

**FLINTSHIRE COUNTY COUNCIL**  
**17 FEBRUARY 2015**

Minutes of the meeting of Flintshire County Council held in the Council Chamber, County Hall, Mold on Tuesday, 17 February 2015

**PRESENT:**     **Councillor Glenys Diskin (Chair)**

Councillors: Alex Aldridge, Bernie Attridge, Glyn Banks, Haydn Bateman, Marion Bateman, Chris Bithell, Amanda Bragg, Derek Butler, Clive Carver, David Cox, Paul Cunningham, Peter Curtis, Ron Davies, Adele Davies-Cooke, Alan Diskin, Rosetta Dolphin, Ian Dunbar, David Evans, Jim Falshaw, Veronica Gay, Alison Halford, Ron Hampson, George Hardcastle, Cindy Hinds, Ray Hughes, Dennis Hutchinson, Hilary Isherwood, Rita Johnson, Christine Jones, Kevin Jones, Phil Lightfoot, Richard Lloyd, Mike Lowe, Dave Mackie, Nancy Matthews, Hilary McGuill, Tim Newhouse, Mike Peers, Vicky Perfect, Neville Phillips, Mike Reece, Gareth Roberts, Ian Roberts, David Roney, Tony Sharps, Aaron Shotton, Paul Shotton, Ian Smith, Nigel Steele-Mortimer, Carolyn Thomas, Owen Thomas, Sharon Williams, David Wisinger, Arnold Woolley and Matt Wright

**APOLOGIES:**

Councillors: Helen Brown, Chris Dolphin, Andy Dunbobbin, Brian Dunn, Carol Ellis, Robin Guest, Joe Johnson, Richard Jones, Colin Legg, Brian Lloyd, Ann Minshull, Billy Mullin and David Williams.

**IN ATTENDANCE:**

Chief Executive, Chief Officer (Governance), Chief Officer (Organisational Change), Chief Officer (Community and Environment), Chief Officer (Social Services), Chief Officer (Streetscene and Transportation), Corporate Finance Manager, Finance Managers, Member Engagement Manager, Housing Asset Manager, Interim Public Protection Manager, Revenues Manager and Committee Officers

**87.     COUNCIL MINUTES**

The minutes of the meeting held on 27 January 2015 had been circulated with the agenda.

**RESOLVED:**

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

**88.     DECLARATIONS OF INTEREST**

The Chair and Councillor Rosetta Dolphin declared personal interests in agenda item 10 (Council Fund Revenue Budget 2015/16) as they were owners of Post Offices. Councillor Alan Diskin also declared an interest in agenda item 10 as he was a Sub-postmaster.

Councillor Carolyn Thomas declared a personal and prejudicial interest in agenda item 10 as her child participated in the County Youth Music Service. She had received a dispensation from the Standards Committee and was able to

speak and vote on the general budget issues. She also declared a personal interest as she was a previous Chair of the Area of Outstanding Natural Beauty (AONB) Board.

Councillor Arnold Woolley sought clarification from the Chief Officer (Governance) on whether he should declare an interest as he was a member of a number of voluntary organisations. He was advised that he should declare a personal interest in agenda item 10 and that he should confirm with the Committee Officer which organisations he was referring to.

**89. COMMEMORATION AND TRIBUTES TO THE LATE COUNCILLOR STELLA JONES**

The Chair paid tribute to the late Councillor Stella Jones and said that she had been highly respected in Hope and Caergwrle. She had been a hard working Councillor and had been a good friend to many.

The Leader of the Council echoed the comments and referred to the number of people that had attended Councillor Jones' funeral the previous day. He said that she epitomised a true community campaigner and commented on all she had done for the residents in her ward and of her proudness to be associated with Castell Alun High School. He recalled the time when Councillor Jones first became a Councillor and how this had resulted in a case being heard in the High Court. Councillor Shotton said that when Councillor Jones walked in to a room, it lit up and he added that he would miss her smile. He concluded by referring to the last conversation he had had with Councillor Jones about her determination to be in attendance at this meeting, despite her ill health, which he felt encapsulated everything about Councillor Jones. He said that she would be greatly missed.

