

Public Document Pack

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Chief Officer (Governance)
Prif Swyddog (Llywodraethu)



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To: All Members of the Council

18 January 2023

Dear Sir/Madam

NOTICE OF HYBRID MEETING
FLINTSHIRE COUNTY COUNCIL
TUESDAY, 24TH JANUARY, 2023 at 2.00 PM

Yours faithfully

Steven Goodrum
Democratic Services Manager

Please note: Attendance at this meeting is either in person in the Council Chamber, Flintshire County Council, County Hall, Mold, Flintshire or on a virtual basis.

The meeting will be live streamed onto the Council's website. The live streaming will stop when any confidential items are considered. A recording of the meeting will also be available, shortly after the meeting at <https://flintshire.public-i.tv/core/portal/home>

If you have any queries regarding this, please contact a member of the Democratic Services Team on 01352 702345.

A G E N D A

1 APOLOGIES FOR ABSENCE

Purpose: To receive any apologies.

2 DECLARATIONS OF INTEREST

Purpose: To receive any Declarations and advise Members accordingly.

3 CHAIR'S COMMUNICATIONS

Purpose: To receive the communications as circulated.

4 PETITIONS

Purpose: This is an opportunity for Members of Council to submit petitions on behalf of people in their ward. Once received, petitions are passed to the appropriate Chief Officer for action and response.

PRINCIPAL ITEMS OF BUSINESS

5 ADOPTION OF THE FLINTSHIRE LOCAL DEVELOPMENT PLAN (LDP). (Pages 5 - 16)

Report of Chief Officer (Planning, Environment and Economy)

Purpose: To seek Members approval for the adoption of the Flintshire Local Development Plan (LDP)

6 CAPITAL PROGRAMME 2023/24 – 2025/26 (Pages 17 - 48)

Report of Corporate Finance Manager

Purpose: To present the Capital Programme 2023/24 – 2025/26 for approval

7 CAPITAL STRATEGY INCLUDING PRUDENTIAL INDICATORS 2023/24 – 2025/26 (Pages 49 - 68)

Report of Corporate Finance Manager

Purpose: To present the Capital Strategy 2023/24 – 2025/26 for approval

8 **HOUSING REVENUE ACCOUNT (HRA) 30 YEAR FINANCIAL BUSINESS PLAN** (Pages 69 - 86)

Report of Chief Officer (Housing and Communities)

Purpose: The purpose of this report is to present for consideration and comment, the draft HRA 30-year Financial Business Plan and the proposed HRA Budget for 2023/24.

9 **TREASURY MANAGEMENT MID-YEAR REVIEW 2022/23** (Pages 87 - 106)

Report of Corporate Finance Manager

Purpose: To present to Members the draft Treasury Management Mid-Year Review for 2022/23

ORDINARY ITEMS OF BUSINESS

10 **GOVERNANCE AND AUDIT COMMITTEE ANNUAL REPORT** (Pages 107 - 142)

Report of Internal Audit, Performance and Risk Manager

Purpose: To approve the Governance and Audit Committee Annual Report 2021/22

11 **FINANCIAL PROCEDURE RULES** (Pages 143 - 212)

Report of Corporate Finance Manager

Purpose: To approve the Financial Procedure Rules.

12 **ADOPTION OF THE MODEL ORDINARY LANGUAGE GUIDE TO THE CONSTITUTION AND UPDATES MADE TO THE NATIONAL MODEL CONSTITUTION.** (Pages 213 - 296)

Report of Chief Officer (Governance)

Purpose: To recommend adoption of the ordinary language guide and updated Constitution, following the work undertaken by the working group.

13 **TIMINGS AND SCHEDULE OF COUNCIL MEETINGS AND MEETING FORMAT** (Pages 297 - 306)

Report of Chief Officer (Governance)

Purpose: To consider the recommendations from the Constitution & Democratic Services Committee meeting on 12th January 2023 in relation to the timings and schedule of Council meetings and meeting format.

14 **NOTICE OF MOTION** (Pages 307 - 308)

Purpose: This item is to receive any Notices of Motion. One has been received and is attached to the agenda.

FOR INFORMATION

15 **PUBLIC QUESTION TIME**

Purpose: This item is to receive any Public Questions. None were received by the deadline

16 **QUESTIONS**

Purpose: To note the answers to any questions submitted in accordance with County Council Standing Order No. 9.4(A): None were received by the deadline

17 **QUESTIONS FROM MEMBERS ON COMMITTEE MINUTES**

Purpose: To consider any issues raised by Members arising from the Minutes of the Cabinet, Scrutiny Committees and other Committees, together with any questions raised under Section 4.20 of the Council's Constitution. Copies of the Minutes of the various meetings that have taken place since the last ordinary meeting of the Council which have been approved and published on the Authority's website, can be obtained, if required, via the Committee and Member Services.

Please note that there may be a 10 minute adjournment of this meeting if it lasts longer than two hours



COUNTY COUNCIL

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| Date of Meeting | Tuesday, 24 January 2023 |
| Report Subject | Adoption of the Flintshire Local Development Plan (LDP). |
| Cabinet Member | Cabinet Member for Planning, Public Health and Public Protection |
| Report Author | Chief Officer (Planning, Environment and Economy) |
| Type of Report | Strategic |

EXECUTIVE SUMMARY

All local planning authorities in Wales are required to produce, and keep under review, a Local Development Plan (LDP). This report sets out the culmination of approximately eight years of work to prepare and adopt an LDP for Flintshire. It marks a significant moment for the Council in terms of providing the opportunity to endorse an up-to-date, fully evidenced strategic planning framework to facilitate positive growth and development across the County, in line with Flintshire's National Growth Area status.

The Flintshire LDP will be the primary strategy and policy document against which the Council will make decisions on development proposals going forward. It is a sound and sustainable Plan that includes a requirement to consider the 'Placemaking' agenda and presents a positive approach to managing the future growth that Flintshire is going to experience. The policies and proposals within the LDP address the County's need for new homes, jobs, infrastructure, and community facilities to support economic growth and raise standards of living. Policies promoting development are set out alongside those that require proposals to respect, promote and protect the County's cultural heritage, important landscapes, and sensitive environments. Planning for growth commensurate with the aspirations of a National Growth Area inevitably involves difficult decisions about releasing land for development, and it is certainly the case that areas will see change. Crucially however, the LDP provides the opportunity to successfully manage this change and ensure that development is of a quality that will ensure the places ultimately delivered across Flintshire will provide a sustainable legacy for future generations.

Preparation of the LDP has been a comprehensive and iterative process, involving a substantial amount of consultation and engagement at various stages over many years of Plan formation. This has included both statutory and non-statutory consultation exercises. It has involved engagement with the public, key stakeholders, statutory bodies and industry representatives, all of which has been in accordance with relevant statutory Regulations. The key Stages of LDP preparation has included:

- Candidate Sites Submission 2014
- Topic Papers prepared 2015
- Key Messages consultation (Vision, Objectives and Settlement Hierarchy) 2016
- Strategic Growth and Spatial Options public consultation 2016
- Preferred Strategy public consultation 2017
- Full Deposit Plan (approved by Members for public consultation July 2019)

At a meeting of the Council on 29th September 2020 Members agreed to submit the Deposit LDP and supporting evidence to the Welsh Government and Planning Inspectorate for independent Examination. Subsequently, the Ministers of the Welsh Government appointed two Inspectors to conduct the Examination of the soundness of the LDP. The Examination commenced on the 11th November 2020 and Hearing Sessions subsequently took place over an eight month period, commencing on 13th April 2021 and concluding on the 23rd November 2021.

During the Examination the Council had to consider and respond to a significant new issue that arose with the introduction by NRW of stricter new targets for the levels of phosphates permitted to enter SAC protected rivers, and in the case of the LDP the Bala Lake and River Dee Special Area of Conservation. The Council in partnership with Wrexham Council produced the Dee Catchment Phosphorous Reduction Strategy, the first of its kind in Wales, that has provided the Inspectors with sufficient evidence to allow them to conclude the Examination of the LDP.

Subsequently at the Cabinet meeting on 31st May 2022 Members approved for public consultation the 'Matters Arising Changes' (MACs) to the Deposit LDP (i.e. the changes to the Plan that arose from the Examination process). The consultation was undertaken over a six-week period and concluded on the 29th July 2022, with approximately 122 representations being duly made. There was broad spread of representations made across a number of issues and policies in the MACs. Possibly the most common was as a result of phosphates, objectors sought additional flexibility in the Plan's housing supply to ensure delivery, with 'alternative' sites being promoted again.

All duly made comments received were forwarded to the Inspectors for their consideration. In accordance with statutory obligations the comments were not considered by the Council. The consultation ensured that all interested parties had the opportunity to make the Inspectors aware of their views to inform their deliberations on the soundness of the LDP.

The Inspectors have now submitted their final Report (see Appendix 1) to the Council and the Examination has closed. The report has found the LDP to be

sound and subject to the binding nature of it, the plan should now be adopted by the Council.

The Inspectors' Report was considered at a meeting of the Planning Strategy Group (PSG) held on Friday 6th January 2023 where the following resolution was made "That PSG acknowledges and endorses the Inspectors' Report and recommends to Cabinet that the LDP should be adopted". Cabinet has considered the Inspectors' Report and the adoption of the Plan at its meeting held on 17th January 2023. Cabinet resolved to support the LDP's adoption.

RECOMMENDATIONS

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| 1 | That Council adopts the Flintshire Local Development Plan (LDP) (Final version at Appendix 2 – as amended by the binding changes set out in the Inspectors Report), as the new development plan for the Flintshire administrative area. |
| 2 | That Council approves the Adoption Statement (Appendix 3), Final Sustainability Appraisal including Equalities Impact Assessment (Appendix 4), and Habitat Regulations Assessment (Appendix 5). |
| 3 | That Council authorises the Chief Officer (Planning, Environment and Economy) to make outstanding typographical, grammatical, presentational, or factual amendments to the Flintshire LDP and supporting documents prior to its final publication. |

REPORT DETAILS

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| 1.00 | Considering the Inspectors' Report and Adopting the LDP |
| 1.01 | <p>The Inspectors' Report on the LDP Examination</p> <p>The LDP Inspectors have concluded their deliberations and their Final Report on the Examination into the Flintshire LDP (dated 15th December 2022) has now been published. The Final Report and its Appendices are available at Appendix 1 of this report.</p> |
| 1.02 | <p>The Inspectors' Report concludes that, subject to the recommended Matters Arising Changes (MACs) set out in Appendix A and Inspector Matters Arising Changes (IMACs) in Appendix B of the report, the Flintshire Local Development Plan 2015 -2030 (LDP) provides an appropriate basis for the planning of the County up to 2030. The Council has sufficient evidence to support the strategy and has shown that it has a realistic prospect of being delivered. With the recommended changes, the Plan satisfies the requirements of section 64(5) of the 2004 Planning and</p> |

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| | Compulsory Purchase Act and meets the tests of soundness set out in Table 27 of Development Plans Manual edition 3. |
| 1.03 | <p>The recommended binding changes that are set out in the Inspectors' Final Report are consistent with the schedule of MACs to the Deposit Plan that arose out of the Examination process and that were subject to public consultation in June and July 2022. That is, the Inspectors have comprehensively endorsed the amendments that were discussed during Hearings and subject to the recent public consultation. Only two minor amendments have been made by the Inspectors to MACs 58 and 61. Overall they have confirmed that these are appropriate changes to be made before the Plan is adopted. Some of the key changes endorsed by the Inspectors in their Report include:</p> <ul style="list-style-type: none"> • Rearrangement of the structure of the written statement to make the strategy clear and coherent; • Amendments to Policy EN15 Water Resources to ensure no adverse effects on the River Dee and Bala Lake Special Area of Conservation (SAC) resulting from phosphorus discharges; • Deletion of the housing element of the allocation at Warren Hall in the interests of sustainable development; • Renaming green barriers as green wedges for consistency with Planning Policy Wales (PPW). |
| 1.04 | In respect of the 'Alternative Sites' put forward for housing development by objectors to the Plan, the Inspectors' Report succinctly confirms that there is no need for the inclusion of any such alternative sites since they are satisfied the Plan makes appropriate provision for the delivery of housing with the allocated sites. |
| 1.05 | As well as the MACs required to ensure soundness of the Plan, a small number of minor changes/updates are also put forward by the Inspectors in their Report as non-binding suggestions to improve clarity. These are not necessary for soundness and are therefore advisory only. Having reviewed these minor amendments, officers consider that all the minor suggestions put forward are helpful modifications and appropriate to be incorporated into the Plan. |
| 1.06 | Only two of the MACs that were subject to consultation have been further amended by the Inspectors due to reasons of soundness (MAC58 and MAC61). A further Inspector proposed Matters Arising Change (IMAC2) introduced additional wording to the explanatory text to policy HN3 regarding affordable housing. These are matters of detail and of relatively minor significance and do not give rise to any concerns for the Planning Authority. |
| 1.07 | <p>Key Findings</p> <p>The following aims to provide Members with a high-level summary of the Inspectors key findings and the degree to which these endorse the soundness of the Council's LDP:</p> |

a. Phosphates – Given the work done by the Council in collaboration with Wrexham to produce the Dee Catchment Phosphorous Reduction Strategy (DCPRS), the amended policy EN15 Water Environment, and the flexibility built into the Plan the Inspectors concluded *‘we are satisfied that, despite the uncertainties thrown up by the need for phosphorous mitigation, the LDP housing requirement will be delivered during the Plan period’*.

b. Plan Preparation – The Inspectors have reviewed the Plan’s preparation in light of the requirements of the 2004 Act, LDP Regulations and the DPM and have found that the plan has met all of the requirements. They comment on the various consultations carried out and commend the Council for progressing the Examination during Covid, concluding *‘accordingly, the legal and regulatory preparation requirements set out in the Development Plans Manual (Table 27, page 116) have been satisfied’*

c. Plan Strategy and Strategic Growth – This section of the Inspectors report considered the soundness of the Plan’s vision and objectives and how these had been translated into a growth strategy led by employment growth, supported by the requirement for housing, and the identification of two strategic mixed use development sites. The overall conclusion of the Inspectors was that *‘subject to the MACs including the deletion of the housing from the Warren Hall site, the LDP growth strategy is coherent and based on a clear and robust preparation process. It is realistic and appropriate in the light of relevant alternatives and based on robust and credible evidence. In addition, it will address the Key Issues and Strategic Objectives effectively and efficiently. The amount of housing provision set out in the LDP is also realistic, appropriate and based on a robust and credible evidence base’*.

d. The Location of Development – The Inspectors had no concerns regarding the appropriateness of the Plan’s settlement hierarchy or the spatial distribution of growth. Equally they supported the approach taken to candidate site assessment and definition of settlement limits. They concluded *‘Our overall conclusion on this matter is that the spatial strategy is coherent, is in general conformity with Future Wales and is based on a clear and robust preparation process which accords with the strategic placemaking approach set out in PPW’*

e. Economy and Employment – The Inspectors concluded *‘Our conclusion on this matter is that the strategy for the economy and employment is coherent and based on a clear and robust preparation process. It will conform with Future Wales Policy 20 which states that LDPs must recognise the National Growth Area as the focus for strategic economic and housing growth; essential services and facilities; and advanced manufacturing and transport infrastructure. Subject to the relevant MACs, the policies are realistic and appropriate and based on robust evidence’*

f. Housing including site selection and specific allocations – The Inspectors were satisfied that the site selection process leading to the identification of allocations was *‘robust, thorough and well audited’*. The Inspectors commented on a number of common concerns raised by

objectors to most if not all of the housing allocations including brownfield land, green wedged policy, best and most versatile agricultural land, environmental considerations, drainage, infrastructure and living conditions. None of these were found to be an issue sufficient to question the soundness of the allocations. Equally the Inspectors provided a helpful commentary on their assessment of each allocation and in their overall conclusion stated *'we have found that, in allocating the proposed sites relevant alternatives have been considered the housing sites have been identified through the consistent use of a robust and rational site selection process. The allocated sites are deliverable within the plan period and would make an appropriate contribution towards the housing requirement. The policies for the housing sites are clear and reasonable'*.

g. Other matters:

- Affordable Housing – The Inspectors were satisfied that the high level viability assessment of sites provides a sufficiently robust basis to support policy approach to affordable housing. They did add a further IMAC2 as shown in the appendix to their report, that reflects the need for further explanation to policy HN3 resulting from Member requests to clarify MAC75 in relation to affordable targets, raised during the consultation on the MACs.
- HMOs – The Inspectors note the lack of a Council register of HMOs and the difficulty therefore in identifying 'over concentration', and support the criteria based policy approach with minor amendments to policy wording
- Gypsy and Traveller Accommodation – The Inspectors concluded *'The Plan's approach to Gypsy and Traveller accommodation is consistent with national policy and is based on robust evidence, with sufficient provision being made to meet the identified need, through allocations capable of being developed, along with a clear policy approach to assess future proposals'*.
- Natural Environment – The Inspectors are content that the need for greenfield sites on settlement edges to sustain the necessary growth continues to be the correct approach and also agrees with Council's approach that the green barrier had been drawn back in some locations where considered appropriate but retained for key areas of land where it was essential to retain its open character and appearance.
- Climate Change – In terms of the Plan's approach to climate change, the Inspectors concluded *'we also find that, subject to the identified MACs, the climate change and environmental protection policies will help to achieve the relevant objectives of the LDP in a sustainable manner consistent with national policy. They are based on robust and credible evidence'*
- Minerals – *'Our conclusion on this matter is that the policies and proposals achieve the relevant objectives of the LDP in a sustainable manner consistent with national policy and are based on robust and credible evidence. Alternative strategies have been considered and the identification of sites based on a robust and*

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| | <p><i>rational site selection process. Subject to the MACs identified, the policies and requirements themselves are clear, reasonable and sufficient</i></p> <p>h. Overall Conclusion - <i>'We conclude that, with the binding recommended changes identified in this report and set out in Appendices A and B, the Local Development Plan satisfies the requirements of section 64(5) of the 2004 Act and meets the tests of soundness in PPW. In reaching this conclusion, we have taken into account the ways of working set out at section 5 of the WFG Act and are satisfied that the Local Development Plan as modified will guide the development and use of land in a way that contributes towards improving the economic, social, environmental and cultural well-being of Wales and complies with the WFG Act'</i>.</p> |
| 1.08 | <p>Adoption Stage</p> <p>Statutory regulations require LDP adoption to be secured through a formal resolution of Council, and states that all binding recommendations in the Inspectors' Report must be incorporated into the Plan. When it is adopted, the Flintshire LDP will become the statutory Development Plan for the entire administrative area and the Unitary Development Plan (UDP) will cease to have effect.</p> |
| 1.09 | <p>A 'tracked changes' version of the LDP has been produced solely for the purpose of aiding the interpretation of the binding changes set out in the Inspectors Report and highlighting all the changes made to the Deposit version. This can be viewed at Appendix 2 of this report.</p> |
| 1.10 | <p>A 'Final Version' of the LDP is also available at Appendix 2. This version, as well as including all the binding changes also incorporates minor typographical, grammatical, and factual updates, which the Inspectors have authorised can be made in the interest of ensuring that the final adopted version of the Plan is usable and accurate. Following adoption, a graphically improved and fully formatted version of this Final Version will be produced for publication, which may necessitate some further typographical or factual amendments be made over and above those already incorporated. This could include some additional altered paragraph numbering, updated cross referencing, or improved layouts of text and diagrams. It is recommended that officers be authorised to make such minor amendments prior to publication of the fully formatted Final Version. In addition to the final published versions of the Plan to be produced as hard copies and for digital download, an interactive web-based version of the written statement and Proposals Map will also be produced for the benefit of users. The final version of the LDP will be published in Welsh and English.</p> |
| 1.11 | <p>Subject to the Council resolving to adopt the LDP, appropriate notification relating to the LDP and its supporting documentation will be published by means of an Adoption Statement. Notification and/or links to relevant documentation will also be sent to interested parties, stakeholders and consultees who have been involved in, or requested to be kept informed of the plan preparation process. The Adopted LDP and supporting</p> |

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| | documentation will also be made available at Council offices, Connects Centres, and will be available to view at all public libraries and on the Council's website. |
| 1.12 | Statutory Regulations require the Council to publish an Adoption Statement (attached as Appendix 3 to this report), incorporating information relating to Sustainability Appraisal and Strategic Environmental Assessment (SA/SEA). The final SA/SEA and Habitats Regulations Assessment (HRA) are required by the Regulations to be published alongside the Adopted LDP. The SA/SEA process has ensured that LDP policies and proposals reflect sustainable development principles, and has assessed their effect on the economy, social wellbeing, resource conservation and environmental protection/enhancement. The HRA process has importantly concluded that the LDP will not adversely affect the integrity of any 'European Site' (designated under European Law), either alone or in combination with other plans or strategies. The final SA/SEA and HRA Reports have been updated to take account of the Inspector's recommended changes. The Final Sustainability Appraisal Report and Non-Technical Summary, and the updated HRA Reports, are available as Appendices 4 and 5 to this Report. |
| 1.13 | <p>Legal Duty</p> <p>The Council is statutorily obliged to prepare and keep under review a LDP, in accordance with the Planning and Compulsory Purchase Act 2004, the Environmental Assessment of Plans and Programmes (Wales) Regulations 2004 and the Town and Country Planning (Local Development Plan) (Wales) Regulations 2005. The adoption of the LDP will provide the Council with a clear, effective, and up to date planning framework to guide proposals, without which there would be an absence of an approved local policy context to justify refusing undesirable and speculative development, such as on unallocated greenfield land.</p> |
| 1.14 | In accordance with the relevant Act and statutory Regulations, the Council is expected to adopt the LDP within eight weeks of receipt of the Inspectors' report (dated 15 th December 2022). Furthermore, to meet the Regulations, an Adoption Statement will be published alongside the adopted Plan and Inspectors Report, along with the Final Sustainability Appraisal Report and Habitats Regulation Assessment. |
| 1.15 | All binding recommendations in the Inspectors' Report must be incorporated into the Plan, and it is not possible to adopt the Plan with any of the binding changes omitted. Should the Council elect not to adopt the LDP, the Welsh Government does have the legal authority to intervene and can adopt the LDP on the Council's behalf. |
| 1.16 | The role for the Council at this stage is to consider the plan as a whole and so the resolution sought is simply to adopt the plan, or not. There is no opportunity, and nor is it appropriate, to seek to consider just one aspect of the plan given that the Inspector's report is with us and the Examination has now closed. The Council in accordance with the LDP Regulations, agreed to submit the plan for Examination in September 2020 on the basis that it considers the plan to be sound and suitable for adoption. Subject to the agreed Matters Arising Changes, the Inspectors have agreed with that |

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| | <p>position. The Plan now been found sound by the Inspectors. Non-adoption of the Plan would mean that it would be likely that the sites in the LDP would still come forward, but the Council would also be vulnerable to speculative development proposals where there are no controls in place to reject these as the plan would not be adopted. In this scenario any Ward would be vulnerable to a speculative proposal.</p> <p>The Plan is also not just about housing development and non-adoption would remove a wide range of policy controls relating to economic development, town centres, affordable housing provision, transport, place making, flood risk mitigation, minerals, heritage, environmental and landscape protection, climate change and renewable energy, habitat and species protection, minerals and waste.</p> |
| 1.17 | <p>A six-week challenge period to the High Court is provided by the Planning and Compulsory Purchase Act (PCPA) 2004 (section 113) – commonly known as seeking a Judicial Review (JR). Applications for legal challenge to the LDP must be made within six weeks of the date of the published Adoption Statement.</p> |
| 1.18 | <p>Subject to the outcome of any potential High Court process, when the Flintshire LDP is adopted, it will supersede the now time expired Flintshire Unitary Development Plan (UDP), and will provide the basis by which future planning applications and appeals will be determined.</p> |
| 1.19 | <p>Future Stages and LDP Monitoring</p> <p>Following adoption of the LDP, the Council has a statutory requirement to prepare and submit an Annual Monitoring Report on the LDP to the Welsh Government, and to publish this for public inspection. This Annual Report will examine whether LDP’s policies are being properly implemented and/or appropriate development is coming forward on allocations. It also provides the mechanism for determining whether policies need to be reviewed. The LDP contains a Monitoring Framework, which was finalised through the course of the Examination process, containing 66 indicators relating to the range of policies and proposals in the Plan. It is these indicators that must be measured and formally reported on each autumn. The Annual Reports will consider what action, if any, is required in line with the Monitoring Framework. This could include, for example, the need for additional Supplementary Planning Guidance (SPG), Development Briefs or further research into policy effects. Alternatively, where monitoring clearly shows that policies are significantly failing to implement the Plan’s strategy, a policy review can be undertaken, which in turn can inform considerations for a wider Plan review.</p> |
| 1.20 | <p>The first full Annual Monitoring Report on the Flintshire LDP is due in October 2024. The Council will also be required to undertake a full review of the LDP no later than four years after the date of adoption.</p> |
| 1.21 | <p>The Council has in the past prepared and approved a number of Supplementary Planning Guidance documents (SPG) to supplement the policies of the Flintshire UDP. To ensure conformity with LDP policies, a review of these SPG documents will be carried out as soon as is practicable following adoption of the LDP, which will assess those that can</p> |

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| | <p>continue be referenced in development management decisions. This approach will ensure the advice and guidance provided in existing SPGs is carried forward to offer support to the policies of the adopted LDP. A programme of entirely new SPG to support and amplify the policies in the LDP will also be progressed over the next 18 months. All SPG will need to be approved by Members and be subject to public consultation. The schedule of new and updated SPG to be prepared, together with an indicative timetable for their production, is set out in appendix 2 of the Written statement and in the monitoring framework of the LDP.</p> |
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| 2.00 | RESOURCE IMPLICATIONS |
| 2.01 | The recommendation to adopt the LDP will incur low level expenditure in relation to the administrative actions required for formal adoption of the Plan, including the publication of documents and notification procedures. These costs will be accommodated within existing budgets for the current financial year. |
| 2.02 | The costs associated with undertaking the Monitoring Programme and Associated Work Programme, including the preparation of SPG, will need to be met from within future departmental budget subject to continuing provision being made to support LDP implementation and monitoring. |

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| 3.00 | CONSULTATIONS REQUIRED / CARRIED OUT |
| 3.01 | All required consultation has been carried out in accordance with the LDP Regulations, both in the production of the Deposit LDP, and as part of publishing the Matters Arising Changes that emanated from the examination sessions. As the Inspector's report is binding and the Examination is now closed, there are no further opportunities to debate aspects of the plan or consult on any matter. The Inspectors' report and their findings have been subject to discussion at Planning Strategy Group on 6 th January 2023. PSG acknowledged the Inspectors' report and recommended that Cabinet should seek to adopt the Plan. Subsequently, Cabinet considered the Inspectors' report at its meeting on 17 th January 2023 and endorsed the recommendations for the Plan's adoption. |

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| 4.00 | RISK MANAGEMENT |
| 4.01 | The LDP has been subject to an Integrated Impact Assessment as part of its production which has incorporated a Sustainability Appraisal, Strategic Environmental Assessment, Welsh Language Impact Assessment, Health Impact Assessment and an Equalities Assessment. The Plan has also been supported by a Habitat Regulations Assessment (HRA). These have all been considered as part of the Examination of the Evidence base of the Plan and the Inspector has found the plan and these assessments to be soundly based and appropriate. This includes compliance with the Ways of Working and the Well Being Goals. These assessments are attached at appendices 4-5. |

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| 5.00 | APPENDICES |
| 5.01 | Appendix 1 - Inspectors Report on the Examination into the Flintshire LDP and Related Appendices Appendix 2 - Amended Version of the Flintshire LDP written statement, incorporating binding changes Appendix 3 - The Adoption Statement Appendix 4 – Integrated Impact Assessment Report including Sustainability Appraisal Appendix 5 - Habitats Regulations Assessment Report |

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| 6.00 | LIST OF ACCESSIBLE BACKGROUND DOCUMENTS |
| 6.01 | <p>Report to Council 29th September 2020 – Approval of Deposit Consultation Responses and agreement to submit the LDP for Examination</p> <p>Report to Cabinet 31st May 2022 – Outcome of Examination and agreement to publicly consult on the LDP Matters Arising Changes</p> <p>Contact Officer: Andy Roberts, Service Manager Strategy Telephone: 01352 703211 E-mail: andy.roberts@flintshire.gov.uk</p> |

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| 7.00 | GLOSSARY OF TERMS |
| 7.01 | <p>Adoption: Where the Council makes a resolution to adopt the LDP as its up to date development plan in order to make decisions on planning applications in accordance with its policies.</p> <p>Examination: This is the formal examination in public of the LDP to test the soundness of the plan which will be presided over by an independently appointed Planning Inspector.</p> <p>Planning Strategy Group: A sub group of the Council’s Planning Committee that acts as a steering group guiding the progress of the production of the LDP. This is not a public committee and has no power to make direct decisions over the content of the LDP, but it makes recommendations to the Cabinet on the plan.</p> <p>Submission: Once the Council has agreed the responses to the representations made to the deposit LDP consultation, it also needs to agree to submit the Plan to the Planning Inspectorate for formal examination.</p> <p>Soundness: A series of tests that the LDP is required to satisfy to demonstrate that it is based on sound evidence, is in line with other plans</p> |

and strategies, is national policy compliant, and is capable of being delivered.

Examination in Public: A formal process carried out by a Planning Inspector to assess the soundness of the LDP Phosphate Levels: the concentration of phosphorous as a nutrient in river water

Habitats Regulations: Environmental regulations which require the LDP to demonstrate that it will not cause harm to protected species or habitats

Statement of Common Ground: An agreed position between two parties that helps the Inspector understand on what basis the parties agree



FLINTSHIRE COUNTY COUNCIL

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| Date of Meeting | Tuesday, 24 th January 2023 |
| Report Subject | Capital Programme 2023/24 – 2025/26 |
| Report Author | Chief Executive Corporate Manager – Capital Programme and Assets Corporate Finance Manager |

EXECUTIVE SUMMARY

This report presents the proposed Capital Programme for the period 2023/24 – 2025/26 for approval by Council.

The Council's Capital Programme covers investment in assets for the long term to enable the delivery of high quality and value for money public services. Assets include buildings (such as schools, care homes and day centres), infrastructure (such as highways and ICT networks) and assets not owned by the Council (such as works to improve and adapt private sector homes). The proposed capital investments outlined within this report are closely aligned to portfolio service business plans and the Council Plan.

The Council has limited capital resources from Welsh Government to support Council priorities, needs and liabilities. However, it has the powers to fund capital schemes by borrowing - this is temporary and ultimately, the cost and repayment of any borrowing is charged to the Council's revenue budget. Schemes funded by borrowing are carefully considered due to the long-term impacts on the Council's revenue budget.

The report divides the Council Fund Capital Programme into three sections:-

1. Statutory / Regulatory - allocations to cover regulatory and statutory works.
2. Retained Assets - allocations to fund infrastructure works necessary to ensure service and business continuity.
3. Investment - allocations to fund works necessary to remodel services to deliver efficiencies outlined in portfolio business plans and invest in services as outlined in the Council Plan.

Historically, much of the Council's programme has been funded from capital receipts and grants. The Council's ability to generate significant capital receipts is challenging as the assets the Council has available for disposal diminish. Wherever possible every opportunity to identify assets for sale and other sources of funding such as specific grants and revenue contributions will be explored. However, the Council will need to use prudential borrowing to finance more of the programme going forward. In particular, the Sustainable Communities for Learning Band B programme, and other schemes included within the investment programme will need to be funded through prudential borrowing.

The Capital Strategy has been updated and is presented separately on the agenda.

The information in this report refers to the Council Fund (CF) programme only, not the housing programme which is funded from the Housing Revenue Account (HRA) and which is reported separately.

