with dignity and respect.

The success of this policy is dependent upon everyone taking ownership and responsibility. We all have a role to play.

This is a key policy supporting the authority develop a modern approach to employment and providing flexible services that meet the diverse needs of all our customers.

Thank you for your support.

Flintshire County Council Leadership Team

Further guidance, including a glossary, is available to support the implementation of this policy.

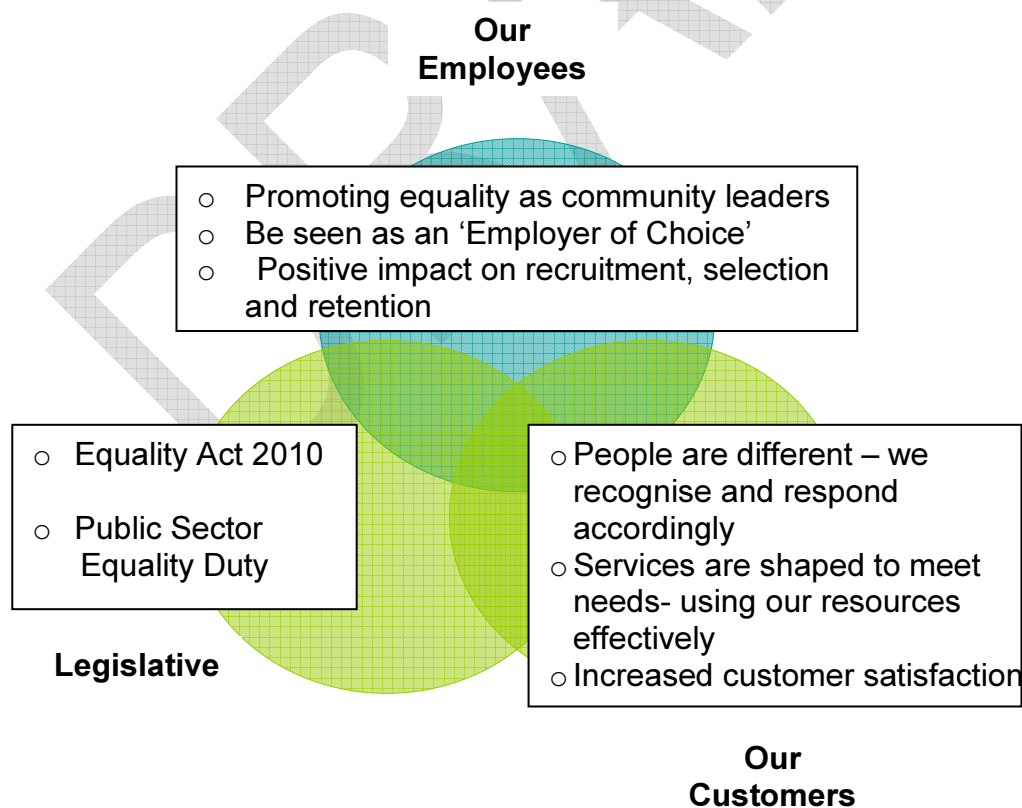
Diversity and Equality Policy

1. Statement of commitment

Flintshire County Council takes seriously its duty to promote equality through all its activities; through the Council's roles as service provider and commissioner, employer and community leader. The Council is committed to creating a community for all people, who live in, work in and visit Flintshire in which difference is valued and harassment and discrimination is not tolerated. The Council supports the following definition from the national Equalities Review in 2007: "An equal society protects and promotes equal, real freedom and substantive opportunity to live in the ways people value and would choose, so that everyone can flourish. An equal society recognises people's different needs, situations and goals, and removes the barriers that limit what people can do and can be."

The Corporate Management Team will lead by example, ensuring that this commitment is embedded in policies and day to day working practices with our customers, colleagues and partners.

Why valuing diversity and promoting equality is important for the Council:-



Recognising and understanding the needs of communities in Flintshire will help us to become more customer focussed and provide accessible and high quality services. The Council recognises that the promotion of equality in the workplace is good management practice in which all employees are supported to develop their full potential and the talents and resources of the workforce will be fully utilised to maximise the efficiency of the Council.

The overall aim of the Diversity and Equality policy is to:-

- Eliminate unlawful discrimination, harassment and victimisation;
- Promote equality of opportunity; and
- Foster good relations between diverse communities

in the Council's delivery of services, goods, works and facilities, provision of grants, in engagement with partners and communities in the county and employment policies and practices.

This is underpinned by the relevant legislation, including the Equality Act 2010, EU Directives, Welsh Language Act 1993, the Human Rights Act 1998 and future Welsh Language Standards.

The policy is also linked to the following:-

- County Vision,
- Dignity At Work Policy,
- Welsh Language Scheme,
- People Strategy
- Human Resource Policies
- Customer Services Strategy
- Procurement Strategy
- Strategic Equality Plan

The Council's Strategic Equality plan will set out the Council's equality objectives and action plan to meet the requirements of the Equality Act 2010 and the specific public sector duties.

2. Scope

The Policy applies specifically to discrimination, equality of opportunity and the promotion of good community relations in respect of the protected characteristics as identified in the Equality Act 2010:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation

and to other personal characteristics and identity, including, for example, caring responsibilities and Welsh speakers. Everyone who uses services, facilities and information provided by or on behalf of the Council should be treated in line with this policy.

This policy applies to all employees of Flintshire County Council with the exception of teachers and those employed by School Governing Bodies. Those employed through or by School Governing Bodies are subject to the Diversity and Equality policy of the school.

The Member Code of Conduct applies to Elected Members. Section 4 of the Code of Conduct states that Members must:-

- a) carry out your duties and responsibilities with due regard to the principle that there should be equality of opportunity for all people, regardless of their gender, race, disability, sexual orientation, age or religion.
- c) not use bullying behaviour or harass any person.

3. Equality in Service Delivery

3.1 Discrimination – examples of the types of discrimination are provided in the glossary.

3.2 Aims of policy in Service Delivery

The long-term aim is to be a responsive authority in every aspect of our service activities; providing appropriate, accessible and effective services and facilities to meet the diverse needs of our community.

Customers and potential customers can expect the Council to: -

- treat customers and visitors with dignity and respect
- provide accessible and clear information about services in appropriate formats and languages that meet people's needs.
- provide a comprehensive, consistent and systematic service in Welsh for our Welsh speaking customers as we do in English for our English speaking customers.
- continue to make physical and other reasonable adjustments to Council premises and services so that they are accessible.
- provide services that take into account customers age, disability gender reassignment, marriage and civil partnership, pregnancy or maternity status, race, religion and belief, sex and sexual orientation or any other individual characteristics, such as Welsh language.
- promote and encourage people to report unlawful harassment and continue to work with partner organisations to make Flintshire a safer place to live, work and visit free from discrimination and harassment.

- hold meetings in accessible venues or make arrangements to meet access requirements.
- consider needs of those actively engaged in religious or cultural observances when planning events to avoid exclusion, disadvantage, this may include timing or dietary requirements.
- respond quickly to any complaints that we receive about our services including those of discrimination.
- provide training for employees to develop the knowledge, attitudes and behaviour, which support diversity and equality.
- ensure that any organisation who acts/provides a service on our behalf comply with the Equality Act 2010, any other relevant equalities legislation, and the Council's Welsh Language Scheme and Welsh Language Standards (when implemented).
- use objective criteria to award grants and to allocate services.
- monitor our services to ensure equal access and outcomes and take action to address any inequalities.
- engage and consult with local communities and stakeholders to better understand our customers' needs and shape future service delivery

4. Contractors and Partners

Contractors

Local citizens have a right to expect that the money spent by us on goods, works and services meet the diverse needs of the customers we serve. Our customers deserve a high quality of service regardless of who provides the service. If any organisation wants to do business with the Council they must comply with our standards and all the relevant equality legislation. We will not award contracts if a commitment to diversity and equality is not demonstrated. The Contract Procedure Rules commits the Council to making sure that contractors, suppliers and organisations who provide a service, goods or works on our behalf comply with equality legislation.

We expect organisations acting on our behalf to develop and deliver services, goods, works and facilities that are appropriate and accessible and to have, and implement, Diversity and Equality policies for employment and service delivery. Private or third sector organisations who are carrying out a public function on behalf of a public authority or in their own right will have to comply with the general duty of the Public Sector Equality Duties and the Council's Welsh Language Scheme and future Welsh Language Standards.

Procurement and commissioning employees will incorporate equality considerations, where relevant, into contracts, managed premises agreements, service level agreements and monitoring agreements.

Partnerships

Through Flintshire in Partnership the Council will encourage partners to value diversity and promote equality. The Council will:

- incorporate equality principles in terms of reference to ensure that we embed equality within strategies, plans and projects
- lead by example incorporating the principles of equality in all that we do
- work together with our partners to embed equality within our ways of working and align our strategies

Funding and other Support

We will set out clear criteria to ensure decision making is open and transparent where we award and allocate funding or other support to external organisations.

5. Employment

5.1 Types of discrimination- examples of the types of discrimination are provided in the glossary.

5.2 Aims of policy for employment

The aims of the policy for employment are to ensure that:

- i) no prospective employee or current employee receives less favourable treatment on any grounds that cannot be shown to be justified. This applies to all terms and conditions including recruitment and selection, training, promotion, pay, employee benefits, employee grievances and disciplinary procedures.
- ii) the diversity of the communities we serve is reflected at all levels within our workforce.
- iii) all employees have an equal chance to contribute and to achieve their potential.
- iv) the workplace is free from harassment and unwanted behaviour and everyone can give their best/be themselves.
- v) all employment decisions are based on merit.

All employees have a responsibility to:

- treat other employees, customers, contractors and visitors to the Council with dignity, courtesy and respect.
- be aware of the effect of their own behaviour and language has on others, use behaviour and language that does not cause offense or is discriminatory.
- be sensitive to the diverse needs of colleagues, for example, religion and belief, sexual orientation and respect individual's rights to take opportunities to work more flexibly.
- respect the right of colleagues not to disclose their sexual orientation.

Managers have a responsibility to:

- respect the confidentiality of all employees and ensure that all equality issues are managed with discretion and sensitivity.
- give full consideration to any requests for work life balance.

- abide by the commitments set out in the Positive About Disability Scheme (Two Ticks Symbol), the commitments are:
 - to interview all disabled applicants who meet the essential criteria for a job vacancy and to consider them on their abilities
 - to discuss with disabled employees, at any time but at least once a year, what both parties can do to make sure disabled employees can develop and use their abilities
 - to make every effort when employees become disabled to make sure they stay in employment
 - to take action to ensure that all employees develop the appropriate level of disability awareness needed to make these commitments work
 - to review these commitments each year and assess what has been achieved, plan ways to improve on them and let employees and Jobcentre Plus know about progress and future plans
- ensure employees receive an appraisal at least once a year.
- take prompt action to address inequality, discrimination and harassment including third party harassment.
- identify and challenge discriminatory practices and behaviour.
- act as a role model and lead by example.
- ensure services are accessible and meet the needs of diverse groups and provide reasonable adjustments for disabled employees
- comply with the Equality Act 2010 and other relevant equality legislation through all aspects of employment including recruitment, training and development, appraisal, grievances, disciplinary, pay and benefits and abide by Human Resources policies.
- support employees to develop and enable them to reach their full potentials.

All employees have a right to:

- be treated with dignity, courtesy and respect by other employees and customers.
- work in an environment where inappropriate and offensive behaviour and language is not tolerated.
- be treated objectively in all employment procedures.
- access training and development opportunities to develop skills and knowledge to support the achievement of organisational goals.
- have requests for work, life and well being (for example, religious or caring responsibilities) recognised and sensitively considered and balanced with organisational needs.
- be provided with reasonable adjustments to ensure disabled employees are supported to undertake their role effectively.
- be protected from victimisation and harassment including third party harassment.

6. Implementation

Overall responsibility

The Chief Executive has overall responsibility for the implementation of the Diversity and Equality Policy at corporate level.

Elected Members

All members have an essential role for ensuring equalities is incorporated in to all Council business, promoting equality and good community relations and eliminating unlawful discrimination.

Director responsibility

Strategic Directors will have responsibility for implementing the policy within their Directorate and

- integrating the Strategic Equality Plan into Directorate and service plans.
- including equality targets in the business planning process and monitoring progress, as set out in the Service Planning Guidance.
- ensuring equality impact assessments are undertaken on new and revised policies and practices.

Managers and Supervisors

All managers and supervisors have responsibility for

- putting into practice the Diversity and Equality policy.
- investigating any allegations of discriminatory behaviour or practices and taking disciplinary action where appropriate.
- contributing towards the corporate equality objectives.
- including equality targets in the business planning process.
- ensuring that employees are familiar with, and act in accordance with equality law and this policy.
- ensuring that the relevant specifications to meet equality law and the Council's Welsh Language Scheme and future Welsh Language Standards are included into contracts awarded to contractors and service providers.
- ensuring services are accessible and meet the needs of diverse groups.
- providing reasonable adjustments for disabled employees and customers.
- undertaking equality impact assessments.
- monitoring take up of services to identify over /under representation and set equality targets and actions to redress any potential or actual inequalities.
- supporting employee networks.

Employee responsibility

The successful implementation of the policy lies with every individual taking personal responsibility in the practical application of this policy. Every employee is individually responsible for her or his own behaviour and supporting the Council's "zero tolerance" attitude to harassment and discrimination.

7. Monitoring and Review

The Policy will be reviewed periodically to ensure that it is consistent with current legislation and the Equality and Human Rights Commission's codes of practice for services, employment and public sector equality duties.

Equality Impact Assessments will be undertaken on new and revised policies and practices to ensure they meet the public sector equality duty and this policy.

We will monitor the diversity profile of customers and job applicants and employees to identify any actual or potential barriers or discrimination.

Positive action

Lawful positive action, training and encouragement will be considered in areas where particular groups are under represented. Positive action, may involve treating members of a group who share a particular protected characteristic more favourably than other groups, and will be lawful in certain circumstances. It is not the same as positive discrimination which is unlawful.

Dissemination of the Policy

The Policy will be published on the Council's website and intranet. A summary document will be available in a range of formats and languages. A copy of the Policy and summary will be available for all employees. Applicants for Council posts will be made aware of the policy and it will form part of the induction programme for new recruits.

8. Dealing with Complaints of Discrimination

If you experience discrimination while working with us, using our services, or living or working in our communities, we want to know. We want to ensure your experience is recorded and appropriate resolution sought. Your complaint will be taken seriously and we will take action where our policies have been breached.

Customers

If you have experienced discrimination or harassment whilst using one of our services then you should use the Council's complaints procedure.

This is set out in the 'Flintshire Feedback Scheme' leaflet which is available from all local Council Offices, libraries and via the Councils' website or by contacting the Council by telephone 01352 752121.

If you have been harassed in the community because of a protected characteristic or have been harassed because of your linguistic background you can report these to:

North Wales Police:-

Telephone:101

TypeTalk: 01978 294738

Minicom: 01745 535612

Fax: 01492 510777

Safer Wales

www.saferwales.com

Telephone 029 2046 1564

Fax: (0)29 2046 1225

The Anti Social Behaviour Co-ordinator Flintshire County Council, County Hall, Mold
Telephone 01352 702643

Job applicants

Job applicants who feel they have grounds for complaint should write to the Head of Human Resources and Organisational Development, Flintshire County Council, County Hall, Mold, CH7 6NG.

Employees

If an employee experiences discrimination or harassment from another employee or third party, they should follow the Dignity At Work policy and report the matter to their line manager who will take appropriate action to prevent repeat incidents.

The employee may also wish to have a confidential discussion with:-

Human Resources Manager

The Policy Officer Equalities

A Trade Union Representative

Breaches of the Policy

The Council will, on receiving a complaint or allegation that this policy has been breached, investigate the matter and if appropriate, take disciplinary action. It will be a condition of service that employees adhere to the Diversity and Equality Policy and failure to do so may be a cause for disciplinary measures to be taken.

Breach of the Policy by Elected Members

Breach of the policy by Elected Members will be treated as a breach of the Code of Conduct, and be reported as a complaint to the Public Services Ombudsman for Wales.

Breach of the Policy by Contractors

Any breach of the contract by a Contractor delivering a service with, or on behalf of the Council, will be addressed in accordance with the terms of that Contract.

Useful Resources and further information and advice

Equality and Human Rights Commission – Services, public functions and associations Statutory Code of Practice

Equality and Human Rights Commission- Employment Statutory Code of Practice

<http://www.equalityhumanrights.com/>

The Gender Trust

www.gendertrust.org.uk

0845 231 0505

North Wales Regional Equality Network

www.nwren.org.uk

01492 622233

Young Flintshire

www.youngflintshire.co.uk

Stonewall

www.stonewall.org.uk

0800 502020

Disability Wales

<http://www.disabilitywales.org/>

029 20 88 7335

Glossary

Access To Work

An Access to Work grant is money for practical support to help disabled people do their job. The money can pay for specialist equipment and travel.

Disability

The Equality Act 2010 says that a person has a disability if they have a physical or mental impairment that has a 'substantial' and 'long-term' negative effect on a person's ability to do normal daily activities.

Equality impact assessment

An equality impact assessment is a systematic method to assess implications of an organisation's decisions on people from different backgrounds. Impact assessment should take place when considering a new policy, strategy or revising an existing policy or reviewing a function, service or procedure.

Equality Act 2010

The Equality Act 2010 outlaws unfair treatment of people because of protected characteristics they have. The Act applies to the workplace, when providing goods, facilities and services, when exercising public functions, in the disposal and management of premises, in education and by associations (such as private clubs).

Equality Act 2010: Public sector equality duty

The Public Sector Equality Duty of the Equality Act, requires public bodies to consider all individuals when carrying out their day to day work – in shaping policy, in delivering services and in relation to their own employees. There are two parts, the general duty and the specific duty.

General Duty

This requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between different people when carrying out their activities.

Specific Duties Wales

Public authorities in Wales have to comply with a set of Specific Duties which are designed to assist them in meeting the General Duty. This includes developing and publishing equality objectives.

Equality Targets

Equality targets are designed to improve outcomes for all people. Every person falls into one or more protected characteristic; they are important as they help ensure

- progress is being made in relation to promoting diversity and equality
- services reflect the communities they serve
- improvements are being made for customers
- people who use our services experience equal outcomes
- the inequalities experienced by some groups of people are reduced
- resources are being targeted

Targets are identified through equality monitoring and analysis of equality data.

Example

A local authority Foster Care service had established a system to identify and record the ethnicity of children in care and existing / prospective foster carers. The service **analysed data** on a regular basis, and it became evident that there was an:

- Over representation of Black Caribbean and White Irish children in foster care
- Under representation of Black Caribbean and White Irish foster carers

An equality target was set to:

Increase the number of Black Caribbean and White Irish Foster carers by 5 percentage points from the current figure of 6% by 2015

Funding and other support

Financial aid such as grants, in-kind support and commissioning arrangements.

Leadership Team

This comprises first and second tier officers including Directors and Heads of Service.

Monitoring

Equality monitoring is the process to collect, store and analyse data about people's backgrounds, examples of characteristics to monitor include ethnicity, gender, age, religion, disability. Monitoring can be used to:

- highlight potential or actual inequalities;
- investigate their underlying causes ; and
- remove any unfairness or disadvantage.

Protected Characteristics:-These are the grounds upon which discrimination is unlawful. The characteristics are:

Age:- referring to a person belonging to a particular age (e.g. 32 year olds) or range of ages (e.g. 18 - 30 year olds).

Disability:- a person has a disability if s/he has a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities.

Gender reassignment:- The process of changing or transitioning from one gender to another. **Transsexual person** Refers to a person who has the protected characteristic of gender reassignment. This may be a woman who has transitioned or is transitioning to be a man, or a man who has transitioned or is transitioning to be a woman. The law does not require a person to undergo a medical procedure to be recognised as a transsexual

Marriage and civil partnership:- The Act protects employees who are married or in a civil partnership against discrimination. Single people are not protected.

Pregnancy and maternity:- A woman is protected against discrimination on the grounds of pregnancy and maternity. With regard to employment, the woman is protected during the period of her pregnancy and any statutory maternity leave to which she is entitled. Also, it is unlawful to discriminate against women breastfeeding in a public place.

Race:- This includes colour, ethnic / national origin or nationality,

Religion or belief:- Religion has the meaning usually given to it but belief includes religious and philosophical beliefs including lack of belief (e.g. Atheism). Generally, a belief should affect your life choices or the way you live for it to be included in the definition.

Sex :- male or female; and

Sexual orientation:- Whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.

Provision, criterion or practice

This includes any formal or informal policies, rules, practices, arrangements, criteria, conditions, prerequisites, qualifications or provisions. A provision, criterion or practice may also include decisions to do something in the future such as a policy or criterion that has not yet been applied, as well as a 'one-off' or discretionary decision.

Reasonable adjustments

Where a disabled person is at a substantial disadvantage in comparison with people who are not disabled, there is a duty to take reasonable steps to remove that disadvantage by (i) changing provisions, criteria or practices e.g. providing flexible working, removing core time, (ii) altering, removing or providing a reasonable alternative means of avoiding physical features e.g. offering home visits, making physical alterations to the workplace/ customer contact points and (iii) providing auxiliary aids e.g. a specialist piece of equipment e.g. specialist telephone IT equipment or support worker.

Welsh Language Standards

These specify how organisations are expected to treat and use the Welsh language. Standards are intended to provide more clarity as to the Welsh language services people should expect to receive, as well as consistent service provision

Types of Discrimination

Direct Discrimination – Direct discrimination occurs when a person treats another less favourably than they treat or would treat others because of a protected characteristic.

Example: An employer believes that someone's memory deteriorates with age. He assumes – wrongly – that a 60-year-old manager in his team can no longer be relied on to undertake her role competently. An opportunity for promotion arises, which he does not mention to the manager. The employer's conduct is influenced by a stereotyped view of the competence of 60 year olds. This is likely to amount to less favourable treatment because of age.

Example: A Gypsy couple are refused service in a pub that displays on its door a 'No Gypsies or Travellers' sign. It is obvious from the notice on the door and the treatment the Gypsy couple receive that their less favourable treatment is because of race.

Example: A club that organises salsa evenings deletes a woman from their list as soon as they learn that she is pregnant, on the assumption that during her pregnancy she will not want to come to salsa evenings. This decision resulting in unfavourable treatment based on a stereotype is likely to be pregnancy discrimination.

Example: An employer offers 'death in service' benefits to the spouses and civil partners of their staff members. A worker who lives with her partner, but is not married to him, wants to nominate him for death in service benefits. She is told she cannot do this as she is not married. Because being a cohabitee is not a protected characteristic, she would be unable to make a claim for discrimination.

Indirect Discrimination – Indirect discrimination may occur when an employer or service provider applies an apparently neutral provision, criterion or practice which puts persons sharing a protected characteristic at a particular disadvantage.

Example: An employer has a 'no headwear' policy for its staff. Unless this policy can be objectively justified, this will be indirect discrimination against Sikh men who wear the turban, Muslim women who wear a headscarf and observant Jewish men who wear a skullcap as manifestations of their religion.

Example: When a local council holds its consultation meetings on a weekday evening, it discovers that fewer women than men attend. A woman complains that this is because some women, including herself, cannot come because of childcare responsibilities. This is enough to demonstrate disadvantage and she does not have to show that the absence of women is attributable in particular cases to childcare responsibilities.

Discrimination by association-it is discrimination if an employer/service provider treats a person less favourably because of their association with another person who has a protected characteristic.

Example: A lone father caring for a disabled son has to take time off work whenever his son is sick or has medical appointments. The employer appears to resent the fact that the worker needs to care for his son and eventually dismisses him. The dismissal may amount to direct disability discrimination against the worker by association with his son.

Example: A boy wishes to join his local football club, but he is rejected because his parents are a lesbian couple. This is direct discrimination by association because of sexual orientation because of the boy's association with his parents.

Discrimination by perception- it is discrimination if an employer/ service provider treats a person less favourably because they mistakenly think that the employee/service user has a protected characteristic.

However, this does not apply to pregnancy and maternity or marriage and civil partnership.

Example: An employer rejects a job application form from a white woman whom he wrongly thinks is black, because the applicant has an African-sounding name. This would constitute direct race discrimination based on the employer's mistaken perception

Example: A woman with a medical condition that makes her appear 'masculine' is wrongly perceived to be undergoing gender reassignment and refused entry to a women-only sauna session at her local leisure centre. This is likely to be less favourable treatment because of gender reassignment.

Harassment – This type of harassment occurs when an employer/ service provider engages in unwanted conduct which is related to a relevant protected characteristic and which has the purpose or the effect of:

- violating the service user's dignity; or
- creating an intimidating, hostile, degrading, humiliating or offensive environment for the service user.

Example: A worker is subjected to homophobic banter and name calling, even though his colleagues know he is not gay. Because the form of the abuse relates to sexual orientation, this could amount to harassment related to sexual orientation.

Example: A publican continually refers to a transsexual woman as 'Sir' and 'he' when serving him in a pub, despite her objections. It is likely that the woman would succeed in a harassment claim if she were able to persuade the court that the conduct had the purpose or effect of violating her dignity or of creating an intimidating, hostile, degrading, humiliating or offensive environment for her.

Third Party harassment-employers may be liable for harassment by a third party, such as a customer or client. Employers have a duty to prevent third party harassment; where the employee has been harassed on two different occasions, the employer must take reasonable steps to prevent harassment by a third party happening again.

Example: A Ghanaian shop assistant is upset because a customer has come into the shop on Monday and Tuesday and on each occasion has made racist comments to him. On each occasion the shop assistant complained to his manager about the remarks. If his manager does nothing to stop it happening again, the employer would be liable for any further racial harassment perpetrated against that shop assistant by any customer.

Discrimination arising from a Disability The Equality Act (2010) says that treatment of a disabled person amounts to discrimination where:

- a service provider treats the disabled person unfavourably;
- this treatment is because of something arising in consequence of the disabled person's disability; and

- the service provider cannot show that this treatment is a proportionate means of achieving a legitimate aim,

unless the employer/service provider does not know, and could not reasonably be expected to know, that the person has the disability.

Example: An employer dismisses a worker because she has had three months' sick leave. The employer is aware that the worker has multiple sclerosis and most of her sick leave is disability-related. The employer's decision to dismiss is not because of the worker's disability itself. However, the worker has been treated unfavourably because of something arising in consequence of her disability (namely, the need to take a period of disability-related sick leave).

Example: A mother seeks admission to a privately run nursery for her son who has Hirschsprung's disease, which means that he does not have full bowel control. The nursery says that they cannot admit her son because he is not toilet trained and all the children at the nursery are. The refusal to admit the boy is not because of his disability itself; but he is being treated unfavourably because of something arising in consequence of his disability.

In addition, The Equality Act 2010 introduces a **Duty to make reasonable adjustments**, this requires:-

- service providers to take positive steps to ensure disabled people can access services. It involves service providers anticipating the needs of potential customers for reasonable adjustments.
- employers to take positive steps to ensure disabled people can access and progress in employment. It means taking additional steps to which non-disabled employees and applicants are not entitled.

A disabled person is discriminated against when an employer/ service provider fails to make reasonable adjustments. What is considered "reasonable" may vary.

