

FLINTSHIRE COUNTY COUNCIL

CABINET RECORD OF DECISION

DATE OF MEETING: **19 FEBRUARY 2019** **AGENDA ITEM NO. 4**

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

SUBJECT: **COUNCIL FUND BUDGET 2019/20 – THIRD AND CLOSING STAGE**

RECOMMENDATIONS OF REPORT: As outlined verbally at the meeting and as in the decision below.

- DECISION:**
- (1) That Council is advised that the duty to set a legal and balanced budget is a primary duty and one which cannot be deferred or defaulted upon. Council needs to take into account the expenditure requirement for both 2019/20 and the medium term in setting the annual budget. In the absence of any change in position on the local government funding allocation for 2019/20 by Welsh Government, and given the professional advice and opinion provided by statutory officers, the only options which remain open to Council to balance the budget are Council Tax and the proportionate use of reserves and balances;
 - (2) That Cabinet recommends to Council the further use of a combination of earmarked (£132k) and un-earmarked (£189k) reserves and balances of £321k to reduce the remaining budget gap. A budget requirement of £2.781m then remains to be met by Council Tax (to include the levy for the North Wales Fire and Rescue Service). An annual rise of 8.75% is recommended to meet this total requirement. Once combined with

the precepts of the Town and Community Councils and the Police and Crime Commissioner this annual rise will average out at 8.38% for a Band D property, equal to an additional £10.33 per month;

- (3) That Cabinet invite Council to note that a greater reliance on Council Tax to fund local services is inevitable given the funding policies of the UK and Welsh Governments. The UK Government has set a policy of reducing Revenue Support Grant with English Councils expected to be more independent in relying on Council Tax, retained National Non-Domestic Rates and other income to fund the majority of their expenditure, and Welsh Government has made a working assumption that Council Tax will rise by 6.5% on average across Wales in its own budget calculations;
- (4) That Cabinet invite Council to accept the invitation of the Minister for Local Government and Housing to make proposals for a more sustainable and equitable funding system for local government in Wales; and
- (5) That Cabinet invite Council to form a cross-party working group, to be supported by internal professional advice and external expertise, to make proposals to Welsh Government and the family of local government in Wales to follow (4) above.

REASON FOR DECISION:

As described during the meeting.

**CONSULTATIONS
REQUIRED/CARRIED OUT:**

As outlined at the meeting.

RESOURCE IMPLICATIONS:

As outlined at the meeting.

DECLARATIONS OF INTEREST:

None.

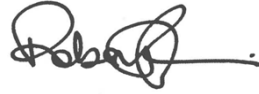
DISPENSATIONS

None.

DATE PUBLISHED:

20th February 2019

SIGNED



(Proper Officer)

FLINTSHIRE COUNTY COUNCIL

CABINET RECORD OF DECISION

DATE OF MEETING: **19 FEBRUARY 2019** **AGENDA ITEM NO. 5**

REPORT OF: **Chief Executive, Chief Officer (Housing and Assets), Corporate Finance Manager**

SUBJECT: **DEVELOPMENT OF 2019/20 - 2021/22 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 2019/20 – 2021/22;
 - (2) To consider and approve the schemes included in Table 5 for the Investment section of the Council Fund Capital Programme 2019/20 – 2021/22;
 - (3) To note that the shortfall in funding of schemes in 2019/20 and 2020/21 in Table 6 at this point in the approval 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 2019/20, and included in future capital programme reports; and
 - (4) To consider and approve the schemes included in Table 7 for the specifically funded section of the Council Fund Capital Programme which will be funded in part through Prudential Borrowing.

DECISION: As detailed in the recommendations.

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 14th February 2019 with their comments being fed back to Cabinet verbally before being discussed at County Council in February 2019.

RESOURCE IMPLICATIONS:

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

As previously stated there are revenue consequences of borrowing in internet costs and revenue provision for debt repayment which will bear on the MTFS as new pressures.

Assuming the shortfall is as estimated (£0.374m), and that the asset life of schemes is 50 years the pressures on the revenue budget are shown in the table in the report. These pressures will not bear on the MTFS during 2019/20, but rather in future years, depending on the timings of the expenditure.

DECLARATIONS OF INTEREST:

None.

DISPENSATIONS

None.

