

**FLINTSHIRE COUNTY COUNCIL**

**CABINET RECORD OF DECISION**

**DATE OF MEETING:**                    **20 FEBRUARY 2018**                    **AGENDA ITEM NO. 4**

**REPORT OF:**                            **Chief Executive, Corporate Finance Manager**

**SUBJECT:**                                **COUNCIL FUND REVENUE BUDGET 2018/19 –  
THIRD AND CLOSING STAGE**

- RECOMMENDATIONS OF REPORT:**
- (1) Cabinet to recommend a final position to Council on schools funding and a target level of income for public car parks for 2018/19 as the two outstanding issues from Stage Two of the budget process;
  - (2) Cabinet to consider the options to set a balanced budget for 2018/19 and to make a recommendation to Council; and
  - (3) Cabinet to consider what further approaches should be made to Welsh Government for assistance in funding allocations and flexibilities.

- DECISION:**
- (a) That following a review, £1.927m of reserves and balances is released to contribute to balancing the budget;
  - (b) That a 5% rise in Council Tax is set to balance the budget in combination with reserves and balances in (a) above; and
  - (c) That a further rise in Council Tax of 1.71% is set to provide additionality of £1.140m specifically for schools budgets.

**REASON FOR DECISION:**                    As in the report.

**CONSULTATIONS  
REQUIRED/CARRIED OUT:**

**Public Engagement Events:**

A total of 217 people took part in seven public engagement events held across the County during October and November 2017. Areas of concern and/or interest for people included:

- Supporting people in need
- Protection of local services
- The continued resilience of Council services
- Making the most of Council assets
- The use of Council reserves
- Council mergers and public sector collaboration

People strongly agreed that:

- The Council had done as much as could be expected to make efficiencies
- Major service cuts and closures would be needed if the financial situation did not improve
- It was inevitable that some Councils would need to increase Council Tax by 5%

There was a range of options about:

- The protection, as far as possible for schools and social services
- The introduction of charges for services such as green waste
- The lifting of the national public sector pay cap

Other consultation has been undertaken through:

- All Member workshops in July, September and November
- Overview and Scrutiny Committee meetings
- Schools Budget Forum and Headteacher Federations
- Trade Unions
- The workforce through a special

- seminar
- Portfolio management teams
  - Consultation with the ten highest business rate payers in the County

**RESOURCE IMPLICATIONS:**

As set out in the report.

**DECLARATIONS OF INTEREST:**

Councillors Attridge, Bithell, Jones, Shotton and Thomas.

**DISPENSATIONS**

None.

**DATE PUBLISHED:**

21<sup>st</sup> February 2018

**SIGNED**



**(Proper Officer)**

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**FLINTSHIRE COUNTY COUNCIL**

**CABINET RECORD OF DECISION**

**DATE OF MEETING:**                    **20 FEBRUARY 2018**                    **AGENDA ITEM NO. 5**

**REPORT OF:**                            **Chief Executive, Chief Officer (Organisational Change), Corporate Finance Manager**

**SUBJECT:**                                **DEVELOPMENT OF 2018/19 - 2020/21 CAPITAL PROGRAMME**

- RECOMMENDATIONS OF REPORT:**
- (1) To consider and approve the allocations and schemes in Table 4 for the Statutory/Regulatory and Retained Assets sections of the Council Fund Capital Programme 2018/19 – 2020/21;
  - (2) To consider and approve the schemes included in Table 5 for the Investment section of the Council Fund Capital Programme 2018/19 – 2020/21;
  - (3) To note that the shortfall of funding of schemes in 2019/20 and 2020/21 at this point in the approved process is flexible. Options including a combination of future capital receipts, alternative grants (if available), prudential borrowing or the re-phasing of schemes will be considered during 2018/19, and included in future capital programme reports; and
  - (4) To note the further development and a refresh of a forward Capital Strategy and Asset Management Plan.