RECOMMENDATIONS

| | |
|---|---|
| 1 | To approve the allocations and schemes in Table 3 (paragraph 1.09) for the Statutory/Regulatory and Retained Assets sections of the Council Fund Capital Programme 2023/24 - 2025/26. |
| 2 | To approve the schemes included in Table 4 (paragraph 1.31) for the Investment section of the Council Fund Capital Programme 2023/24 - 2025/26. |
| 3 | To note that the shortfall in funding of schemes in 2024/25 and 2025/26 in Table 5 (paragraph 1.37) at this point in the approval process allows flexibility. Options including a combination of future capital receipts, alternative grants (if available), prudential borrowing or the re-phasing of schemes will be considered during 2023/24, and included in future Capital Programme reports. |
| 4 | To consider and approve the schemes included in Table 6 (paragraph 1.41) for the specifically funded section of the Council Fund Capital Programme which will be funded in part through borrowing. |

REPORT DETAILS

| | |
|------|---|
| 1.00 | EXPLAINING THE CAPITAL PROGRAMME 2023/24 – 2025/26 |
| 1.01 | <p>The Council’s Capital Programme encompasses investing significant resources in assets for the long term to enable the delivery of high quality, value for money public services. Assets include buildings (such as schools, care homes and day centres), infrastructure (such as highways and ICT networks), and assets not owned by the Council (such as works to improve and adapt private sector homes). The proposed capital investments outlined within this report are closely aligned to portfolio service business plans and the Council Plan.</p> <p>The Council has limited capital resources from Welsh Government (WG) to support Council priorities, needs and liabilities; however, it has the powers to fund capital schemes by borrowing, but this is temporary and ultimately the cost and repayment of any borrowing is charged to the Council’s revenue budget. Schemes funded by borrowing are carefully considered due to the long term impacts on the Council’s revenue budget.</p> <p>The first half of this report covers parts of the Capital Programme where the Council invests in local infrastructure, facilities and assets, which will be funded from general capital resources (General Capital Grant, Unhypothecated Supported Borrowing and Capital Receipts). Regional programmes such as the Growth Deal for North Wales which will draw on national funds, and the Housing Revenue Account (HRA) Capital Programme, which is separate and includes the Welsh Housing Quality Standard (WHQS) work programme and Strategic Housing and Regeneration Programme (SHARP), supplement the Council funded Capital Programme.</p> <p>The second half of the report covers parts of the Capital Programme which includes specific grants as far as information is available at the time of writing, and borrowing. This includes the Sustainable Communities for Learning Programme, delivered in partnership between the Council and WG.</p> |
| 1.02 | <p>General Capital Programme 2022/23 – 2024/25 Update</p> <p>The Council’s Capital Strategy divides the Capital Programme into three parts as follows.</p> <ol style="list-style-type: none">1. Statutory / Regulatory section – to cover regulatory and statutory works. Examples include providing support to improve and adapt private sector homes (Disabled Facilities Grants), adaptations to schools for children with disabilities and any works required to keep buildings open by meeting Health and Safety requirements.2. Retained Assets section – to ensure service and business continuity. This includes schemes that enhance and improve retained assets and infrastructure to deliver services and meets significant need identified by service plans or through condition surveys etc. |

3. **Investment section** – to fund costs incurred when remodelling and investing in services. This includes new schemes arising from portfolio business plans, the Council Plan, other relevant and emerging plans, and other strategies or emerging Council priorities approved through a selection process based on the provision of a business case.

1.03 Table 1 below summarises the updated Council funded Capital Programme for 2022/23 – 2024/25 as reported at Month 6 2022/23:

Table 1

| ESTIMATED FUNDING 2022/23 - 2024/25 | | | | |
|--|----------------|----------------|----------------|---------------|
| | 2022/23 | 2023/24 | 2024/25 | Total |
| | £m | £m | £m | £m |
| Funding | | | | |
| Un-hypothecated Supported Borrowing (USB) ¹ | 4.022 | 4.022 | 4.022 | 12.066 |
| General Capital Grant (GCG) ¹ | 2.772 | 2.772 | 2.772 | 8.316 |
| Capital Receipts Available | 1.058 | 0.000 | 0.000 | 1.058 |
| Surplus B/Fwd from 2021/22 | 5.862 | 0.000 | 0.000 | 5.862 |
| Total Funding | 13.714 | 6.794 | 6.794 | 27.302 |
| Expenditure | | | | |
| Total Capital Programme 2022/23 - 2024/25 | 10.512 | 6.562 | 6.852 | 23.926 |
| | 10.512 | 6.562 | 6.852 | 23.926 |
| Surplus / (Shortfall) | 3.202 | 0.232 | (0.058) | 3.376 |
| ¹ As per 2022/23 Final Settlement | | | | |

1.04 Table 1 shows the current position of the Capital Programme 2022/23 – 2024/25 as reported at Month 6 to Cabinet and Corporate Resources Overview and Scrutiny Committee an overall surplus in funding of £3.376m, with a surplus in 2022/23 of £3.202m.

When the budget was set in December 2021, there was a shortfall in funding of schemes in 2022/23, 2023/24 and 2024/25. At that point in the approval process the position was kept flexible and this was explained in the report to Council at that time. Options included a combination of future capital receipts, alternative grants, prudential borrowing or scheme phasing over several years which would be considered during 2022/23.

1.05 Given the current position in setting the Capital Programme for the next 3 years 2023/24 – 2025/26, careful consideration has been given to new schemes proposed for inclusion as, should other sources of funding not materialise, the Council will need to use prudential borrowing to finance the remainder of the programme going forward.

1.06

Projected General Funding Available 2023/24 - 2025/26

Table 2 below shows the general capital funding currently projected to be available to fund the Capital Programme over the next 3 years (2023/24 - 2025/26).

Table 2

| ESTIMATED AVAILABLE FUNDING 2023/24 - 2025/26 | | | | |
|--|----------------|----------------|----------------|---------------|
| | 2023/24 | 2024/25 | 2025/26 | Total |
| | £m | £m | £m | £m |
| Funding (Excluding Specific Funding) | | | | |
| Un-hypothecated Supported Borrowing (USB) ¹ | 4.025 | 4.025 | 4.025 | 12.075 |
| General Capital Grant (GCG) ¹ | 4.134 | 4.134 | 4.134 | 12.402 |
| Surplus B/Fwd from 2022/23 | 3.202 | 0.000 | 0.000 | 3.202 |
| Total | 11.361 | 8.159 | 8.159 | 27.679 |

¹ As per 2023/24 Provisional Settlement

1.07

Table 2 assumes that the Un-hypothecated Supported Borrowing allocation and the General Capital Grant received from WG in the years 2023/24 to 2025/26 remains as indicated in the 2023/24 Provisional Settlement announcement made on the 14th December.

This is a net improvement of £0.007m on the estimated funding included within the draft Capital Programme for 2023/24, with a potential improvement of £0.021m over the three year programme.

1.08

The figures in Table 2 relate to the Council Fund (CF) only, with the HRA Capital Programme being reported separately.

General Capital Programme 2023/24 – 2025/26

1.09

Statutory / Regulatory and Retained Asset Allocations – 2023/24 – 2025/26

Table 3 shows the proposed allocations for the period 2023/24 - 2025/26 for the Statutory / Regulatory and Retained Asset sections of the Capital Programme.

Table 3

| PROPOSED ALLOCATIONS 2023/24 - 2025/26 | | | | |
|---|----------------|----------------|----------------|---------------|
| | 2023/24 | 2024/25 | 2025/26 | Total |
| | £m | £m | £m | £m |
| Statutory / Regulatory Section | | | | |
| Equalities Act - Individual pupils | 0.500 | 0.500 | 0.500 | 1.500 |
| Disabled Facilities Grants | 1.660 | 1.660 | 1.660 | 4.980 |
| Private Sector Housing Renewal | 0.040 | 0.040 | 0.040 | 0.120 |
| School building works | 0.500 | 0.500 | 0.500 | 1.500 |
| Corporate property works | 0.300 | 0.300 | 0.300 | 0.900 |
| Upgrade of kitchen equipment in schools | 0.050 | 0.000 | 0.000 | 0.050 |
| School safeguarding works | 0.100 | 0.100 | 0.100 | 0.300 |
| Target Hardening | 0.030 | 0.030 | 0.030 | 0.090 |
| Total Statutory / Regulatory | 3.180 | 3.130 | 3.130 | 9.440 |
| Retained Assets Section | | | | |
| School building works | 1.000 | 1.000 | 1.000 | 3.000 |
| Corporate property works | 0.300 | 0.300 | 0.300 | 0.900 |
| Highways Asset Management Plan | 1.500 | 1.500 | 1.500 | 4.500 |
| Play areas | 0.200 | 0.200 | 0.200 | 0.600 |
| ICT - Equipment at Datacentres | 0.110 | 0.556 | 0.000 | 0.666 |
| ICT - Server Technology Replacements | 0.088 | 0.323 | 0.264 | 0.675 |
| ICT - Laptop / PC Replacements | 0.104 | 0.092 | 0.268 | 0.464 |
| ICT - Storage Technology Replacement | 0.055 | 0.000 | 0.000 | 0.055 |
| ICT - Cyber Security | 0.000 | 0.000 | 0.066 | 0.066 |
| Schools WiFi and Networking Infrastructure | 0.000 | 0.000 | 1.020 | 1.020 |
| Base Provision for Leisure and Libraries Estate | 0.200 | 0.200 | 0.200 | 0.600 |
| All Weather Pitches | 0.195 | 0.000 | 0.000 | 0.195 |
| Public Space CCTV Upgrades | 0.033 | 0.000 | 0.000 | 0.033 |
| 'Headroom' | 0.350 | 0.350 | 0.350 | 1.050 |
| Total Retained Assets Section | 4.135 | 4.521 | 5.168 | 13.824 |

1.10 The information in Table 3 in relation to the new and previously approved schemes is explained in more detail in paragraphs 1.11 to 1.30 below.

1.11 Equalities Act – Individual pupils

An annual allocation to adapt and modify schools for children who have disabilities to support and create increasingly inclusive school environments. These works help the Council to meet its obligations under disability legislation, and reduce the potential costs and disruption associated with transporting pupils to alternative sites.

No changes are proposed for 2023/24 to 2025/26.

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| 1.12 | <p><u>Disabled Facilities Grants (DFG)</u></p> <p>An annual allocation to improve and adapt private sector homes comprising:</p> <ul style="list-style-type: none"> • Disabled Facilities Grants – adaptations enabling residents to continue to live independently in their own homes • Partnership working with Care and Repair to support vulnerable residents <p>No changes are proposed for 2023/24 to 2025/26.</p> |
| 1.13 | <p><u>Private Sector Housing Renewal</u></p> <p>An annual allocation for private sector housing renewal and improvement loan management and administration. This had previously been reported under the DFG section before the services were disaggregated across portfolios.</p> <p>No changes are proposed for 2023/24 to 2025/26.</p> |
| 1.14 | <p><u>School building works</u></p> <p>An annual allocation to fund the most urgent property works required at schools split across the regulatory / statutory and retained assets sections of the Capital Programme.</p> <p>A programme of toilet upgrades in both primary and secondary schools to ensure compliance with Education (School Premises) Regulations 1999 and Department for Education and Skills document "Toilets in Schools". There is currently a backlog of such works estimated to be in the region of £1.5m which is often reflected as a Health and Safety issue in Estyn inspections of schools. £0.100m per annum. When building new schools or extending current ones, the Council takes the approach to upgrade to the current standards at that time.</p> <p>Works to upgrade ventilation systems at school kitchens which are failing building regulations and gas safety legislation and are at risk of closure. £0.200m per annum.</p> <p>Fire Inspection Works at schools which are the responsibility of the Local Authority and have been identified during statutory fire risk assessments. £0.200m per annum.</p> <p>No changes are proposed for 2023/24 to 2025/26.</p> |
| 1.15 | <p><u>Corporate property works</u></p> <p>An annual allocation to fund the most urgent property works required at non-school premises split across the regulatory / statutory and retained assets sections of the Capital Programme, including managing risks from legionella, fire safety, asbestos, accessibility and health and safety.</p> <p>No changes are proposed for 2023/24 to 2025/26.</p> |

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| 1.16 | <p><u>Upgrade of kitchen equipment in schools</u></p> <p>The equipment in many of the school kitchens is currently very old and inefficient. Investment in new equipment will produce efficiency savings and will also better ensure the health and safety of NEWydd catering staff.</p> <p>No change is proposed for 2023/24.</p> |
| 1.17 | <p><u>School safeguarding works</u></p> <p>There is a requirement to carry out works/adaptations at schools, to address safeguarding concerns raised about access at main entrances. These works are required to ensure both children and adults can attend schools in a safe and secure environment.</p> <p>No changes are proposed for 2023/24 to 2025/26.</p> |
| 1.18 | <p><u>Target Hardening</u></p> <p>The target hardening budget requires replenishment over the next three year period to prevent unauthorised use of land or buildings within the County.</p> <p>No changes are proposed for 2023/24 to 2025/26.</p> |
| 1.19 | <p><u>Highways Asset Management Plan (HAMP)</u></p> <p>An annual allocation of £1.5m to fund the HAMP which includes resurfacing of the classified Highway Network, replacement programme for street lighting columns and structural maintenance, with £0.100m to be top sliced for 'streetscape' improvements.</p> <p>Whilst the Council has a statutory duty to maintain the Highways Network in a safe condition for travel, how the Council does this is not defined. WG set targets for road condition indices, and at present Flintshire is performing better than the target set as a result of significant additional investment from WG in recent years, however this funding has now ceased resulting in the proposed increase in the annual allocation.</p> <p>See paragraph 1.52 for more detail in regard to the position on the potential development of the HAMP.</p> <p>It is proposed to increase the annual allocation by £0.500m; to £1.5m for 2023/24 to 2025/26.</p> |
| 1.20 | <p><u>Play areas</u></p> <p>An annual allocation of £0.200m to fund the most urgent requirements to replace play equipment that has reached the end of its useful life at play areas, as well as upgrades to play areas. This will be delivered by Aura as the Council's management partner.</p> <p>No changes are proposed for 2023/24 to 2025/26.</p> |

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| 1.21 | <p><u>ICT - Equipment at Datacentres</u></p> <p>£0.510m has previously been approved in the programme in 2024/25 for the replacement of equipment such as High Volume Air Conditioning units and batteries. This is to ensure the power supply to data centres is not interrupted, and to replace outdated systems with the technologies required to deliver effective datacentres and improve connection to end users devices.</p> <p>New bids include the environmental monitoring solutions and networking technologies at remote sites replacements in 2023/24, at a cost of £0.055m each. This is along with the upgrade to the Council's telephone solution in 2024/25 costing £0.046m.</p> |
| 1.22 | <p><u>ICT - Server Technologies (Business Systems and SQL Servers)</u></p> <p>During the 2023/24 financial year the server technology used to deliver the Council's remote access solution 'Flintmap' will require replacement at a cost of £0.088m.</p> <p>In 2024/25 and 2025/26 the server infrastructures currently used to deliver business systems through Citrix, will come to the end of their useable life and could lead to a degradation of service if not replaced, at a cost of £0.253m and £0.264m.</p> <p>£0.070m in 2024/25, for the replacement of servers used to support business systems that utilise SQL as a database technology, has been previously approved.</p> |
| 1.23 | <p><u>ICT - Laptop / PC Replacements</u></p> <p>The project will deliver a programme of device replacement based on the "just in time" principle of replacement to ensure the Council maximises the useable life of its laptop assets. It will ensure that the devices used by members of staff are fit for purpose and can deliver the required level of service, and can support the latest operating systems and security software.</p> <p>The absence of a replacement budget for replacement devices will result in devices that perform poorly and will not be able to accommodate the operating system and security software require to ensure the required level of performance. The inability to operate up to date security software poses a significant cyber security risk.</p> <p>Capital funding is required over a three year programme.</p> |
| 1.24 | <p><u>ICT - Storage Technology Replacement</u></p> <p>It is essential that the Council backs up data from IT systems to ensure copies are available to be restored in the case of data corruption, accidental deletion, or business system restoration. As equipment ages the risk for equipment failure increases. This would result in the need to back up the Council's IT Business Systems during the day which would</p> |

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| | <p>cause disruption to the users of those IT systems. £0.055m is required in 2023/24.</p> |
| 1.25 | <p><u>ICT – Cyber Security</u></p> <p>The organisation relies on email scanning technology to check inbound emails to ensure they do not contain viruses or undesirable content. As cyber threats of this type continue to pose an increasing risk to organisations, it is important that this technology is kept up to date. £0.066m is required in 2025/26 for the replacement of firewall and email scanning technologies.</p> |
| 1.26 | <p><u>Schools WiFi and Networking Infrastructure</u></p> <p>Flintshire, along with all other authorities in Wales were awarded a significant amount of money to replace old and outdated networking infrastructures within all school by WG. This has provided the schools with a sound digital platform to deliver the curriculum for a number of years. The school infrastructures formed part of the Hwb programme (WG programme) and subsequent funding has been directed towards end users devices.</p> <p>A condition of the grant was that Local Authorities put in place sustainability plans to fund replacement infrastructures when they need replacement.</p> <p>The current networking and wireless equipment is two years old, and the wireless equipment will have reached the end of its usable life in 2025/26.</p> <p>The networking equipment replacement is expected in 2027/28, which is anticipated to cost £1.4m.</p> |
| 1.27 | <p><u>Base Provision for Leisure and Libraries Estate</u></p> <p>An annual allocation to fund the most urgent property works required across the Leisure and Libraries estate. The Council recognises its landlord responsibilities, it has retained ownership of all buildings from which Aura, its strategic Leisure and Libraries partner, delivers its business plan and operates these facilities in accordance with the service contract.</p> <p>No changes are proposed for 2023/24 to 2025/26.</p> |
| 1.28 | <p><u>All Weather Pitches</u></p> <p>Replace the playing surface of all weather sport pitches which are in poor condition and have reached the end of their useful lives.</p> <p>A forward work plan has been put together of pitches the Council are responsible for maintaining, to ensure that their life cycle costs are captured.</p> <p>Pitches at Deeside Leisure Centre will require resurfacing in 2023/24, based on the outcome of condition surveys that will be completed.</p> |

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| | No change is proposed for 2023/24. |
| 1.29 | <p><u>Public Space CCTV Upgrades</u></p> <p>The upgrade of the public space CCTV cameras and associated control equipment has come through necessity, due to its age and a strong desire to reduce the increasing annual operational costs. Most of the existing analogue cameras have been declared obsolete “end of life”, meaning they are no longer supported by manufacturer(s) which makes it increasingly difficult to carry out repairs as faults arise. The provision of a public space CCTV scheme forms part of the Councils commitment to the Community Safety Partnership initiative.</p> <p>This project will provide the opportunity to upgrade the existing CCTV cameras to state of the art and “future proofed” technologies.</p> <p>Investment in the upgrade of an outdated CCTV system, the infrastructure and camera stock will reduce annual operational costs through projected savings on annual transmission costs and maintenance charges.</p> <p>No change is proposed for 2023/24.</p> |
| 1.30 | <p><u>Funding ‘Headroom’</u></p> <p>‘Headroom’ has been built in to the Capital Programme to enable the programme to be more flexible so that funding can be allocated to small schemes as they present in year either as a result of opportunities or unforeseen circumstances (£0.350m per annum). An example would be the need to complete further highways works as a result of an exceptionally severe winter over and above any planned works funded from the annual allocation.</p> <p>No changes are proposed for 2023/24 to 2025/26.</p> |
| 1.31 | <p>Investment Section of the Capital Programme 2023/24 – 2025/26</p> <p>Table 4 below shows the proposed schemes for the period 2023/24 - 2025/26 for the Investment section of the Capital Programme. Details are provided in paragraphs 1.32 to 1.36.</p> |

Table 4

| PROPOSED INVESTMENT SCHEMES 2023/24 - 2025/26 | | | | |
|--|----------------|----------------|----------------|---------------|
| | 2023/24 | 2024/25 | 2025/26 | Total |
| | £m | £m | £m | £m |
| Investment Section | | | | |
| <u>Previously Approved</u> | | | | |
| Joint Archive Facility, FCC and DCC | 0.000 | 0.138 | 2.645 | 2.783 |
| Relocation of Tri-ffordd Day Service Provision | 2.430 | 0.000 | 0.000 | 2.430 |
| | 2.430 | 0.138 | 2.645 | 5.213 |
| <u>New Schemes for Approval</u> | | | | |
| Croes Atti Residential Care Home | 1.250 | 4.800 | 0.000 | 6.050 |
| Theatr Clwyd Redevelopment | 1.500 | 0.000 | 0.000 | 1.500 |
| Levelling Up Fund - Match Funding | 0.000 | 1.107 | 0.000 | 1.107 |
| | 2.750 | 5.907 | 0.000 | 8.657 |
| Total Investment Section | 5.180 | 6.045 | 2.645 | 13.870 |

1.32

Joint Archive Facility, Flintshire and Denbighshire Councils

This scheme recognises and responds to the need and demand of the two Councils' archive services. Both services occupy old buildings, unfit for purpose. They lack suitable public spaces and appropriate storage, are too full to accept new collections and are listed buildings lacking scope for adaptation, requiring expensive maintenance. The proposal is to construct a new building adjacent to Theatr Clwyd, Mold, to house both the physical archives and the new service operations.

The funding application for Heritage Horizon Award was unsuccessful, and the project board had sought alternative grant funding from the National Lottery Fund Wales, however this was at a significantly reduced funding level.

Further work was undertaken to develop a scaled back scheme, which still delivers against the business case for both authorities, and a funding application was submitted to National Lottery Fund Wales in November 2021. The application was regrettably withdrawn in March 2022, when it became clear that the temporary facility for the theatre, would not have vacated the proposed archive site in sufficient time to manage the project timescales.

In order to manage timescales, an alternative location on the County Hall site is currently being considered for the scaled back scheme. The programme and costs are currently being reviewed, with a view to a further National Lottery Fund Wales funding application in February 2023, however the delay will have caused the overall project cost to increase due

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| | <p>to construction inflation, but the maximum value of the grant available is unchanged. The need for the project remains, and it is planned to provide an update to both Councils, when the indicative costs and timescales have been confirmed.</p> <p>Direct Costs:</p> <ul style="list-style-type: none"> • Estimated funding available for the project is £10.5m, with £5.4m from grant funding, £3.028m from Flintshire County Council and £2.035m from Denbighshire County Council. £0.245m included in a previous programme. • It has been assumed that borrowing will be required to fund this project. The estimated revenue costs associated with borrowing £3.028m over 50 years totals £9.084m. In year 1 revenue debt costs are estimated to be £0.156m, rising to £0.215m in year 50, with an average of £0.181m over 50 years. <p>Direct Benefits:</p> <ul style="list-style-type: none"> • Sustainable and improved archive service for Denbighshire and Flintshire via the creation of a single shared service. • The construction of a new purpose built environmentally friendly building adjacent to Theatr Clwyd, Mold, to house both the physical archives and the new service operations. Provide a sustainable archive repository for the region for the foreseeable future from the perspective of storage space and building maintenance and management. • The overall revenue impact is an estimated saving of £11,647 per annum once the new building is open, with a potential further revenue saving once the joint service is running. <p>Indirect Benefits:</p> <ul style="list-style-type: none"> • Share knowledge and skills between the workforce of both Councils • Sphere of health, education and wellbeing (connectivity, involvement, identity) can be achieved. • The transferrable skills of our volunteers will develop will contribute to increasing their employability. • Deliver the long-term development of a resilient, relevant service: inspiring communities in North East Wales and enacting the Wellbeing of Future Generations Act; securing historic collections, diversifying audiences, volunteers and depositors. • Cost avoidance of £10,000 per annum additional revenue storage costs, and in excess of £0.718m to address the need for environmental management equipment, compliant storage areas and upgrading public facilities and access. |
| 1.33 | <p><u>Relocation of Tri-ffordd Day Service Provision</u></p> <p>Tri Ffordd is a day service provision in a horticultural environment set on 1.09 acres in Broughton for adults who have a Learning Disability, providing an opportunity for meaningful work orientated activity. The individuals who attend have a range of abilities and require varying levels of support and encouragement throughout the day to engage in activities and assist them with their daily needs.</p> |

The current buildings at Tri Ffordd are former farm buildings, some of which offer restricted internal space for service users. The site is located on a busy road, and is subject to limited scope for further development. Social Services assessed the requirement to relocate the service provision in order to provide a high quality service, taking in to account the needs of the individuals and of the service, in to the future.

An options appraisal was undertaken and as a consequence of this, a 10 acre site on the outskirts of Mold was identified as a potential new location for Tri Ffordd's activities, alongside further potential service developments.

A feasibility study was undertaken and report issue in September 2021 which presented three potential design options, one of which has been taken forward for further design development. A contractor has recently been appointed and the project is currently in the design stages (RIBA Stages 2 & 3) with a view to seeking the required planning permissions in November 2022.

Direct Costs:

- Capital investment required is £2.7m, for the development of new workshop buildings, alongside an office and other necessary facilities, toilets, boot room, garage for equipment. £0.270m was included in last year's programme.
- It has been assumed that borrowing will be required to fund this project. The estimated revenue costs associated with borrowing £2.7m over 50 years totals £8.1m. In year 1 revenue debt costs are estimated to be £0.140m, rising to £0.192m in year 50, with an average of £0.162m over 50 years
- It is likely that there will be additional costs related to the development in relation to the scheme progressing in accordance with the WG commitment towards Net Zero Carbon in Operation (NZCiO). There are dedicated funding streams in relation to Net Zero targets and applications will be made for the relevant funding in this area.

Direct Benefits:

- Improved offer for people with Learning Disabilities and Mental Health problems in a purpose built facility to meet the needs of the intended client group, including those with mobility issues
- The development of purpose-built workshops for people supported to undertake their activities safely
- The development of a dedicated 'staff' area, with office, meeting space and breakout spaces for those attending. Here those attending undertake other activities. This also includes a reception where the service can sell the items produced at the site, such as plants and hanging baskets, alongside other products made across learning disability services, including crafts and refurbished bikes
- Provision of a 'changing places' facility within the building offering a changing places facility within the Mold area

Indirect Benefits:

- The new site presents an opportunity for service development. There is potential for services to be offered 7 days a week,

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| | <p>providing additional support to individuals and families in Flintshire. Primarily, an additional development on the site could include provision of day and work service opportunities for individuals with autism. At present, the local authority commissions similar out of county services for individuals with complex autism as there isn't sufficient capacity of bespoke provision within the local authority area. The development of the site could enable care to be provided 'closer to home'</p> <ul style="list-style-type: none"> • There is scope for the wider site to develop in to a community asset, not only for the people supported, but for other members of the local community with significant potential added social value • Location of a service in Mold would provide a geographical balance of the Learning Disability day/work opportunities offer across the county, complementing current sites in Queensferry (Hwb Cyfle), Flint (Abbey Upcycling, Crefftau Cariad and Project SEARCH), Shotton (Café Dai) and Greenfield (Hwb Dyffryn) • The Tri Ffordd site will be available to be freed up for other potential uses |
| 1.34 | <p><u>Croes Atti Residential Care Home</u></p> <p>The care sector in Flintshire is working within an increasingly challenging environment as a result of a range of factors, including the complexity of need, an ageing population, rising costs, increasing expectations and regulation and difficulties with recruitment and retention of high quality staff. As a result of these pressures there is limited resilience and Flintshire is particularly challenged, with only a small number of independent providers who are part of a reducing and fragile market. As a Council, we are taking a positive approach to rebalancing the care home provision, taking a lead as a local authority to develop care homes that value older people and provide good quality support that would place the Council in a good position for the future.</p> <p>Croes Atti is a single storey 31 bed care home purpose built for older people, which was refurbished in 2005. The 31 bedrooms are small and less than 12 square metres which makes it increasingly difficult to support people with complex physical care needs and there are only 3 bedrooms with an en-suite facility. The living and day time spaces are well used and whilst we have a number of assisted bathing / shower rooms, they are not all DDA compliant. The existing accommodation does not meet new RISCA regulations in relation to bedrooms and living space and any capital investing into refurbishment or new build must take into account of the new regulatory requirements. The care home is popular locally, is always at capacity and often with a waiting list for support. The home is regulated by the Care Inspectorate Wales (CIW) and achieves good inspection reports.</p> <p>The Council was awarded ICF grant, to fund feasibility works for a potential new build which will increase capacity for a further 25 placements. Detailed design and development works are currently taking place and are expected to be completed early next financial year.</p> <p>Estimated construction costs are £16.050m, at the feasibility phase of the project. It is anticipated that construction would begin in 2023/24 over a two year period.</p> |

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| | <p>The service have submitted grant bids applications to WG for the construction stage of the project totalling £10m, with the Council awaiting the outcome of the bids. If successful the Councils contribution would be £6.050m, resulting in an intervention rate of 38%.</p> <p>Should the project not go ahead then the Council's design and development of £0.950m cannot be capitalised and would be a charge to the Council's revenue account.</p> <p>Direct Costs:</p> <ul style="list-style-type: none"> • Capital investment required is £6.050m. It has been assumed that £3.5m of borrowing will be required to fund part of the Councils contribution. The estimated revenue costs associated with borrowing this over 50 years totals £10.5m. In year 1 revenue debt costs are estimated to be £0.181m, rising to £0.249m in year 50, with an average of £0.210m over 50 years. <p>Direct Benefits:</p> <ul style="list-style-type: none"> • Additional provision of residential care placements and through release of placements in other locations across Flintshire currently using step-up/step-down beds • Additional provision of short term beds in a community setting to allow for more appropriate assessment of need for individual and as a viable alternative to a hospital admission/delayed discharge • Purpose built accommodation and bespoke service provision to maximise independence and support reablement • Increase in placements for citizens living in the west of Flintshire to link to acute service provision, supporting greater choice and ability to be in a location of their choosing <p>Indirect Benefits:</p> <ul style="list-style-type: none"> • Integrated provision of multi-professional support needed to reduce organisational boundaries and improve outcomes for individuals • Discharge to Reable and Assess ethos and environment to support improved longer term planning within an enabling environment • Free up bed space within independent sector care homes, where existing fragilities and lack of capacity are a significant factor and ongoing risk • At a population level, the equivalent number of beds are available within the care sector to promote choice when long term care is the most appropriate option • Reduction in risks associated with long term hospital stay • Potential avoidance of people entering into long term care where this may be unnecessary • The building will be built to achieve Net Zero Carbon in operation |
| 1.35 | <p><u>Theatr Clwyd Redevelopment</u></p> <p>The Theatr Clwyd building is nearing the end of its life and needs updating to ensure it is safe for public and employment use. The scope of the project has been reduced in line with agreed key business plan objectives. Funding secured for construction stage of the project totalled £38m.</p> |

The Council will receive significant levels of external funding for the scheme, with £22m from WG, £5m from the Arts Council of Wales (ACW) and £4m from Theatr Clwyd, with the Council's previously approved contribution of £7m.

Following the tender return deadline, due to the various global issues that have been impacting prices in the construction market, the actual costs exceed the available funding, with a shortfall of circa £6.6m which also assumes a recommended project contingency.

The strategy has been to seek additional contributions from key stakeholders to offer the best chance of success. It is requested that Council support an additional £1.5m of funding towards the scheme, with an additional £1.5m being matched by WG.

The balance of funding will come from the Theatr Clwyd Trust. They will deliver this via additional private fundraising and accessing £1m via prudential borrowing from the Council, which they will pay back through their own revenue funds over the next 30 years.

The project is now contracted with a construction start date of January 2023.

Should the project not go ahead then the Council's share of the design development costs cannot be capitalised and would be a charge to the Council's revenue account.

Direct Costs:

- Capital investment of £1.5m utilised from the Council's capital programme budget

Direct Benefits:

- Enabling 81% external investment in Theatr Clwyd
- Development to improve and increase the biggest and a highly regarded Welsh theatre
- A better facility for Flintshire communities, a base for increased community engagement, and multi-use spaces to be used for community needs
- Improved facilities to increase secondary revenue generation restaurant, bars, event spaces, etc
- Reduced revenue and capital maintenance costs

Indirect Benefits:

- A base for young people to gather, learn and develop (currently 30,000 young people per year engaged with)
- Specific spaces for Health and Wellbeing user groups
- More facilities for work placed training in building (woodwork, carpentry) and other transferable theatre making crafts as well as hospitality, marketing, IT, arts management
- Increase local footfall and marketing of Flintshire across the UK (In 2016 over 200,000 people visited work at Theatr Clwyd and another

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| | <p>220,000 people saw a Theatr Clwyd production elsewhere in the UK)</p> <ul style="list-style-type: none"> • Improvement of working conditions for employees and protection, and growth, of work for local people (In 2016 nearly 200 local people were directly employed by TC, not including impact of trade with other local suppliers) • Development of economic contribution (currently 46% of Theatr Clwyd's audiences visit Flintshire from elsewhere in the UK) <p>The Council will retain ownership of the theatre and is responsible for all of its infrastructure, external envelope and grounds. These assets are specialised and expensive to replace, which is one of the reasons why such major investment is required. However, on the lead up to the major refurbishment scheme and post refurbishment, there will be a need to fund landlord retained service and equipment proportionally, and in line with agreed responsibilities that may be set out in any future management agreement. This is no different than those that exist for the libraries and leisure centres.</p> |
| 1.36 | <p><u>Levelling Up Fund - Match Funding</u></p> <p>The Council has the opportunity to bid for UK Government funding from the Levelling Up Fund (LUF) programme. In line with the guidance for the programme, the Council will submit three bids, each on behalf of the Delyn and Alyn and Deeside parliamentary constituencies, up to £20m per constituency plus a strategic transport bid of up to £50m in value.</p> <p>The Council has submitted bids for round two of the UK Government of the LUF programme. The bids focused on three schemes; Greenfield Business Park, Connahs Quay Docks and the Wrexham Bidston Railway Line.</p> <p>The latter project, investment into the Wrexham Bidston Line, has been submitted in partnership with Transport for Wales and does not require match funding from the Council.</p> <p>Total match funding required for the two is £1.357m, after taking into account the value of Council owned land which can contribute towards this. Of the £1.357m required, £0.250m of this was approved by Cabinet on the 12th July 2022 for full design and procurement work for the bids funded from the core capital programme. The incurred costs can be claimed from UK Government, should the bids be successful or contribute towards match funding.</p> <p>This leaves a funding requirement of £1.107m, which will be required in 2024/25 if the bids are successful.</p> <p>The total project costs for both is estimated at £23m. This results in an intervention rate of 5.9% from the Council. UK Government require their funding to be spent by the end of March 2025 which is an extremely tight deadline and reduces the opportunity of pushing the programmes back, if the bid is successful. If the bids were not successful, the Council would need to consider what works could be done at the sites.</p> |

Should the project not go ahead then the Council's share of the design development costs cannot be capitalised and would be a charge to the Council's revenue account.