Councillor Carolyn Thomas commented that Councillor Jones had been a good friend to her. She echoed the earlier comments about the work she undertook in relation to issues in her ward including land which was to have been allocated in the Unitary Development Plan which Councillor Jones had disagreed with. She concurred that she would be greatly missed but added that she would have some treasured memories of Councillor Jones.

In referring to the election in 2004, Councillor Nancy Matthews explained that she and Councillor Jones had been newly appointed Councillors at the election and that as a result of this, they had become good working colleagues and friends. She added that Councillor Jones had always been the voice of reason on Overview & Scrutiny Task and Finish Groups and would provide support for employee rights. She added that she would miss Councillor Jones.

Councillor Mike Peers referred to the words spoken by Lord Barry Jones at Councillor Jones' funeral. Councillor Peers felt that she was kind, polite and knowledgeable and added that he had been surprised to learn that she knew so much about Wrexham Football Club. He spoke of her work for her residents and the concern that she showed on issues that would affect those in her ward. He felt that she had been an asset to the community and commented that she was a people person who would be sadly missed.

Councillor Tony Sharps stated that he knew Councillor Jones when she worked in the Education Department of the Council and he commented on the help that she had provided about a bus service in his ward. She had been a kind, considerate and lovely person who would be missed by many including the community of Northop Hall.

In referring to the work that Councillor Jones undertook for her residents, Councillor Clive Carver spoke of his first meeting with Councillor Jones in 2008 and added that she was a Councillor's Councillor.

Councillor Hilary Isherwood said that she had been honoured to be able to speak about Councillor Jones and she thanked Councillor Shotton for phoning her to break the sad news of her death. Councillors Isherwood and Jones, despite being in different political parties, had worked together on some issues including those relating to allocations in the UDP. She added that Councillor Jones had been a lovely person who could also be mischievous and concurred that she had been adored by the residents in her ward.

Councillor Gareth Roberts echoed the comments made and said that Councillor Jones' company would be missed by all and that she would be missed across the Chamber. He felt privileged to have met and known her.

The Chair thanked Members for all of their comments.

#### **90. CHAIR'S COMMUNICATIONS**

A copy of the Chair's communication had been circulated to all Members before the meeting.

#### **91. PETITIONS**

No petitions were submitted.

#### **92. PUBLIC QUESTION TIME**

The Chief Officer (Governance) confirmed that none had been received.

#### **93. QUESTIONS**

The Chief Officer (Governance) confirmed that none had been received.

#### **94. NOTICE OF MOTION**

The Chief Officer (Governance) confirmed that none had been received.

#### **95. COUNCIL FUND REVENUE BUDGET 2015/16**

In moving the recommendation Councillor Aaron Shotton, the Leader of the Council and Cabinet Member for Finance, commented on the significant reduction in the Revenue Support Grant for 2015/16 and the three year challenge faced by the Council in the Medium Term Financial Plan to make savings of £50m. Efficiencies of £20m had been made in the past two years and the

requirement to find a further £18.2m of efficiencies in one year had been unprecedented. A senior management restructure had been undertaken and there was an urgent need to review the delivery of services and a pragmatic approach had been taken to be innovative and efficient. Councillor Shotton spoke of the difficult decisions that had been taken and added that the worst impacts had been mitigated by the use of £1m of reserves. The recommendation to approve the budget was seconded by Councillor Bernie Attridge.

The Chief Executive introduced the report to provide Members with the recommendations of the Cabinet for the Council Fund Revenue Budget 2015/16. He also welcomed the Corporate Finance Manager to his first budget meeting as Section 151 Officer and spoke of the exhaustive process that had been undertaken. The Executive Summary in the report detailed the work that had been carried out in the past four weeks to bring the budget from a gap of £0.777m in January 2015 to the balanced budget presented to Cabinet earlier in the day.

The Chief Executive and Corporate Finance Manager gave a joint presentation and commented upon the following areas:-

- Final Budget Position
- Roles and Duties of Council
- Closing the Budget Gap Stage 1
- Outcomes of Overview and Scrutiny
- Closing the Budget Gap Stage 2
- Professional Opinions
- Implementing the Budget
- Medium Term Financial Plan

The Chief Executive spoke of the six key service reviews that were to be completed and would be referred to Cabinet for a final decision. Evaluation of the implementation of these reviews would be undertaken by the relevant Overview & Scrutiny Committee within its Forward Work Programme. The budget gap in January 2015 had increased to £0.852m as a result of four amended proposals suggested by Overview & Scrutiny Committees which the Chief Executive detailed. The Corporate Finance Manager highlighted the three key areas which had enabled the Council to achieve a balanced budget as at 11 February 2015. This included the use of £0.270m of reserves which had not generally been advised in the past but the Corporate Finance Manager was content to support this level of funding on this occasion due to the scale of the financial challenges faced.