**DECISION:**                                As detailed in the recommendations with the following two resolutions:

- (e) That Cabinet welcome Corporate Resources Overview and Scrutiny

Committees request for a report on the consequential revenue impacts of capital expenditure; and

- (f) That Cabinet agrees to approach Welsh Government for assistance with any costs arising from:
  - (i) Remedial works to the Flintshire Bridge;
  - (ii) Early sharing of responsibility in advance of any changes arising From the “Red Route”; and
  - (iii) Increased wear and tear on Flintshire roads as a result of traffic diverted due to the works on the A55

**REASON FOR DECISION:**

As in the report.

**CONSULTATIONS  
REQUIRED/CARRIED OUT:**

The proposed Capital Programme is being referred to the Corporate Resources Overview and Scrutiny Committee for comment at its meeting on 15<sup>th</sup> February 2018 with their comments being fed back to Cabinet verbally before being discussed at County Council in February 2018.

**RESOURCE IMPLICATIONS:**

Financial consequences for capital resources are as set out within the report.

As previously stated there are revenue consequences of borrowing in interest costs and revenue provision for debt repayment. The costs of supported borrowing and prudential borrowing for the 21<sup>st</sup> century schools programme has been built into the Medium Term Financial Plan (MTFP).

In the event that the Council needs to prudentially borrow to fund the investment section of the capital programme as outlined in the report the estimated revenue costs of borrowing are outlined in the table in the report. This assumes that the borrowing is associated with the schemes which have a long estimated useful life over which to spread the debt

financing charges, ranging from 25 to 50 years for different assets. The costs are not included within the MTFP at present.

**DECLARATIONS OF INTEREST:**

None.

**DISPENSATIONS**

None.

**DATE PUBLISHED:**

21<sup>st</sup> February 2018

**SIGNED**

A handwritten signature in black ink, appearing to be 'Robert', written over a horizontal line.

**(Proper Officer)**

**FLINTSHIRE COUNTY COUNCIL**

**CABINET RECORD OF DECISION**

**DATE OF MEETING:**                      **20 FEBRUARY 2018**                      **AGENDA ITEM NO. 6**

**REPORT OF:**                                      **Chief Officer (Community and Enterprise),**  
**Corporate Finance Manager**

**SUBJECT:**    **DRAFT HOUSING REVENUE ACCOUNT (HRA)**  
**BUDGET 2018/19 & 30 YEAR BUSINESS PLAN**

- RECOMMENDATIONS OF REPORT:**
- (1) To approve and recommend to the Council, the HRA budget for 2018/19 and Business Plan as set out in the appendices;
  - (2) To consider the 2 options identified for setting a rent increase for 2018/19, and approve the option of 3% (plus up to or minus £2), with target rents applied for new tenancies, as a more affordable increase than the Welsh Government rent Policy formula which would set an increase of 4.5% (plus up to or minus £2);
  - (3) To approve a garage rent increase of £1 per week and a garage plot rent increase of £0.20 per week; and
  - (4) To approve the proposed HRA Capital Programme for 2018/19 as set out in Appendix C.

**DECISION:**    As detailed in the recommendations.

**REASON FOR DECISION:**    As in the report.

**CONSULTATIONS  
REQUIRED/CARRIED OUT:**    The draft budget was discussed with the Tenants' Federation at their February meeting. They welcomed the Council's consideration of the options for agreeing a lower increase than the rent formula, as they share concerns about the

affordability of any rent increase alongside increases in food and fuel costs and the roll out of Universal Credit.

The Community and Enterprise Overview and Scrutiny Committee considered and supported the draft budget and business plan at their meeting on 15<sup>th</sup> January 2018. They welcomed the Leader and Cabinet Member recommendation to set a rent increase of 3% (plus up to or minus £2), with target rents applied for new tenancies.

Detailed consultation has been undertaken with tenants and elected Members to inform the preparation of the WHQS investment programme.

Full local consultation is carried out for each new build scheme.

**RESOURCE IMPLICATIONS:**

The HRA is a ring fenced budget. This HRA budget and Business Plan demonstrates that the Council can achieve the WHQS by 2020, can meet service improvement plans and commitments and with prudential borrowing can continue its Council house building programme in 2018.

Additional staff have been appointed to deliver an accelerated WHQS programme. The funding for these posts is provided for in the WHQS programme.