Direct Costs:

- Capital investment required is £1.107m. It has been assumed that borrowing will be required to fund the Council's contribution. The estimated revenue costs associated with borrowing this over 50 years totals £3.3m. In year 1 revenue debt costs are estimated to be £0.057m, rising to £0.078m in year 50, with an average of £0.066m over 50 years.

Direct Benefits:

Greenfield Business Park

- Demolish two vacant and derelict commercial units and replace with three new small commercial units
- Clear vacant commercial land at the rear of the site and create new small commercial units
- Refurbish Unit 58
- Improve the goods and logistics space used by Unit 47 which is significantly problematic operationally currently

Connahs Quay Docks

- Remove contaminated silt from the historic dock and restore it
- Improve the public realm around the site to improve its appearance for visitors and businesses and improve security to reduce the problems of anti-social behaviour, crime and prostitution that occur
- Fully assess the condition of the modern dock and undertake needed stabilisation and improvement works to maintain integrity, improve security, promote business use and improve dockside management
- Create a new slipway facility for water users

Indirect Benefits:

Greenfield Business Park

- Help to safeguard 438 skilled and secure jobs in one of Flintshire's most deprived communities
- Create space for an estimated 194 new jobs to come to Greenfield
- Create new units with an increased annual rental value

Connahs Quay Docks

- Reduce crime and anti-social behaviour in a significant hot spot
- Ensure that the Council does not face unbudgeted future liabilities from dock infrastructure repairs
- Reduce safety issues associated with the current dock infrastructure – access ladders, substandard slipway, uncertain loading capacity of dock wall, potential underwater hazards
- Improve the site for local people and visitors
- Improve conditions for local businesses

1.37

Summary (Generally funded) Capital Programme 2023/24 – 2025/26

Table 5 below summarises the generally funded Capital Programme and available funding.

Table 5

| SUMMARY (GENERALLY FUNDED) CAPITAL PROGRAMME 2023/24 - 2025/26 | | | | |
|---|----------------|----------------|----------------|----------------|
| | 2023/24 | 2024/25 | 2025/26 | Total |
| | £m | £m | £m | £m |
| Statutory / Regulatory Section | 3.180 | 3.130 | 3.130 | 9.440 |
| Retained Assets Section | 4.135 | 4.521 | 5.168 | 13.824 |
| Investment Section | 5.180 | 6.045 | 2.645 | 13.870 |
| Total (All Sections) | 12.495 | 13.696 | 10.943 | 37.134 |
| Estimated available general funding ¹ | 11.361 | 8.159 | 8.159 | 27.679 |
| Total | 11.361 | 8.159 | 8.159 | 27.679 |
| Surplus / (Shortfall) - no borrowing | (1.134) | (5.537) | (2.784) | (9.455) |
| Schemes requiring funding by borrowing: | | | | |
| Joint Archive Facility, FCC and DCC | 0.000 | 0.138 | 2.645 | 2.783 |
| Relocation of Tri-ffordd Day Service Provision | 2.430 | 0.000 | 0.000 | 2.430 |
| Croes Atti Residential Care Home | 0.000 | 3.500 | 0.000 | 3.500 |
| Levelling Up Fund - Match Funding | 0.000 | 1.107 | 0.000 | 1.107 |
| Total | 2.430 | 4.745 | 2.645 | 9.820 |
| Surplus / (Shortfall) - with borrowing | 1.296 | (0.792) | (0.139) | 0.365 |
| ¹ As per 2023/24 Provisional Settlement | | | | |

1.38

Table 5 shows that before any prudential borrowing is considered there is an overall shortfall in projected funding of £9.455m over the 3 year period, with an estimated shortfall of £1.134m in 2023/24.

It has previously been approved that the schemes for the Joint Archive Facility and relocation of Tri-ffordd day service provision be funded from borrowing with the associated costs of borrowing included as revenue pressures within the Medium Term Financial Strategy (MTFS).

1.39

Table 5 shows that after prudential borrowing is considered, there is an overall surplus in projected funding of £0.365m over the 3 year period, with an estimated surplus of £1.296m in 2023/24.

The Council has developed a prudent policy of allocating its own capital receipts to fund capital projects only when receipts are actually received

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| | <p>rather than when it is anticipated the receipt will be received, and this position continues to be the case.</p> <p>In recent years, much of the Council's programme has been funded from capital receipts. However, the Council's ability to generate significant capital receipts is getting harder and is almost exhausted. Although the Council will, wherever possible, seek to identify assets for sale (as appropriate) to fund the Capital Programme.</p> <p>Options to fund shortfalls include a combination of future capital receipts, alternative grants, and scheme phasing as the expenditure profile of large complex projects such as those included in the investment section of the programme could change. Every effort will be made to ensure that other sources of funding are utilised to fund the programme.</p> <p>Ultimately, should other sources of funding not materialise the Council will need to use prudential borrowing to finance any shortfalls. This could be short term during the three years, or if necessary, long term to fund any overall shortfalls.</p> |
| 1.40 | <p>Specific Grants and Borrowing</p> <p>Sustainable Communities for Learning Band B Programme</p> <p>WG has approved the Council's in principle submission for Sustainable Communities for Learning Band B, with a funding envelope of £85m. The programme is to be funded from specific grant from WG at an agreed intervention rate, with the Council's contribution to be funded by prudential borrowing. The WG intervention rate for funding the Sustainable Communities for Learning Band B programme has increased from 50% to 65% for schools, 75% for Pupil Referral Units (PRUs) and Additional Learning Needs (ALN) provision, and 81% for Mutual Investment Models (MIM).</p> <p>Each of the remaining schemes are subject to individual approval to ensure that each meets the Council's continuing priorities and is affordable in the context of the Council's MTFS.</p> <p>Currently, the following Band B schemes yet to be fully costed or brought forward included within the Councils capital programme are: Ysgol Croes Atti - Flint, Drury Primary School, Elfed High School, Buckley and Saltney / Broughton Area.</p> <p>Schemes currently in progress are Ysgol Croes Atti and Drury Primary School.</p> <p>Over the past twenty four to thirty months, various global issues have been impacting prices in the construction market. The key causes are Brexit, COVID-19 pandemic and the war in Ukraine. These causes have conflated and the impact on projects being: an increase in demand for construction (post covid); Supply chain disruption and an ongoing energy crisis. The consequences of this are: the lack of construction materials; high inflation and price volatility; high raw material prices; high energy prices and increased uncertainty.</p> |

In the present market Contractors are now more risk averse when pricing packages. Previously accepted market practice of D&B Contractors fixing a construction price for a significant period is no longer viable. The cost increases are being seen across all sectors. Analysis of the market is suggesting that nothing is likely to improve in terms of prices dropping or even levelling out in the foreseeable future. Consequently this will have a significant impact on the current securing price certainty on schemes.

Given the current volatility of the construction markets, flexibility and consideration will need to be given around timescales and expected costs of each scheme to ensure the Council stays within the Band B funding envelope. Any increase in the cost of any of the exiting schemes, may result in pushing schemes or making the difficult decisions to pull schemes to form part of the next iteration of the Sustainable Communities for Learning programme.

Other projects included in this category were Hawarden High School, Flint High School and Mold Alun High School. Early intelligence suggest that the WG are moving away from prescriptive timing on its onward investment programme as LA's and FEI's in Wales have made differing progress in their schools and colleges investment programmes. Instead LA's and FEI's in Wales will be asked to bring forward their investment programmes based on local timing and funding. The intervention rates for the WG onward investment programme is currently unknown.

The initial respective estimated costs of these schemes are outlined in the table below:

| Band B | Total Cost | WG funded | Council funded |
|--------------------------|---------------|---------------|----------------|
| | £m | £m | £m |
| Ysgol Croes Atti, Flint | 5.500 | 3.575 | 1.925 |
| Saltney / Broughton Area | 25.000 | 16.250 | 8.750 |
| Drury CP | 3.650 | 2.372 | 1.278 |
| Elfed HS | 4.488 | 2.917 | 1.571 |
| Total | 38.638 | 25.114 | 13.524 |

The benefits and costs of the school improvement programme scheme are:

Direct Benefits:

- Enabling 65%-81% external investment in schools
- Continuing to raise educational standards
- Reduction in backlog maintenance costs
- Reduction in fixed costs associated with buildings and leadership focuses investment on learners
- At Drury CP, the removal of mobile classrooms and increase in permanent capacity to meet local demand
- Ysgol Croes Atti, Flint, will be Flintshire's first new build Welsh Medium primary school and is strategically linked to the Council's Welsh Education Strategic Plan (WESP)
- Energy efficiency improvements

Direct Costs:

- Part of bigger development programme in Band B, £85.4m.
- Estimated revenue borrowing costs associated (interest and minimum revenue provision) with each scheme are as follows:

| Band B | Year 1 | Year 50 | Average over 50 years |
|--------------------------|--------------|--------------|-----------------------|
| | £m | £m | £m |
| Ysgol Croes Atti, Flint | 0.099 | 0.137 | 0.116 |
| Saltney / Broughton Area | 0.453 | 0.622 | 0.525 |
| Drury CP | 0.066 | 0.090 | 0.077 |
| Buckley Elfed HS | 0.081 | 0.112 | 0.094 |
| Total | 0.699 | 0.961 | 0.812 |

Indirect Benefits:

- Improving learner outcomes by ensuring that school buildings are effective in creating the conditions for learners to succeed
- Alignment with the Council's School Modernisation Strategy to ensure schools are fit for purpose
- A more secure school estate
- A school estate with reduced vandalism
- Upgrading ICT provision and enabling new methods of curriculum delivery
- Provision of appropriate capacity of school network
- Economic benefits of local contractor and sub-contractor spend
- Supports with the Councils net zero carbon aims

1.41

Details of schemes specifically funded by specific grant and borrowing is shown in Table 6 below:

Table 6

| SPECIFICALLY FUNDED SCHEMES 2023/24 - 2025/26 | | | | |
|---|---------------|---------------|---------------|---------------|
| | 2023/24 | 2024/25 | 2025/26 | Total |
| | £m | £m | £m | £m |
| Specifically Funded Schemes | | | | |
| Sustainable Communities for Learning - Band B | 1.546 | 17.028 | 13.725 | 32.299 |
| Theatr Clwyd Redevelopment | 19.000 | 0.000 | 0.000 | 19.000 |
| Total Schemes | 20.546 | 17.028 | 13.725 | 51.299 |
| Funding | | | | |
| Specific Capital Grants | 9.005 | 11.068 | 8.921 | 28.994 |
| Unsupported (Prudential) Borrowing | 7.541 | 5.960 | 4.804 | 18.305 |
| Theatr Clwyd Contribution | 4.000 | 0.000 | 0.000 | 4.000 |
| Total Schemes | 20.546 | 17.028 | 13.725 | 51.299 |

| 1.42 | At the time of setting the budget, the details of many capital grants have not been released by WG, and so are not included in Table 6 above. As details become available they will be reported to Members via the quarterly 2023/24 Capital Programme monitoring reports. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|--|----------------|---------------|--|--|--|---------|---------|---------|-------|--|----|----|----|----|--------------------|--|--|--|--|--------------------------------|-------|-------|-------|-------|-------------------------|-------|-------|-------|--------|--------------------|-------|-------|-------|--------|------------------|--------|--------|--------|--------|---------------------------------------|---------------|---------------|---------------|---------------|----------------|--|--|--|--|------------------------------|--------|-------|-------|--------|---------------|-------|--------|-------|--------|------------------------------------|-------|--------|-------|--------|---------------------------|-------|-------|-------|-------|--------------------------------|---------------|---------------|---------------|---------------|------------------------------|--------------|----------------|----------------|--------------|--|--|--|--|--|
| 1.43 | All of the schemes proposed for inclusion within the Capital Programme invest in assets and / or reconfigure models of service provision. They are pivotal to support the delivery of the Council's strategic priorities outlined in portfolio business plans and the Council Plan. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.44 | <p>Summary Total Council Fund Capital Programme 2023/24 - 2025/26</p> <p>Table 7 summarises the total proposals for the 2023/24 - 2025/26 Capital Programme.</p> <p><u>Table 7</u></p> <table border="1" data-bbox="344 757 1359 1666"> <thead> <tr> <th colspan="5" style="text-align: center;">SUMMARY CAPITAL PROGRAMME 2023/24 - 2025/26</th> </tr> <tr> <th></th> <th style="text-align: center;">2023/24</th> <th style="text-align: center;">2024/25</th> <th style="text-align: center;">2025/26</th> <th style="text-align: center;">Total</th> </tr> <tr> <th></th> <th style="text-align: center;">£m</th> <th style="text-align: center;">£m</th> <th style="text-align: center;">£m</th> <th style="text-align: center;">£m</th> </tr> </thead> <tbody> <tr> <td colspan="5">Expenditure</td> </tr> <tr> <td>Statutory / Regulatory Section</td> <td style="text-align: right;">3.180</td> <td style="text-align: right;">3.130</td> <td style="text-align: right;">3.130</td> <td style="text-align: right;">9.440</td> </tr> <tr> <td>Retained Assets Section</td> <td style="text-align: right;">4.135</td> <td style="text-align: right;">4.521</td> <td style="text-align: right;">5.168</td> <td style="text-align: right;">13.824</td> </tr> <tr> <td>Investment Section</td> <td style="text-align: right;">5.180</td> <td style="text-align: right;">6.045</td> <td style="text-align: right;">2.645</td> <td style="text-align: right;">13.870</td> </tr> <tr> <td>Specific Section</td> <td style="text-align: right;">20.546</td> <td style="text-align: right;">17.028</td> <td style="text-align: right;">13.725</td> <td style="text-align: right;">51.299</td> </tr> <tr> <td>Total Programme (All Sections)</td> <td style="text-align: right;">33.041</td> <td style="text-align: right;">30.724</td> <td style="text-align: right;">24.668</td> <td style="text-align: right;">88.433</td> </tr> <tr> <td colspan="5">Funding</td> </tr> <tr> <td>General Funding ¹</td> <td style="text-align: right;">11.361</td> <td style="text-align: right;">8.159</td> <td style="text-align: right;">8.159</td> <td style="text-align: right;">27.679</td> </tr> <tr> <td>Grant Funding</td> <td style="text-align: right;">9.005</td> <td style="text-align: right;">11.068</td> <td style="text-align: right;">8.921</td> <td style="text-align: right;">28.994</td> </tr> <tr> <td>Unsupported (Prudential) Borrowing</td> <td style="text-align: right;">9.971</td> <td style="text-align: right;">10.705</td> <td style="text-align: right;">7.449</td> <td style="text-align: right;">28.125</td> </tr> <tr> <td>Theatr Clwyd Contribution</td> <td style="text-align: right;">4.000</td> <td style="text-align: right;">0.000</td> <td style="text-align: right;">0.000</td> <td style="text-align: right;">4.000</td> </tr> <tr> <td>Total Projected Funding</td> <td style="text-align: right;">34.337</td> <td style="text-align: right;">29.932</td> <td style="text-align: right;">24.529</td> <td style="text-align: right;">88.798</td> </tr> <tr> <td>Surplus / (Shortfall)</td> <td style="text-align: right;">1.296</td> <td style="text-align: right;">(0.792)</td> <td style="text-align: right;">(0.139)</td> <td style="text-align: right;">0.365</td> </tr> <tr> <td colspan="5"><small>1 As per 2023/24 Provisional Settlement</small></td> </tr> </tbody> </table> | SUMMARY CAPITAL PROGRAMME 2023/24 - 2025/26 | | | | | | 2023/24 | 2024/25 | 2025/26 | Total | | £m | £m | £m | £m | Expenditure | | | | | Statutory / Regulatory Section | 3.180 | 3.130 | 3.130 | 9.440 | Retained Assets Section | 4.135 | 4.521 | 5.168 | 13.824 | Investment Section | 5.180 | 6.045 | 2.645 | 13.870 | Specific Section | 20.546 | 17.028 | 13.725 | 51.299 | Total Programme (All Sections) | 33.041 | 30.724 | 24.668 | 88.433 | Funding | | | | | General Funding ¹ | 11.361 | 8.159 | 8.159 | 27.679 | Grant Funding | 9.005 | 11.068 | 8.921 | 28.994 | Unsupported (Prudential) Borrowing | 9.971 | 10.705 | 7.449 | 28.125 | Theatr Clwyd Contribution | 4.000 | 0.000 | 0.000 | 4.000 | Total Projected Funding | 34.337 | 29.932 | 24.529 | 88.798 | Surplus / (Shortfall) | 1.296 | (0.792) | (0.139) | 0.365 | <small>1 As per 2023/24 Provisional Settlement</small> | | | | |
| SUMMARY CAPITAL PROGRAMME 2023/24 - 2025/26 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 2023/24 | 2024/25 | 2025/26 | Total | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | £m | £m | £m | £m | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Expenditure | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Statutory / Regulatory Section | 3.180 | 3.130 | 3.130 | 9.440 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Retained Assets Section | 4.135 | 4.521 | 5.168 | 13.824 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Investment Section | 5.180 | 6.045 | 2.645 | 13.870 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Specific Section | 20.546 | 17.028 | 13.725 | 51.299 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Programme (All Sections) | 33.041 | 30.724 | 24.668 | 88.433 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Funding | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| General Funding ¹ | 11.361 | 8.159 | 8.159 | 27.679 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Grant Funding | 9.005 | 11.068 | 8.921 | 28.994 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Unsupported (Prudential) Borrowing | 9.971 | 10.705 | 7.449 | 28.125 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Theatr Clwyd Contribution | 4.000 | 0.000 | 0.000 | 4.000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Projected Funding | 34.337 | 29.932 | 24.529 | 88.798 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Surplus / (Shortfall) | 1.296 | (0.792) | (0.139) | 0.365 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <small>1 As per 2023/24 Provisional Settlement</small> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Potential future schemes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.45 | All capital schemes need to be considered in the context of the position of the Council's MTFs. All schemes which require prudential borrowing to fund them add revenue pressures in the form of interest charges and charges to the Minimum Revenue Provision (MRP). | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.46 | <p>Sustainable Communities for Learning</p> <p>The WG schools investment programme is expected to continue into Band C, with the expectation is that this will run from 2025 to 2030.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| | <p>Unknown's at this stage are the WG intervention rates and also whether WG will be using MIM funding in Band C.</p> <p>WG are also likely to introduce additional criteria for Net Zero Carbon (NZC) in construction and, or operation for new build schools with the next phase of the programme. To this end, early industry indications are that this is likely to increase construction costs by 10% in construction and 20% in operation.</p> <p>Whilst there are a lot of unknowns currently, early modelling work is already being undertaken in forming the Councils potential Band C programme. This work will be presented at a later date.</p> |
| 1.47 | <p>Llys Gwenffrwd, Holywell Care Home Review</p> <p>Llys Gwenffrwd is a 31 bed, three storey care home built in the 1970s which was refurbished in early 2000. There are challenges associated with the current building as it is built on a sloping site, as a result there are a number of levels requiring the need for ramps to access many areas both inside and outside. It includes the provision of a single undersized lift to reach the three stories which does not meet DDA requirements and there are a number of living and day spaces which are some distance from the bedroom areas. Outside space is difficult to access because of the site levels and parking can be difficult. The Holywell locality has the fewest number of care home placements available and would benefit from a new build facility on a different more accessible site which requires further consideration. A relocated new build meets the needs of an ageing population in alignment with the strategic service priorities.</p> |
| 1.48 | <p>Additional Learning Needs Reform</p> <p>In previous Cabinet reports, the need for specialist Autism and Moderate Learning Difficulties facilities had been highlight as short/medium term ambition. In reviewing the impact of Additional Learning Needs (ALN) transformation, extending existing ALN provision would also be a requirement along with consideration for a Secondary Phase Behaviour, Emotional & Social Difficulties (BESD) Resourced Unit, the County only has primary provision currently. A technical feasibility is currently being undertaken to provide a range of options with high level cost estimates around effective building solutions. As an alternative option to a Council funded solution, it would be prudent to consider whether ALN transformation could be included as a project (or series of projects) from 2024. For larger value cost options it would be prudent to consider the next phase of the WG Sustainable Communities for Learning (Band C) investment programme, given that the current intervention rate in this programme for ALN provision is 75% WG funded, with the Councils contribution being 25%.</p> |
| 1.49 | <p>County Hall Campus</p> <p>The requirement to take forward the redevelopment of the site so to address the future needs of the Council and other public sector partners; to provide a range of options and an integrated approach around the</p> |

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| | Courts, Theatr Clwyd and joint Archive service together with a wider site development. |
| 1.50 | <p>Register Office, Llwynegrin Hall</p> <p>This plan is to develop Llwynegrin Hall as a complete venue for civil marriages/partnerships in Flintshire. The intention is to upgrade internal accommodation, to include Floor 1, to offer more choice to couples for their wedding. The building has potential to be available and booked as a wedding package.</p> |
| 1.51 | <p>Review of Industrial Estates</p> <p>The Council's industrial estates are widely dispersed throughout the County and provide much needed commercial accommodation to many local businesses, preventing them from leaving the County and maintaining local sources of employment. They also bring into the Council significant revenue through rental income but are of an age where they are now likely to require investment. The most pressing issue is that of Minimum Energy Efficiency Standards (MEES) which will become increasingly stringent over the next eight years and which the Council must adhere to if they are able to continue to let the units.</p> <p>There is a study currently being undertaken which will assist with understanding the likely level of investment required. This will be an integral part of an estate-by-estate review which follows the work already undertaken on two of our estates as part of the feasibility work in relation to the potential to access the Levelling Up Fund. We will consider additional factors such as regeneration, employment opportunities, sustainability and economic viability. Some of this work may determine that existing vacant buildings are demolished which will require funding.</p> |
| 1.52 | <p>Highways Asset Management Plan</p> <p>The core Capital Programme includes £1.5m per annum for the HAMP. It has been estimated that the investment required to maintain current network performance is £3.2m per annum, an increase of £1.7m per annum.</p> |
| 1.53 | <p>Digital Strategy</p> <p>A planned programme of projects required to increase the number and range of services available digitally are under consideration. The projects have an impact across a range of services, rather than in a single specific service e.g. web payment portal that will be used for all payments to the council. These will be used to enhance the ability of customers to interact with the Council on line.</p> <p>The capital costs of purchasing new software will be calculated on a project by project basis at the time each project is ready to proceed in order to accurately capture not only the technical requirements for the software but also the costs prevailing at the time.</p> <p>The range of cross cutting projects under consideration include:</p> |

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| | <ul style="list-style-type: none"> • A generic web booking system to allow customers to make appointments for services on line • Integration of webchat and email into the Customer Relationship Manager application • A generic facility for customers to upload and store commonly needed documents e.g. proof of entitlement to benefits • Software to link information held in separate databases so that we can update them all at once in a single contact with the customer |
| 1.54 | <p>Deeside Leisure Centre</p> <p>Deeside Leisure Centre (DLC) is 50 years old and reaching the end of its economic useful life. It is the largest sports facility in the County at 15,000m2 and is of strategic importance regionally and locally in terms of sports participation and health and wellbeing. It is an ageing building occupying too large a footprint with inefficient energy systems. The building is not sustainable beyond the medium term.</p> <p>DLC was partially occupied by the Health Board until April 2022 with the ice rink arena being used as a COVID-19 vaccination centre. The ice rink is currently undergoing reinstatement works to return the facility to its original purpose. The ice rink is due to re-open in autumn 2022 meaning the leisure centre will be returned to full use.</p> <p>The Council, and its strategic partner Aura, has undertaken a feasibility study and business case of options for the leisure centre going forward, and will review the impact this may have on the Capital Programme and any future potential revenue savings.</p> |
| 1.55 | <p>Homelessness – Young Persons Hub</p> <p>Responding to the needs of young people and particularly those who may be at a risk of homelessness is a key focus for the Council. Consideration needs to be given to not only accommodation needs but also support to assist young people with the key life skills needed to live independently and reduce risks of homelessness. When looking at best practice in this area of work, there are a number of examples of positive practice which seek to not only provide accommodation, but also co-ordinate support and service delivery.</p> <p>The Housing & Communities Portfolio is considering opportunities for the development of a Young Persons Hub which will seek to provide a number of units of self-contained accommodation with support onsite. This could potentially extend to provision of housing and homelessness advice and support and facilities for co-location of young person focussed services within a “housing hub”. A feasibility study will be considered to inform this approach once a site is identified, which may consider the provision of office and community space to ensure a joined-up approach within a multi-disciplinary team model.</p> <p>Subject to the outcome of feasibility works, capital funding may be required to deliver on this agenda. External funding streams will also be considered in order to maximise opportunities to develop the Young Persons Hub. This activity is referenced within the Councils Housing Prospectus.</p> |

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| 1.56 | <p>Homelessness – Emergency Bed Provision</p> <p>In late 2019, the Council undertook work to develop an Emergency Bed provision for people who are homeless and may otherwise face the prospect of sleeping rough. Significant works were completed within the Glanrafon Resource Centre in Queensferry to transform the building into a Night Shelter offering up to 12 Emergency Beds. The Council, as the owner of the building, completed refurbishment works and then partnered with The Wallich, to deliver the support required to safely operate the Night Shelter.</p> <p>At present there are 23 Porta-Kabins on site offering self-contained accommodation but this is not of a standard we wish to sustain and need to develop a purpose built provision offering high quality self-contained accommodation. Following the COVID-19 pandemic, further guidance has been issued by WG regarding the future direction of homelessness service. In the guidance there is a clear steer towards offering high quality self-contained accommodation for people experiencing homelessness.</p> <p>The Glanrafon Homeless Hub was always considered a short to medium term solution for rough sleeping in Flintshire but the Covid pandemic has prolonged the need for the provision and the model has developed significantly. The next iteration of the Homeless Hub is identified as a priority activity within the Councils Housing Prospectus and Social Housing Grant can be prioritised in order to deliver on this activity. Sites are presently being considered with full feasibility studies to be undertaken to inform build plans and service planning.</p> |
| 1.57 | <p>Net Zero Carbon Aims</p> <p>WG has set out its legal commitment to achieve net zero emissions by 2050 and work towards a net zero public sector in Wales by 2030. One of the Council’s key priorities within the Council Plan is to become a NZC Council by 2030 and to support wider decarbonisation actions across the County. The capital works programme plays a vital role in accelerating the shift towards achieving the NZC target. The Council has been investing in low carbon and renewable energy systems and energy efficiency for over 10 years which has led to a 51% reduction in scope 1 and 2 greenhouse gas emissions against a 2007/08 baseline year.</p> <p>Inclusion of this priority within the programme reinforces our commitment to tackling climate change and acknowledges that we have a significant role to play in further reducing our own greenhouse gas emissions. This commitment values energy efficiency, low carbon and smart technologies as a fundamental requirement of reaching net zero for across a multitude of Council services, acting as an important contributing factor towards decarbonisation.</p> <p>The 2022/23 final settlement from WG indicated that there will be £20m nationally in 2023/24 and 2024/25 to support Local Government Decarbonisation. Based on previous allocations, the Council should receive circa £0.950m.</p> |

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| 1.58 | <p>Town Centre Regeneration</p> <p>The strategic approach to town centre regeneration approved by Cabinet includes the following priorities:</p> <ul style="list-style-type: none"> • identify potential future development sites and develop options for their future assembly and redevelopment; • diversify land uses to maintain the vitality and viability of town centres including the acquisition of properties; • develop potential projects for future capital funding opportunities; • start, subject to the availability of capital resources and detailed investigation into commercial viability, to acquire key sites for redevelopment; <p>Limited capital funds are available from WG to support these priorities but they require either repayment loans or a minimum of 30% match funding to be available from grants. Both would represent a future call on the capital programme if projects are to be proposed to WG for funding.</p> <p>The Council is developing Place Plans to steer investment in each town and capital projects are expected to arise from this process.</p> |
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| 2.00 | RESOURCE IMPLICATIONS | | | | | | | | | | | | | | | | | | | | | | |
|----------------------------------|---|------------------------|-------------------------------|--|-----------------------|------------------------|-------------------------------|--|----|----|----|----------------------------------|-------|-------|-------|-------------------|-------|-------|-------|--------------|--------------|--------------|--------------|
| 2.01 | Financial consequences for capital resources are as set out within the report. | | | | | | | | | | | | | | | | | | | | | | |
| 2.02 | <p>As previously stated there are revenue consequences of borrowing in interest costs and revenue provision for debt repayment which will bear on the MTFS as new pressures.</p> <p>The pressures for previously approved school building works, the Joint Archive Facility and the Tri-ffordd relocation have been built into the current MTFS. Pressures for borrowing for new schemes, will be built into future MTFS calculations as necessary.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">Pressure in Year 1</th> <th style="text-align: center;">Pressure in Year 50</th> <th style="text-align: center;">Average Annual Pressure</th> </tr> <tr> <th></th> <th style="text-align: center;">£m</th> <th style="text-align: center;">£m</th> <th style="text-align: center;">£m</th> </tr> </thead> <tbody> <tr> <td>Croes Atti Residential Care Home</td> <td style="text-align: center;">0.181</td> <td style="text-align: center;">0.249</td> <td style="text-align: center;">0.210</td> </tr> <tr> <td>Levelling Up Fund</td> <td style="text-align: center;">0.057</td> <td style="text-align: center;">0.078</td> <td style="text-align: center;">0.066</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">0.238</td> <td style="text-align: center;">0.327</td> <td style="text-align: center;">0.276</td> </tr> </tbody> </table> | | | | Pressure in Year 1 | Pressure in Year 50 | Average Annual Pressure | | £m | £m | £m | Croes Atti Residential Care Home | 0.181 | 0.249 | 0.210 | Levelling Up Fund | 0.057 | 0.078 | 0.066 | Total | 0.238 | 0.327 | 0.276 |
| | Pressure in Year 1 | Pressure in Year 50 | Average Annual Pressure | | | | | | | | | | | | | | | | | | | | |
| | £m | £m | £m | | | | | | | | | | | | | | | | | | | | |
| Croes Atti Residential Care Home | 0.181 | 0.249 | 0.210 | | | | | | | | | | | | | | | | | | | | |
| Levelling Up Fund | 0.057 | 0.078 | 0.066 | | | | | | | | | | | | | | | | | | | | |
| Total | 0.238 | 0.327 | 0.276 | | | | | | | | | | | | | | | | | | | | |

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| 3.00 | CONSULTATIONS REQUIRED / CARRIED OUT | | |
| 3.01 | The proposed Capital Programme was reviewed by Corporate Resources Overview and Scrutiny Committee for comment at its meeting on 17 th November 2022, with their comments being fed back to Cabinet at its meeting on 22 nd November 2022. | | |

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| 4.00 | RISK MANAGEMENT |
| 4.01 | Any decisions made which involve the Council's assets and its Capital Programme often have very large and long term financial implications. As it seeks approval for its Capital Programme, the Council is required to produce indicators assessing the affordability, prudence and sustainability of the capital plans. These are called the Prudential Indicators and are included in the Capital Strategy report also included on this agenda. |

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| 5.00 | APPENDICES |
| 5.01 | None. |

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| 6.00 | LIST OF ACCESSIBLE BACKGROUND DOCUMENTS |
| 6.01 | Business Case forms completed by Portfolios. Contact Officer: Chris Taylor, Strategic Finance Manager Telephone: 01352 703309 E-mail: christopher.taylor@flintshire.gov.uk |

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| 7.00 | GLOSSARY OF TERMS |
| 7.01 | <p>Asset Management Plan - A plan maintained by an authority of the condition and suitability of its assets, updated regularly and utilised to assess future capital needs</p> <p>Capital Expenditure - Expenditure on the acquisition of Non-current Assets or expenditure that extends the life or value of an existing asset</p> <p>Capital Programme - The Council's financial plan covering capital schemes and expenditure proposals for the current year and a number of future years. It also includes estimates of the capital resources available to finance the programme</p> <p>Capital Receipt - Receipts (in excess of £10,000) from the disposal of an asset</p> <p>Capital Scheme - An individual capital project which is monitored and managed in isolation. The aggregate of all schemes comprises the Capital Programme</p> <p>Capital Strategy - A corporate document providing clear strategic guidance about an authority's objectives, priorities and spending plans, demonstrating the link to key corporate and service objectives. May be combined with the Asset Management Plan (AMP) to form a single document</p> |

Council Fund - The fund to which all the Council's revenue and capital expenditure is charged

Disposal - The decommissioning or transfer of an asset to another party

Non-current Asset - A resource controlled (but not necessarily owned) by the Council, from which economic benefits or service potential are expected to flow to the Council for more than 12 months.