On the Medium Term Financial Plan the Chief Executive explained that a large number of efficiencies had already been identified but that it was expected that at least two more years of 'cuts' and efficiencies would be necessary. There was currently no indication from Welsh Government of the funding for 2016/17 and it was therefore difficult for the Council to predict the level of cuts required. He thanked the Corporate Finance Manager and his team for their work on the budget and the significant amount of efficiency savings that had been achieved.

Councillor Clive Carver sought clarification on the entries for procurement supplier charging, change to the switchboard arrangements and the difficulty that

had been experienced in identifying who was who in the new senior management structure particularly as a newspaper article had referred to the previous Head of Finance. The Chief Executive responded that changes to personnel may have resulted in difficulties in identifying those currently in post but confirmed that the previous Head of Finance was not a consultant to the Council. On the switchboard arrangements, he explained that a menu would be put in place to allow callers to choose from a number of options which would direct them to the appropriate call-centre or person but that they would still be able to speak to an operator if necessary. The Chief Officer (Governance) explained that it was proposed that only larger suppliers would be targeted to establish if they could reduce the costs of how they transacted with the Council for payment of their invoices.

In referring to the six service reviews which were yet to be completed, Councillor Mike Peers raised concern as to whether efficiencies from these reviews would be achieved. He added that the balancing of the budget depended on something that had not yet been completed which included reviewing the car parking strategy which he was concerned about. Councillor Peers welcomed the process that had been undertaken this year to commence earlier discussions with Members on the budget and was pleased that the concerns raised at Overview & Scrutiny Committees had been considered, resulting in some amended proposals. He highlighted the issue that he had raised in Environment Overview & Scrutiny Committee about self-service of waste receptacles and his concern that recycling figures could reduce as a result of imposing this. He felt that there were a number of issues that needed addressing which could impact on the balancing of the budget.

The Chief Executive responded that the reviews had been highlighted as they had not yet been completed but initial work on options had been undertaken. It had to be accepted that there was a degree of risk with these reviews. The implementation of the reviews would be tracked by the relevant Overview & Scrutiny Committee. He thanked Members for their feedback during the consultation process and concurred that early consultation had been successful.

Councillor Nancy Matthews agreed that the reviews not being finalised was a concern but added that she could support the budget if assurance could be provided that the reviews would be tracked by Overview & Scrutiny. In response, the Chief Executive indicated that the reviews would be determined by Cabinet but added that any significant review was always discussed with the relevant Overview & Scrutiny Committee.

Councillor Hilary McGuill sought assurance that users of the day care service, particularly those at the Melrose Centre, would be transferred to another centre as a group. She also raised concern as to whether ideas of how to replace the reserves used in this budget were sustainable. In response, the Chief Officer (Social Services) said that the day care review would be handled sensitively and that alternative services would seek to maintain the friendship links that residents had built at the day care centre that they currently attended. He also gave assurance that requests from residents would be taken into account when determining which centre they would attend. On the issue of reserves, the Corporate Finance Manager explained that the overall level of £1m of reserves included in the budget comprised of £0.730m of one off and time limited costs so

would not be required in the 2016/17 budget. The remaining use of reserves to support recurring costs of £0.270m in the context of the overall budget was a modest amount which he was confident could be replenished either within 2015/16 or as part of the 2016/17 budget process through the identification of efficiencies. The Chief Executive added that it was a small amount in relation to the total Council Fund budget and that it was necessary to use the reserves to avoid service cuts in this budget. Councillor Aaron Shotton reiterated his assurance that the policy reviews were required and that discussions on the proposals would be undertaken at the relevant Overview & Scrutiny Committee first.

**RESOLVED:**

That the County Council approve the recommendation of the Cabinet from its meeting held on 17 February 2015 as set out in section 9 of the Cabinet report attached to the Council report.