**DECLARATIONS OF INTEREST:**

None.

**DISPENSATIONS**

None.

**DATE PUBLISHED:**

21<sup>st</sup> February 2018

**SIGNED**



**(Proper Officer)**

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**FLINTSHIRE COUNTY COUNCIL**

**CABINET RECORD OF DECISION**

**DATE OF MEETING:**                    **20 FEBRUARY 2018**                    **AGENDA ITEM NO. 7**

**REPORT OF:**                            **Corporate Finance Manager**

**SUBJECT:**                                **TREASURY MANAGEMENT STRATEGY 2018/19**

**RECOMMENDATIONS OF REPORT:**      Cabinet approves and recommends to Council the Treasury Management Strategy 2018/19.

**DECISION:**                                As detailed in the recommendation.

**REASON FOR DECISION:**                As in the report.

**CONSULTATIONS  
REQUIRED/CARRIED OUT:**                Arlingclose Ltd, being the Council's treasury management advisors.

**RESOURCE IMPLICATIONS:**              Financial implications are addressed in the report and appendices; no other resource implications directly as a result of this report.

**DECLARATIONS OF INTEREST:**            None.

**DISPENSATIONS**                              None.

**DATE PUBLISHED:**                        21<sup>st</sup> February 2018

**SIGNED**



**(Proper Officer)**

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**FLINTSHIRE COUNTY COUNCIL**

**CABINET RECORD OF DECISION**

**DATE OF MEETING:**                    **20 FEBRUARY 2018**                    **AGENDA ITEM NO. 8**

**REPORT OF:**                            **Chief Officer (Community and Enterprise)**

**SUBJECT:**                                **DISCRETIONARY RATE RELIEF SCHEME FOR  
2017-18 AND 2018-19**

- RECOMMENDATIONS OF REPORT:**
- (1) Consider as a solution, a retrospective change to the 2017-18 policy framework, as set out in the report, to provide 20% Discretionary 'top-up' relief to all Charitable organisations that already benefit from 80% Mandatory Rate Relief and who occupy small premises with a rateable value of up to £6,000;
  - (2) Consider as a solution, a retrospective change to the 2017-18 policy framework, as set out in the report, to increase Discretionary awards by 20% to all Voluntary and Community organisations, who currently receive 80% Discretionary Rate Relief and who occupy small premises with a rateable value of up to £6,000; and
  - (3) Note the financial implications for the potential policy changes which, if adopted, will cost £16.2k for 2017-18 and approximately £18k during 2018-19.

**DECISION:**                                As detailed in the recommendations.

**REASON FOR DECISION:**                As in the report.

**CONSULTATIONS  
REQUIRED/CARRIED OUT:**                Proposals to amend the Discretionary Rate Relief scheme received unanimous support from Members at full Council,

although the final decisions to consider changes to the policy framework ultimately rest with the Cabinet.

**RESOURCE IMPLICATIONS:**

The cost of awarding retrospective 'top-up' 20% relief to registered Charities and providing 20% additional Discretionary Relief to Voluntary and Community organisations (with rateable values of up to £6,000) will be £16,200 for 2017-18 which can be met from existing budget provision set aside to deal with potential hardship applications.

The cost of awarding additional levels of rate relief in 2018-19 will be approximately £18,000, but when combined with the cost of the wider scheme providing 80% rate relief to all other organisations with rateable values in excess of £6,000, the overall scheme will cost £29,000 in 2018-19.

The Council must continue to set aside adequate budget provision to deal with any new applications for Discretionary Relief and/or Hardship relief during 2018-19 and therefore is prudent to build into the 2018-19 base budget a pressure of £18,000.

**DECLARATIONS OF INTEREST:**

Councillors Bithell and Thomas.

**DISPENSATIONS**

None.