Example: An adviser with a visual impairment is sometimes required to make home visits to clients. The employer employs a support worker to assist her on these visits.

Example: An ombudsman has a policy that all complaints must be made in writing. This policy places some disabled people - for example, those with learning disabilities or visual impairments - at a substantial disadvantage in making a complaint. The ombudsman amends the policy to permit disabled people and others who cannot use a written complaints procedure to make their complaint over the telephone. This is likely to be a reasonable step to take.

Victimisation – treating people less favourably because of action they have taken under or in connection with the equality law.

Example: An employer threatens to dismiss a staff member because he thinks she intends to support a colleague's sexual harassment claim. This threat could amount to victimisation, even though the employer has not actually taken any action to dismiss the staff member and may not really intend to do so.

Example: complains to the staff at a children's centre that her daughter's physical and social needs are not being properly met. As the centre is provided by the local authority children's services department, the mother also complains to her councillor and to the Director of Children's Services. The centre's staff invite her to a meeting, after which the care of her daughter improves. The following summer she applies to go on a trip to the seaside for parents with their disabled children organised by the department but is turned down. She believes that she has been victimised because of her complaint about the care of her daughter. Although she did not refer explicitly to the Act when she complained, she asserted that her daughter had been treated less favourably because of a protected characteristic. That is sufficient for her complaint to be a protected act.

Source:

Equality and Human Rights Commission – Services, public functions and associations Statutory Code of Practice

Equality and Human Rights Commission- Employment Statutory Code of Practice

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **19TH FEBRUARY 2013**

REPORT BY: **HEAD OF FINANCE**

SUBJECT: **COUNCIL TAX AND BUSINESS RATE POLICIES**
2013-14

1.00 PURPOSE OF REPORT

1.01 Members are asked to approve various policies for the administration of Council Tax and Business Rates for the financial year 2013-14.

1.02 The policies required by statute to be approved each year are :-

- Council Tax Discounts on second and long term empty homes (section 2)
- Council Tax Discretionary discounts (section 3)
- Business Rates Discretionary Rate Relief (section 4)
- Business Rates Discretionary Rate Relief for Small Businesses (section 5)

1.03 Some policies are detailed for information purposes only, these are :-

- Payment dates for Precepting/Levying Bodies (section 6)
- Payment dates for Council Tax and Business Rates (section 7)

2.00 COUNCIL TAX ON SECOND AND LONG TERM EMPTY HOMES

2.01 Each year the Council is required to determine what discount, if any, is awarded to second or holiday homes (known as Prescribed Classes A or B) and long term empty properties (known as Prescribed Class C). The prescribed Classes are :

Class A – A property which is unoccupied and furnished but occupation is prohibited by law for over 28 days each year.

Class B – A property which is unoccupied but furnished and occupation is not prohibited by law.

Class C - A property which is unoccupied and substantially unfurnished beyond the normal exempt period (usually 6 months)

2.02 The current policy is not to award discounts to any Prescribed Class and this applies to the whole of the County area. This is also reflected in the 2013-14 Tax Base calculation.

3.00 COUNCIL TAX DISCRETIONARY DISCOUNTS

- 3.01 In accordance with section 13A of the Local Government Finance Act 1992 (as amended by section 76 of the Local Government Act 2003), the Council has a general discretion to reduce the amount of Council Tax payable, effectively granting a local Council Tax Discretionary Discount.
- 3.02 In exercising these discretionary powers the Council must act reasonably having regard to all relevant considerations and the interests of all tax payers as the cost of awarding a Discretionary Discount would in effect be borne by other Council Tax payers.
- 3.03 The current policy is for the Head of Finance and Cabinet Member for Corporate Management to consider discretionary discounts through the use of delegated powers **only** in cases of civil emergencies and natural disasters.

4.00 BUSINESS RATES - DISCRETIONARY RATE RELIEF

- 4.01 Discretionary Rate Relief for Charitable and Non Profit Making Organisations is currently awarded on a continual basis, subject to a minimum of 12 months and full financial year notice if any ratepayer is affected by a change in policy.
- 4.02 Executive recently approved the continuation of the existing policy for Discretionary awards and for 2013-14 is determined by the following categories :-

A Premises that are used for charitable purposes by organisations specifically registered with the Charity Commission. *(20% discretionary 'top up' relief is awarded, with the exception of shops operated by national organisations, who receive 80% Mandatory Relief only).*

B Premises that are used by non-profit making organisations that are treated as charities, for the reason that they bear the same characteristics as those organisations that are registered charities. This category consists of Community Centres, Institutes and Village Hall, other than those occupied by Precepting Authorities. *(20% 'top up' relief is awarded)*

C Premises occupied by sporting clubs, societies or other organisations used for the purpose of non profit making and used for the purpose of recreational, social welfare etc. *(100% Discretionary Relief is awarded with the exception of golf clubs, which are awarded 50% Discretionary Relief)*

D Premises not covered by any of the above categories, occupied by non-profit making organisations but are used for the benefit of the community and who are assessed on an individual basis based on their merits. *(Up to 100% Discretionary Rate Relief can be awarded)*

4.03 From 1st April 2012, section 69 of the Localism Act 2011 amends section 47 of the Local Government Finance Act 1988 to replace the limited circumstances in which local authorities can currently give discretionary relief with a power to grant relief in any circumstances.

4.04 This is subject to the condition that, except in the limited circumstances specified, the local authority may only grant relief if it would be reasonable to do so having regard to the interests of council tax payers in its area. However, unlike other specific types of discretionary rate relief as detailed in section 4.02 where the Welsh Government substantially fund the cost of rate relief relief, the Council will be responsible for fully funding any other discretionary discounts granted

4.05 In exercising these discretionary powers the Council must act reasonably having regard to all relevant considerations and the interests of all tax payers as the full cost of awarding a Discretionary Discount would in effect be borne by other Council Tax payers.

4.06 The Council must not have a blanket policy not to award discretionary discounts and the recommended policy is that the Head of Finance and Cabinet Member for Corporate Management consider any applications received for discretionary discounts falling outside of the scope of the policy in section 4.02 to be considered on their own merits through the use of delegated powers using the following criteria

- Requests for reductions will be required in writing from the ratepayer or their appointed agents with a full business case and documentary evidence in support of the request
- The Council's finances allow for a reduction to be made.
- It must be in the interest of Council Tax payers for the Council to grant such a reduction
- All other eligible discounts/reliefs have been considered and/or awarded to the ratepayer

5.00 BUSINESS RATES – DISCRETIONARY RELIEF FOR SMALL BUSINESSES

5.01 The Welsh Government Small Business Rate Relief scheme was first introduced in April 2007 which coupled with the Government's recent decision to extend rate relief on a temporary basis up to 31st March 2014 provides rate relief, financed by the Welsh Government, as detailed below :

- 100% rate relief for most small businesses with a rateable value limit up to £6,000
 - Tapered rate relief, between 100% and 0%, for most small businesses with a rateable value limit between £6,001 and £12,000
- 5.02 The Welsh Government Small Business Rate Relief scheme contains provision to award discretionary 'top up' relief to small businesses although the Council is required to meet the costs in full of any 'top-up' awards.
- 5.03 The current policy is not to award additional discretionary 'top-up' discounts to small businesses.

6.00 PAYMENT DATES FOR PRECEPTING/LEVYING BODIES

- 6.01 The following payment dates currently apply to Precepting Authorities and Levying Bodies :-

Sea Fisheries	1st of April
North Wales Police Authority	12 payments on 15th of each month
North Wales Fire Service	12 payments on 15th of each month
Town/Community Councils	3 payments (April, August, December)

7.00 PAYMENT DATES FOR COUNCIL TAX AND BUSINESS RATES

- 7.01 Council Tax and Business Rate customers are usually required to pay their bills in line with a statutory instalment scheme over a period of 10 months, from April to January.
- 7.02 Amendment regulations recently introduced by the Welsh Government now provide Council Tax customers with a statutory right to request to pay their Council Tax, from the start of the financial year, in 12 monthly instalments rather than 10, although for those customers who find it increasingly difficult to pay over 10 months, the Council has, for several years, adopted a discretionary scheme to accept payment over 12 months to help reduce the customer's monthly outgoings and effectively spread the charges over the two additional months.
- 7.03 For Council Tax and Business Rate customers who choose to pay their bills by Direct Debit, the Council offers customers a choice of four payment dates, the 1st, 8th, 18th or 25th day of each month, as this is the most cost effective way of collecting bills. Payment by weekly direct debit is also promoted for payment of Council Tax only and proves to be a useful way of helping customers who work to a weekly income.

7.04 The Council will continue to offer alternative payment dates, including payment over 12 months, to provide customers with a range of flexible dates to suit individual finances and circumstances. These are :

1 annual instalment – due on 30th June (Council Tax and Business Rates)

2 half yearly instalments – due on 31st May and 30th September (Council Tax and Business Rates)

44 weekly instalments – due from 1st April to 31st January (Council Tax only)

52 weekly instalments – due from 1st April to 31st March (Council Tax only)

8.00 RECOMMENDATIONS

8.01 Members are requested to consider continuation of the current Council Tax and Business Rate Policies for 2013-14 , as follows:-

- Not to award Council Tax discounts on any prescribed class and that this applies to the whole of the County area (2.02).
- For the Head of Finance and Cabinet Member for Corporate Management to consider section 13a discretionary discounts through the use of delegated powers (3.03).
- Discretionary rate relief for as set out (4.02).
- For the Head of Finance and Cabinet Member for Corporate Management to consider any applications for Business Rate discretionary discounts not within the scope of the existing policy as set out in 4.02 through the use of delegated powers (4.06).
- Not to award discretionary 'top-up' discounts to small business (5.03).

8.02 Members are also asked to note the payment dates for Precepting/Levying Bodies (6.01) and payment dates for Council Tax and Business Rates, (7.01 - 7.04).

9.00 FINANCIAL IMPLICATIONS

9.01 On the basis of a continuation of existing policies, costs will be contained within the current budget.

10.00 ANTI POVERTY IMPACT

10.01 None

11.00 ENVIRONMENTAL IMPACT

11.01 None

12.00 EQUALITIES IMPACT

12.01 None

13.00 PERSONNEL IMPLICATIONS

13.01 None

14.00 CONSULTATION REQUIRED

14.01 None

15.00 CONSULTATION UNDERTAKEN

15.01 None

16.00 APPENDICES

16.01 None

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

Local Government Finance Acts 1988 & 1992
The Non Domestic Rating (Discretionary Relief) Regulations 1989
The Council Tax (Administration and Enforcement) (Amendment)
(Wales) Regulations 2013

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **TUESDAY, 19 FEBRUARY 2013**

REPORT BY: **HEAD OF FINANCE**

SUBJECT: **REVENUE BUDGET MONITORING 2012/13 (MONTH 8)**

1.00 PURPOSE OF REPORT

1.01 To provide members with the most up to date revenue budget monitoring information (Month 8) for the Council Fund and the Housing Revenue Account in 2012/13.

1.02 INDEX OF CONTENTS

Section 2	Executive Summary
Paragraph 3.01	Council Fund Summary Table
Paragraph 3.09	Risks and Assumptions
Paragraphs 3.10 to 3.13	Carry Forward Requests
Section 4	Non Standard Inflation / Central Contingencies
Section 5	Unearmarked Reserves
Section 6	Housing Revenue Account
Appendix 1	Council Fund - Movement in Variances from Month 7
Appendix 2	Community Services -Variances Summary
Appendix 3	Environment -Variances Summary
Appendix 4	Lifelong Learning -Variances Summary
Appendix 5	Corporate Services -Variances Summary
Appendix 6	Central & Corporate Finance -Variances Summary
Appendix 7	Council Fund Unearmarked Reserves Summary
Appendix 8	Housing Revenue Account -Variances Summary

2.00 EXECUTIVE SUMMARY

2.01 Members are requested to note the projected year end position as estimated at Month 8 which is :

- Council Fund - Net underspend of £0.611m (£0.516m overspend at Month 7)
- Housing Revenue Account - Net underspend of £0.401m (£0.401m underspend at Month 7)

3.00 CONSIDERATIONS

COUNCIL FUND

3.01 The table below shows a projected in-year underspend of £0.611m :-

TOTAL EXPENDITURE AND INCOME	Original Budget	Revised Budget	In-Year Over / (Under) spend		Non Ring-fenced		Ring-fenced	
			Month 7	Month 8	Month 7	Month 8	Month 7	Month 8
	£m	£m	£m	£m	£m	£m	£m	£m
Directorates								
Community Services	58.437	58.380	(0.424)	(1.154)	(0.130)	(0.312)	(0.294)	(0.842)
Environment	31.794	32.481	(0.121)	(0.089)	(0.121)	(0.089)	-	-
Lifelong Learning	109.219	109.946	0.822	0.640	1.128	1.182	(0.306)	(0.542)
Corporate Services	17.469	17.645	0.370	0.324	0.370	0.324	-	-
Total Directorates	216.919	218.452	0.647	(0.279)	1.247	1.105	(0.600)	(1.384)
Central and Corporate Finance	25.759	24.226	(0.131)	(0.332)	(0.131)	(0.332)	-	-
Total	242.678	242.678	0.516	(0.611)	1.116	0.773	(0.600)	(1.384)

3.02 The Original Budget column reflects the budget approved by Council on the 1st March 2012. The Revised Budget column reflects in-year virements which have been approved in compliance with Financial Procedure Rules.

3.03 The significant in-year projected variances to date are detailed in Appendices 2 - 6 (Council Fund) and Appendix 8 (HRA), and in addition to giving the reasons for the variances, the actions required to address each variance is provided. The significant changes for the Council Fund from Month 7 are detailed in Appendix 1.

3.04 In line with the management commitment to reduce the projected in-year overspend there has been progressive improvement in the projected outturn position since a projected overspend of £1.053m was reported to Cabinet on 18th September 2012 within the Month 3 budget monitoring report.

3.05 The current projection reflects a significant improvement of £1.127m on the position reflected in the Month 7 budget monitoring report to Cabinet on 22nd January 2013. The main reasons for this improvement are a significant increase of £0.754m in the underspend on out of county placements, and an increased underspend of £0.197m on the Central Loans and Investment Account (CLIA) within Central & Corporate Finance. These are both areas which have been recognised in previous budget monitoring reports as being volatile, however we are now at a point in the year where we can be more certain about budgetary impacts for the current financial year and also looking ahead to 2013/14.

3.06 The significant improvement in the out of county placements underspend reflects the overall impact of a number of factors. These include smarter procurement from the continued involvement of Commercial and Clinical solutions, and reduced numbers of placements which has been influenced by

the development of in-county provision from foster care and within special schools.

- 3.07 The improved position on the CLIA is also influenced by a number of factors including the timing of specific commitments and their influences on borrowing activity and costs, and changes to previous assumptions in respect of possible interest rate increases. The latest review of the account also indicates that there are no emerging pressures anticipated for 2013/14.
- 3.08 There is a significant potential pressure arising from the trigger of the Municipal Mutual Insurance (MMI) scheme of arrangement. A report setting out the background and implications for the Council is included on this agenda. There is a potential financial implication for the Council within the range £0.531m to £0.884m, for which provision will need to be made within the 2012/13 accounts. It is proposed that the impact of this will be reflected in the Month 9 budget monitoring report following Members consideration of the issues.

RISKS / ASSUMPTIONS

- 3.09 The in-year over / (under) spends shown in the table at paragraph 3.01 reflect the following risks and assumptions :-

1. Community Services

- Social Services for Adults
 - Occupational Therapy service - increased demand
- Social Services for Children
 - Out of county placements - demand led with volatility influenced by numbers and high values of individual placements, however current procurement practices and existing facilities within the county are positively influencing costs and numbers of placements respectively
 - Family Placement - increases in foster care places / court orders for Residence and Specific Guardianship
- Housing Services
 - Homelessness - projected high demand influenced by current economic climate and recent welfare reform

2. Environment

- Planning
 - A number of planning decisions are the subject of ongoing appeals which may have the potential for costs to be awarded against the Council

3. Lifelong Learning

- Facilities
 - Catering - overspend projected but possible mitigation from project plans following APSE review
- Development & Resources
 - Free school meals & remissions - influenced by economic factors

- Ringfenced budgets
 - Out of county placements - demand led with volatility influenced by numbers and high values of individual placements, however current procurement practices and existing facilities within the county are positively influencing costs and numbers of placements respectively
- Leisure Income
 - Income levels for the new leisure facilities are being monitored carefully on a weekly basis. Any variation, either positive or negative, could have a material effect on the projected outturn.

4. Corporate Services

- Welfare Reform
 - The Welfare Reform changes have the ability to influence a number of budgets across the Council and this is being kept under review
- Municipal Mutual Insurance Ltd (MMI)
 - A contingent liability was recorded in the 2011/12 Statement of Accounts which recognised a possible future requirement to provide for Flintshire County Council's share of liability relating to a scheme of arrangement set up in 1992 (see paragraph 3.08 above)
- Outcome Agreement Grant
 - The current projections assume that the Council will receive the full amount of Outcome Agreement Grant included within the budget for 2012/13 (£1.475m). WG assessment has now been completed. The Minister is to be advised by civil servants that the Council has met the threshold to qualify for the grant in full, and confirmation of the final grant amount is expected in mid February

3.10 REQUEST FOR CARRY FORWARD - COMMUNITY SERVICES

Housing Services (Homelessness) - Previous consideration has been made of the need for additional temporary staff to help cope with the impacts of Welfare Reform. It is requested to carry forward to 2013/14 the sum of £0.100m from the projected underspend on the Homelessness budget to fund the costs of two additional temporary posts within the Homelessness service. The posts will help to relieve pressure on the existing staff in dealing with impacts of Welfare Reform and are currently being recruited to for a period which will now cover parts of the current and forthcoming financial years.

3.11 REQUEST FOR CARRY FORWARD - CORPORATE SERVICES

ICT & Customer Services - due to a delay in acquiring the Event & Log Management software, it is requested to carry forward the sum of £0.046m to 2013/14. Event & Log Management Software collates information from various aspects of the infrastructure, particularly in relation to potential security breaches. This software will address an area which has been recognised as a security weakness and which needs to be done for regulatory compliance under the Council's Code of Connection agreement. It is expected that this sum will be spent during the first quarter of 2013/14.

3.12 **REQUEST FOR CARRY FORWARD - CORPORATE SERVICES**

ICT & Customer Services - due to milestones not yet being achieved in respect of the Civica Electronic Document and Record Management System (EDRMS) contract, the remaining 20 % of the contract sum is not expected to be paid in the current year. It is therefore requested to carry forward a total of £0.046m to 2013/14 when it is expected the remaining milestones will be met and the contract will be completed.

3.13 **REQUEST FOR CARRY FORWARD - CORPORATE SERVICES**

ICT & Customer Services - due to an ongoing delay in the Public Sector Broadband Aggregation (PSBA) project which will be of particular benefit to Flintshire schools, it is requested to carry forward to 2013/14 the sum of £0.359m. This is to ensure that the benefits from advances in broadband technologies are maximised.

4.00 **NON STANDARD INFLATION**

4.01 Included in the budget are amounts for non-standard inflation. These budgets are being monitored closely and the current position for each element is outlined below:

- £0.078m in respect of Energy for Street Lighting - this budget is still held centrally and is expected to be allocated in full to the service budget prior to the reporting of budget monitoring for Month 9.
- £0.300m in respect of Energy - most of this budget has now been allocated to services, the remaining £0.060m is currently being reviewed and will be reported on for Month 9.
- £0.196m in respect of Fuel - it has been confirmed that the full amount will be required and the allocation of this budget is reflected in this report.
- £0.133m in respect of Food - it has been confirmed that the full amount will be required and the allocation of this budget is reflected in this report.

5.00 **UNEARMARKED RESERVES**

5.01 The 2011/12 final outturn reported to Cabinet on 10th July showed unearmarked reserves at 31st March 2012 (above the base level of £5.476m) of £0.992m, after taking into account commitments in 2012/13 :

- Use of £0.973m to meet one-off / time limited costs
- Ringfencing of £1.500m to support Organisational Change costs

5.02 Appendix 7 details the movements to date on unearmarked reserves and the level of contingency sum available. As a result of the movements the current projected level of the contingency reserve at the end of March 2013 is an amount of £1.267m.

6.00 HOUSING REVENUE ACCOUNT

- 6.01 On 21st February 2012, the Council approved a Housing Revenue Account (HRA) budget for 2012/13 of £26.671m. The budget provided for a closing balance of £0.867m, which at 3.25 % of total expenditure satisfies the prudent approach of ensuring a minimum level of 3 %.
- 6.02 The 2011/12 final outturn reported to Cabinet on 10th July 2012 showed a closing balance at the end of 2011/12 of £1.857m (subject to audit) which was £0.753m more than when the 2012/13 budget was set. This had the effect of increasing the closing balance for 2011/12 by the same amount.
- 6.03 There is an overall projected underspend of £0.401m and a projected closing balance at Month 8 of £1.471m, which at 5.4 % of total expenditure satisfies the prudent approach of ensuring a minimum level of 3 %.
- 6.04 Appendix 8 details the reasons for significant variances occurring to date and the actions planned to deal with them.

7.00 RECOMMENDATIONS

- 7.01 Members are recommended to :-
- a) Note the overall report
 - b) Note the Council Fund contingency sum as at 31st March 2013 (paragraph 5.02)
 - c) Note the projected final level of balances on the Housing Revenue Account (paragraph 6.03)
 - d) Approve that the financial impact of the triggering of the MMI Scheme of Arrangement be reflected in future budget monitoring reports from Month 9 (paragraph 3.08)
 - e) Approve the requests for carry forward of underspends to 2013/14 as detailed within paragraphs 3.10 to 3.13

8.00 FINANCIAL IMPLICATIONS

- 8.01 The financial implications are as set out in Sections 3.00 - 6.00 of the report.

9.00 ANTI POVERTY IMPACT

- 9.01 None.

10.00 ENVIRONMENTAL IMPACT

- 10.01 None.

11.00 EQUALITIES IMPACT

11.01 None.

12.00 PERSONNEL IMPLICATIONS

12.01 None.

13.00 CONSULTATION REQUIRED

13.01 None.

14.00 CONSULTATION UNDERTAKEN

14.01 None.

15.00 APPENDICES

15.01 Council Fund - Movement in Variances from Month 7 - Appendix 1
Council Fund Variances - Appendices 2 - 6
Council Fund - Movements on unearmarked reserves - Appendix 7
Housing Revenue Account Variances - Appendix 8

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

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COUNCIL FUND - REVENUE BUDGET 2012/13
FLINTSHIRE COUNTY COUNCIL

Budget Monitoring (Month 8)
Summary of Movement from Month 7

	£m	£m
Month 7		
Out of County Ringfenced Budget	(0.563)	
Service Directorates	1.210	
Central and Corporate Finance	(0.131)	
Variance as per Executive Report		0.516
Month 8		
Out of County Ringfenced Budget	(1.317)	
Service Directorates	1.038	
Central and Corporate Finance	(0.332)	
Variance as per Directorate Returns		(0.611)
Change Requiring Explanation		<u>(1.127)</u>
<u>Community Services</u>		
<ul style="list-style-type: none"> • Out of County Pooled Budget (Childrens' Services) - the movement from month 7 is mostly (£0.514m) due to the ending of seven placements, three placed with FCC foster carers and one with a change in care needs. These are offset by various other changes to care package costs. (0.514) • Locality Teams (Localities) - the movement from month 7 is mostly due to an increased underspend on Physical Disability & Sensory Impairments (PDSI) purchased residential care (£0.090m) due to two service users now fully Health funded as well as the deaths of three service users. (0.122) • Administrative Support (Disability Service) - internal adjustment of budget to Development & Resources (£0.053m) as a result of TSSA. 0.048 • Professional Support (Children Services) - the main movements are: budget transferred to Corporate Services (£0.012m); increase in projected legal costs (£0.015m); and CYAS additional £0.016m projected pay costs due to the extending of contracts on temporary staff. 0.042 • Business Systems (Development & Resources) - the main movement from month 7 is due to reduced commitments (£0.020m); the balance is made up of a number of smaller variances. (0.029) • Resources and Regulated Services (Intake & Reablement) - the movement from month 7 is mostly due to continued reductions in the projected pay costs for in-house homecare (£0.028). (0.037) • Other minor changes of less than £0.025m (0.118) 		(0.730)
<u>Environment</u>		
<ul style="list-style-type: none"> • Minor changes of less than £25k 0.032 		0.032

Lifelong Learning

• Out of County Pooled Budget - A net reduction of 4 placements and reduced costs of 2 placements.	(0.236)
• Libraries, Culture & Heritage - New door at Mold library (£0.006m) and a number of other minor variances	0.017
• Leisure Services - A number of minor variances	0.007
• Development & Resources - Service Units reduction of bad debt provision (-£0.010m), Facilities - increased trade refuse collection for schools (£0.011m) and other minor variances (£0.025m). Further Development & Resources minor variances amount to £0.005m.	0.031
• Minor changes of less than £25k	(0.001)
	(0.182)

Corporate Services

• Legal and Democratic Services - reduction in salaries pressure (£0.013m), other minor variances £0.008m.	(0.005)
• HR and Organisational Development - increase in loss of income from External Organisations in respect of Payroll provision £0.009m, other minor variances (£0.006m).	0.003
• ICT and Customer Services - additional vacancy savings (£0.033m), decrease in pressure relating to internal support services recharges (£0.028m), pressure in relation to the Print Rationalisation Project £0.032m, other minor variances (£0.004m).	(0.033)
• Finance - minor variances (£0.003m).	(0.003)
• Chief Executive's Department - minor variances (£0.008m).	(0.008)
	(0.046)

Central and Corporate

• Financing & Funding - Projected shortfall of £0.070m against the budgeted amount for "windfall income" which usually arises from successful VAT tribunal appeals and NDR revaluations - for which activity levels have dropped sharply in the current year. Increased income from write-back of un-presented cheques (-£0.007m)	0.063
• Corporate (Other) - A projected surplus of £0.027m from the phased funding strategy to address the Council's share of the Clwyd pension Fund deficit has resulted in an improvement of £0.042m (previously a deficit of £0.015m was projected). A projected surplus of £0.025m on the rebates from use of the Matrix framework for agency staff. Other minor variances of -£0.001m	(0.068)
• Central Loans & Investment Account (CLIA) - Reduction of £0.130m in the interest payable on variable rate market loans and other interest payable, reduced prudential borrowing costs £0.085m, offset by other minor variances of £0.012m.	(0.197)
• Minor changes of less than £25k	0.001
	(0.201)

Total changes

(1.127)

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2012/13 (Month 8)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Resources and Regulated Services (Intake and Reablement)	6.187	5.622	(0.565)	(0.528)	<p>Extra Care projected in year underspend on new scheme (£0.200m) due to timeframe for completion.</p> <p>In-house Domiciliary Care projected underspend of £0.322m due to reduced pay costs from changes to service delivery and greater use of reablement and independent sector care providers. The increase (£0.027m) from month 7 is mainly due to further reductions in projected pay and staff transport costs.</p> <p>Of the additional variance a projected underspend of £0.146m, an increase of £0.008m from month 7, relates to work which is yet to be undertaken to realign the budgets following the transport review (this cannot be undertaken until the outcomes of the current contract tendering process is known in January) and £0.050m to vacancies within Day Services. This is offset by a projected overspend within Professional Support (£0.155m), increased from month 7 (£0.003m) which will be addressed as part of TSSA realignment.</p>	The underspend against Extra Care is one-off and non recurring and has arisen due to delays in building works encountered by our partner. Keep under review pending completion of Transforming Social Services for Adults (TSSA) programme and realign budgets as appropriate.