**96. COUNCIL FUND CAPITAL PROGRAMME 2015/16 AND INDICATIVE FUNDING TO 2018/19**

In moving the recommendation, Councillor Aaron Shotton, Leader of the Council and Cabinet Member for Finance, stated that the Capital Programme had been discussed at length in the Corporate Resources Overview & Scrutiny budget meeting. He hoped that Members supported the principles including that the Capital Programme 2015/16 no longer required capital receipts for planning purposes. He also commented on the many projects included in the programme which incorporated provision for funding for the Holywell hub which he hoped West Flintshire colleagues would welcome. The recommendation was seconded by Councillor George Hardcastle.

The Chief Officer (Organisational Change) introduced the report to present the annual Council Fund Capital Programme for 2015/16 and indicative funding levels to 2018/19.

The Chief Officer and Corporate Finance Manager gave a joint presentation and commented upon the following areas:-

- Capital Programme context
- Funding the Capital Programme
- Capital Programme – Funding
- Core Capital Programme
- Capital Receipts & Core Programme
- Allocating the Core Programme
- Estimated Available Funding – Core Programme
- Core Allocation by Portfolio

Councillor Mike Peers sought clarification on the figure of £0.333m which was reported as unallocated core funding which would provide a degree of protection to the Council's Core programme and whether this figure was to be used to fund organisational change and deliver the necessary revenue efficiencies over the medium term. The Chief Officer (Organisational Change) explained that paragraph 6.12 referred to unallocated funding over and above the

£0.333m detailed in the report and flowing from any receipts received in the remainder of the current financial year. The intention being that this would be considered for use in areas such as Community Asset Transfers, school modernisation and repair programmes and the installation of income generating energy installations.

**RESOLVED:**

That the County Council approve the recommendations of the Cabinet from its meeting held on 17 February 2015 as set out in the report to Cabinet attached to the Council report.

**97. HOUSING REVENUE ACCOUNT 2015/16 & CAPITAL PROGRAMME 2015/16**

The Chief Officer (Community and Enterprise) introduced the report to present the Housing Revenue Account (HRA) Revenue and Capital Budget for 2015/16.

Councillor Shotton, the Leader of the Council and Cabinet Member for Finance, explained that the Housing Revenue Account had been considered in detail by the Housing Overview & Scrutiny Committee. He felt that in times of doom and gloom of austerity in the public sector, this was a good news story for the people of Flintshire, which he welcomed. In referring to the much improved Housing Service, he spoke of the low points and the record £12m increase spend on Council Housing in the last year. He commented on the almost £21m in proposed capital funding for 2015/16 and welcomed the negotiations that had taken place at a national level to allow self-financing to be considered. The outcome would be of great benefit to communities and future tenants and in commenting on existing properties, said that this was the first step to building new Council housing. The recommendation was seconded by Councillor Bernie Attridge.

The Chief Officer (Community and Enterprise) gave a presentation and commented on the following areas:-

- Housing Revenue Account
- Self-financing
- 30 year business plan
- Housing Revenue Account
- Other income
- Value for Money tenant services
- Principles Underpinning Efficiencies
- HRA Efficiency Proposals
- Funding for HRA Capital Programme 2015/16
- Council house building programme

She commented on the well-attended Member and Tenant workshops that had been held to allow discussions on the benefits of self-financing to take place. She added that it had been hoped that the Council would have been able to enter into a voluntary agreement by the end of January but that this had been delayed for good reasons, which the Chief Officer detailed. Concerns were raised with Welsh Government (WG) about the rate of the buy-out figure and WG agreed to

raise the issue with the UK treasury; discussions were ongoing. The completion of the Welsh Housing Quality Standard (WHQS) could be achieved by 2020, which had reduced from 2038 initially referred to in the Choices document. Key assumptions for 2015/16 were detailed which included a new rent policy that had been agreed by Cabinet and included target rents for similar properties in similar areas. Income from phased service charges was reported and the Chief Officer referred to the HRA efficiency proposals. Each line of the HRA had been challenged to not only look at services to customers but also the internal costs of supporting the service too. The Chief Officer detailed the WHQS and non WHQS proposed HRA Capital Programme and added that detailed discussions had taken place with elected Members and tenants. Officers were in the process of finalising the details of the programme.