DATE PUBLISHED:

20th February 2019

SIGNED



(Proper Officer)

FLINTSHIRE COUNTY COUNCIL

CABINET RECORD OF DECISION

DATE OF MEETING: **19 FEBRUARY 2019** **AGENDA ITEM NO. 6**

REPORT OF: **Chief Officer (Housing and Assets), Corporate
Finance Manager**

SUBJECT: **HOUSING REVENUE ACCOUNT BUDGET 2019/20,
HOUSING REVENUE ACCOUNT BUSINESS PLAN &
CAPITAL PROGRAMME 2019/20**

- RECOMMENDATIONS OF REPORT:**
- (1) Approve and recommend to Council the Housing Revenue Account budget and Business Plan for financial year 2019/20;
 - (2) Approve the proposed rent increase of up to 2.4% (plus up to £2);
 - (3) Approve a garage rent increase of £1 per week and a garage plot rent increase of £0.20 per week; and
 - (4) Approve the proposed Housing Revenue Account Capital Programme for 2019/20 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 January 2019 meeting.

The draft Housing Revenue Account business plan and recommendations set out above were supported by Community and Enterprise Overview and Scrutiny Committee on 23rd January 2019.

Detailed consultation has been undertaken with tenants and elected Members to inform the preparation of the

Welsh Housing Quality Standard investment programme.

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

RESOURCE IMPLICATIONS:

The Housing Revenue Account is a ring fenced budget. This Housing Revenue Account budget and Business Plan demonstrates that the Council can achieve the Welsh Housing Quality Standard by 2020, can meet service improvement plans and commitments and with prudential borrowing can continue its Council house building programme in 2019.

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

DECLARATIONS OF INTEREST:

None.

DISPENSATIONS

None.

DATE PUBLISHED:

20th February 2019

SIGNED



(Proper Officer)

FLINTSHIRE COUNTY COUNCIL

CABINET RECORD OF DECISION

DATE OF MEETING: **19 FEBRUARY 2019** **AGENDA ITEM NO. 7**

REPORT OF: **Corporate Finance Manager**

SUBJECT: **MINIMUM REVENUE PROVISION 2019/20 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 2019/20 for the balance of outstanding capital expenditure funded from supported borrowing fixed as at 31st March 2017. The calculation will be the 'annuity' method over 49 years.
- Option 3 (Asset Life Method) be used for the calculation of the MRP in 2019/20 for all capital expenditure funded from supported borrowing from 1st April 2016 onwards. The calculation will be the 'annuity' 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 2019/20 for all capital expenditure funded from unsupported (prudential) borrowing or credit arrangements. The calculation will be the 'annuity' method over an

appropriate number of years, dependent on the period of time that the capital expenditure is likely to generate benefits.

- (2) That Members approve and recommend to 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 2019/20 for all capital expenditure funded by debt.
- (3) That 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, and is the Council's MRP policy for repaying the loan.

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 considered by Council as part of setting the 2018/19 budget in March 2018.

RESOURCE IMPLICATIONS:

The 2019/20 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 as a direct result of this report.

DECLARATIONS OF INTEREST:

None.

DISPENSATIONS

None.

DATE PUBLISHED:

20th February 2019

SIGNED



(Proper Officer)

FLINTSHIRE COUNTY COUNCIL

CABINET RECORD OF DECISION

DATE OF MEETING: **19 FEBRUARY 2019** **AGENDA ITEM NO. 8**

REPORT OF: **Corporate Finance Manager**

SUBJECT: **TREASURY MANAGEMENT STRATEGY 2019/20 &
TREASURY MANAGEMENT POLICY STATEMENT,
PRACTICES AND SCHEDULES 2019/20 - 2021/22**

RECOMMENDATIONS OF REPORT: Cabinet approves and recommends to Council the:

- Draft Treasury Management Strategy 2019/20
- Draft Treasury Management Policy Statement 2019/20 -2021/22

Draft Treasury Management Practices & Schedules 2019/20 – 2021/22

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: 20th February 2019

SIGNED



(Proper Officer)

FLINTSHIRE COUNTY COUNCIL

CABINET RECORD OF DECISION

DATE OF MEETING: **19 FEBRUARY 2019** **AGENDA ITEM NO. 9**

REPORT OF: **Corporate Finance Manager**

SUBJECT: **CAPITAL STRATEGY INCLUDING PRUDENTIAL INDICATORS 2019/20 - 2021/22**

RECOMMENDATIONS OF REPORT: (1) Cabinet approves and recommends the Capital Strategy to County Council; and

(2) Cabinet approves and recommends to Council:-

- The Prudential Indicators for 2019/20 – 2021/22 as detailed within Tables 1, and 4-7 inclusive of the Capital Strategy.
- 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 (Table 6 of the Capital Strategy).

DECISION: As detailed in the recommendations.

REASON FOR DECISION: As in the report.