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2012/13 (Month 8)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Reablement Service (Intake and Reablement)	0.370	0.271	(0.099)	(0.095)	Pay costs being suppressed due to the use of Homecare staff, vacant post and part year appointments (£0.067m) together with additional Health income (£0.029m) offset by various small overspends.	Keep under review pending completion of Transforming Social Services for Adults (TSSA) programme.

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2012/13 (Month 8)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Locality Teams (Localities)	16.489	16.541	0.052	0.174	<p>The significant variances lie within:</p> <p><u>Physical Disability Services</u></p> <ul style="list-style-type: none"> > Purchased Home Care - projected overspend (£0.139m) due to the impact of various care packages. > Purchased Residential Care is projected to underspend (£0.345m) which is an increase of £0.090m on month 7 due to two service users now fully Health funded as well as the death of three service users. > Minor Adaptations - projected to overspend by £0.097m reflecting the continuing demand within the service. <p><u>Older People Services</u></p> <ul style="list-style-type: none"> > Purchased Day Care is projecting to underspend by £0.089m due to a change in emphasis in delivering the service. > Reablement Service is projecting an overspend of £0.075m due to changes in service delivery following on from TSSA. > Purchased Home Care is projecting an overspend of £0.197m which reflects current care packages. > Purchased Residential Care is projecting a reduced overspend of £0.007m reflecting current service users. 	<p>Keep under review pending completion of Transforming Social Services for Adults (TSSA) programme. Following phase 1 of TSSA and during the detailed reorganisation of services, it has been decided that most of the PDSI elements included as part of the locality team budgets at the early stages of TSSA will form a separate line under the Disability Services Heading, with only the Occupational Therapy service remaining as part of the locality teams. This will be undertaken for 2013/14.</p>

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2012/13 (Month 8)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Ringfenced Budgets (Mental Health)	0.301	0.169	(0.132)	(0.119)	Reflects current care packages for 2012/13.	Keep under review - potential volatility due to changes in client numbers and demands at short notice from prison or courts. The possibility of re-aligning budget between the two services has been considered and dismissed for now as there are early indications of additional Mental Health clients although at this stage potential costs or start dates are unknown.
Ringfenced Budgets (Learning Disability)	0.466	0.587	0.121	0.144	This reflects the full year impact of a new service user that commenced during December 2011 together with some other changes to care packages.	
Good Health (Development & Resources)	0.980	1.111	0.131	0.136	The majority of the overspend (£0.104m) is mainly due to one-off redundancy related costs for two staff falling on the service following a restructure. These costs would usually be met Corporately but as the Directorate is underspending this year it was agreed that the costs would be met within the Service.	Not recurring.
Business Services - Income (Development & Resources)	(1.511)	(1.461)	0.050	0.050	Following a recommendation from Corporate Debt Recovery an additional £0.050m has been added to the total provision for bad or doubtful debts.	

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2012/13 (Month 8)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Family Placement (Children's Services)	1.832	2.147	0.315	0.319	The overspend is mainly as a result of an increase in the number of foster care placements within the service. It is also due to the increasing number of court orders for Residence and Special Guardianship orders which invariably attract an ongoing allowance for the carers.	A review of the Family Placement Team has commenced the outcome of which will inform future planning and possible efficiencies.

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2012/13 (Month 8)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Family Support (Children's Services)	0.341	0.294	(0.047)	(0.056)	The underspend in this service is mostly due to a reduction in the use of sessional staff following an embargo and a review of thresholds. The use of sessional staff can fluctuate monthly depending on caseloads, especially for child protection and court ordered supervised contact.	As the spend in this Service is very dependant on caseload continue to keep under review.
Other Residential (Children Services)	0.526	0.466	(0.060)	(0.060)	The projected underspend relates to the opening of Arosfa being later than anticipated.	Keep under review due to the potential for additional costs relating to transport charges.

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2012/13 (Month 8)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Professional Support (Children's Services)	5.374	5.585	0.211	0.169	Comprises Fieldwork, Resources, Children's Integrated Disability Service (CIDS) and General. Fieldwork overspending (£0.356m) due to the Children and Young Adolescent Support team (£0.345m) - client payments (£0.217m), staff pay costs (£0.115m) increased £0.019m from month 7; client payments includes the costs for two high cost individuals (£0.120m). Resources is underspending (£0.034m) due to staff costs within Family Placement Team (£0.037m); other under and overs spends within the service offset each other. CIDS overspend (£0.063m) mainly due to increased use of direct payments leading to an overspend of £0.095m offset by underspends on staff (£0.020m) and transfer payments (£0.010m). General is projected to underspend (£0.174m) due to legal/court costs (£0.046m) reduced by £0.008m from month 7, transport costs (£0.021m), pay costs are now on budget following a reduction (£0.025m) from month 7; Children First underspend (£0.085m) and Corporate Parenting (£0.020m).	Keep under review. The Head of Service (Children) has instigated a review into the specifics around these two service users. Due to the overspend within Children Services spending is kept to a minimum where possible.

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2012/13 (Month 8)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Out of County Pooled Budget (Children's Services)	3.711	2.936	(0.775)	(0.261)	Costs reflect existing placements up until March 2013. This reflects known reductions in payments to providers following re-negotiation of contracts. The movement since month 7 reflect seven placements ended (£0.313m), three now placed with FCC foster carers (£0.252m) and one placement with a changed care package leading to a reduction in costs £0.055m). These are offset by increase in the costs of other care packages (£0.106m).	<p>The focus of high cost placements is now a North Wales project and will continued to be reviewed. The in house project requires sign off by the two directors at the next meeting.</p> <p>The impact of these changes on the Children Services Fostering and Leaving Care budgets has not yet been quantified. Further details are awaited.</p>
Ring-fenced Budget (Housing Services)	0.377	0.321	(0.056)	(0.058)	This reflects current projection of the anticipated demand on the service this financial year.	Keep under review. One off and non recurring due to anticipated rise in presentations in 13/14 due to Welfare Reform impact and projections that the full budget will be required for further temporary accomodation units in the future.
Homelessness (Housing Services)	0.488	0.426	(0.062)	(0.051)	This reflects current projection of the anticipated demand on the service this financial year.	

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2012/13 (Month 8)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Resident Wardens (Housing Services)	1.236	1.125	(0.111)	(0.102)	Budget based on restructure. Variance relates to vacancies within the new structure yet to be implemented.	Restructure approval required.
Other variances (aggregate)	21.213	21.086	(0.127)	(0.086)	Various minor variances.	Continue to review but not expected to be recurrent.
Total :	58.380	57.226	(1.154)	(0.424)		

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Budget Monitoring 2012/13 (Month 8)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Period 7 (£m)	Cause of Variance	Action Required
Industrial Units	(1.479)	(1.415)	0.064	0.058	Shortfall of Industrial Unit Rental Income, due in the main to Gaz de France decommissioning the Shotton Power Station site. Income shortfalls are partly mitigated by savings in vacant posts at Deeside Enterprise Centre.	Keep Unit rental income closely monitored throughout the year
Property Holdings	0.090	0.038	(0.052)	(0.048)	Ty'r Binwydden has budget provision for £21k but is no longer an active site. However, there is the potential for additional expenditure on vacant property which could offset this underspend as well as dilapidation Costs at Warren Hall.	Review of site budgets necessary in line with asset management programme
Property Asset & Development	0.530	0.478	(0.052)	(0.045)	Net Vacancy Savings. At Period 8, additional income from Right to Buy Valuations has been received.	
Car Parks	0.025	0.058	0.033	0.036	Car Park income shortfall at Holywell and Mold partially offset by a reduced maintenance programme	
Highways Maintenance	2.710	2.758	0.048	0.040	Cost associated with attending flooding events following substantial rainfall at various times since July.	

Budget Monitoring 2012/13 (Month 8)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Period 7 (£m)	Cause of Variance	Action Required
Waste Disposal & Waste Collection	9.117	9.365	0.248	0.228	The additional overtime costs to operatives (pre part 3 agreement) for the revised service, together with agency costs and ongoing costs of staff backfilling due to the investigation within Waste is now estimated at £260k. Additional vehicle requirements ahead of the phased roll out of the full Saturday collection service are likely to be in the region of £140k. However, these costs are mitigated by £300k due to the increased recycling levels from the implementation of Managed Weekly Collections which not only reduces landfill and tipping charges but increases the level of recycling income. In addition, the energy generation from Gas at the landfill sites has been affected by problems with the performance of the Gas Engines at both landfill sites in producing the energy and is estimated to result in a £145k shortfall against the income target.	Keep tonnage levels closely monitored to establish if further savings can be achieved to further mitigate the costs.
Fleet Services	(0.026)	(0.064)	(0.038)	(0.036)	Outturn based on actual recharges to date projected to financial year end with these charges also reflected in all Environment client budgets.	

Budget Monitoring 2012/13 (Month 8)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Period 7 (£m)	Cause of Variance	Action Required
Planning Control	0.367	0.402	0.035	0.035	The costs associated with Planning enforcement activities e.g. specialist advice and legal fees have been offset by improved Planning fee income since Period 7 due to the receipt of Northern Gateway and Croes Atti related fees.	Partially offset by salary savings within the Planning service
Service Development & Support	0.236	0.216	(0.020)	(0.018)	Part time salary savings	
Management Support & Performance	1.164	1.049	(0.115)	(0.111)	Vacancy Savings relating to 5 posts (2 x Sc4, Sc6, SO1 & M6) ahead of Service Review implementation offset by the cost of Modern Apprentices from September 2012.	Provision will be made within Service budgets for the Modern Apprentice costs in 2013/14.
Public Protection	3.543	3.329	(0.214)	(0.228)	Vacancy Savings totalling £230k (3 x EHO 2 x EO 1 x Admin) ahead of the Service Review being implemented, offset by income shortfalls in Pollution Control.	
Markets	(0.099)	(0.086)	0.013	0.003	Rental shortfalls from outdoor pitches & car boots due to poor weather conditions have reduced income further at Period 8.	
Other variances (aggregate)	16.303	16.264	(0.039)	(0.035)	A number of variances of no more than £0.038m individually.	
Total :	32.481	32.392	(0.089)	(0.121)		

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Budget Monitoring 2012/13 (Month 8)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Out of County	2.659	2.117	(0.542)	(0.306)	Following a request from the Out of County Management Board one high cost placement has been heavily reduced with the continued involvement of Commercial and Clinical Solutions. Since month 7, 4 placements have ended, and the cost of 2 placements has been reduced.	
Libraries, Culture and Heritage	2.878	2.848	(0.030)	(0.047)	There has been an in year adjustment to the book fund to address the Directorate budget overspend.	
Leisure Services	4.042	4.706	0.664	0.658	<p>Leisure (pressure of £0.664m) There are a number of historic budget issues which also adversely effected the Leisure outturn position in 11/12.</p> <p>In line with the national picture, income from ice skating at Deeside Leisure Centre has reduced by £0.173m over the last 4 years, this is despite inflationary increases in admission prices and promotions.</p> <p>Three posts within Leisure Services are unbudgeted due to timing delays caused between the Leisure Services Restructure and the JEQ results, this amounts to £0.120m including on-costs.</p>	<p>A tariff review is being undertaken across the whole of Leisure Services.</p> <p>Work is being conducted to review operational efficiency and performance at all facilities.</p> <p>Following receipt of JEQ results: Analysis of affordability of proposed new staffing structures.</p> <p>Revisit organisational design principles.</p>

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
					The following pressures have been identified during 2012/13:	
					<p>The relocation of Leisure Services Staff to Deeside has assisted in making a significant saving from relocation (vacating Connah's Quay offices). However, this has increased occupancy costs for Leisure Services for cleaning, maintenance, mileage, telephones etc by £0.025m which is unfunded.</p> <p>A review of music licensing has identified additional liabilities resulting in a cost increase of £0.037m.</p> <p>Leisure centre income figures have not met those anticipated by the Alliance Business Plan. Future income projections are now based on actual income to date allowing for continued increases each month as facilities become more popular.</p>	<p>The in year recharges for these services are to be revisited and recharged accordingly.</p> <p>A budget pressure bid for this has been submitted for 2013/14.</p> <p>New processes for authorising expenditure have been implemented. Income figures will continue to be monitored closely. We are also hoping to implement P2P earlier than anticipated to introduce more controls on expenditure for 2013/14.</p>
Delegated Schools Budgets	77.523	77.523	0.000	0.000		

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
School Improvement Service	10.703	10.747	0.044	0.044	<p>Early Years Efficiencies of £0.066m have been secured to assist the overall in year position including photocopying, travel and catering. The realignment of sustainability funding has resulted in fewer requests for emergency funding from nurseries and playgroups.</p> <p>SLAs Following an instruction from the Director at month 5, budget holders have taken a number of measures to reduce expenditure in areas where schools have not taken up SLAs.</p> <p>School Improvement Service A number of minor efficiencies equating to £0.119m in total are projected. These relate to influencable expenditure on supplies and ICT and to recharges for staff seconded to the Welsh Government and RSEIS.</p> <p>Music Services Music Services are forecasting an overspend of £0.102m based on current levels of income and expenditure. A project group has been established to review the music service.</p>	<p>Work is currently being undertaken to re-draft SLAs for the beginning of the new financial year.</p> <p>The Music Services project group has recently been established with a key aim of minimising the in-year overspend and developing a sustainable financial and operational model for the service moving forward into 2013/14.</p>

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
					<p>ICT Unit The ICT Unit has managed to reduce expenditure on a one-off basis by £0.024m to assist in reducing the Directorate overspend.</p>	
Development & Resources	12.141	12.645	0.504	0.473	<p>Service Units (pressure of £0.208m) A pressure of £0.229m is currently anticipated on pupil benefits (free school meals and remissions) because of changes in the economic climate. A minor reduction in other projected expenditure of £0.021m has also been made.</p> <p>Facility Services - pressure of £0.349m The Catering Service is developing radical proposals to modernise via projects such as on-line payments for parents, rebranding, targeting increased take-up strategies, improved/themed menu's, cost reduction/procurement. The draft APSE review has been used to form the basis of this strategy.</p> <p>The Cleaning Service is unable to recover the surplus generated from the Law Courts contract and some other smaller sites. A large income target still exists which is unattainable with a lower level of cleaning activity taking place.</p> <p>Youth Service The Youth Service has reduced projected expenditure across all areas by £0.035m.</p>	<p>Both elements of the budget are being carefully monitored and pressure bids have been submitted as part of the 2013/14 budget process.</p> <p>Service needs to continue to implement the agreed strategy for efficiencies.</p> <p>This is the subject of management action and service redesign and a budget pressure bid for 2013/14.</p>

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
					Management & General Admin There have been a number of minor reductions in projected expenditure in Management & General Admin. These equate to £0.018m .	
					The Development & Resources budget has increased by £0.266m since month 6. This relates to the non standard inflation allocation for energy budgets. The Directorate is currently reviewing all energy budgets and will allocate the additional budget across the relevant services during period 8.	
Total :	109.946	110.586	0.640	0.822		

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CORPORATE SERVICES

APPENDIX 5

Budget Monitoring 2012/13 (Month 8)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Chief Executive	2.346	2.331	(0.015)	(0.007)	(£0.016m) vacancy savings. £0.014m pressure relating to a voluntary sector contribution towards Dangerpoint. (£0.013m) other minor variances.	
Finance	4.351	4.756	0.405	0.408	Management and Secretariat (£0.010m) underspend made up of: (£0.010m) various minor variances.	
					Corporate Finance (£0.022m) underspend made up of: (£0.022m) net vacancy savings relating to the Corporate Finance Review.	

Budget Monitoring 2012/13 (Month 8)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
					<p>Revenues & Benefits £0.402m overspend made up of: £0.028m pressure relating to the Royal Mail price increases of 39% in April 2012. £0.269m pressure relating to workforce costs in Revenues & Benefits because of additional work in preparation for Welfare Reform and the new Council Tax Support Scheme. £0.065m pressure relating to a benefits system software upgrade. £0.025m investment in Agile Working (Revs & Bens). £0.015m other minor variances.</p>	Finance to investigate alternatives to Royal Mail. The additional workforce costs relating to welfare reform are one-off and will be reduced where possible.
					<p>Internal Audit £0.035m overspend made up of: £0.042m pressure relating to additional audit days. (£0.007m) reduction in non committed expenditure to mitigate pressure.</p>	

Budget Monitoring 2012/13 (Month 8)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Legal & Democratic Services	3.341	3.232	(0.109)	(0.104)	<p>£0.010m pressure translation of Constitution.</p> <p>(£0.118m) Members Special Responsibility Allowances.</p> <p>£0.040m Salary changes.</p> <p>(£0.041m) other minor variances.</p>	
Human Resources & Organisational Development	2.195	2.260	0.065	0.062	<p>£0.051m pressure CRB checks.</p> <p>£0.014m pressure Corporate Training.</p> <p>£0.040m loss of income from external organisations.</p> <p>(£0.047m) Vacancy Savings.</p> <p>£0.007m other minor variances.</p>	<p>A budget pressure for CRB checks has been submitted as part of the 2013/14 budget process.</p> <p>Request to carry forward £170k Modern Trainee budget which will be required in 2013/14.</p>

Budget Monitoring 2012/13 (Month 8)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
ICT & Customer Services	5.412	5.390	(0.022)	0.011	<p>£0.006m pressure relating to the final Design & Print costs.</p> <p>£0.032m pressure in relation to the Print Rationalisation Project.</p> <p>(£0.067m) vacancy savings relating to ongoing service reviews.</p> <p>£0.037m pressure relating to internal admin support recharges.</p> <p>(£0.024m) efficiency in relation to additional registrars income.</p> <p>(£0.006m) other minor variances.</p>	<p>Request to carry forward : £46k for Event and Log Management (project delay). £46k for remaining 20 % of Civica EDRMS contract as milestones have yet to be achieved.</p> <p>£359k for PSBA (project delay to ensure benefits from advances in broadband technologies are maximised).</p>
Total :	17.645	17.969	0.324	0.370		

Budget Monitoring 2012/13 (Month 8)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Financing & Funding (insurance, banking etc.)	2.365	2.307	(0.058)	(0.121)	There is additional windfall income of £0.081m, which takes account of the recent settlement by Welsh Government of the Council's claim for additional costs for staff time incurred on the Housing stock transfer consultation/ballot project. Windfall income levels will be monitored closely and reported on in future monitoring reports.	Levels of unbudgeted income will continue to be monitored closely and reported on in future monitoring reports.
					A saving of £0.061m has been identified due to a budget provision within an insurance fund (relating to a potential liability for historic asbestos issues) which is now not required	
					Additional windfall income of £0.090m had previously been anticipated in respect of settlement of an outstanding claim re. overpayment of VAT due to the impact of legal challenges to custom and practice elsewhere. A recent Tribunal decision found in favour of HMRC in respect of one of the outstanding cases, although it is considered that there are grounds for appeal. This remains one of several ongoing cases which may bring additional "windfall" income to the Council in the future, although it is now considered less likely that it will be in the current financial year.	A number of outstanding VAT claims which may result in "windfall" income will be kept under review pending legal determinations and possible appeals.

Budget Monitoring 2012/13 (Month 8)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
					<p>The base budget provides for additional windfall income of £0.152m. The amount received to date suggests that we there will be a shortfall of £0.070m against this sum. One of the reasons for this is the levels of successful appeals against NDR valuations has reduced sharply in the current year with a consequent impact on the retrospective rebates of NDR in respect of Council properties.</p> <p>An overspend on additional superannuation costs of £0.044m in respect of added years granted to former employees early retirements prior to the 1996 Local Government reorganisation.</p> <p>A decrease in other miscellaneous Expenditure of £0.030m.</p>	
Corporate - other	2.846	2.626	(0.220)	(0.152)	<p>An overspend of £0.079m against the regional transformation fund following external audit requirements of the lead authority (Conwy CBC) on accounting treatment of balances.</p> <p>A small surplus of £0.027m from the phased funding strategy to address the Council's share of the Clwyd Pension Fund deficit following the 2010 actuarial valuation.</p>	<p>This is a one-off budget pressure in 12/13. Notification by Conwy of the change in treatment was not received until after the 12/13 budget was approved.</p>

Budget Monitoring 2012/13 (Month 8)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
					An underspend of £0.240m resulting from salary budget efficiencies previously achieved following historic service reviews	
					A surplus of £0.025m on the rebates recovered from use of the Matrix framework for procurement of agency employees.	
					Other minor variances amounting to a net underspend of £0.007m.	
Central Loans & Investment Account	14.200	13.869	(0.331)	(0.134)	Increased interest received on temporary investments £0.060m, increased internal interest received on prudential borrowing £0.025m, increase in other internal interest £0.005m Reduction in interest payable on variable rate market loans and internal interest payable £0.176m, reduction in Minimum Revenue provision (MRP) £0.013m, reduction in prudential borrowing costs £0.052m	
Central Service Recharges	(2.054)	(1.776)	0.278	0.277	Shortfall of £0.192m of internal income recovered from trading accounts and the HRA, plus £0.085m impact of review of internal recharges from Service Level Agreements.	Support Service basis and allocations are currently being reviewed as part of the Finance Workstream of Flintshire Futures.
Other variances - aggregate	6.869	6.868	(0.001)	(0.001)		
Total :	24.226	23.894	(0.332)	(0.131)		

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Movements on Council Fund Unearmarked Reserves

	£m	£m
Total Reserves as at 1 April 2012	9.029	
Less - Base Level (inclusive of increase of £0.088m agreed as part of the 2012/13 budget)	<u>(5.564)</u>	
Total Reserves above base level		3.465
Less amount approved in 2011/12 as being ringfenced for Investment in Change	(1.500)	
Less allocation from contingency reserve to meet one-off / time limited costs in 2012/13 (approved in 2012/13 budget and allowed for in calculation of 2011/12 final outturn on contingency reserve)	(0.973)	
Less allocation from contingency reserve as a one-off investment to support the new Leisure facilities in their first year of operation (approved in Month 3 report)	(0.361)	
Plus release of an amount previously earmarked for a specific purpose (no longer needed due to receipt of a capital grant)	<u>0.025</u>	
Amount available for delegation to Cabinet		0.656
Add Projected underspend as at 31 st March 2013	<u>0.611</u>	
Projected Level of Total Contingency Reserve as at 31st March 2013		1.267

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Budget Monitoring 2012/13 (Month 8)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Finance and Support	2.506	2.272	(0.234)	(0.234)	Support recharges revised downwards to reflect 2011/12 costs. Vacancy savings.	Work is ongoing to progress accuracy and timeliness of the HRA support recharges.
Rents	(25.560)	(25.588)	(0.028)	(0.028)	Variance based on 14 more properties than anticipated at budget	
Other variances (aggregate)	23.841	23.702	(0.139)	(0.139)		
Total :	0.787	0.386	(0.401)	(0.401)		

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **TUESDAY, 19 FEBRUARY 2013**

REPORT BY: **HEAD OF FINANCE**

SUBJECT: **MUNICIPAL MUTUAL INSURANCE - TRIGGER OF
SCHEME OF ARRANGEMENT**

1.00 PURPOSE OF REPORT

1.01 To advise members of the significant financial risk associated with the trigger of the Scheme of Arrangement by Municipal Mutual Insurance (MMI)

2.00 BACKGROUND

2.01 In September, 1992 MMI ceased to underwrite new business or renew existing insurance policies. At that time MMI was the principal insurer of 90 to 95% of all local authorities in the UK.

2.02 In order to protect the interests of local authorities and allow MMI to continue to pay claims and achieve a successful run off of the company's liabilities a Scheme of Arrangement was proposed under Section 425 of the Companies Act 1985. The Scheme of Arrangement was subsequently agreed at a meeting of scheme creditors in January, 1994 and became binding on all creditors.

2.03 During the initial scheme period (prior to any trigger event) all liabilities of MMI will continue to be paid in full as and when they fall due. All new insurance claims reported which relate to when MMI were on cover will also continue to be dealt with and where appropriate paid in full.

2.04 A trigger event will occur when the Directors give written notice to the Scheme administrator that they have concluded that there is no reasonable prospect that MMI will avoid going into insolvent liquidation.

2.05 If a trigger event occurs a levy may be imposed on all scheme creditors which since 30 September, 1993 have been paid in excess of £50,000. No levy will be imposed on any scheme creditor in respect of the first £50,000 paid. The raising of a percentage levy will enable MMI to claw back sufficient funds to maintain a solvent run off of the company. However, once a levy has been imposed later payments of claims will be made at a reduced rate.

2.06 The Board of Directors of MMI announced on 13th November 2012 that they had decided to trigger the Scheme of Arrangement due to the fact that there was no other alternative to insolvent liquidation than to take such a decision. From this date, control of MMI passed to the Scheme Administrator, Ernst & Young LLP, who will undertake a financial review of the company and consider the extent to which any levy is to be imposed on scheme creditors.

3.00 CONSIDERATIONS

3.01 Although MMI is now in its 20th run off year, the company continues to receive large numbers of claims particularly in respect of abuse claims, asbestosis, deafness and mesothelioma (a fatal lung condition caused through inhalation of asbestos dust).

3.02 Mesothelioma takes on average between 30 and 40 years for the symptoms to manifest. MMI has been a party to a series of test cases since 2006 designed to create certainty as to which insurer should respond to long tail occupational disease claims where there is difficulty in determining when the injury arises.

3.03 The litigation process finally ended on 28th March 2012 with a ruling by the Supreme Court that MMI as insurer on risk at the time of the original exposure to asbestos dust should deal with current mesothelioma claims. Mesothelioma claims account for 76% of MMI's total liabilities with many new cases likely to be in the pipeline and effectively it is likely that it was this issue alone that necessitated the need to trigger the Scheme of Arrangement.

3.04 The extent of the levy to be imposed and when any payment will fall due is still to be determined. However, most experts believe this will be in the region of 15 to 25% based on MMI's latest set of published accounts which show that liabilities currently exceed assets by 21%. For the former Clwyd County Council this would equate to a potential levy in the range £1.5m to £2.5m which will need to be shared by all the new unitary authorities.

3.05 Discussions are underway with colleagues in affected authorities with a view to agreeing a fair and appropriate way to share the liability. However, one option is that the principle established under the Section 56 agreement (see below) could be adopted in order to share the cost.

3.06 In 1992 the former Clwyd County Council faced with having to make alternative insurance arrangements and risk strategies established the Clwyd Internal Insurance Fund which was used to fund the payment of large deductibles under its Liability and Property insurance policies. On LGR in 1996 an agreement under Section 56 of the Local Government Reorganisation (Wales) Act was made in which it was

agreed that Flintshire would undertake the administration of the Fund and aim to achieve a solvent run off.