**DATE PUBLISHED:**

21<sup>st</sup> February 2018

**SIGNED**



**(Proper Officer)**

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FLINTSHIRE COUNTY COUNCIL

CABINET RECORD OF DECISION

DATE OF MEETING: 20 FEBRUARY 2018 AGENDA ITEM NO. 9

REPORT OF: Chief Officer (Streetscene and Transportation)

SUBJECT: WELSH GOVERNMENT TRANSPORT GRANT  
FUNDING BIDS

RECOMMENDATIONS OF REPORT: That Cabinet approves the schemes submitted to WG for funding in January 2018 for the 2018/19 financial year.

DECISION: As detailed in the recommendation.

REASON FOR DECISION: As in the report.

CONSULTATIONS  
REQUIRED/CARRIED OUT: With Cabinet Member; with elected Members in the areas of the schemes; with local Town and Community Council in the areas of the schemes; with residents and businesses once the scheme has received approval.

RESOURCE IMPLICATIONS: The design and contract management for each scheme are carried out by staff from the Streetscene service.

DECLARATIONS OF INTEREST: None.

DISPENSATIONS None.

DATE PUBLISHED: 21<sup>st</sup> February 2018

SIGNED



(Proper Officer)

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**FLINTSHIRE COUNTY COUNCIL**

**CABINET RECORD OF DECISION**

**DATE OF MEETING:**                    **20 FEBRUARY 2018**                    **AGENDA ITEM NO. 10**

**REPORT OF:**                            **Chief Officer (Community and Enterprise), Chief Officer (Governance), Chief Officer (Organisational Change)**

**SUBJECT:**                                **DIGITAL STRATEGY - DIGITAL CUSTOMER**

- RECOMMENDATIONS OF REPORT:**
- (1) To agree this approach to implementing both the Digital Strategy and Customer Strategy through a priority and focus on improving services for 'Digital Customers' as outlined in the report;
  - (2) To agree in principle, subject to a completion of a review of reserves to identify where funding will come from, an investment fund of £0.550m to support the implementation of this work with the condition that as a minimum this amount will be paid back in future efficiencies, resulting in a zero net cost to the Council. This includes the appointment of the three year fixed contract appointments and the redesign of the work of the Customer Service team roles as detailed in the report. Delegated authority is sought for the relevant Chief Officers in consultation with the appropriate Cabinet Members to implement these appointments and the job redesign; and
  - (3) To launch the Customer Account in March of this year enabling customers to use this service, and give initial feedback on the service so it can be developed over time.

**DECISION:**

As detailed in the recommendations.

**REASON FOR DECISION:**

As in the report.

**CONSULTATIONS  
REQUIRED/CARRIED OUT:**

Engagement with service managers and leads in these work areas.

**RESOURCE IMPLICATIONS:**

A one off investment of £0.550m is proposed to deliver this approach. As part of the current budget process a review of reserves is taking place and it is anticipated that this review will bring forward some funding that can be used to support delivery of next year's budget.

The appointment of a Programme Manager linked to implementation of Community Resilience work and a Digital Officer post to improve web content and business processing both on 3 year fixed term contracts. The costs associated with these posts are subject to final confirmation of job size and grading. At the end of these fixed term appointments there may be a small cost associated with redundancy.

A review of the work of the customer service team to incorporate the development and delivery of web content and business processing.

**DECLARATIONS OF INTEREST:**

None.

**DISPENSATIONS**

None.

**DATE PUBLISHED:**

21<sup>st</sup> February 2018

**SIGNED**



**(Proper Officer)**

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**FLINTSHIRE COUNTY COUNCIL**

**CABINET RECORD OF DECISION**

**DATE OF MEETING:**            **20 FEBRUARY 2018**            **AGENDA ITEM NO. 14**

**REPORT OF:**                    **Chief Executive**

**SUBJECT:**                      **CAPITAL PROGRAMME 2017/18 (MONTH 9)**

**RECOMMENDATIONS OF REPORT:**

- (1) Cabinet are requested to approve the overall budget;
- (2) Cabinet are requested to approve the additional Prudential Borrowing of £0.400m in regard to AURA capital works as set out in the report; and
- (3) Cabinet are requested to approve the carry forward adjustments.

