

EXECUTIVE
20 DECEMBER 2011

Minutes of the meeting of the Executive of Flintshire County Council held at County Hall, Mold on Tuesday, 20 December 2011

PRESENT: Councillor A. Woolley (Chairman)

Councillors: H. Brown, C. A. Ellis, N. M. Matthews, N. Phillips, N. Steele-Mortimer and M. G. Wright

ALSO PRESENT:

Councillors: J. B. Attridge, V. Gay, R.G. Hampson, D. I. Mackie and A.P. Shotton

IN ATTENDANCE:

Chief Executive, Director of Community Services, Director of Environment, Director of Lifelong Learning, Head of Finance, Head of Human Resources & Organisational Development, Head of ICT & Customer Services, Interim Head of Legal and Democratic Services and Committee Officer

APOLOGIES:

Councillor H. D. Hutchinson and L. A. Sharps

186. DECLARATIONS OF INTEREST

The Leader of the Council declared a personal interest in both reports in his capacity as Vice-Chair of CAB Flintshire and Trustee of Welsh Border Community Transport.

187. FINAL SETTLEMENT 2012/13 & COUNCIL FUND REVENUE BUDGET 2012/13

The Chief Executive led the introduction of the report to advise of the Final Local Government Settlement for 2012/13 and the outcomes and implications for Flintshire; to seek endorsement of the Council's Medium Term Financial Strategy for 2011/15, Medium Term Financial Plan for 2012/15 and Budget Strategy for 2012/13 and to present the Council Fund Revenue Budget proposals for the 2012/13 budget.

The Head of Finance and Chief Executive provided Members with a detailed presentation which outlined the following areas:-

- Contents of the report
- Organisational & Financial Strategy
- Local Government Finance Settlement – Final
- Budget Proposals 2012/13
- Inflation
- Pressures
- Efficiencies

- Ongoing work to close the gap for 2012/13 and impacts on the Medium Term Financial Plan

The Chief Executive began by setting out that the Authority was aiming to modernise and reduce operating costs, improve services to the public and work collaboratively with other bodies. The Head of Finance spoke of the work undertaken on the Medium Term Financial Strategy which included fully integrating revenue and capital plans and maintaining Council Tax increases to affordable levels. The Chief Executive detailed the three types of pressures for the Authority which were inflation, demographic and economic and spoke of the public consultation on the budget which had been undertaken.

The Head of Finance explained that the current projected budget gap was £1.718M which included an ongoing base budget gap of £0.824M and one off pressures of £0.894M. Financing of the budget was made up of external funding from the Welsh Government (WG) of 80% with the remaining 20% being raised from Council Tax. The Chief Executive spoke of the assumptions which had been made, adding that no provision had been made for a pay award (pending national negotiations). There was no assumption of new fees and charges being introduced, but up to a 3% uplift on existing charges where the Council set the charge had been assumed.

Some examples of pressures which had been considered were detailed but the Head of Finance explained that further details would be provided at the Overview & Scrutiny budget meetings which were scheduled to be held in January 2012. The Chief Executive spoke of the approach which had been taken to compressing pressures and said that in year risk management was a reality of budget management. On the issue of efficiencies he spoke of the four programmes of Flintshire Futures which made up the efficiencies and included service reviews and finance led projects. The Head of Finance explained that a cross directorate expenditure review of core costs had been led by the Finance Team working with all departments and had identified a £2M saving.

The Chief Executive said that the aim was to reduce the budget gap with no major cuts to public services and to generate efficiencies through the ongoing budget strategy as part of the Council's Medium Term Financial Planning process.

The Head of Finance provided details of the dates of the Overview & Scrutiny, Executive and County Council meetings which were scheduled to be held to consider the budget.

RESOLVED:

- (a) That the Final Local Government Settlement for 2012/13 and the implications for Flintshire be noted;

- (b) That the Council's Medium Term Financial Strategy 2011/15, Medium Term Financial Plan 2012/15 and Budget Strategy for 2012/13 be endorsed; and
- (c) That the Council Fund Revenue Budget proposals which were in progress, and which would be subject to consideration by Overview and Scrutiny in January 2012 be endorsed.

188. CAPITAL STRATEGY AND CAPITAL PROGRAMME 2012/13 TO 2021/22

The Chief Executive and the Head of Finance introduced the report to set out the work that had been undertaken (and would continue), to develop a Council Fund Capital Strategy and 10 year capital programme for the Council.

The Head of Finance and Chief Executive provided a detailed presentation which covered the following areas:-

- Contents of the report
- Medium Term Financial Strategy
- Capital Strategy....to deliver
- Strategy....key components
- Sources of funding
- Indicative funding figures
- Proposed 2012/13 programme
- Core allocations
- New capital investment schemes
- What is unsupported borrowing?
- Impact for future years

The Chief Executive spoke of the long term view which needed to be taken for capital and said that it was critical to have priorities linked to investments. He highlighted the six theme areas which had been identified for investment which might be financed through unsupported (prudential) borrowing which included school modernisation, public/civic buildings, infrastructure/regeneration, leisure, energy and ICT. The Head of Finance explained that the proposed 2012/13 programme left a balance of £0.456M "headroom" remaining following the allocation of available funding to 'core' allocations and new investment schemes as set out in the report. She went on to set out the new investment schemes proposed to be met from unsupported borrowing. She added that unsupported borrowing needed to be affordable and sustainable and highlighted the impacts of the proposals for future years which included the cost of unsupported borrowing to the revenue budget which rose from £0.165M in 2012/13 to £1.987M in 2019/20.

The Leader of the Council thanked the Chief Executive and Head of Finance for their detailed presentations.

RESOLVED:

- (a) That the work which had been undertaken (and would continue) to develop a Council Fund Capital Strategy and 10 year capital programme be noted;
- (b) That the new schemes or programme areas which had been identified for inclusion in the programme and which would be the subject of Member consideration for 2012/13 onwards be noted;
- (c) That the capital element of the Local Government Finance Settlement for 2012/13, together with indicative allocations for financial years 2013/14 and 2014/15 be noted;
- (d) That the estimated capital funding available over the 10 year period 2012/13 to 2021/22 be noted;
- (e) That the projects in Section 7.10 of the report with prior approval/funding be noted; and
- (f) That the allocation of funding to the core capital programme in 2012/13 as shown in Appendix 3 (and note the indicative allocations for future years), and approve the potential new capital investment schemes (as set out in Section 7.04 of the report) subject to input by Overview & Scrutiny, excluding those projects with prior approval outlined in Section 7.10 be approved.

189. DURATION OF MEETING

The meeting commenced at 9.30 a.m. and ended at 10.45 a.m.

190. MEMBERS OF THE PRESS AND PUBLIC IN ATTENDANCE

There were two members of the press in attendance.

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Chairman

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

EXECUTIVE	DATE: 20 DECEMBER 2011
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MEMBER	ITEM	MIN. NO. REFERS
Councillor A. Woolley	Final Settlement 2012/13 & Council Fund Revenue Budget 2012/13	187
	And	
	Capital Strategy and Capital Programme 2012/13 to 2021/22	188