- 3.07 It was also agreed that in the event of a shortfall the deficit would be shared between the successor authorities on the basis of population as at 31 March, 1996. Similarly it was agreed that any surplus would be disaggregated between the successor authorities also on the basis of population. Since 1996 the Section 56 agreement has been invoked on two occasions both with regard to a disaggregation of surplus funds and latterly a call for additional funds due to unexpected levels of further claims.
- 3.08 If this basis were to be agreed with other authorities the potential levy for the Council is estimated to be in the range of £0.577m (15%) to £0.962m (25%). This includes potential liability that has also been identified in respect of the former district council's of Delyn (£0.033m - £0.054m) and Alyn & Deeside (£0.014m - £0.023m) which will also fall due on the Council.
- 3.09 Although neither the amount of levy nor the timing are known at this stage, Accounts and Audit Regulations stipulate that adequate provision needs to be made in the 2012/13 accounts. The 2011/12 accounts included a Contingent Liability as at that stage full details were not known. In view of the uncertainty around the amount it is considered prudent to provide for the mid range of potential liability, being £0.770m. It is recommended therefore that an allocation of £0.770m is approved from the contingency reserve in 2012/13 and set aside for this purpose.
- 3.10 There also exists the potential for further calls on scheme members in future years as MMI's exposure to future claims is translated into actual reported claims which will need to be monitored closely.

4.00 RECOMMENDATIONS

- 4.01 Members are requested to:-
- a) Note the significant financial risks associated with the trigger of the Scheme of Arrangement by MMI.
 - b) Approve an allocation of £0.770m from the contingency reserve to provide for the estimated future costs arising from the levy.

5.00 FINANCIAL IMPLICATIONS

- 5.01 The potential levy is estimated to be in the range £0.577m - £0.962m for Flintshire with a recommendation to provide for a mid range figure of £0.770m by way of an allocation from the Contingency Reserve.

6.00 ANTI POVERTY IMPACT

6.01 None.

7.00 ENVIRONMENTAL IMPACT

7.01 None.

8.00 EQUALITIES IMPACT

8.01 None.

9.00 PERSONNEL IMPLICATIONS

9.01 None.

10.00 CONSULTATION REQUIRED

10.01 None.

11.00 CONSULTATION UNDERTAKEN

11.01 None.

12.00 APPENDICES

12.01 None.

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

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **TUESDAY, 19TH FEBRUARY 2013**

REPORT BY: **DIRECTOR OF LIFELONG LEARNING**

SUBJECT: **SCHOOL FUNDING FORMULA REVIEW UPDATE**

1.00 PURPOSE OF REPORT

1.01 The purpose of the report is to update Cabinet on the progress of the school funding formula review and to present the revised project timeline.

2.00 BACKGROUND

2.01 Members will be aware that a fundamental review of the Schools Funding Formula is underway and recall that the outcome of the detailed analysis undertaken to date was reported to the December meeting of Cabinet. The objective at the outset of the project was to have delivered a revised funding formula for application to 2013/14 school budgets.

2.02 The Specialist Schools Formula Review has been completed and a pressure bid of £250k put forward as part of the 2013/14 budget cycle to enable the revised formula to be implemented. This investment in the schools will support enhanced staffing levels to meet children and young people's complex needs.

2.03 Significant progress has been made in reviewing the formula for Primary and Secondary schools. The analysis at this time is incomplete but has highlighted some key issues relating to the funding levels in school budgets. In particular, the modeling on primary school budgets shows a significant funding gap between funding allocated and identified needs which will need to be more fully understood and considered within the context of the Authority's medium term financial strategy.

2.04 At the November Schools Budget Forum, members of the Forum confirmed that they were supportive of the review project but would prefer to delay implementation until 2014/15 which would allow for a full analysis and a meaningful consultation with schools.

2.05 Following the School Budget Forum discussions were held with the Chief Executive, Head of Finance and the Leader on the outcome of the analysis to date and the key issues arising. It was agreed that given the importance of the project to the Authority a proposal should be taken forward to the Project Board to work towards implementation of a new formula for primary and secondary schools in 2014/15 schools budgets. This will allow for a full and complete analysis on the impact of any changes to the formula on both schools and the Authority prior to implementation. The December meeting of the Project Board agreed and welcomed this proposal.

2.06 The revised project timetable is attached at Appendix 1. The intention is to complete the review by the end of June, with the proposals on the new formula to be issued to schools and other stakeholders for consultation during July to September. The consultation period was agreed at the Project Board.

3.00 CONSIDERATIONS

3.01 The revision to the project timeline for the Funding Formula review will allow ample time to complete the analysis, model the impacts on the medium term financial strategy and consult on proposals with schools and other stakeholders.

4.00 RECOMMENDATIONS

4.01 Cabinet members are asked to endorse the change in project timeline for the Schools Funding Formula review.

5.00 FINANCIAL IMPLICATIONS

5.01 The application of a new formula could result in a redistribution of funding across schools. Transition arrangements will need to be considered to minimise the impact on schools.

6.00 ANTI POVERTY IMPACT

6.02 The equitable distribution of funding across schools will help to reduce the impact of poverty on educational attainment.

7.00 ENVIRONMENTAL IMPACT

7.01 There are no identified environmental impacts.

8.00 EQUALITIES IMPACT

8.01 The formula will aim to ensure that all children have equal access to education.

9.00 PERSONNEL IMPLICATIONS

9.01 Redistribution of funding across schools could result in redundancies/redeployment of staff from individual schools.

10.00 CONSULTATION REQUIRED

10.01 Consultation with schools, unions, members, Schools Budget Forum.

11.00 CONSULTATION UNDERTAKEN

11.01 Schools, unions, Schools Budget Forum

12.00 APPENDICES

Appendix 1: Project Timeline

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

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Schools Funding Formula Review

Summary Project Plan

Ref	Project Stage	#####	Jan-13	Feb-13	Mar-13	Apr-13	May-13	#####	Jul-13	#####	Sep-13	Oct-13	Nov-13	#####	Jan-14	Feb-14	Action
1	Newsletter out to schools outlining progress and plans.																
2	Project Board	18/12															
3	Primary Project Team Meetings																To make recommendations to Project Board
4	Secondary Project Team Meetings																To make recommendations to Project Board
5	Specialist Project Team Meetings																To make recommendations to Project Board
6	Schools Budget Forum		31/1		21/3			27/6			26/9			12/12		6/7	
7	Cabinet Report					9/4		18/6						TBA			
8	Scrutiny Report					25/4			11/7					TBA			
9	Flintshire Governors Association																Date to be agreed.
10	Member briefings																
11	Consultation on final proposals																
12	Review of final proposals and consultation responses.																
13	Final recommendations																

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **TUESDAY, 19TH FEBRUARY 2013**

REPORT BY: **DIRECTOR OF LIFELONG LEARNING**

SUBJECT: **CONSULTATION ON THE FUTURE OF
POST-16 PROVISION**

1.00 PURPOSE OF REPORT

1.01 To seek the approval of the Cabinet to commence the process of consultation relating to post-16 provision in the Flint and Saltney areas.

2.00 BACKGROUND

2.01 Following development work involving Secondary Headteachers, College Leaders across Flintshire and consultation with learners, the Council approved a Strategic Outline Case in July 2010 which detailed options for the future development of post-16 provision in Flintshire. The Strategic Outline Case had previously been presented to Lifelong Learning Overview and Scrutiny Committee by Headteachers. It was subsequently supported by the Welsh Government.

2.02 The Welsh Government has set out its ambitions for transformation of provision and outcomes in post-16 education. The Welsh Government and Estyn have both set out their expectations that Flintshire should be more ambitious in addressing inefficient post-16 provision in order to improve resilience and outcomes for learners.

2.03 Secondary Schools in Flintshire vary significantly in the size of sixth form provision. Whilst the Alun School in Mold has the largest sixth form in Flintshire, and one of the largest in Wales, some others such as Holywell High School, Flint High School, St. Richard Gwyn Catholic High School, John Summers High School, Elfed High School Buckley and St. David's Saltney have relatively small sixth forms with varying degrees of viability and sustainability.

2.04 The Learning and Skills (Wales) Measure 2009 requires that learners registered with a provider are offered a minimum choice of 30 subjects, five of which must be vocational. This is a major challenge for schools and only the largest sixth forms can draw sufficient funding through the post-16 funding mechanism in order to pay for the range of staff and resources needed for the required offer on-site.

- 2.05 Schools have met the requirements of the measure through various methods of collaboration including the establishment of a consortium involving schools and Deeside College. However, most models of collaborative working do mean a significant element of transport for learners to access various parts of the curriculum at different sites. This process is disruptive to learners, unsustainable in terms of cost and does not provide the best in learning environments.
- 2.06 The Strategic Outline Case report was compiled with contributions from Headteacher representatives from all Flintshire High Schools, and also representation from Deeside College. The agreed preferred option was to concentrate most provision for North Flintshire in a sixth form centre at Connah's Quay and to establish other recognised 'hubs' for post 16 provision. These were envisaged at the existing Castell Alun High School/Hawarden High School and The Alun High School in Mold. Welsh Medium would be offered through Ysgol Maes Garmon working in partnership with other North East Wales schools and Deeside College.
- 2.07 Consultations have taken place regarding the reduction of surplus places and/or the reorganisation of post-16 provision at the following schools, Holywell High School, Connah's Quay High School, John Summers High School and Elfed High School. However, the remaining schools with relatively small sixth forms also require consultations regarding their post -16 provision.
- 2.08 It is proposed that in order to complete the process of consultations on post 16 provision in the North Flintshire area, that a series of consultation meetings are held at Flint High School, St. Richard Gwyn High School and St. David's High School.
- 2.09 It is important that the process of consultation is entered into in a spirit of partnership and openness. The Local Authority welcomes views from schools and communities on how the agreed principles from the Strategic Outline Case may best be secured.

3.00 CONSIDERATIONS

- 3.01 The Welsh Government has approved in principle the granting of £32m towards the cost of a major renewal and refurbishment programme from the 21st Century Schools programme, with the proviso that the reorganisations will reduce substantially the percentage of surplus places and also achieve a rationalisation of the post-16 provision. The Council is charged with match funding the remaining 50%, with the exception of the proposed post-16 centre at Connah's Quay which will be 25% funded by Deeside College.

4.00 RECOMMENDATIONS

4.01 That the Cabinet approves the commencement of consultations with the relevant schools in relation to sustainability of post 16 provision and opportunities to reduce inefficiencies in accordance with the requirements of the 21st Century Schools Programme and the agreed Strategic Outline Case.

5.00 FINANCIAL IMPLICATIONS

5.01 There are no financial implications as a result of this report as the report commissions consultation with school communities.

6.00 ANTI POVERTY IMPACT

6.01 There is no impact as a result of this report.

7.00 ENVIRONMENTAL IMPACT

7.01 There is no impact as a result of this report.

8.00 EQUALITIES IMPACT

8.01 There will be no impact arising as a result of the decision to hold local consultations.

9.00 PERSONNEL IMPLICATIONS

9.01 There is no impact as a result of this report

10.00 CONSULTATION REQUIRED

10.01 Consultations will be undertaken in accordance with Welsh Government statutory guidance.

11.00 CONSULTATION UNDERTAKEN

11.01 Consultation has been undertaken in the areas surrounding all secondary schools with more than 25% surplus places in Flintshire.

12.00 APPENDICES

None.

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985 BACKGROUND DOCUMENTS

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **TUESDAY, 19 FEBRUARY 2013**

REPORT BY: **DIRECTOR OF LIFELONG LEARNING**

SUBJECT: **SCHOOL ADMISSION ARRANGEMENTS 2014**

1.00 PURPOSE OF REPORT

1.01 To advise members of the outcome of the statutory consultation exercise on the admission arrangements for September 2014 and to recommend approval.

2.00 BACKGROUND

2.01 Members will be aware that the local authority is required each year to undertake a statutory consultation exercise on its admission arrangements for the following year. For September 2014, the authority must have determined its arrangements by 15 April 2013 and the consultation must be concluded by 1 March 2013. Statutory consultees are the governing bodies of all schools, admission authorities for all other maintained schools in the area, the diocesan authorities and neighbouring authorities.

2.02 Consultation must cover the full admission arrangements, including the admissions policy, oversubscription criteria, the timetable for admissions and the Admission Numbers for each school. This information is attached as Appendices 1 and 2.

3.00 CONSIDERATIONS

3.01 The current admission arrangements have been in place since 2003 and the vast majority of parental preferences (98%) continue to be met in Flintshire. The number of admission appeals, while remaining relatively low, is increasing steadily. In the 2011/12 academic year, there were 66 appeals in total, 41 in the secondary sector and 39 in primary. As anticipated, the total number of appeals to date in the current academic year shows a continued increase, standing at 79 so far. Whilst appeals in the secondary sector have decreased, the number in the primary sector has increased and accounts for 67 of the total so far. This is due largely to oversubscription at Reception stage in certain areas of the County, including Hawarden, Buckley, Holywell/Bagillt and Connah's Quay.

- 3.02 There are no changes proposed to the current admissions policy or oversubscription criteria. However, the opportunity has been taken to clarify the first oversubscription criterion which currently includes “pupils with a statement of special educational needs which includes a named school”. Pupils with a statement naming a specific school must be admitted to the school so it is unnecessary to include this wording. In addition, Information about how the local authority will deal with applications for places from multiple birth children (twins, triplets, etc) when prioritising places has been included, based on the principle of not wishing to split such children. Under the “sibling” rule, such children will be treated as a priority.
- 3.03 The admissions timetable has been drawn up in consultation with neighbouring authorities and takes in to account factors such as allowing parents sufficient time to visit schools and express their preferences, the time needed to process applications, chase up late applications, etc. The timetable does not differ significantly from last year's.
- 3.04 There are no changes proposed to any schools' Admission Numbers (the Admission Number being the maximum number of pupils that should be admitted to an individual year group).
- 3.05 The consultation exercise was carried out between 11 December 2012 and 18 January 2013. No comments were received.

4.00 RECOMMENDATIONS

- 4.01 That the proposed admission arrangements for 2014/15 be approved.

5.00 FINANCIAL IMPLICATIONS

- 5.01 There are no direct financial implications arising from this report.

6.00 ANTI POVERTY IMPACT

- 6.01 None

7.00 ENVIRONMENTAL IMPACT

- 7.01 The capacity assessments for schools ensure that the use of teaching space and other rooms is accurately and consistently calculated and provide useful information relating to surplus spaces or oversubscription.

8.00 EQUALITIES IMPACT

- 8.01 All parents have an opportunity to express a preference for a particular school and all applications are dealt with in an open and transparent manner in accordance with the criteria.

9.00 PERSONNEL IMPLICATIONS

9.01 None

10.00 CONSULTATION REQUIRED

10.01 No further consultation is required.

11.00 CONSULTATION UNDERTAKEN

11.01 All statutory consultees and Flintshire's Schools' Admission Forum have been consulted regarding the admission arrangements for 2014/15.

12.00 APPENDICES

Appendix 1 - Admission Arrangements 2014/15
Appendix 2 - Admission Numbers

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

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SCHOOL ADMISSION ARRANGEMENTS 2014 APPENDIX 1

Timetable 2013/14

Admission Phase	Admission packs available to parents w/c	Parents' consideration period	Completed forms returned to LA by closing date	Allocation period by LA/admitting authority	Parents informed by:
Secondary	02/09/13	02/09/13 - 25/10/13	25/10/13	28/10/13 – 31/01/14	01/03/14
Reception, Infants to Juniors	30/09/13	30/09/13– 29/11/13	29/11/13	02/12/13 – 07/03/14	21/03/14
Nursery	06/01/14	06/01/14 – 24/02/14	24/02/14	24/02/14 – 04/04/14	02/05/14

Application forms must be returned to the Local Authority by the closing date. Your child may have less opportunity to be allocated to your preferred school if your application is received after the closing date.

Late Applications

Late applications will be considered after those received by the closing date, unless the Local Authority considers that there are good reasons for the application form being late which must be included with the application form. For example, exceptional medical reasons preventing an earlier application, recent move of house – supporting evidence must be provided. *If the Admission Number for the requested school has been reached, all late applications will be ranked in accordance with the admission criteria and any available places will be offered to the highest ranking applicants up to the end of the allocation period.*

The Process for offering school places

If you express a preference for a voluntary aided school or foundation school in Flintshire the relevant school will be sent your details. The timetable for admissions (above) also applies to voluntary aided and foundation schools. These schools are responsible for considering your child's application against others received in accordance with their own admission criteria. The school governors should use the school's own admission criteria to rank applications and make offers of places. Any preferences not met will be returned to the local authority and will be treated equally with other preferences expressed for Flintshire Community Schools.

If you apply for a place at a Flintshire community school the local authority applies their own published admission criteria to rank all preferences expressed to see who can be offered a place. The place that is offered is at the school where the pupil best meets the criteria and in the order the parent has expressed on the child's preference form.

Please note neighbouring local authorities' timetables may be different to those above but Flintshire will work closely with neighbouring LAs to coordinate admission arrangements. If the school, for which you wish to express a preference, is in

another county please contact the respective LA to ensure you do not miss the closing date.

Denbighshire County Council
Directorate of Lifelong Learning
Council Offices
Wynnstay Road
Ruthin
Denbighshire
LL15 1AT
Tel: 01824 712621

Wrexham County Borough Council
Children and Young People Service
16 Lord Street
Wrexham
LL11 1LG
Tel: 01978 298810 / 298812/ 298813

Cheshire West & Chester Authority
Children and Young People's Services
School Admissions
Wyvern House, The Drummer
Winsford, Cheshire CW7 1AH
Tel: 0300 123 7039

Policy for Admissions to Schools

The County Council, as the Local Authority, is responsible for determining the arrangements for admissions to all Community Primary, Welsh Medium Primary, Secondary, Welsh Medium Secondary, Special Schools and Voluntary Controlled Schools. The LA will consult annually with school Governing Bodies and the Diocesan Education Authorities in relation to admissions.

The LA will comply with statutory requirements and will give full recognition to the expression of parental preference, and, in the case of sixth form admissions, to the expression of a preference by a young person, in the context of its duty to ensure the provision of effective education and the efficient use of education resources. The LA will admit pupils up to the Admission Number and will not refuse applicants for a particular school unless that school has reached its Admission Number.

The LA will comply with its duty to ensure the provision of effective education and the efficient use of resources. In so doing, the LA will have regard to the total resources, including accommodation and staffing, available to each school and any constraints imposed by the school organisation and curriculum. It will also consider the resource implications for the authority and impact on other education policies.

The Admission Number for each school relates to the number of children that can be admitted to each year group during the school year. The Admission Number for each school is indicated on the 'Schools List'.

The LA will not, however, expand a school to meet demand which does not comply with the admissions criteria.

When a parent gives fraudulent or intentionally misleading information in order to obtain a place at a school for their child, the Local Authority reserves the right to withdraw the offer of a place. Where a place is withdrawn, the application may be resubmitted and if refused, the parent is entitled to appeal against the decision.

Admissions Procedure

The annual admissions procedure applicable to the relevant age group will include the following stages:

- Publication of the 'Guide to Education Services'.

- Arrangements to enable parents to express a preference for a school they wish their child/children to attend, and, in the case of sixth form admissions, expression of a preference by a young person.
- Consideration of preferences in accordance with the admissions criteria, up to the Admission Number for each school.

Please Note

Expressing a preference does not guarantee a place at your chosen school if that school is oversubscribed. If more parents apply for places at the school than the number of places available, the Authority will apply the oversubscription criteria for allocating places as set out in this Guide.

Welsh Language Policy for all schools

The Authority's Welsh Language Policy aims to ensure that all pupils reach a standard of bilingualism. It will be the responsibility of the Authority, in conjunction with the Headteacher and the School Governors, to ensure the teaching of both Welsh and English is in accordance with National Curriculum requirements.

Primary Education will be provided for all children mainly through the medium of English, or mainly through the medium of Welsh.

Secondary Education will be provided for all children mainly through the medium of English, or mainly through the medium of Welsh. To ensure continuity with the primary schools, Welsh will be taught as a second language in all secondary schools where the main medium of instruction is English.

Flintshire County Council, working in partnership with schools will provide parents with full information and understanding of the advantages of Welsh medium education and the opportunities which exist within Flintshire, explaining clearly that

- there is no need for parents to be Welsh speakers for their children to take advantage of this opportunity
- receiving education in a designated Welsh medium school enables pupils to become fully bilingual
- there are intellectual advantages to being equally fluent in two languages

Pupils who have received their education through the medium of Welsh in primary school transfer to the Welsh medium Secondary School (Ysgol Maes Garmon) at Key Stage 3. Pupils can transfer from English medium primary schools to the Welsh medium Secondary School where they will be offered the immersion scheme that is available at the end of Year 6 and all the way through Year 7.

For further details about the scheme please contact Ysgol Maes Garmon Tel: 01352 750678

Admission Phases

Early Entitlement to Education

A part-time education place is available for every child the term after his/her third birthday.

Children born in...	Entitled to...
Autumn Term	2 terms of educational provision (Spring and Summer)

Children born in the Summer term receive their education entitlement in the school nursery classes in the Autumn term after their 3rd birthday. Parents may state a preference for an approved setting which may be a pre school playgroup (English or Welsh), a private day nursery, a 'network' childminder or school nursery class. Applications for early entitlement are made directly to the setting. Forms are available all year.

Notes:

- 1. Admission to an Early Entitlement setting at a particular school does not guarantee subsequent admission to nursery at that school.**
- 2. No transport is provided.**

For further information on approved settings please contact:

The Early Years Advisor, Tel: 01352 704104.

Nursery

A child becomes eligible for a place at a nursery class in the September following the child's 3rd birthday. Nursery education is not compulsory and parents have no right of appeal regarding nursery admissions under the School Standards and Framework Act 1998.

Nursery schooling in all schools/units will be provided on the basis of 5 x 2.5 hour sessions per week for each child.

Parents may express a preference for any nursery irrespective of where the child's home is in relation to the school. However, expressing a preference does not guarantee a place at that nursery.

In the event of oversubscription, applications for nursery places will be dealt with by applying the admissions criteria in respect of primary schools as set out in this Guide.

When making the decision about the 'nearest suitable school' the Authority will accept only the pupil's home address and not that, for example, of childminder or grandparents. Parents will be asked to provide official documentation showing home address. Parents are advised that a school place may be lawfully withdrawn if the information given on their application form is fraudulent or misleading.

Application forms for nursery school admission are available from the Admissions Team, all nursery/infant/primary schools and on www.flintshire.gov.uk/education. The forms will be available according to admissions timetable as set out in this Guide.

Notes:

- 1. Admission to a nursery class at a particular Infant or Primary School does not guarantee subsequent admission to reception class at that school.**
- 2. No transport provided.**

Primary

The Authority will admit a child to a maintained infant/primary school at the beginning of the school year if the child has achieved his/her 4th birthday on or before August 31st of that calendar year.

Once a reception place has been offered and accepted, parents may defer their child's entry until the start of the term following the child's 5th birthday. Parents are not able to defer entry beyond this point, or beyond the academic year for which the original application was accepted.

Admission will be based on the criteria listed below.

For pupils transferring from infant to junior school a parental preference form will be sent to each parent/guardian. Parents may express a preference for their nearest junior school or may express a preference for another school, which will be processed in accordance with the admissions criteria.

In accordance with legislation, infant class sizes (Reception, Year 1 and Year 2) are restricted to a limit of no more than 30 per school teacher. In respect of junior classes (Year 3 to Year 6), the target is no more than 30 per school teacher.

Criteria to be applied in order of priority by the Authority for admission to Nursery, Infant, or Primary Schools:

Nursery, Infant and Primary Schools:

- a) the LA will consider the needs of a 'looked after child' (child in care)
- b) pupils for whom the preferred school is the nearest appropriate school to the pupil's home address
- c) pupils who have expressed a preference for a school which is not the nearest to their home address will be admitted if they have a sister or brother attending the preferred school
- d) pupils for whom the preferred school is not the nearest to their home address

If there are more applicants than places in any of the above categories, priority will be given to

applicants living nearest the school, measured from the child's home address to the recognised main

entrance of the school.

If the authority is unable to comply with the parental preference(s) expressed then the parent will be offered a place at the next nearest appropriate school with an available place.

Where a school is named in a Statement of Special Educational Needs, the local authority has a duty to admit the child to that school.

Junior School

Parents of pupils transferring from Infant to Junior School will be given the opportunity to express a preference and places will be allocated using the following criteria:

- a) the LA will consider the needs of a 'looked after child' (child in care)
- b) pupils for whom the preferred school is the nearest appropriate school to the pupil's home address

- c) pupils who have attended the 'feeder' infant school and for whom the preferred school is the nearest appropriate school
- d) pupils who have expressed a preference for a school which is not the nearest to their home address will be admitted if they have a sister or brother attending the preferred school
- e) pupils who attend the 'feeder' infant school but for whom the preferred school is not the nearest to their home address
- f) pupils for whom the preferred school is not the nearest to their home address

If there are more applicants than places in any of the above categories, priority will be given to

applicants living nearest the school, measured from the child's home address to the recognised main

entrance of the school.

If the authority is unable to comply with the parental preference(s) expressed then the parent will be offered a place at the next nearest appropriate school with an available place.

Where a school is named in a Statement of Special Educational Needs, the local authority has a duty to admit the child to that school.

Secondary

Pupils will normally be transferred from a primary to a secondary school in the September following their eleventh birthday.

A Parental Preference Form will be sent to each parent (*please see timetable for admissions*), and parents are invited to express a preference for one or more schools and may give a reason for the preference/s. However, where a school is oversubscribed, places will be allocated up to the Admission Number in accordance with the admissions criteria set out in priority order as described below.

Criteria to be applied in order of priority by the Authority for admissions to Secondary Schools:

For entry into a designated **secondary** school, the following specific arrangements will apply:

- a) the LA will consider the needs of a 'looked after child' (child in care)
- b) pupils for whom the preferred school is the nearest appropriate school to the pupil's home address
- c) where a preference is expressed for a school other than the nearest to a pupil's home address, where an older brother or sister is registered and will still be attending when the younger sibling will be starting, the younger sibling will be admitted to that school. The 'sibling rule' will only be applied for the statutory period of education i.e. between the Years 7-11 to enable the Local Authority to plan the provision of school places. Where an older sibling is continuing to attend the same secondary school for their Post-16 courses, the Authority will look to apply the 'sibling rule' in the case of the younger child
- d) where a preference has been expressed for a school other than the nearest to a pupil's home address and there is no brother or sister attending that school, pupils will be admitted in order of proximity to that alternative school and up to its Admission Number.

If there are more applicants than places in any of the above categories, priority will be given to

applicants living nearest the school, measured from the child's home address to the recognised main

entrance of the school.

If the authority is unable to comply with the parental preference(s) expressed, then the parent will be offered a place at the next nearest appropriate school with an available place.

Where a school is named in a Statement of Special Educational Needs, the local authority has a duty to admit the child to that school.