**DECISION:**                      As detailed in the recommendations.

**REASON FOR DECISION:**      As in the report.

**CONSULTATIONS  
REQUIRED/CARRIED OUT:**      No consultation is required as a direct result of this report.

**RESOURCE IMPLICATIONS:**    As set out in the report.

**DECLARATIONS OF INTEREST:**    None.

**DISPENSATIONS**                      None.

**DATE PUBLISHED:**                21<sup>st</sup> February 2018

**SIGNED**                                            **(Proper Officer)**

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**FLINTSHIRE COUNTY COUNCIL**

**CABINET RECORD OF DECISION**

**DATE OF MEETING:**            **20 FEBRUARY 2018**            **AGENDA ITEM NO. 15**

**REPORT OF:**                    **Corporate Finance Manager**

**SUBJECT:**                        **MINIMUM REVENUE PROVISION - 2018/19 POLICY**

**RECOMMENDATIONS OF REPORT:**    (1)    Members approve and recommend to County Council for Council Fund (CF) outstanding debt that:-

- Option 3 (Asset Life Method) be used for the calculation of the MRP in financial year 2018/19 for the balance of outstanding capital expenditure funded from supported borrowing fixed as at 31<sup>st</sup> March 2016. The calculation will be the 'straight line' method over 50 years.
- Option 3 (Asset Life Method) be used for the calculation of the MRP in 2018/19 for all capital expenditure funded from supported borrowing from 1<sup>st</sup> April 2016 onwards. The calculation will be the 'straight line' or 'annuity' (where appropriate) method over an appropriate number of years, dependent on the period of time that the capital expenditure is likely to generate benefits.
- Option 3 (Asset Life Method) be used for the calculation of the MRP in 2018/19 for all capital expenditure funded from unsupported (prudential) borrowing or credit arrangements.

- (2) That members approve and recommend to the County Council for Housing Revenue Account (HRA) outstanding debt:-
- Option 2 (Capital Financing Requirement Method) be used for the calculation of the HRA's MRP in 2018/19 for all capital expenditure funded by debt.
- (3) Members approve and recommend to County Council that MRP on loans from the Council to NEW Homes to build affordable homes through the Strategic Housing and Regeneration Programme (SHARP) (which qualify as capital expenditure in accounting terms) be as follows:-
- No MRP is made during the construction period (of short duration) as the asset has not been brought into use and no benefit is being derived from its use.
  - Once the assets are brought into use, capital repayments will be made by NEW Homes. The Council's MRP will be equal to the repayments made by NEW Homes. The repayments made by NEW Homes will be classed, in accounting terms, as capital receipts, which can only be used to fund capital expenditure or repay debt which is a form of MRP. The capital repayment / capital receipt will be set aside to repay debt, and is the Council's MRP policy for repaying the loan.
- (4) Members note that the MRP Policy is currently under an urgent review following a recommendation made

in the recent independent peer review of the Council's financial position, and is therefore subject to change but will be resolved in the current financial year.

**DECISION:**

As detailed in the recommendations.

**REASON FOR DECISION:**

As in the report.

**CONSULTATIONS  
REQUIRED/CARRIED OUT:**

In changing the Council's MRP policy during 2017/18 detailed discussions took place with the Council's treasury management advisors, senior internal officers and key Cabinet Members.

Wales Audit Office were also consulted as external auditors.

The revised MRP policy was reviewed by Cabinet and Corporate Resources Overview and Scrutiny Committee before being approved at County Council as part of Stage 2 of setting the 2017/18 budget in December 2016.

**RESOURCE IMPLICATIONS:**

The 2018/19 Council Fund and HRA budgets provide for the MRP charges in accordance with the calculations set out in the report.

There are no other resource implications.

**DECLARATIONS OF INTEREST:**

None.

**DISPENSATIONS**

None.

**DATE PUBLISHED:**

21<sup>st</sup> February 2018

**SIGNED**



**(Proper Officer)**

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FLINTSHIRE COUNTY COUNCIL

CABINET RECORD OF DECISION

DATE OF MEETING:            20 FEBRUARY 2018            AGENDA ITEM NO. 16

REPORT OF:                    Corporate Finance Manager

SUBJECT:                        PRUDENTIAL INDICATORS 2018/19 TO 2020/21

RECOMMENDATIONS OF REPORT:    That Members approve and recommend to the County Council on 20<sup>th</sup> February 2018:

- The Prudential Indicators for 2018/19 – 2020/21 as in the report; and
- Delegated authority for the Corporate Finance Manager to effect movements between the separately agreed limits within the authorised limit for external debt and the operational boundary for external debt

DECISION:                        As detailed in the recommendation.