Regulation and Inspection of Social Care (Wales) Act 2016 (RISCA) - The act builds on the success of regulation in Wales and reflects the changing world of social care. It places service quality and improvement at the heart of the regulatory regime and strengthens protection for those who need it. Regulation will move beyond compliance with minimum standards, and focus more on the quality of services and the impact which they have on people receiving them

Prudential Code - The Code of Practice drawn up by the Chartered Institute of Public Finance and Accountancy (CIPFA) to underpin the requirements of the Local Government Act 2003 in respect of an authority's duty to determine the affordability, prudence and sustainability of its capital investment needs

Prudential Indicators - Required by the **Prudential Code**, these take the form of limits, estimates or actual figures used to support the local decision making process for capital investment

Unsupported Prudential Borrowing - Borrowing administered under the **Prudential Code**, whereby authorities can set their own policies on acceptable levels and types of borrowing. The Prudential Framework allows authorities to take out loans in response to overall cash flow forecasts and other factors provided they can show that the borrowing is to meet planned capital expenditure in the current year or the next three years.

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FLINTSHIRE COUNTY COUNCIL

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| Date of Meeting | Tuesday, 24 th January 2023 |
| Report Subject | Capital Strategy Including Prudential Indicators 2023/24 to 2025/26 |
| Report Author | Corporate Finance Manager |

EXECUTIVE SUMMARY

This report updates the Council's Capital Strategy and seeks Council's approval.

The report explains the need for the Strategy, its key aims, and the content of each of its sections.

Under the Prudential Code for Capital Finance in Local Authorities (the Prudential Code), authorities are required to set a range of Prudential Indicators (PI's). The Capital Strategy includes details of the Council's Prudential Indicators for 2023/24 – 2025/26.

RECOMMENDATIONS

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| 1 | Council approves the Capital Strategy. |
| 2 | <p>Council approves: -</p> <ul style="list-style-type: none"> The Prudential Indicators for 2023/24 - 2025/26 as detailed within Tables 1, and 4 – 8 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). |

REPORT DETAILS

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| 1.00 | CAPITAL STRATEGY 2023 – 2026 |
| 1.01 | The Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2021 Edition (the Code), requires that the Council has in place a Capital Strategy (the Strategy). The guidance to the Code defines the specific requirements of the Strategy. This report updates the Strategy for Council's consideration. |
| 1.02 | The key aims of the Strategy are to explain the ways in which the capital programme is developed and funded, the potential impact it has on the Council's Medium Term Financial Strategy (MTFS) and the way in which it relates to the Council's Treasury Management Strategy. The Strategy is an overarching document and refers to other documents such as the Capital Programme, the Treasury Management Strategy and the Minimum Revenue Provision Policy. The Strategy is split into a number of sections as described below. The Strategy is enclosed as Appendix 1. |
| 1.03 | Changes to the Prudential Code 2021 CIPFA strengthened its Prudential Code in December 2021, to ensure local authorities' financial plans are affordable, prudent and sustainable. The key change in the 2021 edition of the Code, is the explicitly stated requirement that authorities must not borrow to invest primarily for financial return. It is not prudent to make any investment or spending decision that will increase the Capital Financing Requirement, and so may lead to new borrowing, unless directly and primarily related to the Council's functions. The Code does not require existing commercial investments to be sold, but options to exit investments as an alternative to borrowing should be reviewed in the TM strategy. |
| 1.04 | Capital Expenditure This section defines capital expenditure. There is some limited local discretion in the definition as reflected in the Council's accounting policies. |
| 1.05 | Resources This section explains the way in which the Capital Programme is funded. The Council has a number of funding sources, but these are limited and in some cases, particularly capital receipts, diminishing. Some of those sources, particularly prudential borrowing, add pressure to the Council's MTFS. |
| 1.06 | Prioritisation of Capital Expenditure This section explains the way in which the Capital Programme is divided into three sections and how decisions are made as to which schemes to include in each section in each year. |

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| 1.07 | <p>Governance</p> <p>This section explains the governance arrangements in place in the development and monitoring of the capital programme.</p> |
| 1.08 | <p>Capital Expenditure Plans</p> <p>This section refers to the Council's capital expenditure plans as agreed in its Capital Programme. It covers:</p> <ul style="list-style-type: none"> • Capital expenditure plans • The way in which those plans are expected to be financed • Minimum Revenue Provision • Estimates of the Capital Financing Requirement, a measure of unfinanced expenditure |
| 1.09 | <p>Treasury Management</p> <p>This section covers the way in which the Strategy relates to the Council's treasury management activity. It covers:</p> <ul style="list-style-type: none"> • The Council's Borrowing Strategy • The relationship between the Council's debt portfolio and its Capital Financing Requirement • The Authorised Limit and Operational Debt Limits for borrowing, ensuring the limits on the Council's exposure to debt are set • The Council's Investment Strategy • Treasury management governance |
| 1.10 | <p>Commercial activities</p> <p>This section reports that the Council has limited commercial activity, having a limited portfolio of investment properties (agricultural properties and industrial units). The Council does not borrow to invest for the primary purpose of financial return.</p> |
| 1.11 | <p>Liabilities</p> <p>This section explains the liabilities which the Council has, in particular the deficit on its pension fund, and links with the Council's Statement of Accounts.</p> |
| 1.12 | <p>Revenue budget implications</p> <p>This section shows the impact of the capital financing costs on the revenue stream of the Council's budget.</p> |
| 1.13 | <p>Knowledge and skills</p> <p>This section details the skills of officers involved in developing and managing the capital programme and treasury management activity and explains that the Council makes use of external advisers to assist with this activity.</p> |

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| 1.14 | Prudential Indicators The Council is required by the Code to develop and monitor Prudential Indicators. These are contained within the various sections of the Strategy. |
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| 2.00 | RESOURCE IMPLICATIONS |
| 2.01 | Financial consequences for capital resources are as set out within the report and in Appendix 1. |
| 2.02 | Financial consequences for revenue resources are as set out within the report and in Appendix 1. |

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| 3.00 | CONSULTATIONS REQUIRED / CARRIED OUT |
| 3.01 | The Capital Strategy was noted and the proposed Capital Programme was considered by the Corporate Resources Overview and Scrutiny Committee at its meeting on 17 th November 2022 with their comments being fed back to the Cabinet at its meeting on 22 nd November 2022. |

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| 4.00 | RISK MANAGEMENT |
| 4.01 | Decisions made which involve the Council's assets and its Capital Programme often have very large and long term financial implications. The purpose of the Capital Strategy includes setting a clear framework within which such decisions can be made mitigating the risks involved. |

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| 5.00 | APPENDICES |
| 5.01 | Appendix 1 – Capital Strategy 2023/24 – 2025/26 |

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| 6.00 | LIST OF ACCESSIBLE BACKGROUND DOCUMENTS |
| 6.01 | None. Contact Officer: Chris Taylor, Strategic Finance Manager Telephone: 01352 703309 E-mail: christopher.taylor@flintshire.gov.uk |

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|------|--|
| 7.00 | GLOSSARY OF TERMS |
| 7.01 | <p>Capital Expenditure - Expenditure on the acquisition of Non-current Assets or expenditure that extends the life or value of an existing asset</p> <p>Capital Programme - The Council's financial plan covering capital schemes and expenditure proposals for the current year and a number of future years. It also includes estimates of the capital resources available to finance the programme</p> <p>Capital Receipt - Receipts (in excess of £10,000) from the disposal of an asset</p> <p>Capital Scheme - An individual capital project which is monitored and managed in isolation. The aggregate of all schemes comprises the Capital Programme</p> <p>Capital Strategy - A corporate document providing clear strategic guidance about an authority's objectives, priorities and spending plans, demonstrating the link to key corporate and service objectives.</p> <p>Council Fund - The fund to which all the Council's revenue and capital expenditure is charged</p> <p>Disposal - The decommissioning or transfer of an asset to another party</p> <p>Non-current Asset - A resource controlled (but not necessarily owned) by the Council, from which economic benefits or service potential are expected to flow to the Council for more than 12 months.</p> <p>Prudential Code - The Code of Practice drawn up by the Chartered Institute of Public Finance and Accountancy (CIPFA) to underpin the requirements of the Local Government Act 2003 in respect of an authority's duty to determine the affordability, prudence and sustainability of its capital investment needs</p> <p>Prudential Indicators - Required by the Prudential Code, these take the form of limits, estimates or actual figures used to support the local decision making process for capital investment</p> <p>Unsupported Prudential Borrowing - Borrowing administered under the Prudential Code, whereby authorities can set their own policies on acceptable levels and types of borrowing. The Prudential Framework allows authorities to take out loans in response to overall cash flow forecasts and other factors provided they can show that the borrowing is to meet planned capital expenditure in the current year or the next three years.</p> |

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CAPITAL STRATEGY

2023/24 TO 2025/26

CONTENTS

| | |
|----|---------------------------------------|
| 1 | INTRODUCTION |
| 2 | CAPITAL EXPENDITURE |
| 3 | RESOURCES |
| 4 | PRIORITISATION OF CAPITAL EXPENDITURE |
| 5 | GOVERNANCE |
| 6 | TREASURY MANAGEMENT |
| 7 | COMMERCIAL ACTIVITIES |
| 8 | LIABILITIES |
| 9 | REVENUE BUDGET IMPLICATIONS |
| 10 | KNOWLEDGE AND SKILLS |

CAPITAL STRATEGY REPORT 2023/24

1. INTRODUCTION

The creation and approval of a capital strategy is now a requirement of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2021 Edition (the CIPFA Code).

The Code requires the Council to set Prudential Indicators in relation to its Capital Programme. This document includes those Prudential Indicators in tables 1 and, 4 - 8.

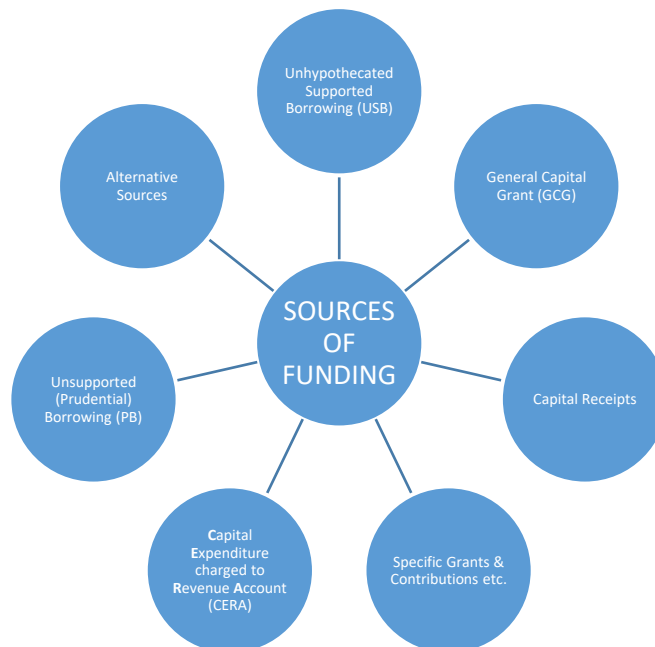
This document updates the capital strategy approved by Council in December 2021. It gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.

2. CAPITAL EXPENDITURE

Capital expenditure occurs when the Council spends money on assets, such as property or vehicles, which will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets.

3. RESOURCES

The sources of funding available to the Council are described below:



Unhypothecated Supported Borrowing (USB), commonly referred to as Supported Borrowing

Each year Welsh Government provides councils with a Supported Borrowing capital allocation. Councils can then borrow to fund capital expenditure up to that annual allocation, and Welsh Government will include funding to cover the revenue costs associated with that level of borrowing in future years within the Revenue Support Grant. The Council decides how this funding is spent.

General Capital Grant (GCG)

This is the annual capital grant from Welsh Government. The Council decides how this funding is spent.

Supported borrowing and general capital grant will be used to fund capital schemes which:

- invest in, or maintain the life of, existing assets which will be retained for future service delivery
- are statutory / regulatory in nature

The Housing Revenue Account (HRA) equivalent is known as the Major Repairs Allowance (MRA).

Capital Receipts

These are funds raised from the sale of council assets, usually, but not restricted to, land and buildings. Other examples include repayments of loans for capital purposes and release of restrictive covenants.

Capital finance regulations dictate that capital receipts can only be used to fund capital expenditure or repay debt. In the past regulations required a proportion of all receipts be set aside to repay debt, but this requirement was removed some time ago for the Council Fund and was removed for the HRA with the introduction of self-financing. The Council's policy is to use capital receipts to fund capital expenditure rather than voluntarily set aside to repay debt. The Council sets a Minimum Revenue Provision policy each year which sets out our prudent methods for repayment of debt.

The current policy of pooling all capital receipts to allocate to capital schemes in accordance with the Council's strategic aims and priorities will continue. Capital receipts will not be 'ring-fenced' to fund schemes in the same service or geographical areas (with the exception of the HRA). Capital receipts represent a finite funding source based on a planned approach to asset disposals in support of the Council's priorities. They will be used to fund new capital investment schemes.

Generation of capital receipts depends on our ability to identify assets that are surplus to requirements, and to sell them at an appropriate time which will be subject to local economic factors. In recent years this has been challenging, and will continue to be so. Careful and prudent planning around the timing of capital receipts is needed to ensure schemes funded by capital receipts don't begin until we have received the receipt.

Capital receipts will be generated by continuing with our agricultural disposal policy, our policy to reduce the number of assets that we have and the forthcoming review of the commercial estate.

Our assets are also supporting the Strategic Housing and Regeneration Programme (SHARP) in innovative ways. We have identified surplus Council owned sites which will be used to develop new housing. This input will need to continue throughout the life of the programme. The impact of this on the generation of capital receipts will need to be carefully mapped and reflected within the wider Capital Programme.

Specific Grants and Contributions etc.

Specific Grants

These are grant allocations received from a range of sponsoring bodies including Welsh Government, Lottery, etc. for associated specific programmes and projects, with limited local discretion on how the funding is spent. Often the terms and conditions of such funding will require unused funding to be returned, and can require the Council to match fund. In times where capital resources are declining the Council will seek to maximise such funding streams, subject to the initiative/scheme reflecting both the third party's agenda and the Council's priorities.

Specific Contributions

These are contributions from developers towards the provision of public assets or facilities. Sometimes these are to mitigate the impact of their development on communities and are often referred to as Section 106 contributions. Contributions are earmarked for specific purposes in planning agreements and often relate to infrastructure projects including play areas, open spaces, and schools, but also including affordable housing. Developers also contribute to highways infrastructure developments through Section 38 and 278 agreements.

Specific Capital Loans

Increasingly, as Welsh Government's funding comes under pressure, capital funding that was previously issued as a specific capital grant is converted into a repayable loan, examples include the Home Improvement Loans fund, and Vibrant and Viable Places funding. Grant funding will always be preferable to loan funding as it does not require repayment, however, loan funding does have benefits. Its use to date has been to provide recyclable loan funding for regeneration purposes. The benefit is that rather than being used to fund a single project, the funding can be recycled and used to fund a number of projects over the term of the loan.

Capital Loans are also available, and have been used, from other sources such as Salix in relation to energy saving projects.

As with grants, the Council will seek to maximise such developments that are in line with its priorities, whilst carefully considering the additional administrative burden in issuing and collecting loans, and the risk it carries from loan defaults.

Local Government Borrowing Initiative (LGBI)

In recent years, as Welsh Government funding has been under pressure, schemes that would have been funded by capital grant have been funded by LGBI. Welsh Government provides the revenue support for borrowing costs incurred by the Council in borrowing to fund capital schemes (the difference with supported borrowing being that it's for a specific purpose aligned to Welsh Government priorities). LGBI has recently been used for highways maintenance and used to part fund the Welsh Government element of the 21st Century Schools programme – 'Band A'.

Capital Expenditure charged to Revenue Account (CERA)

Capital expenditure can be funded via a direct contribution from revenue funding (note: capital financing regulations mean it is not possible to use capital funding to fund revenue expenditure). This method of funding is extensively used by the HRA and will continue to be in the future. Its use for Council Fund activity is generally quite limited as this would add pressure to the revenue budget as forecast in the Medium Term Financial Strategy (MTFS).

Unsupported Prudential Borrowing (commonly referred to as Prudential Borrowing)

The Prudential Code for Capital Finance in Local Authorities supports local authorities in determining their programmes for capital investment in assets (we are required by regulation to follow its requirements). The Prudential Code gives councils discretion to undertake borrowing to fund capital projects with the full cost of borrowing funded from future council revenue resources subject to the Council demonstrating, within a clear framework, that the capital investment plans are affordable, prudent and sustainable. A range of prudential indicators must be produced and approved demonstrating the impact of the programme. This option for funding additional capital developments is one which is funded from within existing revenue budgets or from generating additional and ongoing income streams, there is no support from any external funding which is a major constraint on its use as any scheme funded by prudential borrowing will add to the forecast budget deficit in the MTFS.

To date, limited use has been made of the option following cautious and prudent consideration of long term impacts. This approach will continue to be used with schemes that have a clear financial benefit such as 'invest to save', 'spend to earn', and those that generate returns over and above the costs of debt. The focus will be to fund schemes that are the Council's priorities, attract third party funding and generate revenue benefits in future financial years in the form of revenue savings, income generation or increasing Council Tax yield. In addition, prudential borrowing will be used to fund the Council element of Sustainable Communities for Learning – 'Band B', redevelopment of Theatr Clwyd, relocation of Tri-ffordd day service provision and the HRA SHARP schemes.

Alternative Sources

There are a number of other alternative sources of capital funding which the Council could make use of, depending on circumstances and cost:-

- Finance Leases - Leases that transfers (to the lessee) substantially all the risks and rewards of ownership of an asset, even though ownership may not be transferred. This method was used for the equipment at Deeside Leisure Centre and the Jade Jones Pavilion, Flint.
- Public Private Partnerships (PPPs) - This is a broad term for various arrangements in which the Council has a longer and more intensive relationship with a private sector supplier than it does under a traditional contract. It includes:-
 - PFI contracts;
 - Local Asset Backed Vehicles (LABVs);
 - Strategic partnering;
 - Sale and Lease back;
 - Joint Ventures;
 - Deferred Purchase, and
 - Mutual Investment Model (MIM)

To date, the Council has made very limited use of alternative funding options listed above. In future all options, along with any new initiatives, will be explored and used carefully. Capital schemes funded from alternative sources are likely to increase the Council's debt liability, therefore use will be restricted and considered in the same way as prudential borrowing.

4. PRIORITISATION OF CAPITAL EXPENDITURE

The purpose of the Capital Programme is to optimise the Council’s use of capital resources by allocation to those areas identified as representing the strategic priorities of the Council. The Programme is split into 3 sections;

- Statutory / Regulatory Programme consisting of an annual allocation to fund schemes of a statutory / regulatory nature. Examples include providing financial support to repair, improve and adapt private sector homes, and adapting schools for disabled children. Service areas will be required to submit plans for approval before the start of each financial year.
- Retained Asset Programme consisting of an annual allocation to fund schemes that maintain, improve or lengthen the economic life of the assets that we retain to use in delivering services where there is already a significant amount of capital work needed, identified by service plans / condition surveys etc. Service areas identified are: schools, highways, and corporate office accommodation. Service areas are required to submit plans for approval before the start of each financial year.
- Investment Programme consisting of allocations to fund new schemes arising from Portfolio Business Plans. Such schemes will be necessary to achieve revenue efficiencies included within Portfolio Business Plans, the MTFS and our strategic priorities as included in the Council Plan. Approval of such schemes will be through the submission of a full business case identifying the source of capital funding and the asset’s lifetime costs going forward.

Funding of schemes will be allocated as shown below:

| | | | |
|----------------------------------|--------------------------|------------------|---|
| Statutory / Regulatory Programme | Retained Asset Programme | | Investment Programme |
| General Capital Grant | Supported Borrowing | Capital Receipts | Debt and Alternative Sources of Funding |

Capital Programmes will be set every year covering a timeframe of the next 3 financial years on a rolling basis, reflecting that capital schemes don’t match financial years and span more than 1 financial year. Schemes starting in that first financial year will be approved along with any costs and funding required in the subsequent 2 financial years. Schemes starting later than the first financial year will be given indicative support to enable services to plan, but will ultimately require formal approval through the process of approving the subsequent years’ Capital Programme.

Sufficient ‘headroom’ will be built into the Capital Programme to facilitate more flexibility, thus allowing smaller schemes to be presented, considered and approved by Cabinet in year. Such schemes arise in year due to, for example, grants that require an element of match funding or unforeseen events such as regulatory works etc.

The development of the Capital Programme will be considered in the context of its impact on the Council’s MTFS and in particular the added pressure the Capital Programme may bring to the revenue budget.

5. GOVERNANCE

Planning for the Capital Programme is determined in parallel with service and revenue budget planning process within the framework of the MTFS.

New investment capital schemes will be rigorously appraised through submission of full business cases which will include schemes funded by grants or contributions from 3rd parties. Large schemes which are programmes in their own right will be subject to gateway reviews at stages during the programme, for example Sustainable Communities for Learning and SHARP. This ensures that the evidence and the case for change when the scheme was initially approved is still valid, and that lessons learned from early stages can be applied to future stages.

Those portfolios with core allocations will submit annual plans for assessment and challenge by the Capital and Assets Programme Board to ensure compliance with the Capital Strategy and the Asset Management Plan.

The Capital Programme, where possible, will be set for each coming financial year before the annual budget, and will include indicative figures spanning the same time frame as the MTFS.

Monitoring of the annual Capital Programme will be undertaken at a Portfolio level by the Capital and Technical Accounting Team, with progress updates given to the Capital and Assets Programme Board. Reporting to Members will take place quarterly to Cabinet and Corporate Resources Overview and Scrutiny Committee including:

- New schemes or additions to existing schemes
- Removal of or reductions to schemes
- Slippage on schemes, and impact on future years capital programme
- Funding virements between schemes
- Other necessary revisions to the scheme

The Capital and Assets Programme Board will develop processes for monitoring the outcomes of capital schemes and measures to monitor the performance of assets.

Capital expenditure plans

The Council's planned capital expenditure for the period 2023/24 to 2025/26 is summarised below:

Table 1: Prudential Indicator: Estimates of Capital Expenditure in £ millions

| | 2023/24 Estimate | 2024/25 Estimate * | 2025/26 Estimate |
|-------------------------|-----------------------------|-------------------------------|-----------------------------|
| Council Fund | 33.041 | 33.924 | 24.668 |
| Housing Revenue Account | 29.457 | 30.955 | 27.235 |
| Total | 62.498 | 64.879 | 51.903 |

*£3.2m of capital expenditure in 2024/25 arises from a change in the accounting for leases and does not represent cash expenditure.

The Council's Capital Programme is due to be approved by Council in December 2022, and details can be found on the Council's website.

The Council is planning a number of significant investments during the period of this strategy. In particular, it is investing substantially in its schools in conjunction with Welsh Government through the Sustainable Communities for Learning Band B programme; is undertaking redevelopment of Theatr Clwyd; build of a new Cores Atti Residential Care Home, to develop care homes that value older people and provide good quality support; has plans, in conjunction with its partners, to create a new archive building to deliver a single archive service for North East Wales, and is planning to relocate the Tri-ffordd day service provision. More detail is available in the Capital Programme 2023/24 – 2025/26 report.

The Housing Revenue Account (HRA) is a 'ring-fenced' account which ensures that council housing does not subsidise, or is itself subsidised by, other local services. HRA capital expenditure is therefore recorded separately. The Council has plans to invest significantly in housing assets over the period of the strategy, including the building of new homes as part of the SHARP, as well as bringing its stock into line with the Welsh Housing Quality Standard (WHQS).

In addition, part of SHARP is to build new homes for rent at intermediate rent levels (between social housing rents and market rents). This is achieved by making capital loans to the Council's wholly owned subsidiary, North East Wales Homes Ltd (NEW Homes) to build affordable homes.

All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing etc.). The planned financing of the above expenditure is as follows, broken down into the sources detailed above:

Table 2: Capital Financing in £ millions

| | 2023/24 Estimate | 2024/25 Estimate * | 2025/26 Estimate |
|---------------------------------|-----------------------------|-------------------------------|-----------------------------|
| Council Fund | | | |
| <u>External Sources</u> | | | |
| USB | 4.025 | 4.025 | 4.025 |
| GCG | 4.134 | 4.134 | 4.134 |
| Specific Grants/Contrib's/Loans | 13.005 | 14.268 | 8.921 |
| <u>Own Resources</u> | | | |
| Capital Receipts | 3.202 | 0.000 | 0.000 |
| <u>Debt</u> | | | |
| Prudential Borrowing | 8.675 | 11.497 | 7.588 |
| Sub Total - Council Fund | 33.041 | 33.924 | 24.668 |

| | | | |
|---------------------------------|---------------|---------------|---------------|
| Housing Revenue Account | | | |
| <u>External Sources</u> | | | |
| MRA | 4.978 | 4.978 | 4.978 |
| Specific Grants/Contrib's/Loans | 1.900 | 0.300 | 0.300 |
| <u>Own Resources</u> | | | |
| CERA | 12.712 | 12.373 | 12.723 |
| <u>Debt</u> | | | |
| Prudential Borrowing | 9.867 | 13.304 | 9.234 |
| | | | |
| Sub Total - HRA | 29.457 | 30.955 | 27.235 |
| | | | |
| TOTAL | 62.498 | 64.879 | 51.903 |

*£3.2m of capital expenditure in 2024/25 arises from a change in the accounting for leases and does not represent cash expenditure.

Debt is only a temporary source of finance, as any loans or leases must be repaid. Local authorities are required each year under regulations, to set aside some of their revenue resources as provision for the repayment of debt. The annual charge to the revenue account for repaying debt is known as the Minimum Revenue Provision (MRP). Planned MRP is as follows:

Table 3: Replacement of prior years' debt finance in £ millions

| | 2023/24 Estimate | 2024/25 Estimate | 2025/26 Estimate |
|-------------------------|-----------------------------|-----------------------------|-----------------------------|
| Council Fund | 3.301 | 3.675 | 4.169 |
| Housing Revenue Account | 1.690 | 1.840 | 2.034 |

Local authorities are required to set a policy for MRP each financial year. The Council sets its annual MRP policy in February each year and this is available on its website.

Alternatively, capital receipts may be used to repay debt by applying capital receipts to the Capital Financing Requirement (CFR).

The Council's cumulative outstanding amount of capital expenditure financed by debt is measured by the Capital Financing Requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and any capital receipts used to repay debt. Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows:

Table 4: Prudential Indicator: Estimates of Capital Financing Requirement in £ millions

| | 2023/24 Estimate | 2024/25 Estimate * | 2025/26 Estimate |
|-------------------------|-----------------------------|-------------------------------|-----------------------------|
| Council Fund | 240.875 | 265.288 | 277.891 |
| Housing Revenue Account | 142.573 | 154.037 | 161.236 |
| Total | 383.448 | 419.325 | 439.127 |

*£3.2m of capital expenditure in 2024/25 arises from a change in the accounting for leases and does not represent cash expenditure.

6. TREASURY MANAGEMENT

Treasury Management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs as they fall due, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account. The Council is typically cash rich in the short-term as revenue income is received before it is spent, but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.

Due mainly to decisions taken in the past, the Council currently (30th September 2022) has £293m long term borrowing at an average interest rate of 4.5%, and no short term borrowing. It also has £38m treasury investments at an average interest rate of 1.86%.

Borrowing strategy: The Council's main objectives when borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in future. These objectives are often conflicting, and the Council therefore seeks to strike a balance between cheap short-term loans (currently available at around 2.85%) and long-term fixed rate loans where the future cost is known but higher (currently 4.72% to 5.24%).

The Council does not borrow to invest for the primary purpose of financial return and therefore retains full access to the Public Works Loans Board.

Projected levels of the Council's total outstanding debt (which comprises borrowing and leases) are shown below, compared with the capital financing requirement (see above).

Table 5: Prudential Indicator: Gross Debt & the Capital Financing Requirement in £ millions

| | 2023/24 Estimate | 2024/25 Estimate | 2025/26 Estimate |
|-------------------------------|-----------------------------|-----------------------------|-----------------------------|
| Debt (Incl Leases) | 333.324 | 364.970 | 386.342 |
| Capital Financing Requirement | 383.448 | 419.325 | 439.127 |

Statutory guidance is that debt should remain below the Capital Financing Requirement, except in the short-term. As can be seen from Table 5, the Council expects to comply with this in the medium term.

Affordable borrowing limit: The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year and to keep it under review. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

Table 6: Prudential Indicators: Authorised Limit & Operational Boundary for external debt in £m

| | 2023/24 Limit | 2024/25 Limit | 2025/26 Limit |
|--|--------------------------|--------------------------|--------------------------|
| Authorised Limit - Borrowing | 403 | 439 | 459 |
| Authorised Limit - Other long term liabilities | 35 | 35 | 35 |
| Authorised Limit - Total External Debt | 438 | 474 | 494 |
| Operational Boundary - Borrowing | 383 | 419 | 439 |
| Operational Boundary - Other long term liabilities | 20 | 20 | 20 |
| Operational Boundary - Total External Debt | 403 | 439 | 459 |

Treasury Investment strategy: Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.

The Council’s policy on treasury investments is to prioritise security and liquidity over yield that is to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy and the Council may request its money back at short notice.

Governance: Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Corporate Finance Manager and the Treasury Management team, who must act in line with the Treasury Management Strategy approved annually by the Council in February. Quarterly reports on treasury management activity are presented to the Governance and Audit Committee. The Governance and Audit Committee is responsible for scrutinising treasury management decisions.

The Council sets a Treasury Management Policy Statement, an annual Treasury Management Strategy and Treasury Management Schedules and Practices which contain further details on the Council’s borrowing strategy, investment strategy and treasury management governance which are available on its website.

7. COMMERCIAL ACTIVITIES

The Council has a portfolio of investment properties, in the form of agricultural property and industrial units. Although these are classified as investment properties, they are legacy assets and the Council is managing down its agricultural portfolio and is reviewing its position in regard to industrial units. The Council does not borrow to invest for the primary purpose of financial return.

Table 7: Prudential Indicator: Net Income from Commercial and Service Investments to Net Revenue Stream

| | 2023/24 Estimate | 2024/25 Estimate | 2025/26 Estimate |
|---|-----------------------------|-----------------------------|-----------------------------|
| Total net income from service and commercial investment | 1.692 | 1.692 | 1.692 |
| Proportion of net revenue stream | 0.49% | 0.48% | 0.48% |

8. LIABILITIES

In addition to debt of £293m detailed above, the Council is committed to making future payments to cover any required pension fund deficit (valued at £363m March 2022 although currently subject to revaluation). It has also set aside £1m to cover the risks associated with the aftercare of former landfill sites, and £3.4m as a provision against bad debts.

The Council is also at risk of having to pay for any additional works necessary at landfill sites, payments in respect of historic insurance, abuse and housing disrepair claims, costs involved in some employment tribunal cases, and has given pension guarantees on behalf of various alternative service delivery models. The Council has not set aside any funds because of a lack of certainty in estimating the size and timing of these liabilities.

Governance: Decisions on incurring new discretionary liabilities are taken by Chief Officers in consultation with the Corporate Finance Manager. The risk of liabilities crystallising and requiring payment is monitored by corporate finance and reported as required to Cabinet.

Further details on liabilities and guarantees are in the contingent liability section in Note 34 of the Council's 2021/22 Statement of Accounts available on its website.

9. REVENUE BUDGET IMPLICATIONS

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Revenue Support Grant, Council Tax and business rates (NDR) for the Council Fund, and the HRA equivalent is the amount to be met from Welsh Government grants and rent payers.

Table 8: Prudential Indicator: Proportion of Financing Costs to Net Revenue Stream

| | 2023/24 Estimate | 2024/25 Estimate | 2025/26 Estimate |
|--------------|-----------------------------|-----------------------------|-----------------------------|
| Council Fund | 4.14% | 4.52% | 4.71% |
| HRA | 17.60% | 18.02% | 19.03% |

Sustainability: Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for up to 50 years into the future. The Corporate Finance Manager is satisfied that the proposed Capital Programme is prudent, affordable and sustainable because the impact of the existing Capital Programme on the MTFS has been considered, and the revenue implications of future capital schemes are included when considering the approval of the capital budget.

Other revenue implications of capital expenditure are included in business cases and are factored into the MTFS.

10. KNOWLEDGE AND SKILLS

The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the Corporate Finance Manager is a qualified accountant with significant experience. The Council pays for junior staff to study towards relevant professional qualifications, including CIPFA and AAT.

Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisors. This approach is more cost effective than employing such staff directly, and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.



COUNTY COUNCIL

| | |
|------------------------|--|
| Date of Meeting | Tuesday 24 th January 2023 |
| Report Subject | Housing Revenue Account (HRA) 30 Year Financial Business Plan |
| Cabinet Member | Cabinet Member for Housing and Regeneration Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement |
| Report Author | Chief Officer Housing and Communities Corporate Finance Manager |
| Type of Report | Strategic |

EXECUTIVE SUMMARY

The purpose of this report is to present for consideration and comment, the draft HRA 30-year Financial Business Plan and the proposed HRA Budget for 2023/24.