The nearest appropriate school is interpreted as:

- (a) the school nearest to the child's home measured from child's home address to the recognised main entrance of the school.**
- (b) the nearest Welsh medium school where parents wish their children to receive their education through the medium of Welsh.**
- © the nearest Denominational school where parents wish to have their children educated in a denominational school.**

The Council uses Routefinder, a network analysis system fully integrated into the Geographical Information System (GIS) software, to calculate home to school distance in miles. The shortest route is calculated from an applicant's home address to the recognised main entrance of the school.

It should be noted that transport will only be provided in accordance with the Transport Policy

set out in this Guide.

Sibling (brother/sister)

A sibling is defined as a full, half, step or foster brother or sister living together as one household at the same address and where the elder sibling is of statutory school age and will still be registered at the preferred school (or, in the case of an infant school, attending the partner junior school) when the younger child is eligible to attend. **In considering siblings, first priority will be given to applications from multiple birth children.**

Multiple Birth Children

Twins, triplets, quadruplets, etc, residing at the same address and applying for places in the same year group will be given priority for admission in the main admissions round under the "sibling" criteria. If it is not possible to offer places to all multiple birth children residing at the same address and applying for places in the same year group, the Authority will offer places for all of those multiple birth children at the next nearest appropriate school with available places.

Admissions to schools other than those maintained by the LA

Parents wishing to express a preference for a school in a county other than Flintshire should still use the Flintshire LA preference form and it will be passed to the relevant

local Authority, with the exception of Cheshire West and Chester Council who request you contact them directly. Please be aware of each Authority's admission timetable and closing dates.

Accepting or Declining Places Offered

Parents will be required to accept or decline the school place offered.

Waiting Lists during the admissions round

If a parent is refused a place for their child at their preferred school for admission in the following September, the child's name can be placed on a waiting list until 31 August in the school year in which they apply. The parent must make a request in writing (including e-mail) for their child's name to be placed on the waiting list. If additional places become available while the waiting list is in operation, and before any appeals are heard, they will be allocated to applicants on the waiting list in accordance with the oversubscription criteria. Placing a name on a waiting list, however, is not a guarantee of an eventual place at the school applied for and also does not affect the parent's right of appeal.

Admission of Pupils from outside Flintshire

Children residing outside Flintshire will only be admitted in accordance with the admissions criteria.

Appeals Procedure

If the Authority is unable to comply with the parental preference then the parent will be offered a place at another school. The parent may then accept the alternative placement and may give notice of appeal. Further details about the appeals process will be made available to parents by contacting the Access Officer (01352 704068). Appeals must be made in writing giving reasons, and sent to the Access Officer. The Authority will initiate the appeals procedure in accordance with the School Standards and Framework Act 1998. The parents, or parent accompanied by a friend if desired, will be given an opportunity to appear before an independent Appeal Panel. The decision of the Independent Appeal Panel will be final and binding on all parties. Details describing the appeals procedure are outlined in a leaflet which is available on request or is available on www.flintshire.gov.uk/education.

Provision for Children with Additional Needs

The Authority, and schools have regard to the Code of Practice for Special Educational Needs when identifying, assessing and providing for children with additional needs. Some children may require special educational provision which is over and above that which a mainstream school could reasonably be expected to provide. The Authority will assess the needs of such pupils in accordance with the guidelines laid down by the Code of Practice. Where the assessment indicates this to be necessary, it will arrange for extra provision to be made for them. This provision will be included in a statement of special educational need for the child concerned. This document is negotiated with parents and schools. It states the child's needs and how and where those needs will be met.

All Governing Bodies have a Governor with responsibility for the Special Needs Policy, which parents are entitled to see. Each school has an Additional Needs Co-ordinator who oversees the day to day operation of the policy. Parents who wish to

discuss any aspect of their child's additional educational needs should first contact his or her Headteacher.

Admissions to Special Schools

Special Schools will normally only admit pupils with a statement of special educational need issued under the 1996 Education Act. In exceptional circumstances, they will admit pupils who are being assessed under the 1996 Education Act. The statementing procedure is administered by the Inclusion Service at County Hall. (Telephone: 01352 704028/704029).

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LEA No 664
 LEA Name Flintshire

1 School Number	2 School Name	3 Type of School	4 Age Range	5 Number on Roll Yr 7 - 11	6 Number on Roll Yr 12 - 13	7 TOTAL Number on Roll	8 Admission Number				
4017	Castell Alun High School		11-18	1055	318	1373	211				
4000	Hawarden High School		11-18	971	218	1189	195				
4042	Argoed High School		11-16	594	0	594	116				
4600	St. Richard Gwyn High School	R.C.	11-18	845	106	951	173				
4006	Alun High School		11-18	1207	433	1640	250				
4022	Connah's Quay High School		11-18	847	118	965	198				
4013	St. David's High School		11-18	466	97	563	117				
4021	Flint High School		11-18	602	50	652	143				
4018	Ysgol Maes Garmon	Welsh	11-18	463	100	563	120				
4019	John Summers High School		11-18	322	54	376	104				
4011	Elfed High School		11-18	552	73	625	175				
4012	Holywell High School		11-18	457	73	530	186				
						10021					

NOR figures based on September 2012

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **TUESDAY, 19 FEBRUARY 2013**

REPORT BY: **DIRECTOR OF LIFELONG LEARNING**

SUBJECT: **HAWARDEN INFANT & RECTOR DREW CHURCH IN
WALES VOLUNTARY AIDED JUNIOR SCHOOL
AMALGAMATION - FEEDBACK FROM
CONSULTATON**

1.00 PURPOSE OF REPORT

1.01 To inform members of the response to the consultations relating to the proposed amalgamation of Hawarden Infants and Rector Drew Junior Schools, and to consider the publication of the statutory notice for the formal amalgamation process to begin.

2.00 BACKGROUND

2.01 At their meeting on 12 June 2012, the Cabinet approved the report relating to proposed consultations with the relevant groups of Staff, Parents and Governors of the respective schools.

2.02 The period for responses to be submitted to the council about the proposal was the 18th January. The responses to the consultations have been overwhelmingly in support of the amalgamation. This was confirmed at meetings with Governors, Staff and Parents/Carers. Both the existing Governing Bodies and the Anglican Diocesan Director have expressed their wish to amalgamate the two schools and establish a new Aided Primary school.

2.03 Maintained schools have different designations: -

- Community schools, which account for most schools in Flintshire
- Voluntary Controlled (V.C.) or Voluntary Aided (V.A.) schools, which have a religious character. Voluntary Aided schools have more autonomous arrangements relating to admissions and staffing. There are two V.C. schools and thirteen V.A. schools in the County.

As the existing Rector Drew Infants school is already Voluntary Aided status, the designation of the new school of the same status has attracted only one comment (Appendix 1). It is therefore recommended that the successor school holds the same designation.

2.04 An amalgamation of two schools requires a period of consultations followed by a statutory period which begins with the publication of the notice and continues with a period of one month for the submission of written (formal) objections to the proposal. The Statutory Notice is attached as Appendix 2.

4.00 RECOMMENDATIONS

4.01 That the Cabinet notes the response to the consultations and approves the publication of the Statutory Notice.

5.00 FINANCIAL IMPLICATIONS

5.01 The linking of the two school buildings has been approved for inclusion in the Capital Programme and is funded from the Prudential Borrowing facilities available to the Council. The savings identified by the amalgamation will support a budget of approximately £750K.

6.00 ANTI POVERTY IMPACT

6.01 No impact as a result of this report.

7.00 ENVIRONMENTAL IMPACT

7.01 No impact as a result of this report. Any changes to the buildings will be subject to the planning and environmental regulations.

8.00 EQUALITIES IMPACT

8.01 Schools are bound by the equalities legislation, and will have their own equality statements. The amalgamation will result in the establishment of a new Voluntary Aided school, which will be bound to the same legislative requirements.

9.00 PERSONNEL IMPLICATIONS

9.01 The appointment of a new Headteacher to lead the school will be made by the Temporary Governing Body. Other teaching staff will be recommended for transfer to the 'new' school en bloc.

10.00 CONSULTATION REQUIRED

10.01 No further consultations required.

11.00 CONSULTATION UNDERTAKEN

11.01 Consultation meetings with Parents, Governors, Diocesan Authority and Senior Staff.

12.00 APPENDICES

Appendix 1 - Letter from parent in response to the consultations
Appendix 2 - Statutory Notice.

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985 BACKGROUND DOCUMENTS

Contact Officer: Tom Davies
Telephone: 4011
Email: tom.davies@flintshire.gov.uk

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Tom Davies
Head of Development and Resources
Lifelong Learning Directorate
County Hall
MOLD
CH7 4EN

16th January 2013

Dear Mr Davies,

We are writing to you to express concerns that we have relating to the forthcoming merger of Hawarden Infants' and Rector Drew Schools. However, in doing so we would like to confirm that we fully support Flintshire County Council's stated policy of amalgamating infant and primary schools wherever the opportunity arises and is appropriate.

After attending the consultation meeting held at Hawarden High School (December 2012) we were concerned to learn that the proposal for the new school's status would be that of Voluntary Aided. As parents of two children - one in each school - our *preferred* school status would be one that would have no church or faith involvement at all. With our parental connection to Hawarden Infants over the last 4+ years, we have both been highly impressed with both its ethos and day-to-day working. However, at the same time we recognise that as Rector Drew school has been established for 100 years in Hawarden as a 'faith-supported' school, we realise that it would be very difficult to instigate a merged school with a fully secular character.

With this in mind, and having looked at the options that might be available, we would prefer to see the school established with Voluntary Controlled status. This would allow the Church in Wales still to have a close working connection with the school, and would also ensure the security of balance between 'faith' and 'state' involvement in both decision-making (including the employment of staff) and the daily provision for children, including the R.E. syllabus. (

pupils and parents from across the community understand the value of a wide-ranging R.E. curriculum that is free from bias and therefore allows dialogue across the theistic/ non-theistic spectrum.)

We hope that these observations help with the on-going process. Our greatest concern is, of course, that all that is best in both schools can be brought together to serve the full diversity of their community.

Yours sincerely

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**STATUTORY NOTICE TO DISCONTINUE HAWARDEN INFANT
COMMUNITY SCHOOL AND HAWARDEN RECTOR DREW CHURCH IN
WALES VOLUNTARY AIDED SCHOOL AND TO ESTABLISH A NEW
VOLUNTARY AIDED PRIMARY SCHOOL**

FLINTSHIRE COUNTY COUNCIL

NOTICE IS HEREBY GIVEN in accordance with Sections 28(1)(a) and 29(1)(a) of the Schools Standards and Framework Act 1998 and the Education (School Organisation Proposals) (Wales) Regulations 1999 (SI1999/1671) as amended, that Flintshire County Council of County Hall, Mold, having consulted such persons as appeared to them to be appropriate, propose to:-

- Discontinue Hawarden Infant School
- Discontinue Rector Drew Church in Wales Voluntary Aided Junior School
- Establish a new Church in Wales Voluntary Aided school and Nursery for boys and girls aged 3 – 11 years at the site of the existing Infant and Junior Schools and utilising the existing school buildings.

It is proposed to implement the proposals to discontinue the above two schools on the 31st August 2013 and to implement the proposal to establish a new school on the 1st September 2013.

It is proposed that all pupils registered at Hawarden Infant School and Rector Drew Church in Wales Voluntary Aided Junior School as at 31st August 2013 may attend the new school due to be established on the 1st September 2013.

The proposed new school will be a Church in Wales Voluntary Aided Primary School. Admission arrangements will be dealt with in line with the School's Admission Policy. No provision will be made for either selection by aptitude or pupil banding.

Transport of pupils shall be dealt with by reference to the LEA's Home to School Transport Policy.

The capacity of the new school will be 425 plus 34 Nursery pupils. The number of pupils to be admitted to the new school at age four years in the first school year of which the proposals have been implemented is 60. The governing body of the Voluntary Aided School will form the admission authority.

Within a period of one month after the date of publication of these proposals, that is to say by any person may object to the proposals. Objections should be sent to the Director of Lifelong Learning, Flintshire County Council, County Hall, Mold, Flintshire, CH7 6ND.

The Authority will send copies of any such objections made (and not withdrawn in writing) within the objection period, together with their observations thereon, to the Welsh Government within the period of one month after the end of the objection period.

The proposals will (unless withdrawn) require the approval of the Welsh Assembly Government if :-

- (a) Within two months after a copy of them is sent to the Assembly it gives notice that they require such approval; or
- (b) Objections have been made within the objection period and have not been withdrawn during that period.

Where proposals do not require such approval, Flintshire County Council acting as LEA will decide whether to implement them.

Signed

Director of Lifelong Learning

Dated: February 2013

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **TUESDAY, 19 FEBRUARY 2013**

REPORT BY: **DIRECTOR OF LIFELONG LEARNING**

SUBJECT: **QUARTERLY MONITORING REPORT ON
PROGRESS WITH IMPLEMENTATION OF THE
ESTYN ACTION PLAN**

1.00 PURPOSE OF REPORT

1.01 To consider the progress with implementation of the Action Plan following the 2011 Estyn Inspection of Local Authority Education Services for Children and Young People (LAESCYP).

2.00 BACKGROUND

2.01 Flintshire County Council was subject to a full LAESCYP inspection by Her Majesty's Inspectorate for Education and Training in Wales (Estyn) in October 2011.

2.02 The outcome of the inspection was reported to Executive on 21st February 2012 and Lifelong Learning Overview and Scrutiny on 23rd February 2012. A copy of the report is in the Members' Library.

3.00 CONSIDERATIONS

3.01 All education providers produce action plans to address Estyn inspection recommendations following inspection. The Action Plan was submitted to Estyn in April 2012, following consideration by Lifelong Learning Overview and Scrutiny on 22 March 2012 and Executive on 27 March 2012. Cabinet has subsequently received two monitoring reports on progress with the Inspection Action Plan and standards in Flintshire. A copy of the full Estyn Action Plan is in the Member's Library. Progress has also been evaluated in the report considered by cabinet in December 2012.

3.02 The Estyn Inspection recommendations are:

- Improve standards and performance to reduce the percentage of schools that are in the bottom 25% when compared to similar schools across Wales and reduce the gap in performance between boys and girls;
- Improve the standard and quality of provision in primary

schools by: -

- addressing a trend of declining attendance;
- reducing fixed term exclusions; and
- reducing school balances and deficits in line with national guidelines;

- Improve how senior officers and all elected members work together to: -
 - improve standards for all learners;
 - improve self-evaluation and reporting to members; and
 - reorganise secondary schools, reduce surplus places and make better use of resources;
- Reduce the number of days' education that learners in Flintshire miss due to fixed term exclusions of six days or more in all of its secondary schools;
- Improve the monitoring arrangements for the Children and Young People's Partnership to effectively track the progress of children and young people;
- Prioritise areas for improvement identified in its self-evaluation of education services.

3.03 Progress with implementation of the action plan is being monitored by an Estyn team this week. The team is led by Mererid Stone HMI.

4.00 RECOMMENDATIONS

4.01 Members are asked to consider progress with implementation of the Estyn Action Plan.

5.00 FINANCIAL IMPLICATIONS

5.01 Financial options and implications from specific projects will need to be considered as part of developing revenue and capital programmes for future years.

6.00 ANTI POVERTY IMPACT

6.01 There are no anti poverty implications arising directly from this report.

7.00 ENVIRONMENTAL IMPACT

7.01 There are no environmental implications arising from this report.

8.00 EQUALITIES IMPACT

8.01 The inspection report and action plan comply with the Council's equalities requirements. The inspection report notes good practice in Social Inclusion and Additional Learning Needs.

9.00 PERSONNEL IMPLICATIONS

9.01 There are no personnel implications arising directly from this report.

10.00 CONSULTATION REQUIRED

10.01 The Action Plan has been consulted upon with school and service partner representatives.

11.00 CONSULTATION UNDERTAKEN

11.01 Not applicable.

12.00 APPENDICES

12.01 Appendix 1 – LAESCYP Inspection Action Plan Progress Monitoring Report
Appendix 2 – Summary Self Evaluation against LAESCYP Inspection Recommendations

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

**Contact Officer: Ian Budd
Telephone: 01352 704010
Email: ian.budd@flintshire.gov.uk**

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Estyn Action Plan Monitoring

1. The completion of individual actions is the responsibility of named officers. If an action can not be completed by the date included in the PIAP, a revised date should be included and a reason for the delay. Any delays must be reported.
2. Evidence of the completion of an action will be needed.
3. The Lead Officers(s) for the recommendation will need to demonstrate how completion of an action contributes to the overall outcome.
4. Elected members will confirm progress through formal scrutiny programmes. These will include consideration of the regular annual performance reports, supplemented by the regular cyclical quarterly performance monitoring reports.
5. The Chief Officer Project Board will monitor overall progress with this activity plan.

RAG - Action Implemented

Monitoring influences the evaluation undertaken annually of LAESCYP provision

Rec	Ref	Action	Who	By When	Action Taken to date	RAG
1.1	1.1.1	Continue to monitor, challenge and support targeted primary schools identified as underperforming in 2012-2013.	CH/Primary SIT	Jan 2012 - Apr 2013	<p>Officers continue to target and monitor those schools identified as requiring additional support. Termly meetings are held with Chairs of Governors and headteachers of schools at Stage 3 or 4 to monitor the progress of agreed actions. One school has been placed in a category of requiring 'significant improvement'. This school had already been identified as a school in need of more intensive support and work is continuing in the raising of standards. Good progress is being made in all targeted schools and 9 schools have been removed from Stage 3 or Stage 4 categories over the past year. There are 6 primary schools (8%) in an Estyn category (July 2012). Schools with a trend of underperformance have been identified for targeted support from the literacy and numeracy mentors from October. The literacy support teacher has given intensive support to 5 targeted primary schools to raise standards in reading and writing.</p> <p>Jan 2013 update: The school previously in Special Measures has been recommended for removal after four terms (awaiting official confirmation). 1 school remains in 'Significant Improvement' and the number of schools in Estyn monitoring has reduced by 1 to 5, (7% overall). 2 schools are categorised as Stage 4 and 9 at Stage 3 on the LA's own Monitoring, Support & Challenge Policy. LOT and NOT teachers continue to target identified schools.</p>	
	1.1.2	Increase the use of the Council's intervention powers where serious concerns are identified.	CH	From Jan 2012	The Authority is systematic in reviewing school causing concern, including data analysis and documentation setting out clear expectations. Where these have not or cannot be implemented a formal letter follows requiring specific action. At three schools these warning letters were followed by decisive and appropriate action.	
	1.1.3	Provide targeted INSET to primary schools in the lower quartiles to raise pupils' literacy and numeracy standards and plan with schools the use of the SEG grant funding. Further develop focused skill-rich science scheme of work to raise standards across all schools.	DB/JR/JH/AJ/LM/RW/ER	Spring/Summer 2012	<p>Targeted schools have received literacy support on a half-termly basis. 45 teachers attended Read, Write, Inc spelling training in March and a further 11 schools have been trained in Read, Write, Inc. RWI Manager Meetings are held termly and monitoring visits have taken place to targeted schools implementing RWI. Initial data indicates the programme is having a very positive impact on standards in most schools. 38 schools have been trained in RWI and a literacy mentor will be support the Literacy Officer in monitoring and challenging those schools where the impact has not been significant. Specific case studies on individual schools demonstrate enormous pupil progress. 31 teachers attended the Year 3 and 4 three day literacy course with a focus on boys literacy and there have been 4 half day training sessions on developing higher order literacy skills for Year 5 and 6 teachers. Nikki Gamble delivered a days INSET on reading across the curriculum. 22 schools from Flintshire attended.</p> <p>7 teachers from Welsh medium primary schools have attended 1 day INSET to raise standards in writing KS2. 100% of Yr.2 teachers attended 2 x ½ day training (6 hours) on exemplification and understanding of the characteristics of Welsh literacy outcomes. All teachers (Welsh medium) have attended 1 day INSET to raise standards in reading (KS2 and Foundation phase) led by Cynnal. Welsh medium schools PLC used 5 days to create a Portfolio to exemplify Writing outcomes for the Foundation Phase. The PLC was attended by upper and lower Foundation Phase representation.</p> <p>26 schools have received Numicon resources and training for approximately 50 staff. RM intervention packs have been produced for Year 2 and 51 schools (90 members of staff) attending training. NFER assessment papers have been purchased to measure the impact of the intervention. 14 schools (Year1/2 and Year3/4 teachers) have also been targeted for training and support to enhance the skills of teachers. A new mental maths resource has been produced for the Foundation Phase which is a complete scheme for Nursery to Year 2. Training has been delivered in twilight sessions to 62 schools to date. 4 FP partnership groups have received Numicon resources and have received training during Autumn 2012, approx 60 schools 120 FP staff.</p>	

					<p>January 2013 Update - Science curriculum planning has been revised to ensure relevant links to the development of literacy, numeracy and ICT skills and appropriate differentiated outcomes for mixed age classes. All schools have received the resource and associated guidance. Lower quartile schools for science strongly urged to adopt the new resource. 25 lower quartile schools have also received focused intervention in order to raise % Level 5 attainment. This training was then offered to all remaining primaries. Results from 2012 are very positive; increase in % Level 4+ and a strong improvement in Level 5 for the LA. There has been very good progress with lower quartile schools targeted for support during 2011-2012. Of the 25 schools that received focused intervention and support (as part of the primary science action plan for 2011-2012), 32% (8 schools) have moved up at least one quartile placing by summer 2012. during 2011-2012 the LA offered schools a new science scheme consisting of 24 half termly science units.</p> <p>This scheme is aimed at supporting effective pedagogy and also enabling pupils to access higher order tasks/levels, particularly Level 5. This resource is also supported by a comprehensive package of additional support material available via the LA Moodle website. This initiative is having a significant effect on the quality and breadth of pupils' work and standards in KS2. Level 4 percentages for the LA rose in 2012 whilst the Level 5 percentage is rising steadily, having increased by 6% between summer 2010 and summer 2012. Feedback from head teachers and teachers is overwhelmingly positive. Also, sampling of pupils' books in selected schools has confirmed these findings. Numicon training has now been delivered in all schools in the authority and all five Foundation Phase partnerships have received additional numicon resources to support delivery. Impact on standards will be evaluated in the 2013 teacher assessment data.</p>	
	1.1.4	Continue to strengthen primary standardisation and moderation procedures in line with statutory assessment arrangements through subject co-ordinator meetings, training of all Foundation Phase teachers in the end of Foundation Phase outcomes and supporting Foundation Phase Partnerships in the development of standardised portfolios.	AJ/DB/RR	Spring/Summer/Autumn 2012	Training and support for improved standardisation and moderation continues to be delivered through specific training events by Foundation Phase and Subject Officers. Events are planned for late Spring 2013. All schools work within their high school clusters on moderation/standardisation activities at KS2 to improve consistency of assessment.	
	1.1.5	Continue to provide and improve effectiveness of, primary cluster group meetings and meetings of the Foundation Phase Partnership Boards to ensure the sharing of good practice and to further improve teaching strategies, planning and assessment.	DB/JR/AJ/LMa/ER	Spring/Summer/Autumn 2012	Foundation Phase Partnership Boards have completed standardised portfolios to exemplify standards in mathematical development and language, literacy & communication. Literacy and numeracy co-ordinator meetings have been held focusing on improving levelling, teaching strategies and planning for literacy and numeracy across the curriculum.	
	1.1.6	Analyse primary and secondary school outcomes in 2012 in order to re-prioritise planned support.	CH/KG/SIT	Autumn 2012	Provisional primary data is being analysed over the Summer to determine planned support. Data analysis completed and schools in lowest quartiles targeted for support from LOTS & NOTS and new schools added to Stage 3&4 monitoring programme	
	1.1.7	Agree revised set of performance targets with Secondary Headteachers Federation and meet with individual schools to agree targets for 2012 to 2014.	KG	Spring Term 2012	Secondary Headteachers Federation agreed new set of targets , to include levels 6 & 7 at KS3 and targets for the group of FSM learners. All schools visited to complete targets and aggregate targets calculated by SMIT	
	1.1.8	Curriculum Support officers to target schools placed in the lower quartile in their subject at KS3 for additional support.	SIT Subject Specialists	Summer term 2012	Completed	
	1.1.9	Planned Support 2012-13 to be targeted at underperforming areas in secondary schools	KG/SIT	Summer term 2012	Planned Support agreed with all secondary schools. School Improvement Team visit arranged to targetted schools.	
	1.1.10	Subject Forums and PLC, organised to ensure sharing of good practice between schools.	SIT Subject Specialists/KG	Autumn Term 2012	Programme of School Effectiveness Forums held Autumn 12 and further sessions organised for Spring 13.	
	1.1.11	Deliver programmed Governor training on understanding data and supportive challenge in schools.	KB	Summer Term 2012	Governor training programme has been delivered. Additionally School Improvement Member workshops have been held Dec/Jan.	

1.2	1.2.1	Subject Officers/Link Officers to monitor, challenge and support boys' literacy and numeracy developments in primary schools with high levels of boys' underperformance.	AJ/DB/ER, Link Officers	Spring/Summer/Autumn 2012	The literacy and numeracy officers monitor, challenge and support teachers in targeted schools and training has been given to support the raising of boys literacy and numeracy standards. Read, Write, Inc developments are being monitored by the literacy officer and the impact on boys' reading. Reading data is in the process of being analysed. A reading proforma/questionnaire has been produced. This is being trialled this Summer in targeted schools to assist in identifying weaknesses and how we can support in addressing these. Four schools in Flintshire will be attending 'Tribal' a Welsh Assembly initiative to counteract the under achievement of boys starting the 19th October. Two half day training sessions 17th January and the 6th March on raising standards in boys literacy, sharing good practice from schools and the 'Tribal' initiative. Challenge, support and monitoring by Mathematics officer in targeted schools is continuing with	
	1.2.2	Three day literacy course aimed at Year 3 & 4 teachers focusing on teaching phonics, spelling, reading and oracy into writing. One module focused on improving boys' literacy (funded from SEG literacy)	JH/DB	Day 1 – 29 Sept 2011 Day 2 – 12 Jan 2012 Day 3 – 26 Apr 2012 Day 4 - 2 June 2012	31 teachers attended the Year 3 and 4 three day literacy course with a focus on boys literacy. The same teachers attended half-day evaluation /sharing of practice session. The data is presently being collated to analyse the impact on targeted groups of learners. The literacy and numeracy officers have monitored and supported teachers in targeted schools.	
	1.2.3	Sharing of best practice and information to primary schools from the 'Tribal' 3 year programme to counteract the under-achievement of boys and from Gary Wilson's conference on boys' literacy – INSET and co-ordinators' meetings.	DB	Summer/Autumn 2012	A 'Teach Meet' event attended by 65 primary and secondary teachers was held in June in conjunction with NGfL Cymru and streamed live across Wales via the internet. The focus was on sharing innovative and effective strategies and teaching methodologies focusing on aspects of oracy, reading and writing with particular emphasis on raising boys' literacy levels. 2 half day training sessions have been planned in the Spring term of 2013 to share information from 'Tribal' and to provide workshops on ideas to counteract the under-achievement of boys.	
	1.2.4	Sharing and monitoring of best practice in targeted groups of schools with high levels of boys under-achievement.	DB	Summer/Autumn 2012	Information is disseminated to individual schools through staff INSET and co-ordinator meetings. Analysis of reading data currently taking place. 2 half day courses to be delivered in the Spring term 2013 on tackling boys literacy.	
	1.2.5	Literacy officer support to schools' PLCs focused on raising boys' literacy and dissemination of practice.	DB	Summer/Autumn 2012	2 PLC'S taking place in Flintshire aimed at targeting boys literacy. Practice will be shared with schools on two half day training sessions. 17/1/13 and 6/3/13	
	1.2.6	Production of a mental maths resource for the Foundation Phase and training for all schools in the use of the resource.	AJ	Autumn 2011/Spring 2012	Mental maths resource completed and training implemented.	
	1.2.7	Introduce an improved science scheme of work for science at Key Stage 2 which provides pupils with more engaging, contextualised activities and tasks that appeal to boys. Units to be designed to contain a wider variety of written communication genres to appeal to boys and more focused opportunities to develop pupils' oral skills through science. 24 half termly units will be produced across Years 3-6 and hosted on the LA Moodle website.	AJ	Units to be completed and uploaded by Easter 2012.	Revised scheme of work with 24 half-termly units for science at KS2 completed and placed on Moodle.	
	1.2.8	Consolidate the use of the 'Science Enquiry Games' resource book received by each school in the spring term 2012. Focus to be on developing games and activities in this resource pack which appeal strongly to boys and also pupils with a variety of learning styles.	RW/1 or 2 days' INSET depending on numbers.	Summer term 2012.	25 primary schools attended 'Science Enquiry Games' INSET led by an internationally-recognised expert in science pedagogy. These schools have also received focused support visits. Of these 25 schools, 44% (11 schools) showed an increase in the percentage of pupils achieving Level 5 in summer 2012. A number of these schools recorded significant increases in Level 5 and directly attribute this effect to the quality of support and intervention (pers. comm.), e.g. Rector Drew VA, Ysgol Bryn Deva, Westwood CP, Wood Memorial CP and Drury CP.	
	1.2.9	Support PLC in planning and implementation of improvement programme targeting boys reading in Welsh at KS2. Evaluate impact during summer term.	ER/RR	Autumn 2012	Ongoing. Planning of PLC completed during Autumn Term. PLC implementation is planned for Spring Term 2013. Books purchased to support the project funded by the Welsh Advisory Team.	
	1.2.10	Target schools where boys are underachieving in year 5 in Welsh. Plan, implement and monitor intervention in discussion with targeted schools.	ER/RR	Summer 2013	Agreement reached in principle and information circulated to Headteachers.	