REASON FOR DECISION:            As in the report.

CONSULTATIONS  
REQUIRED/CARRIED OUT:            No consultation is required or carried out.

RESOURCE IMPLICATIONS:            There are no resource implications as a direct result of this report.

DECLARATIONS OF INTEREST:            None.

DISPENSATIONS                        None.

DATE PUBLISHED:                    21<sup>st</sup> February 2018

SIGNED



(Proper Officer)

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**FLINTSHIRE COUNTY COUNCIL**

**CABINET RECORD OF DECISION**

**DATE OF MEETING:**            **20 FEBRUARY 2018**            **AGENDA ITEM NO. 17**

**REPORT OF:**                    **Chief Officer (Community and Enterprise)**

**SUBJECT:**                        **COMMUNITIES FIRST**

**RECOMMENDATIONS OF REPORT:**

- (1) To note Flintshire's successful management of the transitional Communities First programme; and
- (2) That the proposed new structure to deliver Communities 4 Work and the associated programmes is approved.

**DECISION:**                        As detailed in the recommendations.

**REASON FOR DECISION:**            As in the report.

**CONSULTATIONS  
REQUIRED/CARRIED OUT:**            None.

**RESOURCE IMPLICATIONS:**            The Communities First programme has been operating in Flintshire since 2002 and many of the staff in the team have been present since the outset. Welsh Government have clarified that they will not support redundancy costs and therefore any redundancies arising from the programme place a pressure upon the Council.

**DECLARATIONS OF INTEREST:**            None.

**DISPENSATIONS**                        None.

**DATE PUBLISHED:**                    21<sup>st</sup> February 2018

**SIGNED**                                                        **(Proper Officer)**

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**FLINTSHIRE COUNTY COUNCIL**

**CABINET RECORD OF DECISION**

**DATE OF MEETING:**                      **20 FEBRUARY 2018**                      **AGENDA ITEM NO. 18**

**REPORT OF:**                                 **Chief Officer (Organisational Change)**

**SUBJECT:**                                    **CONNAH'S QUAY SWIMMING POOL AND**  
**HOLYWELL LEISURE CENTRE COMMUNITY ASSET**  
**TRANSFER**

- RECOMMENDATIONS OF REPORT:**
- (1) To provide a grant to Cambrian Aquatics for the year 2018/19 of £0.065m with the condition that this must be reduced in the year 2019/20;
  - (2) To provide a grant to Holywell Leisure Centre for the year 2018/19 of £0.086m with the condition that the need for this level of grant be reviewed thoroughly prior to the year 2019/20; and
  - (3) To agree for these projects specifically that delegated authority be provided to the Chief Officer (Organisational Change) in consultation with the Cabinet Member for Education, to be able to provide an early payment of grant or small loan (up to a maximum of £0.025m) to Cambrian Aquatics or Holywell Leisure Centre only in exceptional circumstances, and where after completing a full financial review it is considered this would ensure the facilities can remain open and that the business remains viable.

**DECISION:**                                         As detailed in the recommendations.

**REASON FOR DECISION:**                     As in the report.



**CONSULTATIONS  
REQUIRED/CARRIED OUT:**

Engagement with both organisations and the respective Town Councils.

**RESOURCE IMPLICATIONS:**

The grant levels proposed are included in the forecast expenditure budget for next year. The agreement to provide small loans in emergency situations means that the Council will have a risk if the organisations are ever in a position where they cease to trade and are not able to pay back the loan.

**DECLARATIONS OF INTEREST:**

None.

**DISPENSATIONS**

None.

**DATE PUBLISHED:**

21<sup>st</sup> February 2018

**SIGNED**



**(Proper Officer)**

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