RECOMMENDATIONS

| | |
|---|---|
| 1 | Council approve the HRA 30-year Financial Business Plan and budget for 2023/24 as set out in this report and attached appendices. |
| 2 | Council agree that consideration should be given, in year, to utilise available reserves to bring into use void properties across Flintshire. |

REPORT DETAILS

| | |
|-------------|--|
| 1.00 | EXPLAINING THE HRA BUSINESS PLAN 2023/24 UPDATE |
| 1.01 | <p>Considerations</p> <p>The HRA is required to produce a 30-year business plan.</p> <p>The strategic context for this year's HRA budget setting includes the following:</p> <ul style="list-style-type: none">• To ensure affordability for tenants is at the core of our considerations and that support is given to tenants who face financial hardship where they are engaged with the Council• Continued drive to ensure all service costs are efficient and that value for money can be achieved• To ensure the treasury management strategy continues to meet the Housing Revenue Account's new and ongoing borrowing requirements• Setting a balanced budget with a minimum of 7% surplus revenue over expenditure• Maximisation of revenue efficiencies to minimise the borrowing required to meet Welsh Housing Quality Standards (WHQS)• Delivery of new build Council housing• Continued drive to ensure homes are energy efficient and explore decarbonisation• Provision of adequate ongoing capital to maintain WHQS levels |
| 1.02 | <p>Borrowing</p> <p>The deed to terminate the voluntary agreement for the HRA borrowing cap was signed on the 2nd December 2019. It is therefore important that going forward, increased borrowing in the HRA is carefully managed and monitored to ensure that it is sustainable and affordable to the business plan. Work is ongoing with Welsh Government to develop a set of prudential borrowing indicators to enable transparent monitoring of this going forward.</p> <p>Historically, prudential borrowing was repaid at 2% per year, in line with the HRA's approved Minimum Revenue Provision (MRP), however since 2021/22, all borrowing undertaken by the HRA is repaid under the Annuity method which is reflective of increasing repayments in line with inflating rents.</p> <p>The HRA is part of the single debt pool for the Council, all borrowing for the Council is managed within one pool and the average borrowing rate for the Council is applied to all new borrowing in the HRA. The rate assumed in the Business plan is 3.80%.</p> |
| 1.03 | <p>Rents</p> <p>In December 2019, Welsh Government released the revised rent policy for a 5-year period beginning in April 2020/21.</p> |

The policy is designed to ensure that affordability for tenants is at the core of our considerations and when setting the rent uplift, landlords should consider value for money and the whole cost of living in a property as part of their rationale for setting rents.

The Rent Policy for Social Housing Rents from 2020/21 sets out the following:

- An annual rent uplift of up to CPI+1%, for 5 years to 2024/25 using the level of CPI from the previous September each year.
- The level of rents for individual tenants can be frozen or rise by up to an additional £2 over and above CPI+1%, on condition that total rental income collected by the social landlord increases by no more than CPI+1%.

The policy states, however, that should CPI fall outside the range of 0% to 3%, the Welsh Minister with responsibility for housing will determine the appropriate change to rent levels to be applied for that year only.

CPI as of September 2022 was 10.1%. The Minister has considered the impact on tenants and sought a commitment from landlords that there will be arrangements in place to protect and enhance the provision of good quality housing and vital tenant support services, and based on this, has set a maximum limit at which social rents can increase to 6.5% from April 2023.

The previous rent policy set target rents for each type of property, to ensure consistency in rent setting, which has been introduced over a number of years on a transitional basis so that tenants paying under target rent would see no more than an inflation plus £2.00 increase per annum. Flintshire currently have a number of tenancies still paying under the target rent bands.

The rent increase modelled in the business plan for next financial year, however, applies an overall uplift of 5% to all tenants. It is also proposed that we do not implement a transitional increase of £2.00 per week to any of our tenants in 2023/24, to ensure that the rent uplift is equitable to all.

We have considered the impact on our tenants of a 5% rent uplift and this is summarised in the table below, it is important to note, however, that 71% of all of our tenants are eligible for HB/UC support towards their rent and service charges.

| HB eligibility | Average % of rent paid by HB | Average impact on tenants p.w. |
|----------------|------------------------------|--------------------------------|
| Full | 100% | £0.00 |
| Partial | 74% | £1.30 |
| None | 0% | £5.00 |

We have chosen not to implement the highest allowable increase (6.5%) to balance affordability for tenants, whilst also maintaining our service delivery and the standard of our properties. The cost of not increasing rents to the

| | |
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| | <p>maximum permitted under the rent policy is £0.571m in 2023/24 and £23.242m over the life of the 30-year Business Plan.</p> <p>It is also assumed in the Business Plan that we will investigate the option of setting aside a “discretionary fund” within the HRA to further support any tenants who may face financial hardship specifically linked to the payment of rent.</p> <p>An overall inflationary increase of 5% forecasts rental income at £39.982m for 2023/24 which is an increase in income of £1.935m in year 1.</p> |
| 1.04 | <p>Garage Rents</p> <p>The proposed garage rent, and garage plot increase is 5% for 2023/24, which equates to £0.51 per week for garage rent and takes the rent per week to £10.74 (based on 52 weeks). The proposed garage plot increase is £0.08 per week taking the garage plot rent to £1.74 per week.</p> <p>The business plan anticipates income levels of £0.347m for garages and garage plots.</p> |
| 1.05 | <p>Service Charges</p> <p>The rent and service charges policy was introduced in 2015 and at that time expected all Local Housing Associations (LHA's) to be achieving full cost recovery for service charges, if this had not yet been achieved a clear transition plan should be identified to achieve this.</p> <p>In 2020/21 the weekly service charges were increased based on a stepped approach over two years with the final phased increase to be implemented in 2021/22. It was agreed to delay this final increase and to freeze service charges in 2021/22, with a view to protecting tenants who may be experiencing financial difficulty as a result of Covid-19.</p> <p>It is proposed, as part of this business plan, that service charges continue to be frozen into 2023/24. This will enable us to ensure the services provided are of a high standard, represent value for money and that the true costs are reflected in the Service Charges calculations.</p> |

1.06

Capital Programme

The total proposed capital programme for 2023/24 is £29.457m, summarised in Appendix C.

Revised WHQS

Welsh Government are currently developing the revised standard for WHQS 2.0. The areas highlighted are:

- SAP (Standard Assessment Procedure) rating and methods of calculation
- Wellbeing
- Safe and Attractive Environments

Low / zero carbon homes is still a developing area and Welsh Government recommend that options are considered in our sensitivity analysis.

Regeneration

A £2.200m regeneration budget has been allocated within the Capital Programme for 2023/24. The aim is to utilise this allocation to remodel HRA stock where the current stock is no longer fit for purpose. There are a number of pipeline schemes for consideration:

- Sheltered Housing Review
- Estate Remodeling
- Homeless Accommodation

SHARP

£7.668m has been built into 2023/24 for new build Council housing. The programme currently has five schemes in the pipeline for 2023/24 which will provide an additional 52 properties into the current social housing stock.

The business plan also assumes a further 51 units in 2024/25 and 50 units per annum thereafter, up to 2030/31.

Capitalisation of the costs of the development team has been included in the programme at 4% of the total development budget.

From 2021/22 Welsh Government offered Social Housing Grant (SHG) to stock owned authorities calculated using a new Standard Viability Model. The new Model uses standard assumptions to discount income and costs over a set period to calculate the funding gap i.e., the grant allowable for each scheme. We have assumed a prudent level of grant towards our development programme.

| 1.07 | <p>Capital Funding</p> <p>The £29.457m capital programme will be funded by:-</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">WHQS & Asset Investment Funding</th> <th style="text-align: right;">£m</th> </tr> </thead> <tbody> <tr> <td>Revenue Contribution (CERA)</td> <td style="text-align: right;">12.711</td> </tr> <tr> <td>Major Repairs Allowance</td> <td style="text-align: right;">4.978</td> </tr> <tr> <td>Energy Efficiency income (FIT)</td> <td style="text-align: right;">0.300</td> </tr> <tr> <td>Prudential Borrowing (Regeneration)</td> <td style="text-align: right;">2.200</td> </tr> <tr> <td>Optimised RetroFit Programme (ORP) Funding</td> <td style="text-align: right;">1.600</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">21.789</td> </tr> </tbody> </table> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">New Build Funding</th> <th style="text-align: right;">£m</th> </tr> </thead> <tbody> <tr> <td>Prudential Borrowing</td> <td style="text-align: right;">7.668</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">7.668</td> </tr> </tbody> </table> | WHQS & Asset Investment Funding | £m | Revenue Contribution (CERA) | 12.711 | Major Repairs Allowance | 4.978 | Energy Efficiency income (FIT) | 0.300 | Prudential Borrowing (Regeneration) | 2.200 | Optimised RetroFit Programme (ORP) Funding | 1.600 | Total | 21.789 | New Build Funding | £m | Prudential Borrowing | 7.668 | Total | 7.668 |
|--|---|--|-----------|-----------------------------|--------|-------------------------|-------|--------------------------------|-------|-------------------------------------|-------|--|-------|--------------|---------------|--------------------------|-----------|----------------------|-------|--------------|--------------|
| WHQS & Asset Investment Funding | £m | | | | | | | | | | | | | | | | | | | | |
| Revenue Contribution (CERA) | 12.711 | | | | | | | | | | | | | | | | | | | | |
| Major Repairs Allowance | 4.978 | | | | | | | | | | | | | | | | | | | | |
| Energy Efficiency income (FIT) | 0.300 | | | | | | | | | | | | | | | | | | | | |
| Prudential Borrowing (Regeneration) | 2.200 | | | | | | | | | | | | | | | | | | | | |
| Optimised RetroFit Programme (ORP) Funding | 1.600 | | | | | | | | | | | | | | | | | | | | |
| Total | 21.789 | | | | | | | | | | | | | | | | | | | | |
| New Build Funding | £m | | | | | | | | | | | | | | | | | | | | |
| Prudential Borrowing | 7.668 | | | | | | | | | | | | | | | | | | | | |
| Total | 7.668 | | | | | | | | | | | | | | | | | | | | |

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| 1.07 | <p>Reserves</p> <p>There is a requirement to hold a minimum level of reserves of 3% of expenditure, however, it was agreed as part of the 2021/22 Business Plan, for Flintshire’s HRA to move to 4% as a minimum reserve level due to the level of financial risk in the HRA rising as a result of increased borrowing levels for new build.</p> <p>It was also agreed that this should be reviewed annually and in the current challenging economic climate it is recommended that it would be prudent to increase reserves to 7% of expenditure as we have ongoing risks to the Business Plan which would have to be funded from reserves if they materialised:</p> <ul style="list-style-type: none"> • 2023/24 pay award higher than budgeted • Utilities and cost inflation higher than expected due to the volatility of markets • Increasing arrears due to the cost of living crisis • Interest rates increasing due to the economic climate <p>Reserves should not be used to fund recurring pressures in the Budget as this would make the Business Plan unsustainable, however, we are looking to utilise £0.589m of existing reserves towards one off pressures identified in the 2023/24 Business Plan, which is considered affordable and leaves a sufficient level of reserves to balance future risks.</p> <p>It is recommended that reserves levels are reviewed in year and a proportion of any surplus reserves are released to support the improvement in void rates across the County.</p> |
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| 2.00 | RESOURCE IMPLICATIONS |
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| 2.01 | <p>The HRA is a ring-fenced budget. This HRA budget and Business Plan demonstrates that the council can achieve the ongoing WHQS, can meet service improvement plans and commitments and with prudential borrowing can continue its Council house building programme in 2023/24.</p> |
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| 3.00 | IMPACT ASSESSMENT AND RISK MANAGEMENT |
| 3.01 | All households will benefit from the Council's WHQS 2.0 programme. The impact of the investment planning and efficiencies is being modelled for various customer groups to ensure that there is no disproportionate impact on any groups with protected characteristics. |
| 3.02 | The Business Plan assumes a confirmation of Major Repairs Allowance (MRA) for 2023/24 and beyond, however, Welsh Government have indicated that the purpose of the funding will be reviewed in the future. |
| 3.03 | The economic impact on interest rates and inflation has been mitigated by increasing the estimated assumptions included in the business plan. |

3.04

Ways of Working (Sustainable Development) Principles Impact

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| Long-term | Positive – There is a commitment to increase supply to provide the right types of homes in the right location. |
| Prevention | Positive – It is our aim to provide support to ensure people live and remain in the right type of home. |
| Integration | Positive - Achieving WHQS for all existing council houses and delivering new social housing will contribute to the integration within communities. |
| Collaboration | Positive - To deliver in partnership with stakeholders to support positive impacts for all our tenants. |
| Involvement | Positive - Communication with tenants, Members and other stakeholders. |

Well-being Goals Impact

| | |
|----------------------------|--|
| Prosperous Wales | Positive – Existing social homes are WHQS compliant and meet the changing housing needs. Also Providing good quality new social homes aiming for low/zero carbon. Maximising local employment and training opportunities for local people. |
| Resilient Wales | Positive – Developing low / zero carbon homes through modern methods of construction and technologies. Ensuring that all statutory compliance requirements are adhered to. |
| Healthier Wales | Positive – Ensuring all existing homes and new homes are fit for purpose and meet the needs of all people. |
| More equal Wales | Positive - Provide good quality homes for the most vulnerable people in society. |
| Cohesive Wales | Positive – Contributing to attractive, viable and safe communities |
| Vibrant Wales | Positive – Ensuring all communities housing needs are supported |
| Globally responsible Wales | Positive – The HRA Business Plan will contribute to the improvement of the economic, social, environmental and cultural wellbeing of Wales. |

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| 4.00 | CONSULTATIONS REQUIRED / CARRIED OUT |
| 4.01 | The report was presented to Community & Housing Overview and Scrutiny Committee 14 th December 2022 and Cabinet on the 17 th January, 2023. Detailed consultation will be undertaken with tenants and elected members to inform the preparation of the WHQS investment programme. |
| 4.02 | Full local consultation is carried out for each new build scheme. |

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| 5.00 | APPENDICES |
| 5.01 | Appendix A – Summary HRA Rent Charges 2023/24. |
| 5.02 | Appendix B – Draft 30 Year HRA Financial Business Plan Summary. |
| 5.03 | Appendix C – Draft Capital Programme 2023/24. |
| 5.04 | Appendix D – Draft Pressures and Efficiencies 2023/24. |

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| 6.00 | LIST OF ACCESSIBLE BACKGROUND DOCUMENTS |
| 6.01 | None. |

| | |
|-------------|--|
| 7.00 | CONTACT OFFICER DETAILS |
| 7.01 | Contact Officer: Vicky Clark, Chief Officer Housing and Communities Telephone: 01352 702500 E-mail: vicky.clark@flintshire.gov.uk |

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| 8.00 | GLOSSARY OF TERMS |
| 8.01 | <p>Financial Year: the period of 12 months commencing on 1 April 2023.</p> <p>Revenue: a term used to describe the day-to-day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.</p> <p>Capital expenditure: money spent by the organisation on acquiring or maintaining fixed assets, such as land, buildings, and equipment.</p> <p>Budget: a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p> <p>Treasury Management: the Council has adopted the Chartered Institute of Public Finance Accountants (CIPFA) Treasury Management in the Public Services: Code of Practice. Treasury Management is conducted in</p> |

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| | <p>accordance with the Council's Treasury Management Policy and Strategy Statement and Treasury Management Practices which are both reviewed annually. All borrowing and long-term financing is made in accordance with CIPFA's Prudential Code.</p> |
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| | <p>Major Repairs Allowance: Welsh Government grant paid to local authorities in Wales who still manage and maintain their council housing.</p> |
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Appendix A

| HRA Proposed Average Rent Charges | | | | | |
|-----------------------------------|-------------------|-------------------|----------------------------------|-------------------------|---------------|
| 2023/24 | | | | | |
| Property Type | No. of Properties | Target Rent 23/24 | Proposed 23/24 Transitional Rent | Variance to Target Rent | |
| G1Bedsit | 22 | £ 80.36 | £ 76.58 | £ | (3.79) |
| G1bungalow | 12 | £ 99.92 | £ 95.28 | £ | (4.65) |
| G1Flat | 158 | £ 90.41 | £ 85.57 | £ | (4.84) |
| GNB1Apartment | 22 | £ 94.93 | £ 90.69 | £ | (4.24) |
| G1House | 3 | £ 99.92 | £ 85.09 | £ | (14.83) |
| G2Bungalow | 3 | £ 111.03 | £ 106.03 | £ | (5.00) |
| GNB2Bungalow | 8 | £ 116.58 | £ 112.33 | £ | (4.25) |
| G2Flat | 310 | £ 100.45 | £ 95.65 | £ | (4.80) |
| GNB2Apartment | 24 | £ 105.47 | £ 101.21 | £ | (4.26) |
| G2House | 703 | £ 111.03 | £ 104.89 | £ | (6.13) |
| GNB2House | 68 | £ 116.58 | £ 110.92 | £ | (5.65) |
| G2Maisonette | 9 | £ 100.45 | £ 95.70 | £ | (4.75) |
| G3Bungalow | 4 | £ 122.13 | £ 116.51 | £ | (5.62) |
| G3Flat | 34 | £ 110.50 | £ 105.32 | £ | (5.18) |
| G3Maisonette | 1 | £ 110.50 | £ 105.18 | £ | (5.32) |
| G3House | 3,112 | £ 122.13 | £ 114.03 | £ | (8.09) |
| GNB3House | 32 | £ 128.23 | £ 122.62 | £ | (5.61) |
| G4House | 136 | £ 133.23 | £ 122.44 | £ | (10.79) |
| GNB4House | 1 | £ 139.89 | £ 136.45 | £ | (3.44) |
| G5House | 5 | £ 144.33 | £ 130.66 | £ | (13.67) |
| G6House | 6 | £ 151.55 | £ 137.38 | £ | (14.17) |
| M1Mini Group Bungalow | 299 | £ 99.92 | £ 95.06 | £ | (4.86) |
| M1Mini Group Flat | 115 | £ 90.41 | £ 86.11 | £ | (4.30) |
| M2Mini Group Bungalow | 94 | £ 111.03 | £ 104.97 | £ | (6.05) |
| M2Mini Group Flat | 24 | £ 100.45 | £ 95.48 | £ | (4.97) |
| M3Mini Group Bungalow | 1 | £ 122.13 | £ 116.27 | £ | (5.86) |
| S1Sheltered Bedsit | 64 | £ 80.36 | £ 76.55 | £ | (3.81) |
| S1Sheltered Bungalow | 848 | £ 99.92 | £ 94.96 | £ | (4.96) |
| S1Sheltered Flat | 322 | £ 90.41 | £ 86.08 | £ | (4.33) |
| S1Sheltered House | 1 | £ 99.92 | £ 95.12 | £ | (4.80) |
| S2Sheltered Bungalow | 512 | £ 111.03 | £ 104.72 | £ | (6.30) |
| SNB2Sheltered Bungalow | 4 | £ 116.58 | £ 113.70 | £ | (2.88) |
| S2Sheltered Flat | 305 | £ 100.45 | £ 95.62 | £ | (4.83) |
| S2Sheltered House | 1 | £ 111.03 | £ 104.79 | £ | (6.24) |
| S2Wardens Bungalow | 3 | £ 111.03 | £ 105.68 | £ | (5.35) |
| S2Wardens Flat | 4 | £ 100.45 | £ 95.61 | £ | (4.84) |
| S2Wardens House | 1 | £ 111.03 | £ 105.84 | £ | (5.19) |
| S3Sheltered Bungalow | 2 | £ 122.13 | £ 116.75 | £ | (5.38) |
| S3Wardens Bungalow | 15 | £ 122.13 | £ 116.35 | £ | (5.78) |
| S3Wardens Flat | 1 | £ 110.50 | £ 105.18 | £ | (5.32) |
| S3Wardens House | 20 | £ 122.13 | £ 115.07 | £ | (7.06) |
| S4Wardens Flat | 1 | £ 120.54 | £ 114.74 | £ | (5.80) |
| SO3Shared ownership houses | 11 | £ 122.13 | £ 104.01 | £ | (18.12) |
| Total | 7,321 | £ 111.61 | £ 105.03 | £ | (6.59) |

Note

G = General Need

GNB = General Needs New Build

S = Sheltered

M = Mini Group (over 55s with no warden service)

SO = Shared Ownership - pro rata to % of ownership

The number equates to the number of bedrooms the property has for example a G3house is a general need 3 bed house.

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| Year | | Income | | | Expenditure | | | | | | | Net | Other Charges | | | Balance | Reserves | | | | Capital Funding | | | | | | CapEx | | |
|------|----------------|-------------------|--------------------|------------------|-------------|---------------|--------|---------------|------------------|-----------|-----------------|--------------------------|------------------|------------------|--------|------------------------------|-------------|-------------|-------------|---------------|-----------------|-------|-------------|--------------|-------------|------------------------------|-----------------------|--------------------|-------|
| Yr | Financial Year | Net Rental Income | Total Other Income | Total Net Income | Estate Man | Landlord Svcs | R&M | Man & Support | Debt Man Expense | Bad Debts | Total Net Spend | Net Income From Services | Interest Charges | Payment of Loans | CERA | Surplus / (Deficit) for Year | Balance B/F | Balance C/F | 7% of Spend | Check Balance | CERA | MRA | Regen Works | New Build PB | ORP Funding | Capital Receipts/ Energy FIT | Total Capital Funding | Total Capital Prog | |
| | | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| 1 | 2023.24 | 38,802 | 1,019 | 39,821 | 3,229 | 1,965 | 12,150 | 2,804 | 45 | 540 | 20,734 | 19,087 | 5,272 | 1,693 | 12,712 | (589) | 3,367 | 2,778 | 2,710 | Ok | 12,712 | 4,978 | 2,200 | 7,668 | 1,600 | 300 | 29,457 | 29,457 | |
| 2 | 2024.25 | 40,805 | 1,004 | 41,810 | 3,293 | 2,009 | 12,475 | 3,014 | 46 | 563 | 21,401 | 20,409 | 5,645 | 1,843 | 12,373 | 548 | 2,778 | 3,326 | 2,759 | Ok | 12,373 | 4,978 | 4,000 | 9,304 | 0 | 300 | 30,955 | 30,955 | |
| 3 | 2025.26 | 41,539 | 950 | 42,489 | 2,732 | 2,059 | 12,324 | 3,282 | 47 | 566 | 21,009 | 21,480 | 5,999 | 2,038 | 12,723 | 721 | 3,326 | 4,047 | 2,781 | Ok | 12,723 | 4,978 | 4,000 | 5,234 | 0 | 300 | 27,235 | 27,235 | |
| 4 | 2026.27 | 42,894 | 936 | 43,830 | 2,786 | 2,100 | 12,632 | 3,461 | 48 | 581 | 21,608 | 22,222 | 6,290 | 2,187 | 12,930 | 815 | 4,047 | 4,862 | 2,858 | Ok | 12,930 | 4,978 | 4,000 | 6,287 | 0 | 300 | 28,494 | 28,494 | |
| 5 | 2027.28 | 44,339 | 948 | 45,287 | 2,842 | 2,142 | 12,902 | 3,677 | 49 | 595 | 22,207 | 23,079 | 6,594 | 2,353 | 13,294 | 839 | 4,862 | 5,701 | 2,947 | Ok | 13,294 | 4,978 | 4,000 | 6,255 | 0 | 300 | 28,827 | 28,827 | |
| 6 | 2028.29 | 45,539 | 961 | 46,500 | 2,899 | 2,185 | 13,183 | 3,779 | 50 | 611 | 22,706 | 23,794 | 6,893 | 2,521 | 13,665 | 715 | 5,701 | 6,416 | 3,028 | Ok | 13,665 | 4,978 | 4,000 | 6,380 | 0 | 300 | 29,323 | 29,323 | |
| 7 | 2029.30 | 46,762 | 974 | 47,736 | 2,957 | 2,228 | 13,469 | 3,883 | 51 | 626 | 23,215 | 24,522 | 7,194 | 2,694 | 14,044 | 590 | 6,416 | 7,005 | 3,112 | Ok | 14,044 | 4,978 | 4,000 | 6,638 | 0 | 300 | 29,960 | 29,960 | |
| 8 | 2030.31 | 48,903 | 991 | 49,895 | 3,016 | 2,273 | 13,762 | 3,990 | 52 | 654 | 23,747 | 26,147 | 7,495 | 2,874 | 14,430 | 1,349 | 7,005 | 8,354 | 3,197 | Ok | 14,430 | 4,978 | 4,000 | 6,771 | 0 | 300 | 30,479 | 30,479 | |
| 9 | 2031.32 | 49,284 | 1,000 | 50,284 | 3,076 | 2,318 | 14,090 | 4,100 | 53 | 658 | 24,296 | 25,988 | 7,662 | 3,059 | 14,825 | 442 | 8,354 | 8,796 | 3,275 | Ok | 14,825 | 4,978 | 4,000 | 0 | 0 | 300 | 24,103 | 24,103 | |
| 10 | 2032.33 | 50,431 | 1,014 | 51,445 | 3,138 | 2,365 | 14,355 | 4,197 | 54 | 673 | 24,782 | 26,663 | 7,696 | 3,167 | 15,227 | 573 | 8,796 | 9,370 | 3,339 | Ok | 15,227 | 4,978 | 4,000 | 0 | 0 | 300 | 24,505 | 24,505 | |
| 11 | 2033.34 | 51,439 | 1,028 | 52,468 | 3,200 | 2,412 | 14,642 | 4,281 | 55 | 687 | 25,277 | 27,190 | 7,650 | 3,278 | 15,787 | 476 | 9,370 | 9,846 | 3,410 | Ok | 15,787 | 4,978 | 0 | 0 | 0 | 300 | 21,065 | 21,065 | |
| 12 | 2034.35 | 52,468 | 1,042 | 53,511 | 3,264 | 2,460 | 14,935 | 4,367 | 56 | 700 | 25,783 | 27,728 | 7,524 | 3,343 | 16,276 | 584 | 9,846 | 10,430 | 3,471 | Ok | 16,276 | 4,978 | 0 | 0 | 0 | 300 | 21,554 | 21,554 | |
| 13 | 2035.36 | 54,517 | 1,062 | 55,578 | 3,330 | 2,510 | 15,233 | 4,454 | 57 | 728 | 26,312 | 29,266 | 7,396 | 3,410 | 16,777 | 1,684 | 10,430 | 12,114 | 3,534 | Ok | 16,777 | 4,978 | 0 | 0 | 0 | 300 | 22,055 | 22,055 | |
| 14 | 2036.37 | 54,588 | 1,072 | 55,660 | 3,396 | 2,560 | 15,572 | 4,543 | 58 | 729 | 26,858 | 28,801 | 7,265 | 3,478 | 17,139 | 920 | 12,114 | 13,033 | 3,588 | Ok | 17,139 | 4,978 | 0 | 0 | 0 | 300 | 22,417 | 22,417 | |
| 15 | 2037.38 | 55,680 | 1,087 | 56,766 | 3,464 | 2,611 | 15,849 | 4,634 | 60 | 743 | 27,361 | 29,406 | 7,131 | 3,548 | 17,662 | 1,064 | 13,033 | 14,097 | 3,651 | Ok | 17,662 | 4,978 | 0 | 0 | 0 | 300 | 22,940 | 22,940 | |
| 16 | 2038.39 | 56,793 | 1,102 | 57,895 | 3,534 | 2,663 | 16,166 | 4,727 | 61 | 758 | 27,908 | 29,987 | 6,995 | 3,619 | 18,198 | 1,175 | 14,097 | 15,273 | 3,717 | Ok | 18,198 | 4,978 | 0 | 0 | 0 | 300 | 23,476 | 23,476 | |
| 17 | 2039.40 | 57,929 | 1,118 | 59,047 | 3,604 | 2,716 | 16,489 | 4,821 | 62 | 773 | 28,466 | 30,581 | 6,856 | 3,691 | 18,746 | 1,287 | 15,273 | 16,560 | 3,785 | Ok | 18,746 | 4,978 | 0 | 0 | 0 | 300 | 24,024 | 24,024 | |
| 18 | 2040.41 | 59,088 | 1,134 | 60,222 | 3,676 | 2,771 | 16,819 | 4,918 | 63 | 789 | 29,036 | 31,186 | 6,714 | 3,765 | 19,306 | 1,400 | 16,560 | 17,960 | 3,854 | Ok | 19,306 | 4,978 | 0 | 0 | 0 | 300 | 24,584 | 24,584 | |
| 19 | 2041.42 | 61,395 | 1,156 | 62,550 | 3,750 | 2,826 | 17,194 | 5,016 | 65 | 820 | 29,671 | 32,879 | 6,570 | 3,841 | 19,880 | 2,589 | 17,960 | 20,549 | 3,928 | Ok | 19,880 | 4,978 | 0 | 0 | 0 | 300 | 25,158 | 25,158 | |
| 20 | 2042.43 | 61,475 | 1,167 | 62,642 | 3,825 | 2,883 | 17,498 | 5,116 | 66 | 821 | 30,209 | 32,433 | 6,423 | 3,917 | 20,383 | 1,711 | 20,549 | 22,260 | 3,991 | Ok | 20,383 | 4,978 | 0 | 0 | 0 | 300 | 25,661 | 25,661 | |
| 21 | 2043.44 | 62,704 | 1,184 | 63,888 | 3,901 | 2,940 | 17,848 | 5,219 | 67 | 837 | 30,813 | 33,076 | 6,272 | 3,996 | 21,046 | 1,762 | 22,260 | 24,022 | 4,069 | Ok | 21,046 | 4,978 | 0 | 0 | 0 | 300 | 26,324 | 26,324 | |
| 22 | 2044.45 | 63,958 | 1,201 | 65,160 | 3,979 | 2,999 | 18,205 | 5,323 | 69 | 854 | 31,429 | 33,731 | 6,119 | 4,076 | 21,570 | 1,967 | 24,022 | 25,988 | 4,138 | Ok | 21,570 | 4,978 | 0 | 0 | 0 | 300 | 26,848 | 26,848 | |
| 23 | 2045.46 | 65,238 | 1,219 | 66,457 | 4,059 | 3,059 | 18,569 | 5,429 | 70 | 871 | 32,058 | 34,399 | 5,962 | 4,157 | 22,103 | 2,176 | 25,988 | 28,165 | 4,209 | Ok | 22,103 | 4,978 | 0 | 0 | 0 | 300 | 27,381 | 27,381 | |
| 24 | 2046.47 | 66,542 | 1,237 | 67,780 | 4,140 | 3,120 | 18,986 | 5,538 | 71 | 888 | 32,744 | 35,035 | 5,803 | 4,240 | 22,498 | 2,494 | 28,165 | 30,659 | 4,273 | Ok | 22,498 | 4,978 | 0 | 0 | 0 | 300 | 27,776 | 27,776 | |
| 25 | 2047.48 | 69,140 | 1,014 | 70,155 | 4,223 | 3,183 | 19,319 | 5,649 | 73 | 924 | 33,370 | 36,785 | 5,640 | 4,325 | 23,054 | 3,766 | 30,659 | 34,424 | 4,344 | Ok | 23,054 | 4,978 | 0 | 0 | 0 | 300 | 28,332 | 28,332 | |
| 26 | 2048.49 | 69,231 | 1,027 | 70,258 | 4,307 | 3,246 | 19,706 | 5,762 | 74 | 924 | 34,020 | 36,238 | 5,474 | 4,412 | 23,620 | 2,732 | 34,424 | 37,156 | 4,418 | Ok | 23,620 | 4,978 | 0 | 0 | 0 | 300 | 28,898 | 28,898 | |
| 27 | 2049.50 | 70,615 | 1,046 | 71,662 | 4,394 | 3,311 | 20,100 | 5,877 | 76 | 943 | 34,700 | 36,962 | 5,305 | 4,500 | 24,198 | 2,959 | 37,156 | 40,115 | 4,494 | Ok | 24,198 | 4,978 | 0 | 0 | 0 | 300 | 29,476 | 29,476 | |
| 28 | 2050.51 | 72,028 | 1,066 | 73,093 | 4,481 | 3,378 | 20,502 | 5,995 | 77 | 962 | 35,394 | 37,699 | 5,132 | 4,590 | 24,788 | 3,190 | 40,115 | 43,305 | 4,572 | Ok | 24,788 | 4,978 | 0 | 0 | 0 | 300 | 30,066 | 30,066 | |
| 29 | 2051.52 | 73,468 | 1,086 | 74,554 | 4,571 | 3,445 | 20,965 | 6,114 | 79 | 981 | 36,155 | 38,399 | 4,956 | 4,682 | 25,389 | 3,373 | 43,305 | 46,677 | 4,655 | Ok | 25,389 | 4,978 | 0 | 0 | 0 | 300 | 30,667 | 30,667 | |
| 30 | 2052.53 | 75,011 | 1,106 | 76,117 | 4,662 | 3,514 | 21,383 | 6,237 | 80 | 1,001 | 36,878 | 39,240 | 4,776 | 4,775 | 26,002 | 3,686 | 46,677 | 50,363 | 4,736 | Ok | 26,002 | 4,978 | 0 | 0 | 0 | 300 | 31,280 | 31,280 | |

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HRA Capital Programme 2023/24

Appendix C

| HRA Capital Programme | £'m |
|---|---------------|
| WHQS | |
| Internal Works | 3.391 |
| Envelope Works | 7.340 |
| Externals | 1.830 |
| Renewables / Alternative Technology | 2.312 |
| Total WHQS | 14.873 |
| Non WHQS | |
| Disabled Facility Grants (DFG) - Mandatory/ Minor Adaps | 1.100 |
| Major Works | 0.747 |
| Fire Risk Assessments Work | 1.650 |
| Total Non WHQS | 3.497 |
| Fees | |
| Capitalised salaries | 1.221 |
| Regeneration of stock | |
| Estate remodelling | 2.200 |
| SHARP Programme | |
| Programme Spend | 7.353 |
| Capitalised salaries @ 4% | 0.315 |
| Total SHARP Programme | 7.668 |
| Total Capital Spend | 29.457 |

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Housing Revenue Account - Pressures and Efficiencies 2023/24

Base Budget (5%)

| HRA - SUMMARY OF RECURRING INCOME | What we have assumed | Type | Notes |
|--|----------------------|------|--|
| | £m | | |
| Recurring Income | | | |
| Rent Inflation | (1.935) | R | Rent increase modelled at 5% |
| Service Charge Income | 0.000 | R | Full cost recovery of service charges |
| Corporate support services recharge | (0.238) | R | Reduction of support services recharged from the Council Fund |
| Reduction of Bad Debt Provision % | (0.039) | R | Provision reduced in line with recent year's spend |
| One Year Efficiencies / Pressures Dropping out | | | |
| Quality Assurance | (0.021) | N | One-off pressure dropping out |
| Total Income/Efficiencies | (2.233) | | |
| HRA - SUMMARY OF RECURRING PRESSURES | What we have assumed | Type | Notes |
| | £m | | |
| Uncontrollable - Recurring Pressures | | | |
| Revenue Inflation | 0.281 | R | Standard Inflation at 3% |
| Pay Inflation | 0.372 | R | Pay inflation estimate |
| Capital Programme Inflation | 0.746 | R | Capital Inflation at 4.5% |
| Fleet Inflation | 0.150 | R | Fleet and Fuel inflation |
| Communal Heating - Individual sub metering for tenants | 0.091 | R | Introduction of sub meters - costs including communal spaces and admin |
| Legal/Insurance costs | 0.100 | R | Increasing legal and insurance excess costs |
| Welsh Water withdrawal - loss of commission | 0.491 | R | Welsh Water withdrawal of commission costs from 1/4/23 |
| Void rent loss % increase; Including Utilities | 0.277 | R | Forecast at 2.70% |
| Garage demolition programme | 0.053 | R | Reduction in Garage rent collected; 55% void |
| On-Going DRS Software Costs | 0.030 | R | Previously approved IT Software costs |
| Digitalisation of Alarms in Sheltered Accommodation | 0.353 | N | Regulation works - All lines/alarms to be digital end 2025 - 2 year programme |
| Total Uncontrollable Pressures | 2.944 | | |
| Controllable | | | |
| Service charge cost inflation | 0.059 | R | Service Charge Freeze for 2023/24 |
| Caretaker service | 0.203 | R | Service Charge Freeze for 2023/24 |
| Tenant Support Fund | 0.250 | N | Hardship Funding - initially a 2 year programme of support to tenants facing hardship in response to assurances sought from WG |
| WHQS programme of Works | 1.564 | R | Capital programme |
| Void Costs/Void Standard | 0.450 | N | Backlog of Voids to bring up to lettable standard - 2 year programme |
| Total Controllable | 2.526 | | |
| Total Costs/Pressures | 5.470 | | |
| Net Pressure/(Efficiency) | 3.237 | | |

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FLINTSHIRE COUNTY COUNCIL

| | |
|------------------------|---|
| Date of Meeting | Tuesday 24 th January 2023 |
| Report Subject | Treasury Management Mid-Year Report 2022/23 |
| Report Author | Corporate Finance Manager |

EXECUTIVE SUMMARY

This report presents the Treasury Management Mid-Year Report 2022/23 for approval.