Councillor Alex Aldridge welcomed the achievements made by Flintshire on the HRA in spite of the unparalleled challenges faced by Local Government and suggested that Flintshire was an exemplar for Councils in Wales. He suggested that the good practices shown should be referred to the Association of Public Sharing Excellence (APSE). He commented on the vote not to transfer the Housing stock and congratulated all those who had been involved in the work on the HRA. He spoke of the tremendous outcome for Flintshire's tenants and added his delight that the regeneration of Flint would be completed earlier than expected. Councillor Paul Shotton welcomed the aspiration to build 200 new council houses which would give hope to Flintshire residents.

In referring to the Housing Overview & Scrutiny Committee, Councillor Rosetta Dolphin welcomed the positive report on the HRA that had been submitted to Members. She sought clarification on whether the proposed charges for services such as communal cleaning and maintenance of garden areas could legally be imposed. The Chief Officer responded that, in the first year, the fee would be introduced for new tenants who were eligible to pay for the service and that legally the Council could charge the fee. For existing tenants, there would be a consultation process to discuss quality and cost of services prior to finalisation. New tenants would be offered a property at the target rent in addition to charges for services.

On being put to the vote, Members voted unanimously in favour of the recommendations.

**RESOLVED:**

That the County Council approve the recommendations of the Cabinet from its meeting held on 17 February 2015 as set out in the report to Cabinet attached to the Council report.

**98. PRUDENTIAL INDICATORS 2015/16 - 2017/18 AND REVISION OF 2014/15 PRUDENTIAL INDICATORS**

The Corporate Finance Manager introduced the report to present to Council the recommendations of the Cabinet in relation to the setting of a range of Prudential Indicators.



Councillor Aaron Shotton, Leader of the Council and Cabinet Member for Finance proposed the acceptance of the recommendations as outlined within the report. This was seconded by Councillor Bernie Attridge.

On being put to the vote, Members voted unanimously in favour of the recommendations.

**RESOLVED:**

That the County Council approve the recommendations of the Cabinet from its meeting held on 17 February 2015 as set out in the report to Cabinet attached to the Council report.

**99. MINIMUM REVENUE PROVISION - 2015/16 POLICY**

The Corporate Finance Manager introduced the report 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.

Councillor Aaron Shotton, Leader of the Council and Cabinet Member for Finance proposed the acceptance of the recommendations as outlined within the report. This was duly seconded by Councillor Peter Curtis.

Councillor Derek Butler said a few words in Mandarin which translated as 'Prosperity and good fortune for the New Year'.

**RESOLVED:**

(a) That the County Council accept the recommendations of the Cabinet, being that:-

- Option 1 (Regulatory Method) be used for the calculation of the Minimum Revenue Provision in 2015/16 for all capital expenditure funded from supported borrowing
- Option 3 (Asset Life Method) be used for the calculation of the Minimum Revenue Provision in 2015/16 for all capital expenditure funded from unsupported (prudential) borrowing

(b) That the County Council accept the recommendations of the Cabinet for the HRA, being that:

- Option 2 (Capital Financing Requirement Method) be used for the calculation of the HRA's Minimum Revenue Provision in 2015/16 for all HRA capital expenditure funded by debt.

**100. TREASURY MANAGEMENT STRATEGY 2015/16**

The Corporate Finance Manager introduced the report to present to Council the recommendation of Cabinet in relation to Treasury Management Strategy for 2015/16.

Councillor Aaron Shotton, Leader of the Council and Cabinet Member for Finance proposed the acceptance of the recommendations as outlined within the report. This was duly seconded by Councillor Bernie Attridge.

In response to a query from Councillor Mike Peers on the borrowing strategy of the Council, the Finance Manager referred Members to the Treasury Management Strategy 2015/16 where the budget implications for 2015/16 borrowing were estimated. She explained that the estimated total for loan interest paid in 2015/16 was £12.6m based on an average debt portfolio of £276.5m at a weighted average interest rate of 4.53%. The figures were subject to change as they were based on estimates of the Council's capital expenditure plans in 2015/16 and would depend on what loans the Council took out.

**RESOLVED:**

That the Council's Treasury Management Strategy 2015/16 be approved.

**101. MEMBERS OF THE PRESS AND PUBLIC IN ATTENDANCE**

There were 2 members of the press and no members of the public present.

(The meeting started at 2.00 pm and ended at 4.01 pm)

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**Chair**