2.1	2.1.1	Set targets to reduce absences from individual schools for IWO service and request that schools report as a matter of course to Governors on a termly basis. Ensure that Governors are trained and fully aware of expectations on attendance and exclusion matters.	TP/IWO service in collaboration with SIT and Lead officers.	Easter 2012	IWOs target individual schools that have learners who are poor attendees. Attendance targets are set. School attendance rates are shared on a half termly basis. Governors will be made aware of expected attendance rates through the Governor training programme which has now been completed.	
	2.1.2	Ensure that IWO service realise what previous targets were and set new improved targets. Share with schools on a half termly basis their attendance rates. Share with schools expected standards and challenge if not achieved.	TP/IWO service in collaboration with SIT and Lead officers	Easter 2012	IWOs set improving targets and discuss with schools on a termly basis. Outcomes and impact will be reported to Lifelong Learning Overview and Scrutiny Committee.	
	2.1.3	Target support towards those schools most in need.	TP and IWO service in collaboration with SIT and Lead officers	Easter 2012	IWO service do target those most in need with action plans. All schools have set Attendance targets for academic year. These are monitored by officers to improve the overall attendance percentage and is helping reduce fixed term exclusions.	
	2.1.4	Encourage schools to reduce the numbers of days exclusion placed upon pupils by introducing a universal tariff for misdemeanours.	DM/schools	Oct-12	DM to produce a consultation paper by October half term that will set out suggested tariffs for misdemeanours.	
	2.1.5	Support targeted schools in developing a range of strategies including rewards for pupils and use of partner agencies and parents to improve attendance rates.	TP and IWO Service in collaboration with SIT and Lead officers	Immediately	IWO service link with SIT and lead officers to improve attendance. Other agencies including CYPP,TAF,VS, Social Services, Youth Services are used to engage with parents and learners	
	2.1.6	Review current IWO involvement using quality assurance framework	TP and IWO Service in collaboration with SIT and Lead officers	Easter 2012	Quality assurance framework is used	
2.2	2.2.1	Delegate Social Inclusion funding to schools so that schools can target support more immediately.	DM with schools working party	Sep-12	Autumn term working party agreed that consortia working would be the most effective way of delegating. DM meeting with all consortia groups feedback to follow on proposals. Pilot agreed from January 2013.	
	2.2.2	Encourage targetted schools to develop a "universal tariff" for exclusions to ensure consistency and fairness.	DM with schools/Link Officers	Dec-12	DM to write consultation paper for suggested tariffs for misdemeanours (for exclusion purposes). Acceptance by secondary schools on the importance of for guidance on exclusions for smoking, alcohol consumption and drug issues.	
	2.2.3	Encourage schools to develop in house strategies to avoid/reduce exclusions.	DM with schools/Link Officers	Sep-12	Discussions currently taking place to set up on-site inclusion centres in 3/4 secondary schools. Plans are progressing.	
	2.2.4	Change the referral process to short term PRU-schools responsible and further encourage all schools to support the Managed Moves Protocol.	DM with schools/Link Officers	Feb 2012 (secondary) Sept 2012 (Primary)	Referral process to short term PRU changed -review of process on 29th June. Managed Move protocol now fully accepted and now used in primary schools with more promotion required in primary settings.	
	2.2.5	Training for schools on classroom management and behaviour management to reduce the requirement to exclude	DM with schools/Link Officers/ BSS	Ongoing	Training provided in accordance with the strategy.	
	2.2.6	Encourage Governing bodies to challenge decisions made by heads. Training for governors.	DM with schools/Link Officers	Easter 2012	Training directory for Behaviour Management for schools completed by end of Summer Term for the following academic year. This includes training for Governors.	
2.3	2.3.1	Develop a policy on school balances for inclusion in the Scheme for Financing Schools.	LM	Apr-12	Policy developed.	

	2.3.2	Consult with internal stakeholders, review responses and update policy. Draft policy approval by Director and Head of Finance	IB/KF/LM.	Apr 2012	Draft policy approved.	
	2.3.3	Submit draft policy to Schools Budget Forum for consideration. Update if necessary.	IB/LM	May-12	Approved by Schools Budget Forum.	
	2.3.4	Circulate draft policy to Head Teachers and Chairs of Governors.	LM	May-12	Draft policy circulated to Heads, Governors and Unions.	
	2.3.5	Establish robust systems for monitoring adherence to policy	PH	Sep-12	Arrangements are in place to monitor adherence to policy and outcomes.	
3.1	3.1.1	Review reporting outcomes and improvement strategies to LLOSC	ED/KG/CH	May-12	New wider membership identified. Working group to look at scrutinising performance established and met.	
	3.1.2	To broaden the membership of half-termly Performance Monitoring Meetings with Members	IB/KG/CH	May-12	New wider membership identified. Working group to look at scrutinising performance have met with various schools in categories.	
	3.1.3	To widen the brief of half termly performance monitoring meetings to include Primary, Secondary, Inclusion and Resource Management Strategies	IB/KG/CH	May-12	New remit agreed and implemented.	
	3.1.4	To revise the school/LA partnership agreement with particular reference to LA responsibility for monitoring and evaluating performance of schools.	NG	Apr-13	Agreed in principle - project underway - requires updating for commissioned RSEIS responsibilities from easter 2013. Dependent on RSEIS timetable.	
3.2	3.2.1	Annual Scrutiny consideration of performance on education targets	KG/CH	Feb-12	Implemented.	
	3.2.2	Implement revised quarterly performance reporting arrangements.	KG/CH/TD/GY	Feb-12	Implemented - regular meetings being held.	
	3.2.3	Review of protocols reporting to elected members	IB/TD/KA/GY	May-12	Agreed and implemented.	
	3.2.4	General member induction including factsheets, training events and tailored support for office holders	IB/KA	Sep-12	Member Induction Events held for new councillors.	
	3.2.5	Publish annual timeline of performance information and performance reporting framework	KA/GY	Jun-12	Devised and distributed via the Policy and performance Unit.	
	3.2.6	Member Workshop on educational performance	KG/CH/KA	Sep-12	Workshop delivered to Members in Dec 2012 and repeated in January 2013.	
	3.2.7	Undertake self-evaluation of 2011/12 outcomes	IB/TD/KG/CH/JRK & Stakeholders	Nov-12	Completed and revised self evaluation submitted.	
3.3	3.3.1	Consult on the agreed options for the three area reviews.	CE/IB/TD	Feb/Mar 2012	Consultations on options were completed with communities in March 2012.	
	3.3.2	Continue with consultation process and to engage Elected Members in the strategic and operational aspects of secondary school area reviews.	CE/IB/TD/NSM	May-12	The outcomes of the consultation were reported to Cabinet on 12 June 2012 and to County Council on 17 June 2012. Councillors agreed preferred options for each of the area reviews. These were then consulted upon in Autumn 2012.	

	3.3.3	Prepare and submit Business Plan for 21 st Century School Programme bids.	TD/PV/IE	Feb-13	Currently being developed through Project Boards submission to WG will be mid February in line with Welsh Government agreement.	
	3.3.4	Continue with area reviews of secondary schools (including post 16 provision) and progress primary reviews.	CE/IB/TD/KG and Elected Members	Dec-12	Consultation on a proposed option for each secondary review area has been held. Report to Cabinet in Mar 2013 on the preferred option so that statutory proposals can be issued (see also 3.3.5 and 3.3.6 on Primary reviews.)	
	3.3.5	Examine and review primary schools provision against the School Modernisation Policy framework.	IB/TD/CH and Elected Members.	Jan 2013-	Councillors have issued a statutory proposal for closure of Ysgol rhes y Cae. Further work will commence on this when the Secondary Review is underway.	
	3.3.6	Complete proposals for amalgamations in accordance with policy.	TD/PV	Apr – Sep 2013	All remaining infant and junior pairings are now in consultation for amalgamation and will be effective from Sept 2013.	
	4	4.1 Ensure that Governors are carrying out hearings for 'long' fixed term exclusions with LA representation whenever possible.	DM/TP and SIT/KG	Sep-12	Governor training and guidance help to ensure that hearings do happen in line with LA expectations.	
		4.2 Ensure governor training contains element of challenge to Heads.	DM/TP and SIT	From Easter 2012	Governor training encourage Heads to be challenged over lengths of exclusions.	
		4.3 Encourage schools to look at other options to exclusion through training, purpose of exclusion agenda and multi-agency working. e.g. Multi Agency Planning Meetings, in house exclusion areas, using PRUs and early identification.	DM/TP and SIT	From Easter 2012	DM currently planning with schools other options for schools other than exclusion. Schools being encouraged to develop in house provision rather than exclusion. Further use of Multi Agency Planning meetings is being encouraged. Alternative options to exclusion are discussed through the Secondary Reps meetings. Good practice is shared and further development of MAP meetings is encouraged.	
		4.4 Target schools for challenge and support that are using long exclusions as a matter of course.	DM/TP and SIT	From Feb 2012	Targeted schools have specific plans in place. Through the reported monthly exclusion reports, schools are challenged if rates are seen to be rising.	
		4.5 Report exclusions with comparative data on a half termly basis to the Education Management Group.	JS/DM/TP and SIT	From Feb 2012	Exclusions now reported on a monthly basis trends are showing that Permanent exclusions are very rare and fixed term exclusions are being reduced with schools contacting the Local Authority for advice more readily due to the monthly reports. Reports are sent to all schools and to the Secondary and Primary officers on a monthly basis. Primary reports are anonymised	

	4.6	Encourage schools to sign up to a "universal tariff" approach.	DM/TP and SIT	From Sept 2012	Model universal tariff guidance produced. The next stage will be to challenge where this is not applied.	
5	5.1	Develop the high level templates	CYPP Coordinators	First phase by July 2012	High Level templates (service specifications) completed.	
	5.2	Develop the commissioning programme for Families First	CYPP Coordinators	Second phase Sept 2012	Evaluation Meetings commenced August 2012. New services have been specified, provided and commissioned against all themes.	
	5.3	Ensure that local indicators are added to the "national givens"	CYPP Coordinators	Second phase by Sept 2012	Local indicators are led by 'national givens'	
	5.4	Ensure that National Families First Outcomes are considered	CYPP Coordinators	Second phase by Sept 2012	National Families First outcomes inform and drive all considerations	
6	6.1	To devise a format for prioritising areas for improvement from within the self-evaluation document.	1. KG	Mar-12	Priorities template established	
	6.2	Prioritise the areas for improvement and utilise the improved Quality Assurance Format.	2. KG/TD	Mar-12	Areas prioritised and included in draft School Improvement Strategy	
	6.3	Monitor, progress and evaluate priority areas termly at Directorate Management Team Meetings.	3. DMT	Termly	Monthly cycle of meetings established for monitoring and planning	
	6.4	To revise priorities on an annual basis linked to service plans and incorporate Quality Assurance proforma into the Directorate Plan/CYPP.	4. DMT	Annually – Feb/Mar	Ongoing - performance management item at DMT and establishment of the Estyn Monitoring & Performance Board.	

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Evaluation of Progress Against Recommendations

R1 Improve standards and performance to reduce the percentage of schools that are in the bottom 25% when compared to similar schools across Wales (1.1) and reduce the gap in performance between boys and girls (1.2)

Monitoring

Embedded tasks since the 2011 LAESCYP inspection include:

- continuing to monitor, challenge and support targeted primary schools identified as underperforming;
- enhancing the role of elected members in school improvement interventions with stage 3 and 4 schools;
- embedding decisive earlier interventions in primary schools where serious concerns are identified;
- providing targeted INSET to primary schools in the lower quartiles to raise pupils' literacy and numeracy standards and plan with schools the use of the SEG grant funding;
- continuing to strengthen primary standardisation and moderation procedures in line with statutory assessment arrangements through subject co-ordinator meetings, training of all Foundation Phase teachers in the end of Foundation Phase outcomes and supporting Foundation Phase Partnerships in the development of standardised portfolios;
- continuing to provide and improve effectiveness of primary cluster group meetings and meetings of the Foundation Phase Partnership Boards to ensure the sharing of good practice and to further improve teaching strategies, planning and assessment; and.
- analysing primary and secondary school outcomes in 2012 in order to reprioritise planned support.

Ongoing work includes:

- annual update to performance targets (Spring 2013);
- subject Forums and PLCs sharing of good practice between schools; and
- Governor training on understanding data and supportive challenge in schools.

(1.2)

Embedded tasks include:

- Subject Officers/Link Officers monitoring, challenging and supporting boys' literacy and numeracy developments in primary schools with high levels of boys' underperformance;
- a three day literacy course aimed at Year 3 & 4 teachers focusing on teaching phonics, spelling, reading and oracy into writing;
- sharing of best practice and information to primary schools from the 'Tribal' 3 year programme to counteract the under-achievement of boys and from Gary Wilson's conference on boys' literacy, through INSET and co-ordinators' meetings;
- sharing and monitoring of best practice in targeted groups of schools with high levels of boys under-achievement;
- Literacy officer support to schools' PLCs focused on raising boys' literacy and dissemination of practice;

- production of a mental maths resource for the Foundation Phase and training for all schools in the use of the resource;
- introduction of an improved science scheme of work for science at Key Stage 2 which provides pupils with more engaging, contextualised activities and tasks that appeal to boys;
- consolidating the use of the 'Science Enquiry Games' resource book received by each school in the spring term 2012;
- support PLC in planning and implementation of an improvement programme targeting boys reading in Welsh at Key Stage 2.

Additionally, work to plan, implement and monitor interventions in schools where boys are underachieving in year 5 in Welsh is on target.

Evaluation

Overall performance continues the pattern of previous years with Flintshire being one of the highest performing local authorities in Wales on indicators at Key Stages 3 and 4. When Flintshire's overall performance on key indicators is compared with Councils across Wales attainment is broadly in line with expectations at Key Stage 3 and higher than might be expected at Key Stage 4.

Whilst recognising the concerns expressed by schools regarding the consistency of end of Key Stage teacher assessments in the Primary Phase across Wales, Flintshire still has too few primary schools that are in the top 25% and too many in the bottom 25% based on the 2011/12 data in the Foundation Phase (FP) and in Key Stage 2. Assessments in the Council's schools are below the expected levels at the end of the FP and at Key Stage 2. The rate of improvement on outcomes at Key Stage 2 is less than that to which Flintshire aims.

Whilst Flintshire's learner outcomes at secondary level compare favourably with other areas of Wales, Wales does not compare favourably with standards in a substantial number of other countries. Areas of positive performance need to be viewed in the light of a national need to further raise standards of achievement for all learners. This will require a sustained focus on improving pupils' literacy and numeracy skills and ensuring all learners leave full-time education with a recognised qualification in both first language and mathematics.

(1.1)

Foundation Phase & Key Stage 2

Foundation Phase outcomes are reported for the first time in 2012. Overall performance at the end of the Foundation Phase is too low at 1% below the All Wales averages. Whilst four out of five learners (79.7%) achieve the expected Foundation Phase Outcome Indicator (FPOI), this places the Council in 15th position (3.6 percentage points) below the expected 6th position. Raising standards across the Foundation Phase remains a priority.

In Language, Literacy and Communication (LCE) skills/ English the 2012 outcome was 82%. Performance in LCE is the lowest performing of the Foundation Phase areas and is a key priority for improvement. This places Flintshire below the Wales average of 83.4%.

2012 performance in Language, Literacy and Communication Skills/ Welsh (LCW) performance was 84.1%, which is below the Wales average of 85.9%.

Maths performance at 85.9% is below the Wales average of 86.6%.

PSD performance at 91.6% is above the Wales average and the strongest area of learning in Flintshire, but further progress is required to secure top quartile outcomes.

Performance at Outcome 6 is overall good and improving. Outcome 6 in LCE, Mathematical Development (MDT) and Personal, Social Development (PSD) are above the Welsh average.

In the Foundation Phase Indicator Outcome 5+ only 39% of schools are in the higher quartiles. These figures are similar in LCE, LCW and maths.

In Outcome 6+ 48% of schools are in the higher quartiles for LCE, 58% for maths and PSD, but only 20% in LCW i.e. one school.

Comparisons at Key Stage One and Foundation Phase show that our position has been too often in the lower quartiles over the last 3 years.

At Key Stage 2, there has been a steady improvement in performance at level 4+ over the past few years. There has been an improvement in the CSI at the end of Key Stage 2 over the past three years, but a decline in the relative Authority position which fell in 2012 to 16th (4.3 percentage points below 6th position). Performance at 81.3% is below the Wales average of 82.6%.

Performance at level 5+ is generally good compared to Wales and shows a steady upward trend in all core subjects. Training provided by the Authority on achieving the higher levels has had an impact on end of Key Stage results.

There was sustained performance in English in 2011 and 2012 at 83.8% after a steady rise over the past five years. The Council's relative position has fallen to 17th and below the Wales average of 85.2%. At level 5+ there has been a steady rise in performance above Wales averages. Raising literacy standards across the curriculum (English and Welsh) remains a key priority. The newly appointed LOTS (Literacy Outstanding Teachers) are focusing on raising standards at Key Stage 2 in targeted schools.

In Welsh, performance has weakened at level 4+ over the past two years. At 78.9% the Local Authority is 18th and below the Wales average of 84%. Due to the low cohort size, however, the difference between achieving 6th and 18th position is just eight pupils. At level 5+ Flintshire has been consistently above the Wales average.

Outcomes in Maths at level 4+ have risen steadily over the past three years from 83.3% in 2010 to 86.3% in 2012, but the Council's relative position in Wales has declined and at 86.3% places the Local Authority as 16th in 2012 and below the Wales average of 86.8% by 0.5 percentage points. 34.5 % of pupils achieved Level 5+ in 2012 and this represents a steady rise in level 5s from 27.9% over the last three years. This trend is above the Wales average.

Outcomes in Science at level 4+ have risen steadily over the past three years, but the Council's relative position is only 16th and at 87.8% is just below the Wales average of 88.5%. The percentage of learners achieving Level 5+ has risen significantly from 30.1% in 2008 to 36.4% in 2012. This figure compares favourably with the Wales average of 33% in 2012.

In Key Stage 2 level 4+ 64% of schools are recorded as being below the median in the CSI and for English. Outcomes are also too low in Science. Raising the quartile position of schools in the core subject areas remains a key priority for improvement.

FSM eligible learners benchmark data reflects consistently higher performance. In 2010, the percentage of schools above the median for the CSI was 80% at KS1 and 83% at Key Stage 2. Around a third of schools were in the top quarter at each Key Stage (13 schools), with very few in the bottom quarter (just one school at Key Stage 1 (2.4%) and three at Key Stage 2 (7.5%).

At inspection, four schools were judged as having adequate standards and six schools as good standards in 2011/12. One primary school was in special measures, but was recommended to be removed from the category within four terms. Targeted support will continue to raise standards in all primary schools to at least good.

Areas for further development include:

- raising standards across the Foundation Phase remains a priority (including those in Language, Literacy & Communication);
- increasing the percentage of pupils achieving level 4a at KS2 (as opposed to 4c) will provide a stronger foundation for Key Stage 3;
- raising the benchmark position at the end of Key Stage 2 remains a key priority; and
- ensuring no primary schools enter Estyn categories of concern and moving all schools towards good or beyond.

Key Stage 3

When compared with authorities nationally, performance of Flintshire learners at the Key Stage 3 Core Subject Indicator is good overall. 76.0% of Flintshire pupils achieved the Core Subject Indicator in 2012 - an increase of 2.2% on 2011 and continuing the upward trend over the last five years. Despite this improvement, the gap between Flintshire and the Wales average, at 3.5 percentage points, is lower than in previous years and Flintshire is placed 7th in Wales.

Compared to Welsh Government value added estimates of performance in 2012, Flintshire schools overall performance was good. Welsh first language, based on a small cohort of learners, was not as successful following a significant improvement in 2011.

Welsh Government 2011-12 Key Stage 3 (from Key Stage 2) estimates of performance against actual are:

	Model 1	Model 2b	Actual
CSI	70.6%	72.9%	76.0%
English	78.6%	80.7%	83.1%
Welsh 1st	76.8%	76.2%	67.9%
Mathematics	80.1%	81.4%	83.9%
Science	82.6%	84.6%	87.3%

The Welsh Government Key Stage 3 and Key Stage 4 Value Added Summary 2011/12 rates Flintshire's outcomes in the second quartile with a significant positive value added figure for model 1. Model 2b also shows positive value added but is in the third quartile.

Performance of Flintshire learners in the Core Subjects is good overall with Welsh Government Key Stage 3 and Key Stage 4 Value Added Summary 2011/12 rating Flintshire's outcomes in English and Science in the first quartile with significant value added for Model 1. In Model 2a English outcomes are in the top quartile, with Science in the second quartile.

Mathematics is in the second quartile for both models with a significant value added on Model 1. Welsh First Language was in the fourth quartile in model 1 and 2a with the small cohort of learners not able to consolidate the significant improvements achieved in 2011.

The proportion of learners achieving Level 5+ improved again in English (0.6 percentage points), Mathematics (1.9 percentage points) and Science (1.8 percentage points) in 2012 continuing the trend of improvement in each of the last five years in all of these subjects. However, the gap in performance between Flintshire and Wales narrowed in 2012. Flintshire ranked 6th, 7th and 3rd respectively in the core subjects.

When considered against FSM benchmarking, six Flintshire schools were above the median in each of these core subjects with six below the median. However, there were fewer schools in the upper quartile, particularly in English.

Performance in English, Maths and Science shows a generally positive trend at levels 6+ and 7+, with outcomes close to target other than for English at Level 6+.

Outcomes in non-core subjects at Key Stage 3 continue to be good and improving. The proportion of learners achieving Level 5+ in 2012 was higher than in 2011 in all non-core subjects. Flintshire outcomes were in the top four of all authorities in Wales for all subjects in 2012 with the exception of PE (although even here Flintshire outcomes increased from 81.5% to 85.6%).

FSM benchmarking identifies more individual school non-core outcomes above the median than below in each of the last three years. In 2012 this trend continued and of 144 core and non-core benchmarked outcomes for Flintshire schools, 34 were in the top quartile, 44 in the second, 39 in the third and 27 in the fourth. Outcomes at Levels 6+ and 7+ in non-core subjects have not compared to Wales averages as positively as Level 5+. There were general improvements in 2012 across the range.

Areas for further development include:

- continuing to improve performance at level 6+ and 7+ to ensure pupils make as much progress as possible; and
- aiming to improve benchmark performance so that no school's results are in the bottom quartile against similar schools.

Key Stage 4 & 5

At Key Stage 4 the proportion of Flintshire learners that attain the Level 2 Threshold including English/Welsh and Maths is very good. In 2012 figures show this was 59.6%, compared to a Wales average figure of 51.1%. This compares to 58.2% in Flintshire and 50.1% for Wales in 2011. This widens the differential between Flintshire and the Wales average from 2011. In 2012 Flintshire had three schools placed in the upper quartile and a further four in the second, with only two in the lower quartile. Progress since 2008 when Flintshire secured 45.2% against a Wales average of 45.6% has been excellent.

Outcomes across Flintshire for the Level 1 Threshold have improved once again from 93.7% in 2011 (Wales 90.3%) to 95.6% in 2012 (Wales 91.8%). Seven schools were in the upper quartile and a further two at or above the median, with no schools in the lower quartile, when compared to FSM benchmarking in 2012. This is excellent progress since 2007 when the Flintshire figure was 88.1% against a Wales average of 86%.

Outcomes across Flintshire for the Core Subject Indicator have improved once again from 57.3% in 2011 (Wales 48.7%) to 57.6% in 2012 (Wales 48.9%). In 2012 two schools were in the upper quartile for performance at the CSI, with a further five in the second quartile and only two in the fourth.

Compared to Welsh Government value added estimates of performance in 2012, Flintshire schools' overall performance is good with actual performance above estimate on the four indicators estimated

Welsh Government 2011-12 Key Stage 4 (from Key Stage 2) Estimates of performance against actual

	Model 1	Model 2b	Actual
Level 1 Threshold	92.3%	93.3%	95.6%
Level 2 Threshold	67.5%	70.7%	77.3%
CSI	47.1%	51.1%	57.6%
Level 2 Threshold + 48.6%		52.6%	59.6%

The 2011/12 Value Added Summary (matched to prior attainment at Key Stage 2) places Flintshire outcomes in the upper quartile for both models for the CSI, Level 2+ and Level 1 indicators, with generally significant value added. Level 2 Threshold and

both points scores are in the second quartile on both models, with significant value added in model 1.

The Average Wider Points scores for Flintshire learners has been below the average in Wales in recent years (nine points below in 2011) although we have consistently predicted an improvement in this indicator following changes in curriculum design. Outcomes in this indicator for 2012 show Flintshire now 44 points ahead of the Wales average and this is good progress. Improvements in learner performance have contributed to a 95.5 point year on year increase and the number of learners completing the WBQ has also been a significant factor. Figures also show Flintshire's average for Capped Wider Points score 13.3 points ahead of Wales in 2012 compared to just 3.8 points in 2011.