A summary of the key points are set out in the report.

At a meeting of the Governance and Audit Committee on 14th November 2022 Members reviewed the Mid-Year report and recommended it to Cabinet.

Cabinet received the Mid-Year report on 20th December 2022 and recommended to Council for approval.

RECOMMENDATIONS

| | |
|---|---|
| 1 | Council approves the Treasury Management Mid-Year Report 2022/23. |
|---|---|

REPORT DETAILS

| | |
|------------|--|
| 1.0 | EXPLAINING THE MID YEAR REPORT |
| 1.01 | On 15th February 2022, the Council approved the Treasury Management Strategy 2022/23, following the recommendation of the Cabinet and consideration by the Governance and Audit Committee. |
| 1.02 | <p>The Council delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to Cabinet, and for execution and administration of treasury management decisions to the Corporate Finance Manager, who acts in accordance with the Council's Treasury Management Policy Statement, Strategy and Practices.</p> <p>The Council has nominated Governance and Audit Committee to be responsible for ensuring effective scrutiny of Treasury Management Strategy and Policies.</p> |
| 1.03 | <p>The Treasury Management Mid-Year Report for 2022/23 is attached as Appendix 1. The Mid-Year Report reviews the activities and performance of the treasury management operations during the period 1st April to 30th September 2022.</p> <p>As required by the Council's Financial Procedure Rules, this Mid-Year Report was reviewed by the Governance and Audit Committee on 14th November 2022 and Cabinet on 20th December 2022.</p> |
| 1.04 | <p><u>Summary of Key Points</u></p> <p>The ongoing conflict in Ukraine has continued to put pressure on global inflation and the economic outlook for UK and world growth remains weak. The UK political situation towards the end of the period following the 'fiscal event' increased uncertainty further.</p> <p>The economic backdrop during the April to September period continued to be characterised by high oil, gas and commodity prices, ongoing high inflation and its impact on consumers' cost of living, no imminent end in sight to the Russia-Ukraine hostilities and its associated impact on the supply chain.</p> <p>The Bank of England have increased the official Bank Rate to 2.25% over the period.</p> |
| 1.05 | No new long or short-term borrowing was undertaken during the period. The Council continues to regularly review the position on its long-term borrowing requirement in conjunction with advice from Arlingclose. The borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. Section 4 provides more information on borrowing and debt management during the period. |
| 1.06 | Interest rates on investments have been increasing throughout the period, the average rate of return for the period being 1.05%. Section 5 of the report provides more information on the Council's investments. |

| | |
|------|--|
| 1.07 | The treasury function has operated fully within the limits detailed in the Treasury Management Strategy 2022/23. |
|------|--|

| | |
|-------------|------------------------------|
| 2.00 | RESOURCE IMPLICATIONS |
|-------------|------------------------------|

| | |
|------|---|
| 2.01 | Financial implications are addressed in the report, no other resource implications directly as a result of this report. |
|------|---|

| | |
|-------------|---|
| 3.00 | CONSULTATIONS REQUIRED / CARRIED OUT |
|-------------|---|

| | |
|------|--|
| 3.01 | Arlingclose Ltd, being the Council's treasury management advisors. |
|------|--|

| | |
|-------------|------------------------|
| 4.00 | RISK MANAGEMENT |
|-------------|------------------------|

| | |
|------|---|
| 4.01 | Risk Management directly addressed within the report and appendices including identification of risks and measures to mitigate likelihood and impact of risks identified. |
|------|---|

| | |
|-------------|-------------------|
| 5.00 | APPENDICES |
|-------------|-------------------|

| | |
|------|--|
| 5.01 | 1. Treasury Management Mid-Year Report 2022/23 |
|------|--|

| | |
|-------------|--|
| 6.00 | LIST OF ACCESSIBLE BACKGROUND DOCUMENTS |
|-------------|--|

| | |
|------|--|
| 6.01 | <p>Contact Officer: Chris Taylor - Strategic Finance Manager Telephone: 01352 703309 E-mail: Christopher.taylor@flintshire.gov.uk</p> |
|------|--|

| | |
|-------------|--------------------------|
| 7.00 | GLOSSARY OF TERMS |
|-------------|--------------------------|

| | |
|------|--|
| 7.01 | <p>Authorised Limit: A statutory limit that sets the maximum level of external debt for the Council.</p> <p>Balances and Reserves: Accumulated sums that are held, either for specific future costs or commitments (known as earmarked) or generally held to meet unforeseen or emergency expenditure.</p> <p>Bank Rate: The official interest rate set by the Bank of England's Monetary Policy Committee and what is generally termed at the "base rate".</p> <p>Basis Point: A unit of measure used in finance to describe the percentage change in the value or rate of a financial instrument. One basis point is equivalent to 0.01% (1/100th of a percent). In most cases, it refers to</p> |
|------|--|

changes in interest rates and bond yields. For example, if interest rates rise by 25 basis points, it means that rates have risen by 0.25% percentage points.

Bond: A certificate of debt issued by a company, government, or other institution. The bond holder receives interest at a rate stated at the time of issue of the bond. The price of a bond may vary during its life.

Capital Expenditure: Expenditure on the acquisition, creation or enhancement of capital assets.

Capital Financing Requirement (CFR): The Council's underlying need to borrow for capital purposes representing the cumulative capital expenditure of the local authority that has not been financed.

Certificates of Deposits (CD's): A savings certificate entitling the bearer to receive interest. A CD bears a maturity date, a specified fixed interest rate and can be issued in any denomination. CDs are generally issued by commercial banks. The term of a CD generally ranges from one month to five years.

Consumer Price Index (CPI): The UK's main measure of inflation (along with Retail Price Index or 'RPI') The Monetary Policy Committee of the Bank of England set the Bank Rate in order to try and keep CPI at or close to the target set by the Government. The calculation of CPI includes many items of normal household expenditure but excludes some items such as mortgage interest payments and Council Tax.

Corporate Bonds: Corporate bonds are bonds issued by companies. The term is often used to cover all bonds other than those issued by governments in their own currencies and includes issues by companies, supranational organisations and government agencies.

Cost of Carry: The "cost of carry" is the difference between what is paid to borrow compared to the interest which could be earned. For example, if one takes out borrowing at 5% and invests the money at 1.5%, there is a cost of carry of 3.5%.

Counterparty List: List of approved financial institutions with which the Council can place investments.

Credit Rating: Formal opinion by a registered rating agency of a counterparty's future ability to meet its financial liabilities; these are opinions only and not guarantees.

Debt Management Office (DMO): The DMO is an Executive Agency of Her Majesty's Treasury and provides direct access for local authorities into a government deposit facility known as the Debt Management Account Deposit Facility (DMADF). All deposits are guaranteed by HM Government and therefore have the equivalent of a sovereign credit rating.

Federal Reserve: The US central bank, the equivalent of the Bank of England. (Often referred to as "the Fed").

Financial Instruments: Financial instruments are tradable assets of any kind. They can be cash, evidence of an ownership interest in an entity, or a contractual right to receive or deliver cash or another financial instrument

Gilts: Gilts are bonds issued by the UK Government. They take their name from 'gilt-edged'. They are deemed to be very secure as the investor expects to receive the full face value of the bond to be repaid on maturity.

IFRS: International Financial Reporting Standards.

LIBID: The London Interbank Bid Rate (LIBID) is the rate bid by banks on Eurocurrency deposits (i.e. the rate at which a bank is willing to borrow from other banks).

LIBOR: The London Interbank Offered Rate (LIBOR) is the rate of interest that banks charge to lend money to each other. The British Bankers' Association (BBA) work with a small group of large banks to set the LIBOR rate each day. The wholesale markets allow banks who need money to borrow from those with surplus amounts. The banks with surplus amounts of money are keen to lend so that they can generate interest which it would not otherwise receive.

LOBO: Stands for Lender Option Borrower Option. The underlying loan facility is typically very long-term - for example 40 to 60 years - and the interest rate is fixed. However, in the LOBO facility the lender has the option to call on the facilities at pre-determined future dates. On these call dates, the lender can propose or impose a new fixed rate for the remaining term of the facility and the borrower has the 'option' to either accept the new imposed fixed rate or repay the loan facility.

Low Volatility Net Asset Value Money Market Funds (LVNAV MMFs): refers to highly liquid money market funds which aim to maintain the level of their worth by investing in very secure instruments.

Maturity: The date when an investment or borrowing is repaid.

Maturity Structure / Profile: A table or graph showing the amount (or percentage) of debt or investments maturing over a time period.

Minimum Revenue Provision (MRP): An annual provision that the Council is statutorily required to set aside and charge to the Revenue Account for the repayment of debt associated with expenditure incurred on capital assets.

Monetary Policy Committee (MPC): Government Body that sets the Bank Rate. Its primary target is to keep inflation within 1% of a central target of 2%. Its secondary target is to support the Government in maintaining high and stable levels of growth and employment.

Money Market Funds (MMF): Pooled funds which invest in a range of short term assets providing high credit quality and high liquidity.

Non Specified Investment: Investments which fall outside the WG Guidance for Specified investments (below).

Operational Boundary: This linked directly to the Council's estimates of the CFR and estimates of other day to day cash flow requirements. This indicator is based on the same estimates as the Authorised Limit reflecting the most likely prudent but not worst case scenario but without the additional headroom included within the Authorised Limit.

Premiums and Discounts: In the context of local authority borrowing,
(a) the premium is the penalty arising when a loan is redeemed prior to its maturity date and
(b) the discount is the gain arising when a loan is redeemed prior to its maturity date.

Prudential Code: Developed by CIPFA and introduced in April 2004 as a professional code of practice to support local authority capital investment planning within a clear, affordable, prudent and sustainable framework and in accordance with good professional practice.

Prudential Indicators: Indicators determined by the local authority to define its capital expenditure and asset management framework. They are designed to support and record local decision making in a manner that is publicly accountable; they are not intended to be comparative performance indicators

Public Works Loans Board (PWLB): The PWLB is a statutory body operating within the United Kingdom Debt Management Office, an Executive Agency of HM Treasury. The PWLB's function is to lend money from the National Loans Fund to local authorities and other prescribed bodies, and to collect the repayments.

Quantitative Easing (QE): In relation to the UK, it is the process used by the Bank of England to directly increase the quantity of money in the economy. It does not involve printing more banknotes. Instead, the Bank buys assets from private sector institutions – that could be insurance companies, pension funds, banks or non-financial firms – and credits the seller's bank account. So the seller has more money in their bank account, while their bank holds a corresponding claim against the Bank of England (known as reserves). The end result is more money out in the wider economy.

Retail Price Index (RPI): A monthly index demonstrating the movement in the cost of living as it tracks the prices of goods and services including mortgage interest and rent.

Revenue Expenditure: Expenditure to meet the continuing cost of delivery of services including salaries and wages, the purchase of materials and capital financing charges.

Specified Investments: Term used in the Welsh Assembly Guidance for Local Authority Investments. Investments that offer high security and high liquidity, in sterling and for no more than one year. UK government, local authorities and bodies that have a high credit rating.

Supported Borrowing: Borrowing for which the costs are supported by the government or third party.

Supranational Bonds: Instruments issued by supranational organisations created by governments through international treaties (often called multilateral development banks). The bonds carry an AAA rating in their own right. Examples of supranational organisations are the European Investment Bank, the International Bank for Reconstruction and Development.

Temporary Borrowing: Borrowing to cover peaks and troughs of cash flow, not to fund capital spending.

Term Deposits: Deposits of cash with terms attached relating to maturity and rate of return (Interest).

Treasury Bills (T-Bills): Treasury Bills are short term Government debt instruments and, just like temporary loans used by local authorities, are a means to manage cash flow. They are issued by the Debt Management Office and are an eligible sovereign instrument, meaning that they have an AAA-rating.

Treasury Management Code: CIPFA's Code of Practice for Treasury Management in the Public Services, initially brought in 2003, subsequently updated in 2009 and 2011.

Treasury Management Practices (TMP): Treasury Management Practices set out the manner in which the Council will seek to achieve its policies and objectives and prescribe how it will manage and control these activities.

Unsupported Borrowing: Borrowing which is self-financed by the local authority. This is also sometimes referred to as Prudential Borrowing.

Yield: The measure of the return on an investment instrument.

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FLINTSHIRE COUNTY COUNCIL

TREASURY MANAGEMENT

MID YEAR REPORT 2022/23

1.00 PURPOSE OF REPORT

- 1.01 To provide Members with a mid-year update on matters relating to the Council's Treasury Management function.

2.00 BACKGROUND

- 2.01 Treasury management comprises the management of the Council's 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.
- 2.02 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.
- 2.03 The Council's policy is to appoint external consultants to provide advice on its treasury management function. In September 2021 Arlingclose Ltd were reappointed as the Council's advisors for a period of 3 years, following a competitive tendering exercise. This period can be extended a further 2 years as per the contract terms to September 2026.
- 2.04 The Council has adopted the 2017 edition of the CIPFA Treasury Management in the Public Services: Code of Practice, which requires the Council to approve a treasury management strategy before the start of each financial year, a mid-year report, and an annual report after the end of each financial year.
- 2.05 In addition, the Welsh Government (WG) issues guidance on local authority investments that requires the Council to approve an investment strategy before the start of each financial year.
- 2.06 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.
- 2.07 The Council approved the 2022/23 Treasury Management Strategy at its meeting on 15th February 2022.

3.00 ECONOMIC & INTEREST RATE REVIEW APRIL – OCTOBER 2022.

Provided by Arlingclose Ltd, the Council's treasury management advisors.

Economic background: The ongoing conflict in Ukraine has continued to put pressure on global inflation and the economic outlook for UK and world growth remains weak. The UK political situation towards the end of the period following the 'fiscal event' increased uncertainty further.

The economic backdrop during the April to September period continued to be characterised by high oil, gas and commodity prices, ongoing high inflation and its impact on consumers' cost of living, no imminent end in sight to the Russia-Ukraine hostilities and its associated impact on the supply chain, and China's zero-Covid policy.

Central Bank rhetoric and action remained robust. The Bank of England, Federal Reserve and the European Central Bank all pushed up interest rates over the period and committed to fighting inflation, even when the consequences were in all likelihood recessions in those regions.

UK inflation remained extremely high. Annual headline CPI hit 10.1% in July, the highest rate for 40 years, before falling modestly to 9.9% in August. RPI registered 12.3% in both July and August. The energy regulator, Ofgem, increased the energy price cap by 54% in April, while a further increase in the cap from October, which would have seen households with average energy consumption pay over £3,500 per annum, was dampened by the UK government stepping in to provide around £150 billion of support to limit bills to £2,500 annually until 2024.

The labour market remained tight through the period but there was some evidence of easing demand and falling supply. The unemployment rate 3m/year for April fell to 3.8% and declined further to 3.6% in July. Although now back below pre-pandemic levels, the recent decline was driven by an increase in inactivity rather than demand for labour. Pay growth in July was 5.5% for total pay (including bonuses) and 5.2% for regular pay. Once adjusted for inflation, however, growth in total pay was -2.6% and -2.8% for regular pay.

With disposable income squeezed and higher energy bills still to come, consumer confidence fell to a record low of -44 in August, down -41 in the previous month. Quarterly GDP fell -0.1% in the April-June quarter driven by a decline in services output, but slightly better than the 0.3% fall expected by the Bank of England.

The Bank of England increased the official Bank Rate to 2.25% over the period. From 0.75% in March, the Monetary Policy Committee (MPC) pushed through rises of 0.25% in each of the following two MPC meetings, before hiking by 0.50% in August and again in September. August's rise was voted by a majority of 8-1, with one MPC member preferring a more modest rise of 0.25%. The September vote was 5-4, with five votes for a 0.5% increase, three for a 0.75% increase and one for a 0.25% increase. The Committee noted that domestic inflationary pressures are expected to remain strong and so given ongoing strong rhetoric around tackling inflation further Bank Rate rises should be expected.

On 23rd September the UK government, following a change of leadership, announced a raft of measures in a 'mini budget', loosening fiscal policy with a view to boosting the UK's trend growth rate to 2.5%. With little detail on how government borrowing would be returned to a sustainable path, financial markets reacted negatively. Gilt yields rose dramatically by between 0.7% - 1% for all maturities with the rise most pronounced for shorter dated gilts. The swift rise in gilt yields left pension funds vulnerable, as it led to margin calls on their interest rate swaps and risked triggering large scale redemptions of assets across their portfolios to meet these demands. It became necessary for the Bank of England to intervene to preserve market stability through the purchase of long-dated gilts, albeit as a temporary measure, which has had the desired effect with 50-year gilt yields falling over 100bps in a single day.

Bank of England policymakers noted that any resulting inflationary impact of increased demand would be met with monetary tightening, raising the prospect of much higher Bank Rate and consequential negative impacts on the housing market.

After hitting 9.1% in June, annual US inflation eased in July and August to 8.5% and 8.3% respectively. The Federal Reserve continued its fight against inflation over the period with a 0.5% hike in May followed by three increases of 0.75% in June, July and September, taking policy rates to a range of 3% - 3.25%.

Eurozone CPI inflation reached 9.1% y/y in August, with energy prices the main contributor but also strong upward pressure from food prices. Inflation has increased steadily since April from 7.4%. In July the European Central Bank increased interest rates for the first time since 2011, pushing its deposit rate from -0.5% to 0% and its main refinancing rate from 0.0% to 0.5%. This was followed in September by further hikes of 0.75% to both policy rates, taking the deposit rate to 0.75% and refinancing rate to 1.25%.

Financial markets: Uncertainty remained in control of financial market sentiment and bond yields remained volatile, continuing their general upward trend as concern over higher inflation and higher interest rates continued to dominate. Towards the end of September, volatility in financial markets was significantly exacerbated by the UK government's fiscal plans, leading to an acceleration in the rate of the rise in gilt yields and decline in the value of sterling.

Due to pressure on pension funds, the Bank of England announced a direct intervention in the gilt market to increase liquidity and reduce yields.

Over the period the 5-year UK benchmark gilt yield rose from 1.41% to 4.40%, the 10-year gilt yield rose from 1.61% to 4.15%, the 20-year yield from 1.82% to 4.13% and the 50-year yield from 1.56% to 3.25%. The Sterling Overnight Rate (SONIA) averaged 1.22% over the period.

Credit review: In July Fitch revised the outlook on Standard Chartered from negative to stable as it expected profitability to improve thanks to the higher interest rate environment. Fitch also revised the outlook for Bank of Nova Scotia from negative to stable due to its robust business profile.

Also in July, Moody's revised the outlook on Bayerische Landesbank to positive and then in September S&P revised the GLA outlook to stable from negative as it expects the authority to remain resilient despite pressures from a weaker macroeconomic outlook coupled with higher inflation and interest rates.

Having completed its full review of its credit advice on unsecured deposits at UK and non-UK banks, in May Arlingclose extended the maximum duration limit for five UK banks, four Canadian banks and four German banks to six months. The maximum duration for unsecured deposits with other UK and non-UK banks on Arlingclose's recommended list is 100 days. These recommendations were unchanged at the end of the period.

Arlingclose continued to monitor and assess credit default swap levels for signs of credit stress but made no changes to the counterparty list or recommended durations. Nevertheless, increased market volatility is expected to remain a feature, at least in the near term and, as ever, the institutions and durations on the Authority's counterparty list recommended by Arlingclose remains under constant review.

Outlook for the remainder of 2022/23

Arlingclose expects Bank Rate to rise further during 2022/23 to reach 5% by the end of the year.

The MPC is particularly concerned about the demand implications of fiscal loosening, the tight labour market, sterling weakness and the willingness of firms to raise prices and wages.

The MPC may therefore raise Bank Rate more quickly and to a higher level to dampen aggregate demand and reduce the risk of sustained higher inflation. Arlingclose now expects Bank Rate to peak at 5.0%, with 200bps of increases this calendar year.

This action by the MPC will slow the economy, necessitating cuts in Bank Rate later in 2024.

Gilt yields will face further upward pressure in the short term due to lower confidence in UK fiscal policy, higher inflation expectations and asset sales by the BoE. Given the recent sharp rises in gilt yields, the risks are now broadly balanced to either side. Over the longer term, gilt yields are forecast to fall slightly over the forecast period.

| | Current | Dec 22 | Mar 23 | Jun 23 | Sept 23 | Dec 23 | Mar 24 | Jun 24 | Sept 24 | Dec 24 | Mar 25 | Jun 25 | Sept 25 |
|-------------------|---------|--------|--------|--------|---------|--------|--------|--------|---------|--------|--------|--------|---------|
| Upside Risk (%) | 0.00 | 0.50 | 0.75 | 0.75 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Interest Rate (%) | 2.25 | 4.25 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 4.75 | 4.25 | 3.75 | 3.25 |
| Downside Risk (%) | 0.00 | -1.00 | -1.00 | -0.75 | -0.50 | -0.50 | -0.50 | -0.75 | -1.25 | -1.50 | -1.75 | -1.75 | -1.75 |

4.00 BORROWING REQUIREMENTS AND DEBT MANAGEMENT

4.01 PWLB (Public Works Loans Board) Certainty Rate Update.

The Authority submitted its application to WG along with the 2022-23 Capital Estimates Return to access this reduced rate for a further 12 months from 1st April 2022.

4.02 The long term borrowing outstanding at 30th September 2022 totals £292.5 million.

4.03 Loans with the Public Works Loans Board are in the form of fixed rate (£268.9m). £18.95m is variable in the form of LOBOs (Lender’s Option, Borrower’s Option) and £4.64m are interest free loans from government. The Council’s average long term borrowing rate is currently 4.53%.

| | Balance 01/04/2022 £m | Debt Maturing £m | New Debt £m | Balance 30/09/2022 £m |
|---|-----------------------------|------------------------|-------------------|-----------------------------|
| Long Term Borrowing | 289.6 | (1.98) | 0.00 | 287.88 |
| Government Loans | 4.81 | (0.25) | 0.07 | 4.63 |
| TOTAL BORROWING | 294.67 | (2.23) | 0.07 | 292.51 |
| Other Long Term Liabilities * | 3.43 | 0.00 | 0.00 | 3.43 |
| TOTAL EXTERNAL DEBT | 298.10 | (2.23) | 0.07 | 295.94 |
| Increase/ (Decrease) in Borrowing £m | | | | (2.16) |

* relates to finance leases in respect of Deeside Leisure Centre and Jade Jones Pavilion

4.04 No new long or short term borrowing was undertaken during the period.

4.05 The Authority holds £18.95m of LOBO loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Authority has the option to either accept the new rate or to repay the loan at no additional cost. The option to change the terms on £18.95m of the Council’s LOBOs was not exercised by the lender during the period, however, as rates increase so does the likelihood of the loans having to be repaid.

4.06 Borrowing Strategy

As outlined in the treasury strategy, the Authority’s chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Authority’s long-term plans change being a secondary objective. The Authority’s borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio.

Over the April-September period short term PWLB rates rose dramatically, particular in late September after the Chancellor’s ‘mini-budget’ prompted a fall in

sterling and rise in market interest rate expectations. Interest rates rose by over 2% during the period in both the long and short term. As an indication the 5-year maturity certainty rate rose from 2.30% on 1st April to 5.09% on 30th September; over the same period the 30-year maturity certainty rate rose from 2.63% to 4.68%. Although interest rates across the board have risen, short-term borrowing from other local authorities remains at lower interest rates than long term borrowing.

In keeping with the Authority's objectives, no new borrowing was undertaken, while £1m of existing loans were allowed to mature without replacement. This strategy enabled the Authority to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk.

4.07 Debt Rescheduling

The premium charge for early repayment of PWLB debt remained relatively expensive for the loans in the Authority's portfolio and therefore unattractive for debt rescheduling activity. No rescheduling activity was undertaken as a consequence.

The Corporate Finance Manager, in conjunction with the Council's treasury advisors, will continue to review any potential opportunities for restructuring the Council's debt in order to take advantage of potential savings as interest rates change and to enhance the balance of the long term portfolio (amend the maturity profile and/or the balance of volatility).

4.08 Borrowing Update

CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement, and so may lead to new borrowing, unless directly and primarily related to the functions of the Authority.

PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield; the Authority intends to avoid this activity in order to retain its access to PWLB loans.

5.0 INTERIM INVESTMENT AND PERFORMANCE REPORT

5.01 The maximum investments the Authority had on deposit at any one time totalled £74.2m. The average investment balance for the period was £57.5m and the average rate of return was 1.05%, generating investment income of £304k.

5.02 Up to 30th September, investments were made in the Debt Management Office Deposit Account, banks, other local authorities and money market funds

5.03 The average of long term borrowing was £293.9m generating interest payable of £6.655m, in line with budget forecasts to date.

| | Investments | | Long Term Borrowing | | Short Term Borrowing | |
|--------------------|----------------------|-----------------|---------------------|-----------------|----------------------|-----------------|
| | Interest received £k | Interest rate % | Interest paid £k | Interest rate % | Interest paid £k | Interest rate % |
| 2022/23 Apr - Sept | 304 | 1.05 | 6,655 | 4.53 | 0 | n/a |
| 2021/22 Apr - Sept | 2.8 | 0.01 | 6,664 | 4.61 | 16 | 0.09 |
| Difference | 301.2 | | (9.0) | | (16) | |

Year-end projections are as follows:

| | Investments | | Long Term Borrowing | | Short Term Borrowing | |
|-------------|----------------------|-----------------|---------------------|-----------------|----------------------|-----------------|
| | Interest received £k | Interest rate % | Interest paid £k | Interest rate % | Interest paid £k | Interest rate % |
| 2022/23 est | 925 | 2.61 | 13,258 | 4.53 | 471 | 2.71 |
| 2021/22 act | 29.1 | 0.07 | 13,312 | 4.52 | 19 | 0.07 |
| Difference | 895.9 | | (54) | | 452 | |

5.04 Credit Risk (security)

Counterparty credit quality was assessed and monitored with reference to credit ratings (the Authority's minimum long-term counterparty rating for institutions defined as having "high credit quality" is A- across rating agencies Fitch, S&P and Moody's); credit default swap prices, financial statements, information on potential government support and reports in the quality financial press.

5.05 Liquidity

In keeping with the WG's Guidance on Investments, the Council maintained a sufficient level of liquidity through the use of money market funds.

5.06 Yield

The Council sought to optimise returns commensurate with its objectives of security and liquidity. The Council's investment yield is outlined in 5.01.

6.00 COMPLIANCE

6.01 The Council can confirm that it has complied with its Prudential Indicators for the period April to September 2022. These were approved on 15th February 2022 as part of the Council's 2022/23 Treasury Management Strategy.

6.02 In compliance with the requirements of the CIPFA Code of Practice this report provides Members with a summary report of the treasury management activity during the period April – September 2022. None of the Prudential Indicators have been breached and a prudent approach has been taken in relation to investment activity with priority being given to security and liquidity over yield.

7.00 OTHER ITEMS

7.01 Other treasury management related activity that took place during April – September 2022 includes:

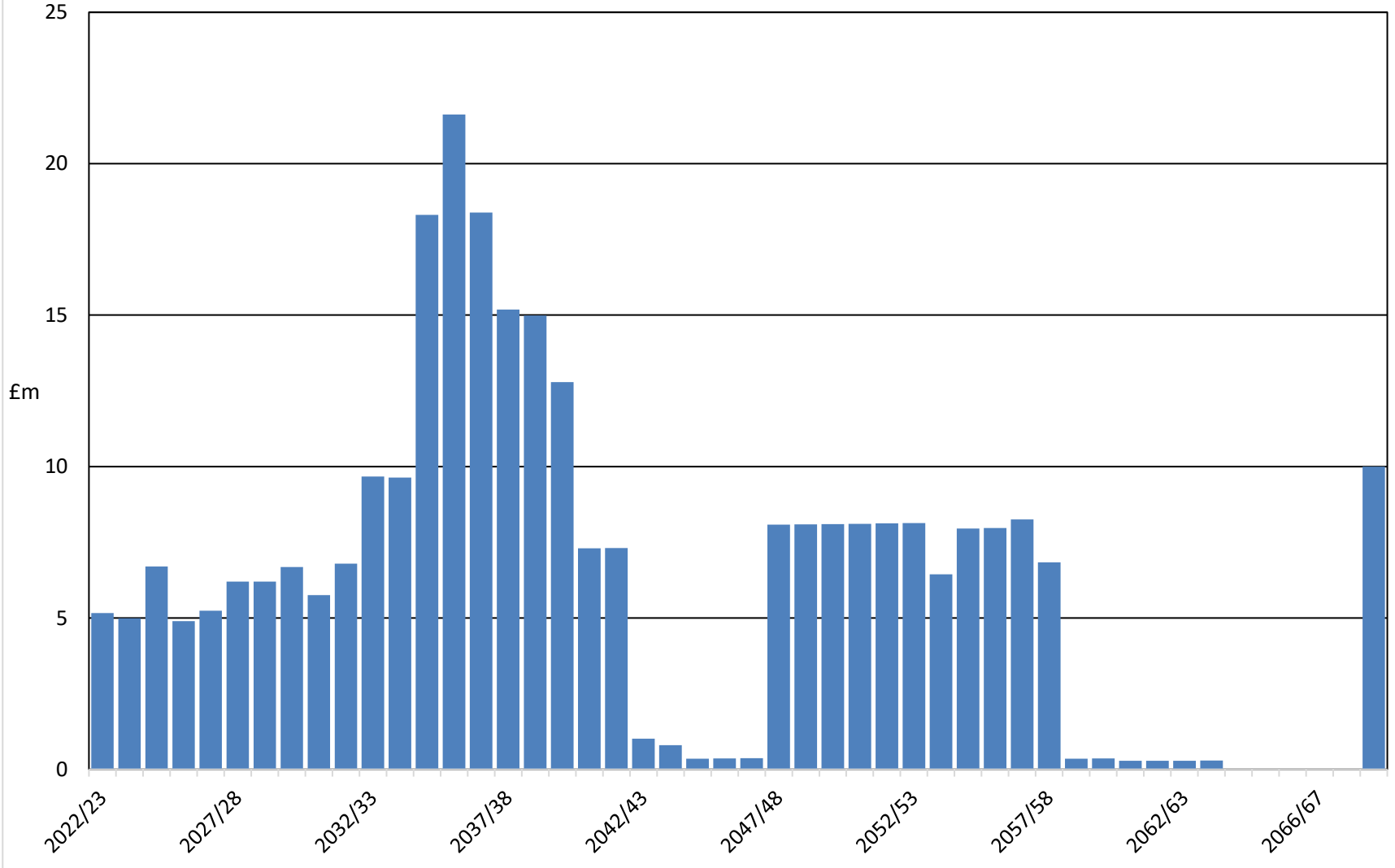
- The Treasury Management Annual Report 2021/22 was reported to Governance and Audit Committee on 27th July 2022, Cabinet on 20th September 2022 and Council on 18th October 2022.
- The Quarter 1 Treasury Management update was reported to the Governance and Audit Committee.