CONSULTATIONS REQUIRED/CARRIED OUT: Arlingclose, the Council's Treasury Management advisers have been consulted on the preparation of the Strategy.

The updated Capital Strategy is being referred to the Corporate Resources Overview and Scrutiny Committee for comment at its meeting on 14th February

2019 with their comments being fed back to Cabinet verbally before being discussed at County Council in February 2019.

RESOURCE IMPLICATIONS:

Implications for assets and financial implications are set out within the report.

DECLARATIONS OF INTEREST:

None.

DISPENSATIONS

None.

DATE PUBLISHED:

20th February 2019

SIGNED



(Proper Officer)

FLINTSHIRE COUNTY COUNCIL

CABINET RECORD OF DECISION

DATE OF MEETING: 19 FEBRUARY 2019 AGENDA ITEM NO. 10

REPORT OF: Chief Executive

SUBJECT: DIVERSITY AND EQUALITY POLICY 2019

RECOMMENDATIONS OF REPORT:

- (1) Cabinet approve the Diversity and Equality Policy, prior to publication and implementation; and
- (2) Cabinet note the action being taken to improve the number of employees completing the equality e-learning modules.

DECISION: As detailed in the recommendations.

REASON FOR DECISION: As in the report.

CONSULTATIONS REQUIRED/CARRIED OUT:

The policy was circulated to HR, Trade Unions, Chief Officer Team, and external and internal networks and promoted on the Council website. Consideration of the policy was undertaken by Corporate Resources Overview and Scrutiny Committee and supported.

RESOURCE IMPLICATIONS:

Managers to co-ordinate and prioritise team capacity to ensure all employees are able to complete the two equality e-learning modules.

DECLARATIONS OF INTEREST: None.

DISPENSATIONS None.

DATE PUBLISHED: 20th February 2019

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(Proper Officer)

FLINTSHIRE COUNTY COUNCIL

CABINET RECORD OF DECISION

DATE OF MEETING: **19 FEBRUARY 2019** **AGENDA ITEM NO. 11**

REPORT OF: **Chief Executive**

SUBJECT: **QUARTER 3 COUNCIL PLAN 2018/19 MONITORING REPORT**

RECOMMENDATIONS OF REPORT:

- (1) Cabinet notes and endorses levels of progress, performance and risk levels in the Quarter 3 Council Plan 2018/19 monitoring report; and
- (2) Cabinet is assured by plans and actions to manage the delivery of the 2018/19 Council Plan.

DECISION: As detailed in the recommendations.

REASON FOR DECISION: As in the report.

CONSULTATIONS REQUIRED/CARRIED OUT: The Council Plan Priorities are monitored by the appropriate Overview and Scrutiny Committees according to the priority area of interest.

Chief Officers have contributed towards reporting of relevant information.

RESOURCE IMPLICATIONS: There are no specific resource implications for this report.

DECLARATIONS OF INTEREST: None.

DISPENSATIONS None.

DATE PUBLISHED: 20th February 2019

SIGNED  **(Proper Officer)**

FLINTSHIRE COUNTY COUNCIL

CABINET RECORD OF DECISION

DATE OF MEETING: 19 FEBRUARY 2019 AGENDA ITEM NO. 13

REPORT OF: Corporate Finance Manager

SUBJECT: CAPITAL PROGRAMME 2018/19 (MONTH 9)

RECOMMENDATIONS OF REPORT:

- (1) Cabinet are requested to approve the overall report;
- (2) Cabinet are requested to approve the carry forward adjustments set out in the report; and
- (3) Cabinet are requested to approve the funding of the Schools Connectivity and Mount Pleasant Road layby from the current Headroom provision as set out in the report.

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: 20th February 2019

SIGNED



(Proper Officer)

FLINTSHIRE COUNTY COUNCIL

CABINET RECORD OF DECISION

DATE OF MEETING: **19 FEBRUARY 2019** **AGENDA ITEM NO. 14**

REPORT OF: **Chief Officer (Governance)**

SUBJECT: **DIGITAL STRATEGY UPDATE**

RECOMMENDATIONS OF REPORT:

(1) That the key points arising from January’s briefing for elected Members on the development of online functionality for customers be noted; and

(2) That the design principles and programme for the delivery of the Digital Strategy be approved.

DECISION: As detailed in the recommendations.

REASON FOR DECISION: As in the report.

**CONSULTATIONS
REQUIRED/CARRIED OUT:**

This strategy will involve the delivery of a large number of projects, some of which may have implications for staffing structure and roles as we move forwards. With the exception of phase 1 of the contact centre, the exact details of this are currently unknown, but employees who are affected will be fully engaged, with HR and Trade Union involvement.