Analysis of value added data provided by Fischer Family Trust shows that, when compared to past performance at Key Stage 2 and Key Stage 3, Flintshire Key Stage 4 learners achieve above expectations for the A* to G pass rate, A* to C passes and A*/A grades. Introducing social factors within the SX has identified small negative outcomes for performance at A*/A grades in recent years, but in 2011 this was positive, which demonstrated good progress.

Flintshire aggregates the outcomes of CATs tests taken by learners in Year 7 each year. The 2012 Key Stage 4 cohort therefore took these tests in 2007 and there was a marked decline in the proportion of learners with scores above average relative to previous years, with only 43.3% of learners scoring above average on the CATs Mean Score compared to the expected 50%. However, working with schools the local authority refused to accept an overall reduction in targets set for this year group, in fact maintaining an aspiration for improvement. The result of this has been that the initial low analysis of this group has not affected outcomes at Key Stage 4 in the way that may have been feared and this is a good and important outcome.

The very low proportion of learners leaving full time education without a recognised qualification is excellent with the trend over 5 years being a reduction from 1.5% to 0.2% in 2012 (Wales benchmark 0.4%).

In schools the proportion of Post 16 learners achieving the Level 3 threshold varies across providers but is good overall at 96.8% in 2011 and 97.3% in 2012.

The average wider points score of Flintshire Post 16 school learners increased to 817 in 2011 compared to a Wales average of 799. This was the first time in recent years that Flintshire had exceeded the Wales average, as more schools undertook the WBQ than in previous years. Provisional figures for 2012 show a decrease in points scores across Flintshire and Wales and this needs to be investigated. There is currently too wide a variation in outcomes within and across centres, with many good outcomes whilst others are only adequate. This is a key driver for the Strategic Outline Case for change.

Analysis of A Level data for schools provided by Fischer Family Trust shows that value added performance was positive in 2011. Fischer demonstrates that of 1597 matched entries there was a positive value added for pass grades of 1% on the PA model and 0.8% on the SE model. There was a more significant level of value added for the number of A-C grades achieved, at 3.1% and 2.1%. At the highest A*-A level

Flintshire had a positive value added figure of 0.9% and 1.1% on the two models and this demonstrates significant progress compared to previous years.

In Flintshire, participation rates (in Year 12 / FE college) for Key Stage 4 school leavers are good, show a positive trend and are consistently higher than the all Wales average. In 2011 89% of learners progressed into Year 12 compared to 85.1% across Wales. At the end of Year 13, 84.6% of Flintshire learners continued in education compared to 79.4% of Year 13 learners in Wales. Overall, Flintshire Learners are slightly more likely to complete Sixth Form and stay in education than is average across Wales.

The trend of decline in the number of learners known to be NEET in Flintshire after Year 11 continued in 2012 with a reduction of 0.1 percentage points on the 2010 figure to 2.7%. This is the best figure in Wales and significantly below the national average of 4.4%.

Outcomes of Estyn Inspections of Secondary Schools are good. This also reflects the outcomes of the 2011 Area Inspection report on the quality and standard of provision for 14 – 19 year old learners in Flintshire, when current performance and prospects for improvement were judged as good. Five Flintshire High Schools have been inspected under the new framework. Progress in these schools has been good. Performance in all key questions has been judged as good across all five schools. Current overall performance is judged as good in each school and prospects for improvement are excellent in four schools and good in the fifth.

Areas for further development include:

- continuing to raise standards of achievement at Key Stage 4 for all five key indicators so that within the next four years they improve and are consistently above Flintshire's FSM ranking;
- developing protocols for sharing and analysing post-16 attainment across the full range of learning providers;
- aiming to improve benchmark performance so that no school's results are in the bottom quartile; and
- ensuring post 16 reorganisations secure improved Key Stage 5 outcomes for learners.

(1.2)

The percentage difference in the performance of girls and boys in Flintshire across the areas of learning in the Foundation Phase and in the Foundation Phase Indicator is less than the difference for Wales at Outcome 5+. The lowest percentage difference in Flintshire is in Maths reflecting the position for Wales.

The percentage difference in the performance of girls and boys in Flintshire at Key Stage 2 is slightly wider in English by 0.6 percentage points but less in maths by 0.1 percentage points. In reading, writing and maths combined the gap remains at 0.6 percentage points between Flintshire and Wales. The Council has targeted groups of schools where there is a significant girl/ boy % difference in literacy and this is positively impacting on standards in those schools.

Performance of boys in achieving the Key Stage 3 Core Subject Indicator is good and has shown a positive trend of improvement with 73.7% of boys succeeding in 2012. This is 6.5% above the Wales average and ranks 4th. Girls' performance at CSI in 2012 was 78.4%. This is one percentage point below the previous best figure achieved in 2011, when Flintshire girls ranked 3rd in Wales.

Performance of boys and girls both show a generally positive trend at Key Stage 4. At 57.2% (in 2011) boys' outcomes for the Core Subject Indicator were 11.7 percentage points above the average of boys in Wales. Boys had the highest outcomes in Wales for the second consecutive year. Girls' outcomes in Flintshire for this indicator, at 57.3%, were 5.3 percentage points higher than the average for Wales and ranked third. In 2012 girls performed better, with boys achieving 53.6% (Wales boys 45.1%) and girls 61.7% (Wales girls 52.9%).

At the Level 1 threshold figures for 2012 show the continued positive trend with Flintshire boys outperforming Wales boys by 5 percentage points (Flintshire 95%, Wales 90%), whilst Flintshire girls outperformed Wales girls by 2 percentage points (Flintshire 96%, Wales 94%) in 2009.

In schools there is generally no significant difference between the performance of boys and girls at the Level 3 threshold. The wider points score for girls (841 in 2011) is higher than that for boys (792) although the boys were further above the Wales average performance than the girls. This continued in 2012 with girls scoring 75 points more than boys, although 98% boys achieved the threshold compared to 97% of girls.

R2 improve the standard and quality of provision in primary schools by:

- **addressing a trend of declining attendance (2.1);**
- **reducing fixed term exclusions (2.2); and**
- **reducing school balances and deficits in line with national guidelines (2.3).**

Monitoring

(2.1)

Embedded tasks include:

- setting targets to reduce absences from individual schools for the IWO service and requesting that schools report progress as a matter of course to Governors on a termly basis;
- ensuring that Governors are trained and fully aware of expectations on attendance and exclusion matters;
- encouraging schools to reduce the numbers of days exclusion placed upon pupils by introducing a universal model tariff for misdemeanours;
- supporting targeted schools in developing a range of strategies including rewards for pupils and use of partner agencies and parents to improve attendance rates;
- reviewing current IWO involvement using a quality assurance framework.

Targeting support towards those schools most in need, ongoing tasks include ensuring that schools set challenging targets, monitor progress and evaluate

outcomes. The service now shares progress on attendance rates with schools on a half termly basis. It shares expected standards and challenges if these are not achieved.

(2.2)

Embedded work includes:

- delegating Social Inclusion funding to schools so that schools can target support more immediately;
- encouraging schools to adopt the model “universal tariff” for exclusions to ensure consistency and fairness;
- change the referral process to the short term PRU, enhancing school responsibility and encouraging all schools to support the Managed Moves Protocol;
- training for schools on classroom management and behaviour management to reduce the requirement to exclude.

Continuing work includes:

- encouraging schools to develop in house strategies to avoid/reduce exclusions; and
- encouraging Governing Bodies to challenge decisions made by Headteachers through training for governors.

(2.3)

Embedded tasks include:

- developing a policy on school balances for inclusion in the Scheme for Financing Schools;
- consulting with internal stakeholders, reviewing responses and updating policy;
- submitting the draft policy to Schools Budget Forum for consideration;
- approval of the revised policy; and
- circulating the revised policy to Headteachers and Chairs of Governors.

The current task is to embed robust systems for monitoring adherence to policy

Evaluation

(2.1)

The Council has a highly effective range of services and strategies which support and promote attendance and support pupils to maintain their educational placements. **Primary School attendance shows an improving trend from 93.7% in 2009/10, to 93.9% in 2010/11 and 94.5% in 2011/12.**

The Inclusion Welfare Service (IWS) has a history of extremely effective partnership working with schools to ensure a whole school approach to reducing absenteeism which include Attendance Strategy Meetings, Electronic Truancy Call, First Day absence calls and weekly monitoring. The IWS works very closely with the Behaviour Support Team and pupils struggling to access school are further supported through targeted Behaviour Planning / Management Meetings. This has ensured that attendance in schools across Flintshire has been consistently above the national average since 2006/07.

Flintshire is looking to build on this good practice to bring attendance figures in line with the UK benchmarks. To support this training has been held for school Governors to reinforce the importance of pupil attendance. A conference was also held for schools in November 2012 to promote good practice and explore ways of moving forward.

Monthly monitoring reports for attendance are shared with all key officers within the Directorate including the Director and Cabinet Member for Education.

The IWS has developed a comprehensive tracking system to monitor the impact of officer involvement. This is currently being reviewed and early indications suggest that it has supported more targeted interventions by the service.

The Welsh Government reviewed the actions of Local Authorities with regard to support for attendance. Flintshire was highlighted as an example of effective practice.

(2.2)

Since 2008-09 there have been no permanent exclusions within Flintshire's Primary Schools. The number of fixed term exclusions for primary pupils rose in 2009/10 to 123 instances but has reduced and remained fairly constant with 90 instances in 2010/11 and 99 in 2011/12.

Clear guidance regarding policies and protocols are in the Local Authority Behaviour and Attendance Policy. Half termly meetings are held for secondary school representatives to discuss and review policy and appropriate strategies. Officers also contribute to the Inclusion Service ANCo training and termly meetings.

The Local Authority has been working to support the reduction of exclusions within its schools. Monthly reports on exclusions are issued to Inclusion service managers to ensure appropriate action can be taken. The Managed Moves protocol is fully implemented and is operational within both primary and secondary schools.

There are effective procedures in place to reintegrate pupils back into school including Pastoral Support Programmes and reintegration meetings. Officers work hard to enable pupils to retain their current placements or to settle into new ones.

(2.3)

The overall position for Flintshire schools showed a decrease in net surplus balances from £3.402m in March 2011 to £3.113m in March 2012. Primary School balances totalled £2.061m at March 2011 and £2.182m at March 2012. The range of balances is between a surplus of £121k (Ysgol Gwenffrwd) to a deficit of £42k (Sychdyn CP). There were 10 primary schools with deficits totalling £164k at March 2011.

Following a wider finance review, which ensured that capacity is in place to deliver a full review programme, the Authority has also commissioned an activity-led review of Education Funding, focusing on extending delegation to schools and improving the educational rationale of the funding formula.

The Council has also introduced revised arrangements for the management of school balances following the inspection recommendation in 2011. A new policy has been developed following extensive consultation with Headteachers' Federations, Governing Bodies, School Budget Forum, and Trade Unions. Implementation of the new arrangements is expected to secure continuing reductions in school balances from the end of the 2012/13 financial year in March 2013.

R3 improve how senior officers and all elected members work together to:

- **improve standards for all learners (3.1);**
- **improve self-evaluation and reporting to members (3.2); and**
- **reorganise secondary schools, reduce surplus places and make better use of resources (3.3)**

Monitoring

(3.1)

Completed work includes:

- reviewing reporting of outcomes and improvement strategies to the Lifelong Learning Overview and Scrutiny Committee;
- revised remit for Member/ Officer School Performance Monitoring Meetings;
- broadened Member participation in School Performance Monitoring Meetings.

Work underway includes:

- revising the school/ LA partnership agreement with particular reference to LA responsibility for monitoring and evaluating performance of schools, in line with implementation of the regional school improvement service in April 2013; and
- a new commitment to training for Councillors in their role of promoting good governance and school improvement as school governors.

(3.2)

Self-evaluation involving stakeholders is a key strength of the Council. This was also recognised by Estyn in the May 2011 14-19 inspection. Following discussions during and following the October 2011 LAESCYP inspection the authority has taken steps to ensure that all stages of the process (particularly stakeholder engagement) are well documented.

Embedded work includes:

- Annual Scrutiny consideration of performance against education targets;
- implementation of revised quarterly performance reporting arrangements;
- review of protocols on reporting to elected members;
- general member induction (post-election) including factsheets, training events and tailored support for office holders;
- published annual timeline of performance information and performance reporting framework;
- Member Workshops on educational performance;
- renewed self-evaluation based on 2011/12 outcomes.

(3.3)

The Council's School Modernisation Strategy was developed with extensive involvement from Headteachers, Governors and Elected Members from the earliest stages of discussion of principles. It was approved in 2010 with support from the Council's Executive and Scrutiny functions. However, the then Executive did not support a proposal for closure of the County's smallest primary school (in accordance with the strategy) and the secondary review programme was temporarily halted in the Summer of 2011 following initial community consultation and reaction.

Key work since the Autumn 2011 inspection includes:

- engaging Elected Members in the strategic and operational aspects of secondary school area reviews;
- preparing and submitting 21st Century School Programme documentation;
- continuing with area reviews of secondary schools (including post 16 provision);
- progressing primary review work; and
- completing proposals for amalgamations in accordance with policy.

Evaluation

(3.1)

Elected members have a good track record of prioritising improving learner opportunities and outcomes. In recent times, they have shown increasing willingness to take key decisions to secure and safeguard opportunities and outcomes for the future. The Local Service Board is increasingly ambitious in its programme in support of local learners and communities.

Flintshire County Council's vision is based on extensive knowledge of national and local priorities and performance data. Members engage in these priorities in regular seminars and in annual Cabinet and Scrutiny programmes for the discussion of policy and performance. Members scrutinise standards of attainment and school performance.

The Scrutiny work programme provides robust challenge and support for the improvement of learner outcomes. The Cabinet Member attends each meeting to address questions and explain policy decisions. On-going monitoring of standards and provision, together with scrutiny of 14-19 and school modernisation programmes are examples of how Scrutiny has helped to develop and enhance the implementation of council priorities.

A standing group involving both the Chair and Vice Chair of Scrutiny and the Cabinet Member oversees work to support individual schools facing difficulty. They monitor the usage of the Authority's school improvement powers. They are particularly effective in working alongside Governing Bodies to help them recognise both the need to change and to support them through improvement journeys. This group builds on the earlier work undertaken by the Chair of Scrutiny and Cabinet Member, but allows for wider engagement of elected members. This group is already having an impact on the number of primary schools moving from Stages 3 and 4 of the Council's monitoring and intervention procedures.

(3.2)

Flintshire has an established cycle of rigorous self-evaluation and feedback from learners and stakeholders. It uses this to inform its forward planning.

Quarterly and end of year service delivery reviews take place across the Council. The latter involve service teams in evaluating their performance against their team plan targets. Managers work to challenge and moderate each other's team evaluation judgements across Lifelong Learning and wider Council services.

The Lifelong Learning self-evaluation is shared with Headteachers' Federations, the Governors' Association and Children & Young People's Partnership partners including voluntary sector representatives. Their evaluative comments and priorities influence the development of self-evaluation recording and service planning. Examples include the Children and Young People's Partnership and Health and Wellbeing Partnership and the relevant sub groups and networks. e.g. the Families First leads delivery board.

The Chief Executive, Director of Lifelong Learning and senior Directorate Managers meet regularly with stakeholders. They meet on a scheduled basis with Headteacher Federations, school governors, trade union representatives and wider groups of partners. They meet with the Flintshire Youth Council and with school councils and groups of learners during their programme of visits. Many successful strategies have developed from these meetings. Examples include the Wellbeing strategy and the participation programme for engagement.

The Local Authority also undertook a perception survey of schools in July 2011 with positive outcomes. The areas surveyed were support for school improvement, support for additional learning needs, social inclusion and wellbeing, access and school places and leadership.

The lead commissioning officer for inclusion consults with parents, young people, Headteachers and ANCos in the development of the inclusion strategy and evaluation of previous strategic developments.

Flintshire County Council is proactive in the way it approaches underperformance in schools. This has led to significant improvements in schools and in key performance indicators. The Cabinet Member, Chair of Scrutiny and Member Working Group rigorously review all school inspection reports. They also scrutinise and actively monitor improvement plans and other actions in relation to schools causing concern to the Authority. This involves working closely with school leadership teams and governing bodies.

Scrutiny challenges the Cabinet Member and senior officers on standards of attainment and school performance. Systematic monitoring by scrutiny has focused attention on continuous improvement.

The Children and Young People's Partnership encourages a wide range of learners, stakeholders and partners to provide evaluative feedback through a range of mechanisms including consultation workshops, events and surveys and by utilising social media. The high level of engagement in the development of the current Children and Young People's Plan and the emerging Families First programme are examples of this. Other examples of learners influencing strategic developments include:

- Respect fest/ Respecting Others;
- Speak Out and Youth Conference Reports / development of social media use for virtual youth conferences in 2012;
- Young Flintshire participation levels;
- 21st Century Schools;
- Child Poverty Strategy;
- Families First;
- National Outcomes and disability scoping with parents of disabled children;
- Young at Heart (intergenerational project); and
- participation in recruitment and in consultation for Team around the Family posts, participation posts and 3rd sector posts.

(3.3)

Flintshire County Council has an appropriate range and number of school places, with effective monitoring and planning for future needs. The incoming Administration has moved quickly to take key decisions on addressing surplus places. Actions have included issuing statutory proposals on closure of the smallest primary school and approving preferred options for the secondary area reviews, together with accelerating the formula review and area school review programmes.

The primary school level of surplus places is currently 17.93% (average September 2012) whilst the secondary school surplus is 15.71% (average September 2012). In 2011 (the last available benchmarking) Flintshire's figures were the 9th lowest in primary and 7th lowest in secondary in Wales. 20 primary schools and 3 secondary schools have more than 25% surplus places. The Council has plans to address these issues within its School Modernisation Strategy through reorganisation and alternative use of school premises.

Primary school surplus places have reduced over the last three years from 18.20% to 17.93% due to fewer Year 6 pupils leaving than the number of reception children starting school. Pupil numbers are expected to increase in future years, reducing surplus places to below 10%, due to an increasing birth rate and planned housing developments. This is already being evidenced with an increased reception intake in September 2012. 49 additional children were in the reception classes of local schools compared with September 2011.

Secondary school surplus places have increased over the last three years from 12.76% to 15.71% due to fewer Year 7 pupils arriving than young people leaving secondary education. Pupil numbers in Year 7 are expected to decrease in future years until September 2015-16. All secondary schools with more than 25% surplus places are subject to reviews which have reached preferred option for change stage.

Flintshire County Council determines the capacity of schools in accordance with Welsh Government guidance. The Council works with schools to develop strategies

for the reorganisation of school accommodation to meet current and future needs, e.g. short-term 'mothballing' of class bases in schools where pupil numbers are expected to increase in future or reorganisation of Additional Learning Needs provision.

The 2011 LAESCYP inspection concluded that the Authority's asset management planning is good and information on condition, sufficiency and suitability of school buildings is accurate and regularly updated. Budgets are closely matched to where there is the greatest need. Work undertaken is on time and to budget.

In recent years, the Council has opened new purpose built primary schools at Greenfield and Connah's Quay. A new primary school is currently being developed at Shotton which is on target for opening in September 2014. Following five completed or current consultations, the County Council is on schedule to complete its infant/junior amalgamation programme by September 2013, providing better opportunities and continuity for learners. The Council has also issued a statutory proposal for closure of its smallest primary school (at Rhes y Cae) with planned closure in August 2013.

The 16-18 Strategic Outline Case, approved by the Welsh Government, ensures delivery through collaboration between schools, Deeside College, work-based learning providers and training providers. All key partners are represented on the Flintshire Learning Network. The Network was inspected in 2011 securing the best ever result in Wales with good outcomes and prospects.

Flintshire is also leading the development of the regional procurement framework for 21st Century Schools programme delivery to secure value for money as well as community benefits including training, apprenticeships and employment opportunities.

Following a wider finance review, which ensured that capacity is in place to deliver a full review programme, the Authority has also commissioned an activity-led review of Education Funding, focusing on extending delegation to schools and improving the educational rationale of the funding formula.

The Council has introduced revised arrangements for the management of school balances following the inspection recommendation in 2011. A new policy has been developed following extensive consultation with Headteachers' Federations, Governing Bodies, School Budget Forum and Trade Unions. The level of school balances has reduced from £3,124k in 2011/12 to £2,928k in 2012/13. Implementation of the new arrangements is expected to secure continuing reductions in school balances.

R4 reduce the number of days' education that learners in Flintshire miss due to fixed term exclusions of six days or more in all of its secondary schools

Monitoring

Key actions since the 2011 LAESCYP inspection include:

- ensuring that Governors are carrying out hearings for 'long' fixed term exclusions with LA representation whenever possible;
- ensuring governor training contains element of challenge to Heads on usage of fixed term exclusions;
- encouraging schools to look at other options to exclusion through training, the purpose of exclusion agenda and multi-agency working. e.g. Multi Agency Planning Meetings, in house exclusion areas, using PRUs and early identification of support needs;
- targeting schools for challenge and support that are using 'long' exclusions;
- reporting exclusions with comparative data on a half termly basis; and
- encouraging schools to use the "universal tariff" approach.

Evaluation

The number of permanent exclusions has reduced in both the primary and secondary sector. Secondary numbers have reduced from nine in 2007/08 to one in 2011/12. The number of fixed term exclusions of 5 days or less has also reduced in the secondary sector from 786 in 2007/08 to 509 in 2011/12.

The number of fixed term exclusions of six days or more fell from 123 in 2007/08 to 79 (71 individuals, 56 in secondary schools) in 2009/10), to 61 (53 individuals, 44 in secondary schools) in 2010/11 and 48 (41 individuals, 30 in secondary schools) in 2011/12. **The average number of days' education that secondary learners in Flintshire lost due to fixed term exclusions of six days or more in all of its secondary schools has reduced from 14.6 days in 2011/12 to 11.5 days so far in 2012/13.**

The Council has a highly effective range of services and strategies which support and promote attendance and support pupils to maintain their educational placements.

Clear guidance regarding policies and protocols are in the Local Authority Behaviour and Attendance Policy. Half termly meetings are held for secondary school representatives to discuss and review policy and appropriate strategies. Officers also contribute to the Inclusion Service ALNCo training and termly meetings.

The Local Authority has been working to support the reduction of exclusions within our schools. Monthly reports on exclusions are issued to Inclusion service managers to ensure appropriate action can be taken. The Managed Moves protocol is fully implemented and is operational within secondary schools.

There are effective procedures in place to reintegrate pupils back into school including Pastoral Support Programmes and reintegration meetings. Officers work hard to enable pupils to retain their current placements or to settle into new ones. Performance Indicators relating to the reduction of permanent exclusions are set within the Inclusion Services and these are being achieved.

R5 improve the monitoring arrangements for the Children and Young People's Partnership to effectively track the progress of children and young people

Monitoring

At the time of the last inspection, recent studies identified the needs of children, young people and families across the communities of Flintshire. However, locally and nationally service commissioning and performance monitoring was not fully developed against the developing national Families First framework. Continued rapid progress has subsequently been made in commissioning of CYPP services.

Key actions since the 2011 LAESCYP inspection included:

- developing the high level CYPP monitoring templates by July 2012;
- ensuring that National Families First Outcomes are considered in performance planning was completed by September 2012;
- ensuring that local indicators were added to the “national givens” was completed by September 2012;
- the commissioning programme for wellbeing services under Families First has been now been completed this ensured that full current specifications are in place for wellbeing services; and.
- services have also been appropriately commissioned and procured.

Evaluation

In 2011 Estyn concluded that “the CYPP works well to provide a good range of learning opportunities for children and young people. Members have a clear understanding of their roles and responsibilities and how they contribute to the partnership's priorities. There is a high level of trust and co-operation within the partnership. The partnership reviews how it funds projects regularly, and decommissions projects appropriately to make sure that it allocates resources to where they are needed most”.

The new CYPP was developed using the Results Based Accountability approach which is only now becoming widely known and recognised in Wales. National performance monitoring arrangements were in development at the time of the last inspection. Progress has been rapid since the last inspection, with implementation of new arrangements for Families First.

The CYPP has good links with the main strategic partnerships through the LSB and the Community Strategy, including the LSCB, Health Social Care and Wellbeing Partnership, Community Safety Partnership and the 14-19 Learning Partnership. There is a systematic and comprehensive approach to the identification and development of partnership planning evidenced through development documentation.

The CYPP has a clearly articulated vision, reflecting Council and community strategic plans, for improving outcomes by pooling resources. The 2008/11 plan raised learners' attainment across all key stages and led to improved attendance. It supported improvement across groups of vulnerable learners, e.g. LAC and EAL.

The CYPP Performance Management Framework is used to monitor performance against the priorities within the Children and Young People's Plan and actions that support the development of Youth Support Services are included within Core Aims:

- Action area 1 – Children and young people are cared for;
- Action area 2 - Children and young people are ready, able and encouraged to learn;
- Action area 3 - Children and young people have a healthy lifestyle;
- Action area 4 - Children and young people have time and space to play, and to participate in activities;
- Action area 5 - Children and young people are respected in all areas of their lives;
- Action area 6 - Children and young people are safe; and
- Action area 7 - Children, Young People and Families have the resources they need to maximise their opportunities.

The Children and Young People's Partnership structure also coordinates the provision of Youth Support Services through a range of core aim sub-groups, including the information and involvement sub group, the Families First management board and the Families First programme ownership board which is made up of all the leads of the delivery projects.

The Children and Young People's Partnership supports the delivery of a range of Youth Support Services across sectors through a Young People's Participation Officer who works within the partnership framework in Flintshire.

The Children and Young people's Partnership undertook a service mapping exercise to support the development of the Families First model, commissioning and procurement arrangements in Flintshire. The resulting portfolio of services ensures that we meet current and anticipated needs, whilst also reducing unnecessary duplication of services.

R6 Prioritise areas for improvement identified in its self-evaluation of education

Monitoring

As part of the post inspection action planning a format for prioritising areas for improvement from within the self-evaluation document and inspection report was also completed. The PIAP programme group has ensured that identified areas for improvement, references within the LAESCYP inspection report and recommendations from inspection have been addressed either within the Post-Inspection Action Plan or service planning as appropriate.

The authority will continue to revise priorities on an annual basis as part of the cycle of self-evaluation and service planning.

Evaluation

Data informs decision making, target setting and self-evaluation. Planning is increasingly carefully matched to resources through the Medium Term Financial Planning process.

There have been significant improvements in the Authority's performance management arrangements. Increased consistency across the Council has enabled easier mobilisation of capacity and challenge across the organisation.

The revised performance management framework established by the Children and Young People's Partnership is comprehensive and fully involves all partners in the process through Core Groups and the overarching Partnership Board.