8.00 CONCLUSION

8.01 In compliance with the requirements of the CIPFA Code of Practice this report provides Members with a summary report of the treasury management activity during the first half of 2022/23.

8.02 As indicated in this report none of the prudential indicators have been breached and a prudent approach has been taken in relation to investment activity with priority being given to security and liquidity over yield.

Debt Maturity Profile - Sept 2022



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FLINTSHIRE COUNTY COUNCIL

| | |
|------------------------|--|
| Date of Meeting | Tuesday 24 January 2023 |
| Report Subject | Governance and Audit Committee Annual Report |
| Cabinet Member | Not Applicable |
| Report Author | Chair of Audit Committee |
| Type of Report | Assurance |

EXECUTIVE SUMMARY

In accordance with CIPFA's best practice 'Audit Committees – a Practical Guidance for Local Authorities 2018', there is a requirement for the Audit Committee to be held to account by the Council for the work they undertake. To support this the Audit Committee's terms of reference were amended in 2018 to include a requirement for the Committee to prepare a yearly report to the Council on its achievements and demonstrate its accountability.

The Governance and Audit Committee's Annual Report for 2021/22 (Appendix A) provides the Council with the necessary information to meet this requirement.

RECOMMENDATIONS

| | |
|---|--|
| 1 | Council is requested to consider and approve the Governance and Audit Committee's Annual Report. |
|---|--|

REPORT DETAILS

| | |
|-------------|--|
| 1.00 | EXPLAINING THE INTERNAL AUDIT PROGRESS REPORT |
| 1.01 | <p>In accordance with CIPFA's best practice 'Audit Committees – a Practical Guidance for Local Authorities 2018', the Governance and Audit Committee has an important role within the Council's governance structure and in promoting the principles of good governance.</p> <p>An equally significant part of this role is for the Governance and Audit Committee to demonstrate its accountability. Accountability should be considered under three aspects:</p> |

| | |
|------|---|
| | <ol style="list-style-type: none"> 1) Supporting the Council's accountability to the public and stakeholders; 2) Supporting accountability within the Council; and 3) Holding the Governance and Audit Committee to account. |
| 1.02 | <p>The Governance and Audit Committee's Annual Report (Appendix A) is designed to provide assurance to the Council in holding the Committee to account. In particular:</p> <ol style="list-style-type: none"> 1) Supporting the Council's accountability to the public and stakeholders <ul style="list-style-type: none"> – For the last twelve months each Governance and Audit Committee meeting has been held remotely and webcast with all Committee papers available on the Council's website. 2) Supporting accountability within the Council <ul style="list-style-type: none"> – Through the review of those reports received by Governance and Audit Committee, the Committee holds to account those responsible for the implementation of recommendations and action plans. In addition to this, the Committee oversees the process for evaluating and improving governance, risk, financial management and control. 3) Holding the Governance and Audit Committee to account <ul style="list-style-type: none"> – The Committee has fulfilled its agreed Terms of Reference and adopted the recommended best practice; – Members of the Governance and Audit Committee have assessed their own development needs and taken the opportunity to attend briefing and training sessions; – The Committee has assessed its own effectiveness in October 2021, developed an action plan and monitors progress; and – The Committee demonstrates they have a positive impact on the improvement of governance, risk, financial management and control within the Council. |
| 1.03 | <p>The annual report provides the Council with an overview of the:</p> <ul style="list-style-type: none"> • Work undertaken by the Committee and its effectiveness against the main areas of the Committees' Terms of Reference; • Internal Audit opinion for 2021/22; • Committees' membership and attendance; • Training and Development; and • Future Priorities. |
| 1.04 | <p>The Governance and Audit Committee's Annual Report was presented and endorsed by the Governance and Audit Committee on 14th November 2022.</p> |

| | |
|-------------|------------------------------|
| 2.00 | RESOURCE IMPLICATIONS |
| 2.01 | None from the report itself. |

| | |
|-------------|---|
| 3.00 | CONSULTATIONS REQUIRED / CARRIED OUT |
|-------------|---|

| | |
|------|--|
| 3.01 | The draft annual report for the Governance and Audit Committee has been shared with the Chief Executive, Chief Officer Governance, Democratic Services Manager, Chair of the Audit Committee and the Governance and Audit Committee on 14 November 2022. |
|------|--|

| | |
|-------------|--|
| 4.00 | RISK MANAGEMENT |
| 4.01 | Governance and Audit Committee is integral to promoting an effective risk management framework within the Council. |

| | |
|-------------|---|
| 5.00 | APPENDICES |
| 5.01 | Appendix A – Draft Governance and Audit Committee Annual Report |

| | |
|-------------|---|
| 6.00 | LIST OF ACCESSIBLE BACKGROUND DOCUMENTS |
| 6.01 | <p>None.</p> <p>Contact Officer: Lisa Brownbill, Internal Audit, Performance and Risk Manager</p> <p>Telephone: 01352 702231</p> <p>E-mail: Lisa.brownbill@flintshire.gov.uk</p> |

| | |
|-------------|--|
| 7.00 | GLOSSARY OF TERMS |
| 7.01 | <p>Corporate Governance: the system by which local authorities direct and control their functions and relate to their communities. It is founded on the basic principles of openness and inclusivity, integrity and accountability together with the overarching concept of leadership. It is an inter-related system that brings together the underlying set of legislative requirements, governance principles and management processes.</p> <p>Risk Management: the process of identifying risks, evaluating their potential consequences and managing them. The aim is to reduce the frequency of risk events occurring (wherever this is possible) and minimise the severity of their consequences if they occur. Threats are managed by a process of controlling, transferring or retaining the risk. Opportunities are managed by identifying strategies to maximise the opportunity or reward for the organisation.</p> <p>Internal Control: Appropriate procedures and processes are in place to mitigate any risk which may prevent the organisation from achieving its objectives and service delivery.</p> <p>Financial Management: the planning, organising, directing and control of the financial activities of the Council to ensure sufficient resources are available to delivery its intended outcomes.</p> |

| | |
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2021/22

Contents

| Section | Title | Page No |
|------------|---|---------|
| 1. | Foreword by Sally Ellis, Vice-Chair of the Governance and Audit Committee | 1 |
| 2. | Introduction | 2 |
| 3. | Work of the Governance and Audit Committee and its Effectiveness | 3 |
| 4. | Internal Audit Opinion – 2021/22 | 8 |
| 5. | Governance and Audit Committee Membership & Attendance | 9 |
| 6. | Governance and Audit Committee Self-Assessment and Training and Development | 11 |
| 7. | Future Priorities | 13 |
| Appendix A | Governance and Audit Committee Terms of Reference | 14 |
| Appendix B | Actions Raised by the Governance and Audit Committee for 2021/22 | 22 |
| Appendix C | Forward Work Programme for 2022/23 | 24 |
| Appendix D | Governance and Audit Committee Self-Assessment and Action Plan | 26 |

| Date | Approved By | Version |
|------------|-------------------------------------|---------|
| 14/11/2022 | Governance and Audit Committee | Draft |
| 13/12/2022 | Flintshire County Council (planned) | Final |

1 Foreword by Ms Sally Ellis, Chair of the Governance and Audit Committee

I am pleased to present the Annual Report of the Governance and Audit Committee which outlines the Committees' work and activities for the year ending 31st March 2022. Whilst I was not Chair of the committee during 2021/22, I was the Vice Chair.

The Governance and Audit Committee is a key part in the Council's governance framework to provide independent oversight on the effectiveness of the Council's governance, risk, financial management, and internal control arrangements. This has continued throughout this financial year.

The Committee has continued to receive valued professional reports, support and advice from Accountancy, Treasury Management, Risk Management, Corporate Business and Communications, Internal Audit and External Audit (Audit Wales). Additionally, we have invited Chief Officers and Service Managers to attend Governance and Audit Committee to respond to concerns raised by members or through various reports, such as those presented by Internal and External Audit.

At each meeting we have reviewed our Forward Work Programme ensuring the work mirrors the level of risks and priorities of the Council. Any actions raised during previous Committee meetings are reviewed for completeness.

I would like to thank members and officers who have supported the work of this Committee by presenting, discussing, challenging, and debating solutions to the governance, risk, financial, and control environment of the Council. The Committee has been well attended throughout the year and where apologies have been given a trained substitute member has attended on the members' behalf.

Finally, I would like to confirm that there are no areas of concern for the Committee to note or report back on which is reassuring for the Council.



Ms Sally Ellis
Vice Chair of Governance and Audit
Committee

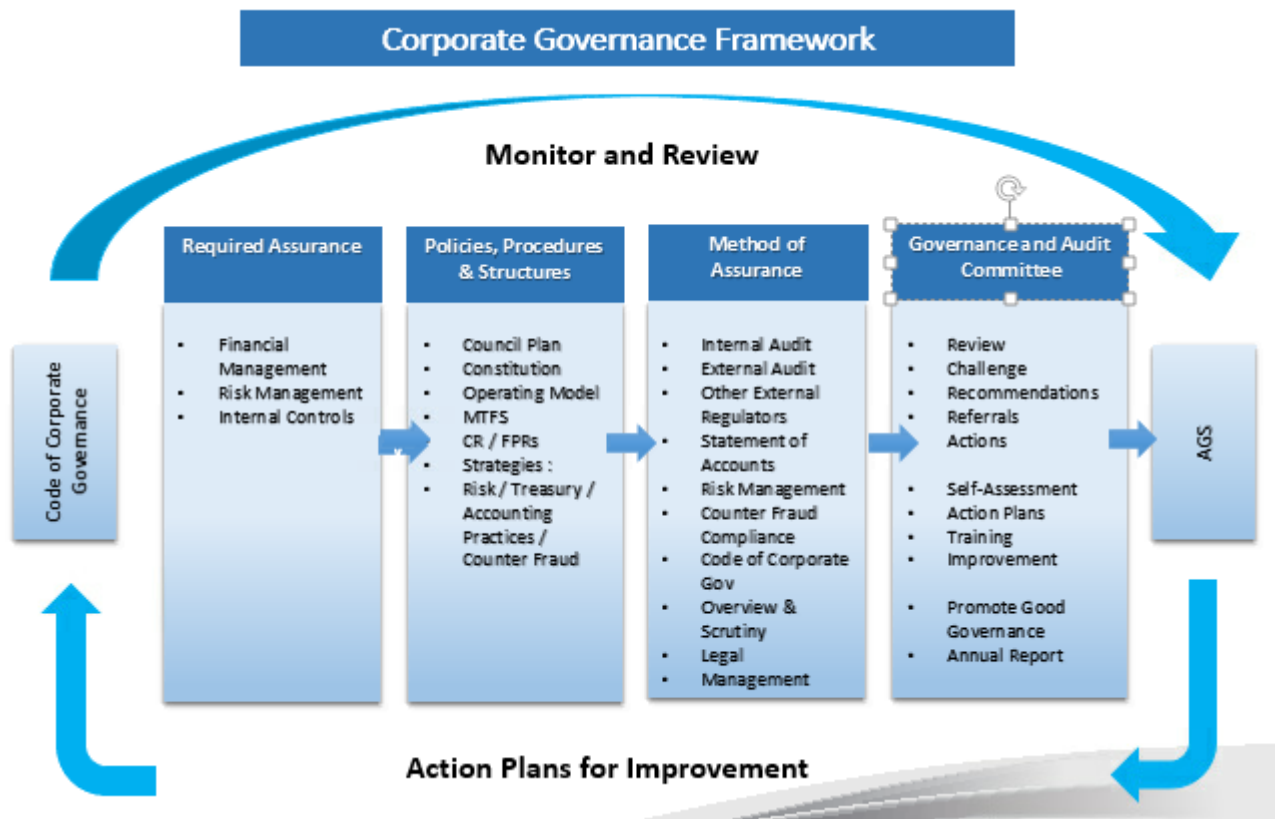
2 Introduction

- 2.1 The Governance and Audit Committee is a key part in the Council's Governance Framework. It provides independent governance assurance over the adequacy of the Council's governance and risk management frameworks, the internal control environment, and the integrity of the financial reporting. By overseeing internal and external audit and other regulators, the Committee makes an important contribution by ensuring effective assurance arrangements are in place.
- 2.2 How the Governance and Audit Committee fulfils this role is detailed within the Committee Terms of Reference (March 2021). It states that the Governance and Audit Committee's role and functions will be to:
- A** Review the effectiveness of the Authority's systems of corporate governance, internal control, [complaints](#), [performance \(self-assessment and peer review\)](#) and risk management, and to make reports and recommendations to the County Council on the adequacy and effectiveness of these arrangements.
- Please note the Committee will not need to review the effectiveness of complaints or performance ([highlighted in blue](#)) until April 2022 when this part of the new Local Government and Elections (Wales) Act 2021 comes into force.
- B** Oversee the reporting of the statutory financial statements to ensure the balance, transparency and integrity of published financial information, as well as the review of the financial statements prepared by the authority and recommended to County Council; and
- Review and scrutinise the County Council's financial affairs, and to make reports and recommendations on them. The role of the Committee is to assure the budgetary control systems of the Council rather than the scrutiny of the use and value for money of expenditure which is the role of the respective Overview and Scrutiny Committees.
- C** Monitor the performance and effectiveness of the internal and external audit functions within the wider regulatory context.
 - D** Report to the Council annually, summarising the Committee's activities and recommendations.
- 2.3 The full Terms of Reference for Governance and Audit Committee are detailed at Appendix A.
- 2.4 In supporting the Governance and Audit Committee deliver its terms of reference, there is a strong contribution from the independent members, the external advisors and regulators and the Internal Audit Team.

3 Work of the Governance and Audit Committee and its Effectiveness

- 3.1 The Committee has worked within its Terms of Reference, which includes the requirement to monitor and review governance, risk management, financial management and internal controls within the Council to ensure there is an appropriate and effective framework in place. This process is demonstrated in Graphic 1 below.
- 3.2 The Governance and Audit Committee provides the Council with an independent opinion of the effectiveness of the Governance arrangements within the Council including those of the internal and external audit function.

Graphic 1 – Corporate Governance Framework



- 3.3 As referred to at 2.2, the Governance and Audit Committee’s Terms of Reference is split into four main areas referenced A-D. Within tables 1-4 below the Governance and Audit Committee demonstrates how it has met and fulfilled its Terms of Reference by receiving, reviewing, challenging and approving the following reports.

Table 1 – Terms of Reference A

| TOR A: To review the effectiveness of the Authority's systems of corporate governance, internal control and risk management | | |
|--|--|--|
| Committee Date | Report Received | Committees Resolution |
| 02/06/2021 | Draft Annual Governance Statement 2020/21 | That the Annual Governance Statement 2020/21 be attached to the Statement of Accounts and recommended to Council for adoption. |
| 02/06/2021 | Internal Audit Annual Report | That the report and Internal Audit annual opinion be noted. |
| 02/06/2021 | Internal Audit Progress Report | That the report is accepted. |
| 28/07/2021 | Counter-Fraud Arrangements in the Welsh Public Sector | That the Committee is assured that the Council is taking appropriate steps to counter the risk of fraud. |
| 27/09/2021 | Flintshire Financial Sustainability Assessment Final report | That the Committee notes the report and confirms that there are no issues to be brought to the attention of the Cabinet. |
| 27/09/2021 | Internal Audit Progress Report | That the report is accepted. |
| 17/11/2021 | Housing Rent Income – Audit Wales | That the report be noted. |
| 17/11/2021 | Audit Wales review of Town Centre Regeneration | That the Audit Wales recommendations to the Council are noted and the proposed response to Audit Wales is approved. |
| 17/11/2021 | Risk Management Update | That the Committee is assured the renewed risk management framework is comprehensive and functional. |
| 17/11/2021 | Asset Disposal and Capital Receipts Generated 2020/21 | That the report is noted. |
| 17/11/2021 | Internal Audit Progress Report | Report is accepted. |
| 17/11/2021 | Maes Gwern Contractual Arrangements | That the report be accepted. |
| 26/01/2022 | Code of Corporate Governance | That the updated Code of Corporate Governance be endorsed for adoption as part of the Council's Constitution. |
| 26/01/2022 | Annual Governance Statement 2020/21 Mid-Year Progress Report | That the Annual Governance Statement Mid-Year Progress update be accepted |
| 26/01/2021 | Internal Audit Progress Report | That the report be accepted. |
| 14/03/2022 | Annual Audit Summary for Flintshire County Council 2020/21 | That the Committee is assured by the Auditor General for Wales' Annual Audit Summary report for 2020/21. |
| 14/03/2022 | External Regulation Assurance | That the Committee is assured by the Council's response to external regulatory reports. |
| 14/03/2022 | Internal Audit Strategic Plan 2022-25 | That having considered the areas covered, including those prioritised for the first year, and the level of audit resources, the Committee approves the Flintshire Internal Audit Strategic Plan for 2022-25. |
| 14/03/2022 | Internal Audit Progress Report | That the report be accepted. |

Table 2 – Terms of Reference B

| TOR B: To Oversee the reporting of the statutory financial statement’s process and review and scrutinise the County Council’s financial affairs | | |
|--|---|--|
| Committee Date | Report Received | Committees Resolution |
| 02/06/2021 | Certification of Grants and Returns 2019/20 | That the content of the Grant Claim Certification report for 2019/20 and the Internal Audit Review of Grants 2019/20 be noted. |
| 28/07/2021 | Draft Statement of Accounts 2020/21 | <ul style="list-style-type: none"> • That the draft Statement of Accounts 2020/21 (which includes the Annual Governance Statement) be noted; and • That Members note the opportunity to discuss any aspect of the Statement of Accounts with officers or Audit Wales from July to August, prior to the final audited version being brought back to the Committee for final approval on 8 September 2021. |
| 28/07/2021 | Supplementary Financial Information to Draft Statement of Accounts 2020/21 | Report is noted. |
| 28/07/2021 | Treasury Management Annual Report 2020/21 and Treasury Management Quarter 1 Update 2021/22 | <ul style="list-style-type: none"> • That the draft Treasury Management Annual Report 2020/21 be noted, with no matters to be drawn to the attention of Cabinet in September; and • That the Treasury Management 2021/22 first quarter update be noted. |
| 27/09/2021 | Statement of Accounts 2020/21 | <ul style="list-style-type: none"> • That the final version of the Statement of Accounts 2020/21 be approved, incorporating the updated position on emergency grant funding; • That the Audit Wales presentation ‘Audit of the Group Financial Statements 2020/21– Flintshire County Council’ be noted; and • That the Letter of Representation be approved. |
| 27/09/2021 | Flintshire Financial Sustainability Assessment Final report | That the Committee notes the report and confirms that there are no issues to be brought to the attention of the Cabinet. |
| 27/09/2021 | School Reserves Balances Year End 31 March 2021 | That the school reserve level as at 31 March 2021 be noted. |
| 17/11/2021 | Asset Disposal and Capital Receipts Generated 2020/21 | That the report is noted. |
| 17/11/2021 | Treasury Management Mid-Year Review and Quarter 2 Update 2022/23 | That the Committee notes the draft Treasury Management Mid-Year Report 2021/22 and confirms that there are no matters to be drawn to the attention of Cabinet in December 2021. |
| 26/01/2022 | Treasury Management Strategy 2022/23 - Treasury Management Policy Statement, Practices and Schedules 2022-25 and Quarter 3 Update 2021/22 | <ul style="list-style-type: none"> • That having reviewed the draft Treasury Management Strategy 2022/23, the Committee has no specific issues to be reported to Cabinet on 15 February 2022; and • That the Treasury Management 2021/22 quarterly update be noted. |
| 14/03/2022 | Quarter 4 Treasury Management Update 2021/22 | That the Treasury Management 2021/22 quarterly update be endorsed. |

Table 3 – Terms of Reference C

| TOR C: To monitor the performance and effectiveness of the internal and external audit functions | | |
|---|---|--|
| Committee Date | Report Received | Committees Resolution |
| 02/06/2021 | Internal Audit Annual Report | That the report and Internal Audit annual opinion be noted. |
| 02/06/2021 | Internal Audit Progress Report | That the report is accepted. |
| 28/07/2021 | Development of a Self-Assessment Model | That the proposed model for the first and trial corporate self-assessment be endorsed. |
| 27/09/2021 | Internal Audit Progress Report | That the report is accepted. |
| 17/11/2021 | Internal Audit Progress Report | Report is accepted. |
| 26/01/2022 | Internal Audit Charter | That the updated Internal Audit Charter be approved. |
| 26/01/2022 | Internal Audit Progress Report | That the report be accepted. |
| 14/03/2022 | Annual Audit Summary for Flintshire County Council 2020/21 | That the Committee is assured by the Auditor General for Wales' Annual Audit Summary report for 2020/21. |
| 14/03/2022 | External Regulation Assurance | That the Committee is assured by the Council's response to external regulatory reports. |
| 14/03/2022 | Internal Audit Strategic Plan 2022-25 | That having considered the areas covered, including those prioritised for the first year, and the level of audit resources, the Committee approves the Flintshire Internal Audit Strategic Plan for 2022-25. |
| 14/03/2022 | Public Sector Internal Audit Standards | That the report be noted. |
| 14/03/2022 | Internal Audit Progress Report | That the report be accepted. |
| 14/03/2022 | Private meeting between members, Internal Audit Manager and Audit Wales | N/A |

Table 4 – Terms of Reference D

| TOR D: To report to the Council annually, summarising the Committee's activities and Recommendations (<i>demonstrating the Committees' effectiveness</i>) | | |
|--|--|--|
| Date of Committee | Report Received | Committees Resolution |
| 14/11/2022 | Governance and Audit Committee Annual Report | That the annual report for 2021/22 be endorsed prior to its submission to Council for approval in December 2022. |

- 3.4 Any actions raised by Governance and Audit Committee after reviewing and considering these reports are detailed at Appendix B. Where actions remain open (2 of the 15 raised), these are either ongoing or not due at the point of this report.
- 3.5 By and large, the Committee accepted recommendations made. However, this frequently followed extensive exploration of an issue, detailed questioning and agreed actions. As Appendix B shows, examples of this included ensuring clear arrangements for follow through after Red/Amber Internal Audit reports, ensuring significant new areas of Council responsibility/risk (eg preparing for Climate Change and decarbonisation) form part of the Governance and Audit Committee Forward Work Programme and ensuring the Governance and Audit Committee is properly prepared for new responsibilities under the Local Government and Elections (Wales) Act 2021.
- 3.6 The Committee's Forward Work programme for 2022/23 is detailed at Appendix C.

4 Internal Audit Opinion

- 4.1 The Internal Audit Service to Flintshire County Council is required to provide the Council (through the Governance and Audit Committee) with an opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. In giving that opinion it should be noted that assurance can never be absolute. The most that the Internal Audit Service can provide to the Council is a reasonable assurance that there are no major weaknesses in risk management, governance and control processes.
- 4.2 The matters reported in the Internal Audit Annual Report are only those which came to our attention during our Internal Audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.
- 4.3 There have been no limitations made on the scope of Internal Audit coverage during the year.

For the year ending 31 March 2022, based on the work the Internal Audit Service has undertaken my opinion is that Flintshire County Council has an adequate and effective framework of governance, risk management and internal control.

- 4.4 During 2021/22 we have issued three 'Red / Limited assurance' opinions (compared to previous years 2020/21 zero audits, 2019/20 one audit, 2018/19 two audits, 2017/18 three audits, 2016/17 four audits & 2015/16 six audits), where an urgent system revision was required
- 4.5 Overall 68% of assurance opinions issued were either Green or Amber Green providing the Committee assurance that of the audits undertaken this year in the main there are effective arrangements in place for governance, risk management and internal control.
- 4.6 In order for the Internal Audit team to be in position to undertake such work and deliver this audit opinion, it has an unfettered high profile role within the Council, and has developed and holds an excellent trusted working relationship with portfolios. The breadth of the work has grown in recent years seeing a significant increase in requests for advisory, consultancy and commissioned work.

5 Governance and Audit Committee Membership and Attendance

- 5.1 For the period of this report, the Council had determined that the membership of its Governance and Audit Committee will consist of seven elected Members and two Independent Lay Members (as required by the Local Governance (Wales) Measure 2011). The Independent Lay Members are appointed for a period of five years and Council Members are reappointed annually. The first lay member was appointed in 2017 and the second in September 2019.
- 5.2 The Committee is serviced by Council Officers, principally the Chief Executive, the Chief Officer, Governance (Council's Monitoring Officer), the Corporate Finance Manager (Section 151 Officer) and the Internal Audit, Performance and Risk Manager. Representatives from Corporate Finance, Performance and Risk, and Audit Wales also attend Audit Committee.
- 5.3 The Governance and Audit Committee met on six separate occasions during 2021/22. For each meeting, the Committee were quorate and there were sufficient Elected Members to generate an informed discussion on the matters raised. The attendance by members demonstrates their continued commitment to the Governance and Audit Committee by their high attendance rate of 98.1%.

Table 5 – Governance and Audit Committee Meeting 2021/22

| Members Attendance / Committee Date | 02/06/21 | 28/07/21 | 27/09/21 | 17/11/21 | 26/01/22 | 14/03/22 | Meetings Attended |
|-------------------------------------|----------|----------|----------|----------|----------|----------|-------------------|
| Cllr C Dolphin (Chair) | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 6 |
| S Ellis (Lay Member & Vice-Chair) | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 6 |
| Cllr G Collett | ✓ | ✓ | x | ✓ | ✓ | ✓ | 5 |
| Cllr J Johnson | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 6 |
| Cllr A Woolley | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 6 |
| Cllr P Heesom | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 6 |
| Cllr J Axworthy | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 6 |
| Cllr M White | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 6 |
| A Rainford | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 6 |
| Total for Committee | 9 | 9 | 8 | 9 | 9 | 9 | |
| Other Members Present as Observers | 3 | 3 | 3 | 3 | 2 | 3 | |
| Attendance Ratio for 2021/22 | | | | 98.1% | | | |
| Attendance Ratio for 2020/21 | | | | 100% | | | |
| Attendance Ratio for 2019/20 | | | | 97.5% | | | |
| Attendance Ratio for 2018/19 | | | | 95.8% | | | |
| Attendance Ratio for 2017/18 | | | | 87.5% | | | |

- 5.4 All members of the Committee, including any substitutes have received the required Governance and Audit Committee training prior to attending their first Governance and Audit Committee meeting. All meetings were held remotely, meetings were recorded, and papers are available on the Council's website. Officers from the Council's External Auditors, Audit Wales (AW) were present at each of the meetings.

6 Self-Assessment, Training & Development

Governance and Audit Committee Self-Assessment

- 6.1 The last self-assessment review was delayed due to the pandemic. As result of this, the change in committee membership this year and the pending release of the new CIPFA guidance for Governance and Audit Committees it was decided that the self-assessment would be more effective if undertaken by the new committee once in post for a period of time. The next self-assessment is now due to take place in December 2022.
- 6.2 As part of preparing this report, a review was undertaken against the Governance and Audit Committee Terms of Reference to ensure compliance. A benchmarking exercise was also undertaken of the Forward Work Programmes for Governance and Audit Committees across Wales. Overall, the Governance and Audit Committee fulfils its TOR and receives appropriate reports at Committee. Any additional reports and or information required by the Governance and Audit Committee to enhance their role will be explored during the self-assessment workshop.
- 6.3 In October 2019, an All-Wales Chair and Vice Chairs of Governance and Audit Committee Network was established and held in Llandrindod Wells. Since 2020 this has operated remotely. During 2021/22, one session has been held and attended by the Chair and Vice Chair of the Governance and Audit Committee and the Internal Audit, Performance and Risk Manager.

Governance and Audit Committee Training and Development

- 6.4 Table 6 provides details of the training courses attended.

| Topic | Date | Type of Training | Coverage |
|--|------------|---|---|
| Statement of Accounts | 23/07/2021 | Accounts | Presentation and explanation of the Statement of Accounts. |
| Treasury Management | 08/12/2021 | Financial | Half day external training session provided on the Council's approach to Treasury Management. |
| Chair and Vice Chairs of Audit Committee Network Seminar | 06/09/2021 | Governance; Risk Management and Annual Governance Statement | Half-Day Session covering: <ul style="list-style-type: none"> Local Government and Elections (Wales) Act 2021 Complaints Handling in Local Authorities Policy in Practice. |

- 6.5 Of the 11 areas identified for further improvement during the 2020/21 Governance and Audit Committee's self-assessment review, four actions have been closed, four are ongoing and three remain open.
- 6.6 The main themes of ongoing and outstanding actions, set out in full in Appendix D, relate to:
- strengthening relationships between the Governance and Audit Committee and other parts of the Council's governance structure to ensure roles are complementary and mutually supportive
 - being more effective and visible as an "agent for improvement" within the Council

7 Future Priorities

- 7.1 The Committee's Forward Work Programme (Appendix C) will continue to be reviewed to ensure the contribution to governance, risk management, financial management and internal control is maximised.

Appendix A

Governance and Audit Committee's Terms of Reference

The Terms of Reference for the Governance and Audit Committee was updated to reflect the name change and the new responsibilities as a result of the Local Government and Elections (Wales) Act 2021. Whilst the act will be phased in over a period of time it was agreed to update the Terms of Reference once. **Where text is highlighted blue, these roles and responsibilities will not come into force until April 2022.**

7.00 Statement of Purpose:

The terms of reference sets out the Governance and Audit Committee's position in the governance structure of the Council.

The Governance and Audit Committee is a key component of Flintshire County Council's (the Council's) corporate governance. It provides an independent and high level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

7.01 Role:

The Governance and Audit Committee's role and functions will be to:

- A.** Review the effectiveness of the Authority's systems of corporate governance, internal control, **complaints, performance (self-assessment and peer review)** and risk management, and to make reports and recommendations to the County Council on the adequacy and effectiveness of these arrangements;
- B.** Oversee the reporting of the statutory financial statement's process to ensure the balance, transparency and integrity of published financial information, and to review the financial statements prepared by the authority and recommend them to County Council; and

Review and scrutinise the County Council's financial affairs, and to make reports and recommendations on them. The role of the Committee is to assure the budgetary control systems of the Council rather than the scrutiny of the use and value for money of expenditure which is the role of the respective Overview and Scrutiny Committees.
- C.** Monitor the performance and effectiveness of the internal and external audit functions within the wider regulatory context.
- D.** Report to the Council annually, summarising the Committee's activities and recommendations.

A. Corporate Governance, Internal Control, Complaints, Performance and Risk Management

1. Evaluate whether Senior Accountable Officers and service teams are setting the appropriate “control culture” by communicating the importance of internal control and risk management.
2. Consider and assure the annual update of the Code of Corporate Governance against the ‘Delivering Good Governance Framework (Wales)’.
3. Consider and assure the draft Annual Governance Statement and make appropriate recommendations/observations prior to its submission to the Council’s Regulators.
4. Evaluate the overall effective development and operation of the internal control and risk management frameworks and consider whether actions raised by the internal and external auditors have been implemented by Senior Accountable Officers.
5. Review and assure the Risk Management Strategy through regular reports on risk management and business continuity plans, processes and outcomes.
6. Monitor progress in addressing risk related issues reported to the Committee.
7. Consider the Council’s framework of assurance and ensure that it adequately addresses the risks and priorities of the Council.
8. To review and assess the Council’ ability to effectively handle complaints.
9. To make reports and recommendations in relation to the Council’s ability to handle complaints effectively.
10. To consider the Council’s draft Annual Performance Self-Assessment report and if necessary make any recommendations for changes to the Council.
11. To receive the Council’s finalised Annual Self-Assessment report for the respective financial year as soon as reasonably possible after the end of the financial year.
12. At least once during the period between two consecutive ordinary elections of councillors to the Council, consider the independent Panel Performance Assessment report on whether the Council is meeting its performance requirements.
13. To receive and review the Council’s draft response to the report of the independent Panel Performance Assessment and if necessary, make

recommendations for changes to the statements made in the draft response to the Council.