The strategy also commits to ongoing internal and external communications to raise awareness and encourage involvement as Flintshire’s digital services evolve. Aligned to our commitment to ensure that we do not exclude vulnerable members of our communities, we will proactively with customers and key frontline staff to ensure that we have mechanisms for support in place for those who need it.

RESOURCE IMPLICATIONS:

The Digital Customer work stream has an invest to save budget allocation of £550k. This is funding three new posts, all of whom are contributing to the delivery of the Digital Customer project, namely:

- Digital Customer and Community Resilience Programme Manager;
- Customer Transaction Officer (responsible for process design and web content review); and
- Income and Marketing Programme Manager.

In addition to these posts, staff from across the authority are actively involved in delivery of the Digital Strategy. The IT team have aligned their Business Plan directly to the Digital Strategy, with all other services required to support the redesign of business processes and systems as projects get underway across the authority. Resource management will be a key challenge which will require ongoing review and possible re prioritisation.

DECLARATIONS OF INTEREST:

None.

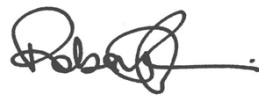
DISPENSATIONS

None.

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20th February 2019

SIGNED



(Proper Officer)

FLINTSHIRE COUNTY COUNCIL

CABINET RECORD OF DECISION

DATE OF MEETING: **19 FEBRUARY 2019** **AGENDA ITEM NO. 15**

REPORT OF: **Chief Officer (Education and Youth), Chief Officer (Social Services)**

SUBJECT: **ANNUAL CORPORATE SAFEGUARDING REPORT**

RECOMMENDATIONS OF REPORT: (1) Cabinet is assured that work is being undertaken to improve corporate arrangements for safeguarding children and adults; and

(2) Cabinet approve the Corporate Safeguarding Annual Report 2018 prior to publication.

DECISION: As detailed in the recommendations.

REASON FOR DECISION: As in the report.

CONSULTATIONS REQUIRED/CARRIED OUT: Relevant services have contributed to the content of the annual report.

RESOURCE IMPLICATIONS: There are financial implications for rolling out a training programme to ensure employees have the skills and knowledge for the Council to identify potential safeguarding issues and know how to make a referral.


All portfolios have made a financial contribution to a corporate budget for safeguarding training.

DECLARATIONS OF INTEREST: None.

DISPENSATIONS None.

DATE PUBLISHED: 20th February 2019

SIGNED

A handwritten signature in black ink, appearing to be "Robert", with a horizontal line extending to the right from the end of the signature.

(Proper Officer)

FLINTSHIRE COUNTY COUNCIL

CABINET RECORD OF DECISION

DATE OF MEETING: **19 FEBRUARY 2019** **AGENDA ITEM NO. 17**

REPORT OF: **Chief Officer (Governance)**

SUBJECT: **ACCELERATED PAYMENT FACILITY**

RECOMMENDATIONS OF REPORT:

(1) Approval to introduce a supplier Accelerated Payment Facility for the Council;

(2) To delegate authority to the Chief Officer (Governance) to undertake a procurement exercise and let a contract with a Service Provider in accordance with principles of the report; and

(3) To delegate authority to the Chief Officer (Governance) and the Corporate Finance Manager, in consultation with the Cabinet Member for Corporate Management and Assets, to implement the changes required to the Council's policies and practices as required.

DECISION: As detailed in the recommendations, with an additional recommendation of:

(4) Review the performance and impact within 12 months.

REASON FOR DECISION: As in the report.

**CONSULTATIONS
REQUIRED/CARRIED OUT:** Leader of the Council and Cabinet Member for Finance and the Cabinet Member for Corporate Management and Assets.

Officers from Corporate Finance, Accounts Payable, Legal, Internal Audit, ICT and Procurement.

RESOURCE IMPLICATIONS: A draft 'Implementation Plan' has been developed through the assessment phase

that identifies the resources required for implementation. This includes approximately 6 resource days per week (over 10 weeks) of staff time (aggregated) across all the relevant services.

It is expected that there will need to be some integration work to the Council's Masterpiece financial ledger system. This is currently being investigated but is estimated to cost around £20k as a one-off.

The other implementation costs (such as getting suppliers to sign up) will be borne on a pure risk and reward basis by the service provider.

DECLARATIONS OF INTEREST:

None.

DISPENSATIONS

None.

DATE PUBLISHED:

20th February 2019

SIGNED



(Proper Officer)