Lifelong Learning's performance management arrangements work well with those of the Children and Young People's Partnership. These allow officers, members and partner representatives to reflect on performance on a quarterly basis and to discuss areas for improvement with Heads of Service. Teams work well to evaluate performance and ensure that service developments are owned by all members of staff. Exception reports evidence how the performance management process follows up on priorities and targets that are at risk of falling behind. The drive to improve performance and outcomes for learners is evident in all service areas and has led to improvements in many different areas, e.g. literacy and numeracy at each key stage, increased provision for excluded pupils and pupils at risk of exclusion.

Central education services have had to face budget and staff reductions. Service strategy focuses on dedicating resources to schools for raising standards of literacy and numeracy and reducing the impact of deprivation and other factors on achievement and attainment. In particular, further work on raising standards of achievement, attainment and attendance of FSM pupils and vulnerable groups is being set in place and complemented by increasing our work to support the more able and talented.

A systematic approach has been taken to ensuring that action and impact is secured against all recommendations made in Local Authority Estyn inspection reports. For example, revised support, monitoring and intervention frameworks have been introduced by School Improvement and Inclusion services, improvements have also been made in analysis of data for vulnerable groups to target support to secure improvements in outcomes.

**FLINTSHIRE COUNTY COUNCIL FORWARD WORK PROGRAMME ITEMS
COUNCIL, CABINET, AUDIT AND OVERVIEW & SCRUTINY
FEBRUARY 2013 TO JULY 2013**

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & TOPIC	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
February					
Environment Overview & Scrutiny Committee	6 February 2013	Environment	Recycling Income To receive a report on the income generated via recycling activity.		
Environment Overview & Scrutiny Committee	6 February 2013	Environment	Contracted Bus Services To consider proposals following the national review.		
Environment Overview & Scrutiny Committee	6 February 2013	Environment	Review of Public Conveniences To receive a progress report		
Environment Overview & Scrutiny Committee	6 February 2013	Legal and Democratic Services	Forward Work Programme		

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Corporate Resources Overview & Scrutiny Committee	14 February 2013	Finance	Revenue Budget Monitoring 2012/13 Month 8 Monitoring and development		
Corporate Resources Overview & Scrutiny Committee	14 February 2013	Human Resources and Organisational Development	Workforce as a Flintshire Futures workstream Monitoring and development		

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Corporate Resources Overview & Scrutiny Committee	14 February 2013	Finance	<p>Discretionary Housing Payment (DHP) Policy 2013/14</p> <p>The policy specifies how Flintshire County Councils Revenues & Benefits Service will manage the DHP scheme and suggests some of the factors we will consider when deciding to award a DHP. The DHP award depends on the customers individual circumstances, Applicants will need to demonstrate that they are suffering from financial hardship or exceptional circumstances. The award is intended as a short-term measure to relieve poverty or difficult circumstances and the customer should not rely on DHP in the long term.</p>		

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Corporate Resources Overview & Scrutiny Committee	14 February 2013	Overview and Scrutiny	<p>Corporate Resources Forward Work Programme To consider the Forward Work Programme of the Corporate Resources Overview & Scrutiny Committee.</p>		
Lifelong Learning Overview & Scrutiny Committee	14 February 2013	Lifelong Learning	<p>Incidents of arson, vandalism and burglaries in Flintshire Schools Annual update report to review progress</p>		
Lifelong Learning Overview & Scrutiny Committee	14 February 2013	Lifelong Learning	<p>Pupil Attainment 2011/12 To provide Members with a summary of Pupil attainment, in statutory assessments in the secondary phases for the school year 2011/2012</p>		
Lifelong Learning Overview & Scrutiny Committee	14 February 2013	Lifelong Learning	<p>Saltney Library update To provide members with a report on the progress made regarding the planning and funding for the relocation of Saltney Library.</p>		

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Lifelong Learning Overview & Scrutiny Committee	14 February 2013	Lifelong Learning	<p>Healthy Schools To provide the Committee with an update on the healthy schools initiative to ensure it is making a difference to the health and achievement of young people in Flintshire schools</p>		
Lifelong Learning Overview & Scrutiny Committee	14 February 2013	Lifelong Learning	<p>Quarterly Monitoring Report on Progress with Implementation of the Estyn Action Plan To consider the progress with implementation of the Action Plan</p>		
Lifelong Learning Overview & Scrutiny Committee	14 February 2013	Overview and Scrutiny	<p>Forward Work Programme To consider the Forward Work Programme of the Lifelong Learning Overview & Scrutiny Committee.</p>		
Cabinet	19 February 2013	Finance	<p>Council Fund Revenue Budget 2013/14 To propose the Council Fund Revenue Budget for 2013/14.</p>	Strategic	Leader of the Council and Cabinet Member for Finance

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Cabinet	19 February 2013	Finance	<p>Housing Revenue Account 2013/14 and Capital Programme 2013/14 To consider the Housing Revenue Account Budget.</p>	Strategic	Leader of the Council and Cabinet Member for Finance, Cabinet Member for Housing
Cabinet	19 February 2013	Finance	<p>Council Fund Capital Programme 2013/14 to 2022/23 To propose the Council Fund Capital Programme for 2013/14 and provide indicative details for 2014/15 to 2022/23 following consultation with the Corporate Resources Overview & Scrutiny Committee.</p>	Strategic	Leader of the Council and Cabinet Member for Finance
Cabinet	19 February 2013	Finance	<p>Treasury Management Strategy 2013/14, Treasury Management Policy Statement 2013-2016 and Treasury Management Practices 2013-16 To present to Members the Treasury Management Policy Statement for 2013/14 for approval to Council.</p>	Strategic	Cabinet Member for Corporate Management

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Cabinet	19 February 2013	Finance	<p>Prudential Indicators 2013/14 - 2015/16 To present proposals for setting a range of prudential indicators in accordance with the Prudential Code for Capital Finance in Local Authorities (the Prudential Code).</p>	Strategic	Leader of the Council and Cabinet Member for Finance
Cabinet	19 February 2013	Finance	<p>Minimum Revenue Provision 2013/14 To present proposals for the setting of prudent minimum revenue provision for the repayment of debt in 2013/14, as required under the Local Authorities (Capital Finance and Accounting) (Wales) (Amendment) Regulations 2008 ('the 2008 regulations').</p>	Strategic	Leader of the Council and Cabinet Member for Finance
Cabinet	19 February 2013	Chief Executive's	<p>Improvement Assessment Letter (WAO) To receive the second Improvement Assessment letter provided by the Auditor General for Wales and to endorse the Councils response</p>	Strategic	Cabinet Member for Corporate Management

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Cabinet	19 February 2013	Environment	<p>Bus Funding The Purpose of the report is to advise Members of proposed changes to the delivery of bus subsidy funding from the 1st April 2013.</p>	Strategic	Deputy Leader of the Council and Cabinet Member for Environment
Cabinet	19 February 2013	Environment	<p>Review of the Council's Policy on Highway Safety Inspections - Intervention Criteria and Response Times To seek Member approval for the new policy on highway inspections.</p>	Strategic	Deputy Leader of the Council and Cabinet Member for Environment
Cabinet	19 February 2013	Environment	<p>Civil Parking Enforcement To make a final decision on Civil Parking Enforcement (CPE), following a Call-in of the decision taken on 18th December 2012.</p>	Strategic	Deputy Leader of the Council and Cabinet Member for Environment
Cabinet	19 February 2013	ICT and Customer Services	<p>Flintshire Connects Strategy To provide an update on the overall progress for Flintshire Connects Centres.</p>	Strategic	Cabinet Member for Corporate Management

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Cabinet	19 February 2013	Chief Executive's	<p>Proposed Regional Emergency Planning Service The report projects the final business case for a regional emergency planning service for approval</p>	Strategic	Cabinet Member for Corporate Management
Cabinet	19 February 2013	Chief Executive's	<p>Equality update To present the annual report (2011/2012) on the Council's progress to meeting the Public Sector Equality Duties prior to publication and to provide an interim report on the Council's Strategic Equality Plan 2012/2016</p>	Strategic	Cabinet Member for Corporate Management
Cabinet	19 February 2013	Finance	<p>Council Tax and Business Rate Policies 2013-14 To approve various policies for the administration of Council Tax and Business Rates for the Financial Year 2013-14.</p>	Operational	Cabinet Member for Corporate Management

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Cabinet	19 February 2013	Finance	<p>Revenue Budget Monitoring 2012/13 (Month 8) To provide Members with the Revenue Budget monitoring information at Month 8 for the Council Fund and the Housing Revenue Account in 2012/13.</p>	Operational	Leader of the Council and Cabinet Member for Finance
Cabinet	19 February 2013	Finance	<p>Municipal Mutual Insurance - Trigger of Scheme of Arrangement To advise Members of the significant financial risk associated with the trigger of the scheme of arrangement by Municipal Mutual Insurance (MMI).</p>	Operational	Leader of the Council and Cabinet Member for Finance
Cabinet	19 February 2013	Lifelong Learning	<p>School Funding Formula Review Review implementation report.</p>	Operational	Cabinet Member for Education

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Cabinet	19 February 2013	Lifelong Learning	<p>Consultation on re-organisation of Post 16 Provision To seek the approval of the Cabinet to commence the process of consultation relating to the post 16 provision in the Flint and Saltney areas.</p>	Operational	Cabinet Member for Education
Cabinet	19 February 2013	Lifelong Learning	<p>School Admission Arrangements 2014 School Admission Arrangements 2014</p>	Operational	Cabinet Member for Education
Cabinet	19 February 2013	Lifelong Learning	<p>Hawarden Infant & Rector Drew Church in Wales Voluntary Aided Junior School Amalgamation - Feedback from Consultation Update</p>	Operational	Cabinet Member for Education

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Cabinet	19 February 2013	Lifelong Learning	<p>Quarterly Monitoring Report on Progress with Implementation of the Estyn Action Plan To update Members on the progress of the post Estyn LAESCYP Inspection action plan prior to the monitoring visit in February.</p>	Operational	Cabinet Member for Education
Cabinet	19 February 2013	Finance	<p>Management of Internal Audit To consider the future management of Internal Audit at the end of the current contract from 31st March 2013.</p>	Strategic	Leader of the Council and Cabinet Member for Finance
Cabinet	19 February 2013	Environment	<p>Transforming Transport</p>	Strategic	Deputy Leader of the Council and Cabinet Member for Environment
Cabinet	19 February 2013	Lifelong Learning	<p>Restructure of Lifelong Learning Directorate Management Team Lifelong Learning Team Re-structuring</p>	Operational	Cabinet Member for Education

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Flintshire Council County	19 February 2013	Finance	Housing Revenue Account 2013/14 and Capital Programme 2013/14 To consider the Housing Revenue Account Budget.		
Flintshire Council County	19 February 2013	Legal and Democratic Services	Updating the Constitution To consider updating changes to the Council's Constitution pursuant to recommendations from the Constitution Committee and its Chairman.		
Flintshire Council County	19 February 2013	Legal and Democratic Services	Review of Internal Member Fora To consider recommendations from the Constitution Committee as part of the ongoing review of internal Member fora.		
Flintshire Council County	19 February 2013	Legal and Democratic Services	Appointments to the Standards Committee To make appointments to fill existing and forthcoming vacancies on the Standards Committee.		

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Housing Overview & Scrutiny Committee	21 February 2013	Housing	Resident Involvement To consider proposals to improve resident involvement		
Housing Overview & Scrutiny Committee	21 February 2013	Housing	Sheltered Housing Improvement Project To update Committee Members on the work being progressed to introduce a Community Based (Warden) Support Service and provide detail and seek views on the next developments.		
Housing Overview & Scrutiny Committee	21 February 2013	Housing	PDA and Capita update The committee resolved at its October and December meetings to receive an update on a regular basis		
Housing Overview & Scrutiny Committee	21 February 2013	Housing	Housing Forward Work Programme To consider the Forward Work Programme of the Housing Overview & Scrutiny Committee.		

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Social & Health Care Overview & Scrutiny Committee	28 February 2013	Community Services	<p>Public Law Outline and Associated Matters To receive an update on the implementation of the public Law Outline, Evaluation of Supervised Contact arrangements and update on restructure of frontline fieldwork.</p>		
Social & Health Care Overview & Scrutiny Committee	28 February 2013	Community Services	<p>Mental Health Measure update To receive an update on the measure</p>		
Social & Health Care Overview & Scrutiny Committee	28 February 2013	Community Services	<p>Regional Commissioning Hub To provide the committee with an update on the progress made.</p>		
Social & Health Care Overview & Scrutiny Committee	28 February 2013	Overview and Scrutiny	<p>Social & Health Care Forward Work Programme To consider the Forward Work Programme of the Social & Health Care Overview & Scrutiny Committee</p>		

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
March					
Flintshire Council County	1 March 2013	Finance	Council Fund Revenue Budget 2013/14 To provide Members with the recommendations of the Cabinet for the Council Fund Revenue Budget 2013/14.		
Flintshire Council County	1 March 2013	Finance	Council Tax Setting for 2013-14 For Council to agree the statutory and other necessary resolution for the purpose of administering Council Tax and Non-Domestic Rates for 2013-14.		
Flintshire Council County	1 March 2013	Finance	Council Fund Capital Programme 2013/14 - 2022/23 To propose the Council Fund Capital Programme for 2013/14.		

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Flintshire Council County	1 March 2013	Finance	Treasury Management Policy & Strategy Statement 2013/14 To present to Council the recommendations of the Executive in relation to the Treasury Management Policy Statement for 2013/14.		
Flintshire Council County	1 March 2013	Finance	Prudential Indicators 2013/14 - 2015/16 To present to Council the recommendations of the Cabinet in relation to the setting of a range of Prudential Indicators.		
Flintshire Council County	1 March 2013	Finance	Minimum Revenue Provision 2013/14 To present to Council the recommendations of the Cabinet in relation to the setting of a prudent minimum revenue provision for the repayment of debt.		

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Environment Overview & Scrutiny Committee	6 March 2013	Overview and Scrutiny	<p>Environment Quarter 3 Service Performance Reports To note and consider the 2012/13 Quarter 3 service performance reports produced at the Head of Service/Divisional level under the adopted business model of the Council. The reports cover the Quarter 3 period (October to December 2012).</p>		
Environment Overview & Scrutiny Committee	6 March 2013	Environment	<p>North Wales Residual Waste Treatment Project To receive and consider further details on the progress of the project.</p>		
Environment Overview & Scrutiny Committee	6 March 2013	Environment	<p>Energy Switching Scheme To consider the benefits of Energy Switching Schemes</p>		

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Environment Overview & Scrutiny Committee	6 March 2013	Overview and Scrutiny	<p>Environment Forward Work Programme To consider the Forward Work Programme of the Environment Overview & Scrutiny Committee</p>		
Audit Committee	13 March 2013	Chief Executive's	<p>Improvement Assessment Letter (WAO) To receive the second Improvement Assessment letter provided by the Auditor General for Wales and to endorse the Councils response</p>	Strategic	Cllr Billy Mullin
Audit Committee	13 March 2013	Finance	<p>Treasury Management Update To provide an update on matters relating to the Council's Treasury Management Policy, Strategy and Practices 2012/13.</p>		

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Audit Committee	13 March 2013	Finance	<p>Financial Procedure Rules To provide Audit Committee with the proposed updated Financial Procedure Rules (FPRs) following the annual review.</p>		
Audit Committee	13 March 2013	Finance	<p>Internal Audit Progress Report To provide an update on progress against the Operational Plan for 2012/13, summarise the results of our recent work and report on performance indicators.</p>		
Audit Committee	13 March 2013	Chief Executive's	<p>Annual Improvement Report (WAO) Receipt of the annual report from the Wales Audit Office and noting the Council's response</p>	Strategic	Cabinet Member for Corporate Management
Audit Committee	13 March 2013	Finance	<p>Forward Work Programme To receive the Forward Work Programme.</p>		

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Corporate Resources Overview & Scrutiny Committee	14 March 2013	Chief Executive's	Annual Improvement Report 2012 by the Auditor General for Wales		
Corporate Resources Overview & Scrutiny Committee	14 March 2013	Chief Executive's	Improvement Assessment Letter (WAO) To receive the second Improvement Assessment letter provided by the Auditor General for Wales and to endorse the Councils response		

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Lifelong Learning Overview & Scrutiny Committee	14 March 2013	Lifelong Learning	<p>Flintshire Play Sufficiency Assessment & Action Plan</p> <p>Following Play Sufficiency CMT report in April 2012 the final regulations and guidance has now been issued by Welsh Government (October 2012). Since that time Leisure Services have led in the process of undertaking a Play Sufficiency Assessment of FCC Services. The findings of this process are the subject of this report to LLL Overview and Scrutiny (See Appendix 1). This draft report has already been shared with Welsh Government (1st March 2013) given the tight deadlines set by the Regulations issued in October. The purpose of this report is to seek the guidance and advice of LLL Overview and Scrutiny with regards the detail of the report which constitutes the formal statutory response of FCC to Welsh Government.</p>		

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Lifelong Learning Overview & Scrutiny Committee	14 March 2013	Overview and Scrutiny	<p>Lifelong Learning Q3 Performance Report To note and consider the 2012/13 Quarter 3 service performance reports produced at the Head of Service/Divisional level under the adopted business model of the Council. The reports cover the Quarter 3 period (October to December 2012).</p>		
Lifelong Learning Overview & Scrutiny Committee	14 March 2013	Lifelong Learning	<p>School Transport policy To consider the draft transport policy</p>		
Cabinet	19 March 2013	Chief Executive's	<p>Regional Collaboration To review progress against the portfolio of collaborative projects adopted regionally.</p>	Strategic	Leader of the Council and Cabinet Member for Finance
Cabinet	19 March 2013	Chief Executive's	<p>Flintshire Self Assessment Receipt of the first draft of the self assessment and consideration of Member involvement</p>	Strategic	Cabinet Member for Corporate Management

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Cabinet	19 March 2013	Lifelong Learning	CCTV Regional Report Progress on feasibility of a Regional CCTV Service for North Wales	Strategic	Cabinet Member for Education
Cabinet	19 March 2013	ICT and Customer Services	ICT Strategy Update To provide an update on progress with the implementation of the Corporate Information and Communications Technology [ICT] Strategy.	Strategic	Cabinet Member for Corporate Management
Cabinet	19 March 2013	Environment	Greenspace Strategy To gain cabinet endorsement of strategy to manage and develop greenspace in Flintshire.	Strategic	Cabinet Member for Regeneration, Enterprise & Leisure
Cabinet	19 March 2013	Environment	Unadopted Roads and the Council's Policy for dealing with low skidding resistance on the Highway Network To seek Cabinet approval for the Council policy on unadopted roads.	Strategic	Deputy Leader of the Council and Cabinet Member for Environment

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Cabinet	19 March 2013	Environment	Deeside Structure Secure agreement on a new governance structure for Deeside to steer future regeneration.	Strategic	Cabinet Member for Regeneration, Enterprise & Leisure
Cabinet	19 March 2013	Finance	Revenue Budget Monitoring 2012/13 (Month 9) To provide Members with the Revenue Budget monitoring information at Month 9 for the Council Fund and the Housing Revenue Account in 2012/13.	Operational	Leader of the Council and Cabinet Member for Finance
Cabinet	19 March 2013	Finance	Capital Programme 2012/13 (Quarter 3) To provide Members with the latest capital programme information for 2012/13.	Operational	Leader of the Council and Cabinet Member for Finance

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Cabinet	19 March 2013	Finance	<p>Discretionary Housing Payment (DHP) Policy 2013/14 To specify how Flintshire County Council's Revenues & Benefits Service will manage the DHP scheme and suggests some of the factors we will consider when deciding to award DHP.</p>	Operational	Cabinet Member for Corporate Management
Cabinet	19 March 2013	Finance	<p>Council Tax Grants for Pensioners To provide Cabinet with information on the latest Welsh Government Grant Scheme in 2013-14 which provides financial assistance to pensioners to pay their Council Tax.</p>	Operational	Cabinet Member for Corporate Management
Cabinet	19 March 2013	Finance	<p>Corporate Debt - Write Off To request authorisation to write off a single Corporate Debt</p>	Operational	Cabinet Member for Corporate Management

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Cabinet	19 March 2013	Lifelong Learning	Area Schools Review - Feedback from Consultation Feedback from consultation	Operational	Cabinet Member for Education
Cabinet	19 March 2013	Lifelong Learning	Youth Service Review Progress Report	Operational	Cabinet Member for Education
Cabinet	19 March 2013	Human Resources and Organisational Development	Workforce Information Quarter 3 - October - December 2012 To provide Members with an update for the third quarter 2012/13.	Operational	Cabinet Member for Corporate Management
Cabinet	19 March 2013	Environment	Councils new Streetlighting Policy To Seek Member approval for the Council's new streetlighting policy.	Operational	Deputy Leader of the Council and Cabinet Member for Environment
Cabinet	19 March 2013	Environment	Review of Streetscene Scope for Service Provision To review the scope of service areas provided within Streetscene	All Report Types	Deputy Leader of the Council and Cabinet Member for Environment

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Cabinet	19 March 2013	Legal and Democratic Services	<p>Tenth Annual Report of the Flintshire Local Access Forum For the County Council to note and approve the tenth annual report of the Flintshire Local Access Forum, prepared in accordance with Regulation 106 of the Countryside Access (Local Access Forums) (Wales) Regulations 2001.</p>	Operational	
Cabinet	19 March 2013	Community Services	<p>Private Sector Housing Renewal To provide an update to Cabinet on delivery of the Housing Renewal Service and to seek support for continued delivery of the Renewal Area programme.</p>	Operational	Cabinet Member for Housing
Housing Overview & Scrutiny Committee	21 March 2013	Housing	<p>Collaborative Working within Housing Services To receive and consider current and future collaborative initiatives.</p>		

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Housing Overview & Scrutiny Committee	21 March 2013	Housing	<p>Quarterly Performance Reporting To consider Q3 performance outturns for improvement targets.</p>		
Housing Overview & Scrutiny Committee	21 March 2013	Housing	<p>HRA Subsidy To receive an update on the potential amendments to the HRA subsidy, to include proposals to meet the WHQS</p>		
Joint Lifelong Learning and Social Health Care Overview & Scrutiny Committee	21 March 2013	Community Services	<p>Children & Young People Partnership To provide Members with the annual update</p>		
Joint Lifelong Learning and Social Health Care Overview & Scrutiny Committee	21 March 2013	Community Services	<p>Corporate Parenting Activity Update To provide an update to Members on Corporate Parenting Activity</p>		

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Joint Lifelong Learning and Social Health Care Overview & Scrutiny Committee	21 March 2013	Lifelong Learning	Young Carers Joint Report - to inform Members how services identify and provide specialist support for young carers in Flintshire		
Joint Lifelong Learning and Social Health Care Overview & Scrutiny Committee	21 March 2013	Community Services	Family Placement Team Review To provide Members with the outcome of the review of the FPT and recommendations for any future deployment / team restructuring.		
April					
Environment Overview & Scrutiny Committee	10 April 2013	Environment	Communities First To receive an update on the effectiveness of the new programme.		
Environment Overview & Scrutiny Committee	10 April 2013	Environment	Rural Development Plan To receive regular updates on the progress of Business Plan 2 with particular consideration to any downturns in progress		

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Environment Overview & Scrutiny Committee	10 April 2013	Environment	Deeside Enterprise Zone Progress Report		
Social & Health Care Overview & Scrutiny Committee	11 April 2013	Overview and Scrutiny	Social & Health Care Quarter 3 Service Performance Reports To note and consider the 2012/13 Quarter 3 service performance reports produced at the Head of Service/Divisional level under the adopted business model of the Council. The reports cover the Quarter 3 period (October to December 2012).		
Social & Health Care Overview & Scrutiny Committee	11 April 2013	Community Services	Annual Council Reporting Framework To consider the final draft of the Annual report		
Social & Health Care Overview & Scrutiny Committee	11 April 2013	Community Services	Directorate and Service Plans To consider the Community Service Directorate and Service Plans		

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Flintshire Council	16 April 2013	Finance	<p>Financial Procedure Rules To provide County Council with the proposed updated Financial Procedure Rules (FPRs) following the annual review.</p>		
Corporate Resources Overview & Scrutiny Committee	18 April 2013	Finance	<p>Fair Debt Policy To consider a draft Fair Debt Policy for adoption</p>		
Cabinet	23 April 2013	Finance	<p>Fair Debt Policy To consider a draft Fair Debt Policy for adoption.</p>	Strategic	Cabinet Member for Corporate Management
Cabinet	23 April 2013	Environment	<p>Flood Risk Management Strategy To advise Members of the need to develop Flood Risk Management Strategy for Flintshire.</p>	Strategic	Deputy Leader of the Council and Cabinet Member for Environment
Cabinet	23 April 2013	Lifelong Learning	<p>Flintshire Play Sufficiency Assessment and Action Plan To seek Cabinet approval and adoption of the Flintshire Play Sufficiency Assessment and associated action plan.</p>	Strategic	Cllr Peter Macfarlane

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Cabinet	23 April 2013	Finance	<p>Revenue Budget Monitoring 2012/13 (Month 10) To provide Members with the Revenue Budget Monitoring information at Month 10 for the Council Fund and the Housing Revenue Account in 2012/13.</p>	Operational	Leader of the Council and Cabinet Member for Finance
Cabinet	23 April 2013	ICT and Customer Services	<p>ICT Service Review To provide an update on progress of the ICT Service Review and seek Members approval to relevant actions.</p>	Operational	Cabinet Member for Corporate Management
Lifelong Learning Overview & Scrutiny Committee	25 April 2013	Lifelong Learning	<p>Flintshire Play Sufficiency Assessment & Action Plan The purpose of this report to Cabinet is to seek the approval of Cabinet to approve and adopt the Flintshire PSA; to approve this as the official response to Welsh Government; and to approve the accompanying PSA Action Plan contained in Appendix 2.</p>		
May					

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Social & Health Care Overview & Scrutiny Committee	9 May 2013	Community Services	Comments, Compliments and Complaints To receive the Annual report		
Cabinet	21 May 2013	Finance	Revenue Budget Monitoring 2012/13 (Month 11) To provide Members with the revenue budget monitoring information at Month 11 for the Council Fund and the Housing Revenue Account in 2012/13.	Operational	Leader of the Council and Cabinet Member for Finance
Cabinet	21 May 2013	Human Resources and Organisational Development	Workforce Information Quarter 4 - January - March 2013 To provide Members with an update for the final quarter 2012/13	Operational	Cabinet Member for Corporate Management
June					
Audit Committee	12 June 2013	Finance	Forward Work Programme To receive the Forward Work Programme.		

COMMITTEE	MEETING DATE	DIRECTORATE	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Executive only)	PORTFOLIO (Executive only)
Cabinet	18 June 2013	Environment	<p>Council's Policy on Fleet Replacement and Fleet Fuel Policy To seek Cabinet approval for the new Policy for replacement of fleet vehicles and for the storage of fuel in line with the Council's Fleet Strategy approved by Executive in January 2012.</p>	Operational	Deputy Leader of the Council and Cabinet Member for Environment
July					
Environment Overview & Scrutiny Committee	23 July 2013	Environment	<p>North Wales Residual Waste Treatment To receive and consider further details on the progress of the project.</p>		
Environment Overview & Scrutiny Committee	23 July 2013	Environment	<p>Deeside Enterprise Zone Progress Report</p>		

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