14. Keep under review the Council's Anti-Fraud and Corruption Strategy, Fraud Response Plan and Whistleblowing Policy and the assessment of fraud risks and potential harm to the Council from Fraud and Corruption.
15. Consider the Council's arrangements to secure value for money and review assurances and assessment on the effectiveness of these arrangements.
16. Receive reports on all fraud identified and any other special investigations, and action taken.
17. Consider how Senior Accountable Officers are held to account for the security of computer systems and applications to protect against computer fraud or misuse.
18. Ensure the rigorous application of the agreed protocol for the reporting and decision making over business cases for collaborative projects, the management of the transition for approved collaborations, and the subsequent performance management arrangements for the new collaborative services.
19. Obtain regular updates from Senior Accountable Officers and legal advice regarding compliance matters, and be satisfied that all compliance matters have been considered in preparing the financial statements.
20. The Chair and Vice Chair of the Governance and Audit Committee together with the Chairs and Vice Chairs of the six Overview and Scrutiny Committees will attend the Chair and Vice Chair Liaison Group with the primary aim to reduce duplication of work, ensure there is a shared coverage of the Council's risk profile and escalate poor performance between respective Committees.

Appendix A of the Audit Charter provides a diagram of the co-ordination of work between the Overview and Scrutiny Committees and Governance and Audit Committee.

B. Financial:

Statutory Financial Statements

1. Receive the draft annual Statement of Accounts, together with the underlying accounting policies for information. Consider and comment on the final statement of accounts following the receipt of the proposed audit opinion from the Wales Audit Office prior to recommending their approval to the Council.
2. Understand the controls and processes implemented by Senior Accountable Officers to ensure the financial statements derive from the underlying financial

systems, comply with relevant standards and requirements, and are subject to appropriate review.

3. Meet with management and external auditors to review the financial statements, the key accounting policies and judgements, significant accounting and reporting issues and their impact on financial reports, and the results of the audit.
4. Ensure that significant adjustments, unadjusted differences, disagreements with Senior Accountable Officers and critical accounting policies and practice are discussed with the external auditor.

Financial Affairs

5. Understand the internal control systems implemented by Senior Accountable Officers and service teams for the approval of transactions and the recording and processing of financial data.
6. Gain an understanding of the current areas of greatest risk around financial controls and advise and assure on risk management.
7. Keep under review the Council's financial procedure rules and contract procedure rules and all other corporate directions concerning financial control.
8. Review and assure the Treasury Management Strategy and Policy and consider quarterly updates on Treasury Management and make appropriate recommendations / observations to the Cabinet.

C. Internal and External Audit

1. Keep under review the joint working arrangements of the Council's Internal and External Auditors.

Internal Audit

2. Promote the role of internal audit within the Council, as a key element of its control environment.
3. Review and approve the Internal Audit Charter, outlining the role, scope, independence, authority, responsibility and reporting of the department.
4. Keep under review the organisational structure and resource requirements of the Internal Audit Section and consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the Internal Audit, Performance and Risk Manager. To approve and periodically review safeguards to limit such impairments.

-
5. Make appropriate enquiries of both Senior Accountable Officers and the Internal Audit, Performance and Risk Manager to determine if there are any inappropriate scope or resources limitations.
 6. Review, approve (but not direct) and monitor the delivery of the risk-based internal audit plan, the approach to using other sources of assurance and any work required to place reliance upon those other sources and ensure the plan considers changes arising from Government, Assembly or Council initiatives.
 7. Approve significant interim changes to the risk based internal audit plan and resources requirements.
 8. Receive summaries of all internal audit reports issued, highlighting key actions with corporate control implications.
 9. Consider reports from the Internal Audit, Performance and Risk Manager on internal audit's performance during the year, including the performance of external providers of internal audit services. These will include:
 - Updates on the work of internal audit including key findings, issues of concern including monitoring the implementation of agreed actions contained within internal audit reports, receive report on actions not implemented within good timescales and seek explanations from officers where required.
 - Regular reports on the results of the Quality Assurance Improvement Programme (QAIP).
 - Reports on instances where the internal audit service does not conform to the Public Sector Internal Audit Standards (PSIAS) and Local Governance Advice Note (LGAN), considering whether the non-conformance is significant enough that it must be included in the AGS.
 10. Receive and consider the Internal Audit, Performance and Risk Managers annual report:
 - The statement of the level of conformance with the PSIAS and LGAN and the results of the QAIP that support the statement – these will indicate the reliability of the conclusions of internal audit.
 - The opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control together with the summary of the work supporting the opinion – these will assist the Committee in reviewing the Annual Governance Statement (AGS).

- Keep performance indicators under review and evaluate, on an annual basis, the performance and effectiveness of internal audit and its compliance with best practice.
11. Consider summaries of specific internal audit reports as requested.
 12. Receive reports outlining the action taken where the Internal Audit, Performance and Risk Manager has concluded that Senior Accountable Officers and service teams have accepted a level of risk that may be unacceptable to the Council or there are concerns about progress with the implementation of agreed actions.
 13. Contribute to the Quality Assurance Improvement Programme (QAIP) and in particular, to the external quality assessment of internal audit that takes place at least once every five years.
 14. Meet separately with the Internal Audit, Performance and Risk Manager to discuss any matters that the Committee or internal auditors believe should be discussed privately.
 15. Should the needs arise, arbitrate in the event of any failure to agree between a Senior Accountable Officers and internal audit.
 16. Discuss with the external auditor the standard of work of internal audit.

External Audit and External Regulatory Bodies

External Audit

17. Support the independence of external audit through consideration of the external auditor's annual assessment of its independence.
18. Review the external auditors' proposed audit scope and approach for the current year in the light of the Authority's present circumstances and changes in regulatory and other requirements arising from Government, Assembly or Council initiatives.
19. Ensure that the annual audit is undertaken in compliance with statutory requirements.
20. Receive all audit reports, and the annual audit letter, issued by the external auditor, and ensure that all agreed recommendations are implemented.
21. Consider specific reports as agreed with the external auditor.
22. Discuss with the external auditor any audit problems encountered in the normal course of audit work, including any restriction on audit scope or access to information.

23. Meet separately with the external auditors to discuss any matters that the Committee or auditors believe should be discussed privately. Ensure the auditors have access to the chair of the Governance and Audit Committee when required.
24. Review, annually, the performance of external audit and co-ordinate any feedback requested from Audit Wales.

External Regulation: Performance

25. External arrangements for regulation and assurance are provided by a number of statutorily appointed bodies such as the Audit Wales (AW), Estyn and the Care Inspectorate Wales (CIW), plus a number of other external regulatory bodies. To examine how the organisation manages and spends public money including achieving value in delivery. This work is co-ordinated by the Internal Audit, Performance and Risk Management team and a shared protocol for these working arrangements is in place.
26. To gain assurance and confidence of the Council's response to the external regulatory findings the Governance and Audit Committee will:
 - a) Receive periodic reports from external regulators which will include the Council's response to the reports and ensure that effective processes are in place for setting and monitoring against proportionate and effective action plans.
 - b) Receive an annual report collating external regulatory activity on improvement assessment work which is supplemented by local risk based audit work; and
 - c) Receive the Annual Improvement Report from the Auditor General

D. Accountability Arrangements

1. Require the attendance at the Committee of any officer or member, or the submission of a report from any officer, to provide further explanation in connection with any of the above terms of reference.
2. Evaluate the Committee's own performance, both of individual members and collectively, on a regular basis.
3. The Committee must meet at least once a year and must also do so if the Council decides or if at least a third of the Committee's members require a meeting. Beyond those requirements the Committee can meet whenever it likes.
4. The Governance and Audit Committee will keep the above terms of reference under annual review and propose any amendment to the County Council.

5. Report to full council and publish an annual report on the Committee's performance in relation to the terms of reference and the effectiveness of the Committee in meeting its purpose.

7.02 Composition

1. The Chair and Vice-Chair of the Governance and Audit Committee will be chosen by the Committee itself at its first meeting following each annual general meeting. The Chair and Vice Chair of the Governance and Audit Committee will be chosen from amongst the opposition group(s), non-aligned Councillors or lay member on the Council (that is to say from amongst the group(s) none of whose members are included in the Cabinet). [From May 2022 the appointment of the Chair must be from one of the Lay Members appointed to sit on the Committee.](#)
2. The County Council shall appoint [two \(three from May 2022\) people who are](#) neither a serving Councillor nor an officer of the County Council or any other Council to serve as a lay members of the Committee with full voting rights. The lay member's term of office shall be from the first County Council meeting following the annual general meeting following the County Council elections until the first County Council meeting after the annual general meeting following the next County Council elections. No more than one member of the Committee shall be on the Council's Cabinet. The Council Leader cannot be a member of the Committee.
3. It is the express wish of the Council that there should be continuity of membership of the Governance and Audit Committee so as to build up a body of expertise and maintain a consistency of approach.
4. In recognising the express wish of the Council but observing the requirements of the legislation for political balance, the Governance and Audit Committee will comprise seven [\(six from May 2022\)](#) Members with the seats allocated in accordance with the legislation to the appropriate political groups and one lay member. Any proposed substitution shall comply with Council Procedure Rule 22.4 and the proposed substitute shall have attended relevant training. Substitutes will only be permitted where the Governance and Audit Committee, at the commencement of its meeting, agrees that good reasons exist for substitution.
5. Members will receive induction training on appointment to the Committee. Ongoing training will be provided as necessary to meet the requirements of the Committee, based on the skills and experience of the members.
6. The business of the Committee shall be conducted apolitically.

Governance and Audit Committee Actions Raised – 2021/22

Appendix B

| Item No. | Report | Action Required | Action Taken | Status |
|---|--|---|--|--------|
| No Action raised from June, July & September 2021 Committees | | | | |
| 24th November 2021 | | | | |
| 35. | Risk Management | The 'outcome' column of the allocation of risk to O&SC document would be updated to clarify where risks were being reported. | This has now been actioned. | Closed |
| 35. | Risk Management | Risk management would form part of the induction programme for the next Council term following the Elections. | A workshop is being planned in for January 2023 and will include Performance and Risk Management and Corporate Self-Assessment. | Open |
| 38. | Internal Audit Progress Report | An update on the progress of the overdue action for Payroll 2017/18 would be shared with the Committee. | An update has been provided to members on 14 th January 2022. | Closed |
| 38. | Internal Audit Progress Report | The forward work programme to be updated to remove the Internal Audit Progress report for each November meeting. In future the progress report will be presented to Committee each June, September, January and March. | The forward work programme has been updated to remove the November progress report from the programme. | Closed |
| 39. | Governance and Audit Committee Self-Assessment | That preparations for the Annual Report should incorporate a review of the Committee's Terms of Reference to ensure that the remit was being met in full. | This will be undertaken in preparation for the Governance and Audit Committee's Annual report and will be shared with members at the self-assessment workshop. | Closed |
| 39. | Governance and Audit Committee Self-Assessment | That the outcomes and training requirements identified in the action plan from the self-assessment be noted and progressed. | A training programme will be developed and updated to support the Committee's future self-assessment | Open |
| 42. | Forward Work Programme | The Corporate Finance Manager would report back to Committee members following discussions with colleagues across the region regarding preparations for the introduction of a new Finance Management Code. | Discussions are ongoing (on a Regional agenda 14/1/22) and this will also link to a review of the AGS | Closed |
| 26th January 2022 | | | | |

| Item No. | Report | Action Required | Action Taken | Status |
|-----------------------------------|---|---|--|--------|
| 48. | TM Strategy 2022/23 & Q3 Update 2021/22 | To schedule a future report on Climate Change and decarbonisation activities. | A report will be presented to Governance and Audit Committee in September on this subject. | Closed |
| 49. | Code of Corporate Governance | To highlight in Section 2 the availability of information on the Recovery Committee throughout the pandemic. | The Code of Corporate Governance has been updated to reflect this. | Closed |
| 52. | IA Progress Report | To refer future Amber/Red reports to their respective Overview & Scrutiny Committees including the three on this agenda, and to include that information on Progress Reports. | This has been requested with each of the service areas. | Closed |
| 54. | Forward Work Programme | To share a link to the Audit Wales reports on Care Homes with the Committee. | Provided during the G&AC meeting | Closed |
| 54. | Forward Work Programme | To liaise with the Service to bring forward the Annual Complaints report and schedule the item on Carbon Reduction. | This had been moved to November 2022 meeting however due to the availability of the PSOW and the reporting process this has had to be moved back to January. | Closed |
| 54. | Forward Work Programme | To consider the suggestion made to bring forward the Budget report from September. | Due to the budget report only going to cabinet in July this would need to remain in the FWP for September | Closed |
| 14th March 2022 | | | | |
| 59. | External Regulation Assurance | To include progress on external actions in the Annual Report and AGS process, and to include an appendix to future External Regulation Reports. | Updates were provided in the Internal Audit Annual Report of progress against the AGS and External Regulations actions. | Closed |
| 59. | External Regulation Assurance | To provide a response to the Committee on a query raised regarding the Rental Income report (P1 on p.27 of agenda), i.e., whether 'both' in the first bullet point means that these are two separate measures; and whether 'in unpaid rents' indicates that other write-off amounts are included. | Update provided to members 19.05.2022 | Closed |

Governance and Audit Committee Forward Work Programme – 2022/23

Appendix C

| Date / Area of Assurance | 28.09.2022 | 14.11.2022 | 25.01.2023 | 22.03.2023 | June 2023 | July 2023 |
|---|---|--|--|--|--|--|
| Audit Wales (AW) | Commissioning Older People's Care Home Placements | | | Annual Audit Summary (AW) (2021/22) | | |
| | | | | Audit Plan (AW) | | |
| Internal Audit | External Public Sector Internal Audit Standards Assessment 2022 | | Internal Audit Charter | Internal Audit Strategic Plan | Internal Audit Annual Report | |
| | Internal Audit Progress Report | | Internal Audit Progress Report | Internal Audit Progress Report | Internal Audit Progress Report | |
| Governance & Risk Management | GAC Action Tracking Forward Work Programme | GAC Action Tracking Forward Work Programme | GAC Action Tracking Forward Work Programme | GAC Action Tracking Forward Work Programme | GAC Action Tracking Forward Work Programme | |
| | | GAC Annual Report | Risk Management Update | Annual Report on External Inspections | Draft Annual Governance Statement | |
| | | | Code of Corporate Governance | | | |
| | | | Annual Governance Statement Mid-Year review | | | |
| Performance | | | Corporate Complaints & Compliments Annual Report | | | |
| | | | Corporate Self-Assessment Draft Report | | | |
| Finance | School Reserves – Annual Report on School Balances | Statement of Accounts | | | Certification of Grants and Returns Report | Draft Statement of Accounts |
| | | Asset Disposals and Capital Receipts | | | | Supplementary Financial Information to Draft Statement of Accounts |
| Treasury Management | | Treasury Management Q2 – Mid Year Report | Treasury Management Q3 Update and Strategy | Treasury Management Q4 Update | | Treasury Management Q1 Update and Annual Report |
| Senior Officer Updates | | Climate Change & Decarbonisation Report | | | | |

Matters to be address outside of formal Committee meetings during 2022/23

| | |
|--|--|
| <p>Governance and Audit Committee</p> <ul style="list-style-type: none"> • Budget Workshops for members – October 2022 • Annual Self-Assessment Workshop – December 2022 • Treasury Management Training – December 2022 • AGS Workshop – Date to be confirmed • Private Meeting (AW and Internal Audit) • Training and Development sessions • Chairs and Vice Chairs Liaison Group Meeting • All Wales Chairs and Vice Chairs Network Group | <p>General</p> <ul style="list-style-type: none"> • Correspondence, updates to actions and reports for information purposes • Time sensitive consultation • In person / video meetings as and when necessary |
|--|--|

Audit Committee Self-Assessment Summary and Action Plan 2020/21

Appendix D

Summary of Governance and Audit Committee's Self-Assessment 2020/21

| No | Topic | Questions Answered | | | |
|----|--|--------------------|--|------------------------------|----------------|
| | | Strongly Agree | Agree but identified areas for further improvement | Disagree and action required | Not Applicable |
| 1. | Good Governance: Promoting the principles of good governance and its application to decision making | 3 | 2 | 0 | 0 |
| 2. | Internal Control: Raising awareness of the need for sound internal control and contributing to the development of an effective control environment | 3 | 2 | 0 | 0 |
| 3. | Risk: Supporting arrangement for governance of risk and for effective arrangements to manage risk | 4 | 1 | 0 | 0 |
| 4. | Assurance Framework: Advising on the adequacy of the assurance framework and considering whether assurance is deployed efficiently and effectively | 3 | 1 | 0 | 1 |
| 5. | Internal and External Audit: Reinforcing the objectivity, importance and independence of internal audit and external audit and therefore the effectiveness of the audit functions. | 4 | 1 | 0 | 0 |
| 6. | Assurance Arrangements: Aiding the achievement of the Authorities goals and objectives through helping ensure appropriate governance, risk, control and financial assurance arrangements. | 3 | 3 | 0 | 0 |
| 7. | Ethics and Values: Helping the Authority to implement the values of ethical governance, including effective arrangements for countering risks of fraud and corruption. | 3 | 1 | 0 | 0 |
| 8. | Transparency & Accountability: Promoting measures to improve transparency and accountability and effective public reporting to the Authority's stakeholders and the local community. | 3 | 0 | 0 | 1 |
| | Overall Summary | 26 | 11 | 0 | 2 |

Action Plan – Progress against the Governance and Audit Committee’s Self-Assessment during 2021/22

| No | Question | Agree | Agree & Identified areas for improvement | Disagree | Response to Question | Action | Status of Actions |
|-----|--|-------|--|----------|---|---|--|
| 1. | Good Governance: Promoting the principles of good governance and its application to decision making | | | | | | |
| 1.1 | How does the Committee promote the principles of good governance within the organisation? | | Y | | Through training, self-assessment and Audit Wales. However, the Committee was unsure about ‘promoting’ the committee. Given the new Act will require a Lay Member as Chair this will need to be given further consideration. The committee also identified that it would be good to benchmark forward work programmes of other LAs to theirs. | As a result of the new Act, consideration needs to be given as to how the Chair will be able to fulfil their role and form a relationship with officers and members of the Council. To benchmark other G&AC work programmes. | Ongoing – this will continue to develop. Chair and Vice chair already attended COT re action tracking and invited to the budget setting workshops for members in October 2022. Closed – A Benchmarking exercise of GAC FWP’s across Wales has been undertaken and in the whole FCC is comparative with the other LAs. |
| 1.3 | How does the Committee promote and encourage openness and transparency in decision making? | | Y | | The Committee encourages consultation when an issue arises. All reports are open and transparent, available to the public. A discussion took place over how O&SC’s see and/or know about the G&AC. This was picked up in the previous self-assessment. Going forward a questionnaire will also be sent | As part of the self-assessment process next year the Overview & Scrutiny Committees, Cabinet Members and Chief Officers will be consulted. | Open – Self assessment due to be undertaken in December 2022. |

| No | Question | Agree | Agree & Identified areas for improvement | Disagree | Response to Question | Action | Status of Actions |
|-----------|---|-------|--|----------|---|--|--|
| | | | | | to the O&SC chairs. G&AC feel there is little communication between the committee and the O&SC's presently however appreciated the liaison group has only just been reconvened following the pandemic and therefore will reassess at a later date. | | |
| 2. | Internal Control: Raising awareness of the need for sound internal control and contributing to the development of an effective control environment | | | | | | |
| 2.2 | Does the Committee formally report the findings of its work and its recommendations for improving internal control to the Council? | | Y | | Yes, through its Annual report to Council. The Committee did recognise that it would be helpful if they made more recommendations than accepting reports as this would help with visibility. | Where appropriate the Committee to make recommendations rather than accepting reports. | Ongoing - will be applied where relevant. |
| 2.4 | Is the Committee recognised within the Council as an agent for improvement? | | Y | | It difficult to determine this (by lay members) Chair also has a question regarding this – area to explore with the appointment of the new chair. It was also raised that refresher training for G&AC members could be beneficial as well as an awareness session for non G&AC members. | Refer to action 1.1 Develop the training available for the new members of the G&AC and an awareness session for non G&AC members. | Ongoing - Refer to action 1.1 |
| 3. | Risk: Supporting arrangement for governance of risk and for effective arrangements to manage risk | | | | | | |
| 3.3 | Does the Committee periodically deep dive into a | | Y | | The Committee feel this should be done however recognise that there is a degree | Invite individual managers to meeting re risk owners from | Open – development of the Risk Management |

| No | Question | Agree | Agree & Identified areas for improvement | Disagree | Response to Question | Action | Status of Actions |
|-----------|---|-------|--|----------|---|--|---|
| | specific risk/risk area to confirm that risk management and mitigation arrangements are fit for purpose? | | | | of sensitivity around this. There is also a cross over between G&AC and O&S. G&AC do receive Red reports / Limited assurance reports in full and the Chief Officer / Services will also attend. The review of risks is also picked up as part of the audit planning process. | the risk register to deepen own understanding and promote / awareness. | Framework has delayed this. Further Risk Management update to presented to member in January 2023. |
| 4. | Assurance Framework: Advising on the adequacy of the assurance framework and considering whether assurance is deployed efficiently and effectively | | | | | | |
| 4.4 | Does the Committee have good relationships and able to share information with other parts of the assurance framework, e.g., Scrutiny, Internal Audit, Complaints | | Y | | Yes, with Internal audit and there is an escalation process in place with the O&SCs. There is a Chairs and Vice Chairs Liaison group in place but feels this is the lowest priority for everyone. However, appreciates that it has only just been reconvened as result of the pandemic. Currently complaints are reported to CROSC however from April 2022 this will fall under the remit of the Committee. Training in this area has been identified by the members. | To arrange training for G&AC member on corporate complaints. | Open – To be provided by the Public Services Ombudsman for Wales at the beginning of the January 2023 committee. |
| 5. | Internal and External Audit: Reinforcing the objectivity, importance and independence of internal audit and external audit and therefore the effectiveness of the audit functions. | | | | | | |

| No | Question | Agree | Agree & Identified areas for improvement | Disagree | Response to Question | Action | Status of Actions |
|-----|---|-------|--|----------|---|--|---|
| 5.4 | Does the Committee ensure that internal and external audit recommendations are addressed and implemented by the organisation? | | Y | | This is always an area for improvement; however, proportionality needs to be considered here. | The Internal Audit Manager to review alternative approaches for actions tracking with Management. | Closed – Chair and Vice Chair attended COT to discuss further. Officer with long overdue actions will be invited to GAC to provide an update. |
| 6. | Assurance Arrangements: Aiding the achievement of the Authorities goals and objectives through helping ensure appropriate governance, risk, control and financial assurance arrangements. | | | | | | |
| 6.4 | Do members of the Committee have strong working relationships with members of the Executive which provide the Committee with early warning of planned developments / projects, and enable the Committee to ensure that appropriate governance, risk, control and financial assurance arrangements are considered at an early stage? | | Y | | Strong working relationship is there however with the new arrangement for the Chair this will need to be considered carefully. The committee questioned the reference to early warnings. Since the session, the CIPFAs model TOR has since been reviewed and currently does not require the G&AC to be made aware of early warning. | Relationship of the future chair to be considered given the position will be a lay member. | Ongoing – this will continue to develop. Chair and Vice chair already attended COT re action tracking and invited to the budget setting workshops for members in October 2022. |
| 6.5 | Do the quarterly Treasury Management reports provide members with the information they need? Is there too much information or too little? Is there anything else that would | | Y | | Reports are comprehensive Treasury Management training sessions could be developed as the last one was complex. May be one put on internally. The committee also raised a point that | The approach to delivering Treasury Management training to be reviewed to reflect the feedback from the committee. | Closed – Accountancy took on board feedback and adapted training where possible. |

| No | Question | Agree | Agree & Identified areas for improvement | Disagree | Response to Question | Action | Status of Actions |
|-----------|--|-------|--|----------|--|---|---|
| | be useful to include? | | | | external audit is placing more emphasis on value for money work and questioned whether this would be part of the G&AC remit. | Accountancy to liaise with external audit over the role of G&AC and value for money work | |
| 7. | Ethics and Values: Helping the Authority to implement the value of ethical governance, including effective arrangements for countering risks of fraud and corruption. | | | | | | |
| 7.3 | How does the Committee obtain assurance that values and ethical governance arrangements have been effectively communicated across the organisation and have been embedded? | | Y | | In terms of ethical values, this is an area the committee has not been involved in, in detail. An audit has been completed. The full report is to be shared with the G&AC for information. The Committee did highlight that it would be useful to see the annual report from the Standards Committee for oversight. | Audit report on Ethical Values to be shared in full with the Governance and Audit Committee. Annual report from standards committee to be shared to the Governance and Audit Committee for oversight | Closed – Report shared with the Governance and Audit Committee on 25/11/2021 |



FLINTSHIRE COUNTY COUNCIL

| | |
|------------------------|---|
| Date of Meeting | Tuesday 24 th January 2023 |
| Report Subject | Financial Procedure Rules |
| Cabinet Member | Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement |
| Report Author | Corporate Finance Manager |
| Type of Report | Operational |

EXECUTIVE SUMMARY

The purpose of the report is to provide County Council with proposed updated Financial Procedure Rules (FPR's) following a detailed review.

The FPR's were considered and endorsed by Governance and Audit Committee on 14th November 2022 who asked for clarification regarding some of the changes made, and the points raised and responses provided are set out in the report.

The FPR's were then considered by the Constitution and Democratic Services Committee on 12th January 2023 where further clarification was sought regarding some sections, however no further amendments were required as a result.

The updated FPR's are attached as Appendix 1 with the Glossary of Terms included as Appendix 2.

RECOMMENDATIONS

- | | |
|---|---|
| 1 | That Members approve the updated Financial Procedure Rules. |
|---|---|

REPORT DETAILS

| 1.00 | EXPLAINING THE FINANCIAL PROCEDURE RULES (FPR'S) |
|-------------|---|
| 1.01 | Section 151 of the Local Government Act 1972 and the Accounts and Audit (Wales) Regulations require the Council to make arrangements for the proper administration of its financial affairs. |
| 1.02 | To conduct its business efficiently, the Council needs to ensure that it has sound financial management policies in place and that they are adhered to. Part of this is the establishment of financial procedures that set out the financial policies of the Authority. |
| 1.03 | The Financial Procedure Rules (FPR's) state that: 'The Chief Finance Officer is responsible for maintaining a continuous review of the FPR's, and submitting any additions or changes necessary to Council for approval.' |
| 1.04 | <p>The FPR's are set out into six main sections:</p> <ol style="list-style-type: none"> 1. Status of Financial Regulations 2. Financial Management – General roles and responsibilities 3. Financial Planning 4. Risk Management and Control of Resources 5. Financial Systems and Procedures 6. External Arrangements |
| 1.05 | The Council's FPR's are reviewed every two years. Previous reviews have updated them to reflect the CIPFA guidance on financial regulations. |
| 1.06 | The FPR's were last updated and approved by Council in October 2020. |
| 1.07 | <p>The main revisions made in this updated version are:</p> <ul style="list-style-type: none"> • An amendment to simplify the process for the recovery of overpayments of salaries to, wherever possible, agree the deduction of an agreed amount from future salary payments to the employee • Amendment to the thresholds for the approvals of bad debt write offs with single debts up to £10,000 to be approved by the Corporate Finance Manager (previous level £5,000) – other approval levels remain unchanged. • Further minor changes to job titles where appropriate, updated reference to guidance e.g. CIPFA codes, changes to committees and other minor clarifications regarding payment terms and conditions. |

1.08

Governance and Audit Committee considered the revised FPR's on 14^h November 2022.

Feedback and questions raised by the committee are set out below.

| Audit Committee Question | Response |
|--|--|
| In relation to the budget virement level, do we consider the virement levels in other local authorities? | Levels of virement are a local choice and the virement levels were increased as part of the last review. We will look at the level in the other North Wales authorities to compare in the future. |
| In relation to bad debt write-offs, are we certain that there is a rigorous process in place by the revenues team to maximise debt recovery. | Assurance was given that the revenues team have rigorous processes in place and that all options are explored prior to a write off being recommended and approved. |
| Further clarification sought on what is a "true copy" of an invoice. (h) P.41. | This relates to a copy of an invoice that should include all of the original details, system produced and not compromised or hand written. |
| Clarification sought regarding the checking of goods and services under "Key Controls" (d) P.38. | <p>The amendment removed the sentence "goods should not be received by the person who placed the order". This now reads "Goods and services received are checked to ensure they are in accordance with the order".</p> <p>An alternative wording has now been included changing this to, "Goods and services received should be checked by the person who placed the order to ensure they are in accordance with the order."</p> |
| Committee asked how raising the awareness of the FPR's is undertaken. | Attendance at Portfolio management teams, training sessions undertaken and reinforced through Internal Audit work. |
| Clarification on employee contractual clauses relating to recovery of salary overpayments | Confirmation given that employee contracts do include reference to repayment of any salary overpayment. |

| | |
|------|---|
| 1.09 | <p>The Constitution and Democratic Services Committee considered the revised FPR's following incorporation of the amendment following Governance and Audit Committee on 12th January 2023 where further clarification was sought regarding some sections, however no further amendments were required as a result.</p> <p>A copy of the revised FPR's showing all tracked changes is attached as Appendix 1.</p> |
| 1.10 | <p>A summary of the FPR's will also be made available which is intended to be an easy reference guide for budget holding managers and other staff. This will include practical advice and references to more detailed information when requested.</p> |
| 1.11 | <p>Following approval of the FPR's the Finance Team will continue to undertake awareness raising with management teams to ensure that managers and their staff understand their responsibilities with regard to the FPR's and emphasis will be put on the requirement of <u>all</u> staff to ensure compliance.</p> |
| 1.12 | <p>Once approved, the adherence to the FPR's will be monitored by finance teams with any breaches or concerns reported to Chief Officers on a regular basis.</p> |

| | |
|-------------|---|
| 2.00 | RESOURCE IMPLICATIONS |
| 2.01 | <p>There are no resource implications arising directly from the report although the implementation of the FPR's ensure robust, consistent financial processes across the Authority.</p> |

| | |
|-------------|--|
| 3.00 | IMPACT ASSESSMENT AND RISK MANAGEMENT |
| 3.01 | <p>The FPR's contribute to minimising the financial risks across the Council</p> |

| | |
|-------------|--|
| 4.00 | CONSULTATIONS REQUIRED/CARRIED OUT |
| 4.01 | <p>The proposed changes have been prepared in consultation with the Chief Officer Team, Financial Management Team and Internal Audit and have been considered by the Audit and the Constitution and Democratic Services Committee.</p> |

| | |
|-------------|---|
| 5.00 | APPENDICES |
| 5.01 | <p>Appendix 1 – Financial Procedure Rules (With tracked Changes) Appendix 2 – Glossary of Terms</p> |

| | |
|-------------|--|
| 6.00 | LIST OF ACCESSIBLE BACKGROUND DOCUMENTS |
| 6.01 | None |
| 7.00 | CONTACT OFFICER DETAILS |
| 7.01 | Contact Officer: Sara Dulson, Strategic Finance Manager Telephone: 01352 702287 E-mail: Sara.dulson@flintshire.gov.uk |
| 8.00 | GLOSSARY OF TERMS |
| 8.01 | See Appendix 2 |

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Flintshire County Council

Financial Procedure Rules

Revised ~~2020~~2022

Contents

1. Status of Financial Regulations
2. Financial Management – General Roles and Responsibilities
3. Financial Planning
4. Risk Management and Control of Resources
5. Financial Systems and Procedures
6. External Arrangements

1. Status of Financial Regulations

1.1 What are Financial Procedure Rules?

1.1.1 Financial Procedures provide the framework for managing the Council's financial affairs. They apply to every Member and officer of the Council and anyone acting on its behalf.

1.1.2 The procedures identify the financial responsibilities of the full Council, the Cabinet and officers.

1.1.3 Where there are references to the Chief Executive and Chief Officer the responsibility is as follows:

The Chief Executive as Head of Paid Service at a strategic level provides oversight, coordination and direction across the organisation and ensures the Chief Officer Team work collectively.

Chief Officers are accountable at a strategic and operational level for resource management, performance management and delivery of services for the Portfolio for which they have responsibility.

In addition, the Council holds the following statutory posts:

The Head of Paid Service is the Chief Executive

The Chief Finance Officer is the Corporate Finance Manager

The Chief Education Officer is the Chief Officer (Education and Youth)

The Monitoring Officer is the Chief Officer (Governance)

The [Director of Social Services is the](#) Chief Officer (Social Services)

[The Director of Children's Services is the Chief Officer \(Education and Youth\)](#)

Democratic Services Manager

1.1.4 These Financial Procedure Rules are part of the Council's Rules of Procedure. They must be read in conjunction with the rest of the Constitution, of which they form part, including the Contract Procedure Rules.

1.1.5 These Financial Procedure Rules and other regulatory rules apply to the Clwyd Pension Fund except where separate legislation exists, e.g. Local Government Investment Regulations.

1.2 Why are they important?

1.2.1 To conduct its business effectively, the Council needs to ensure that sound financial management arrangements are in place and that they are strictly adhered to in practice. Part of this process is the establishment of Financial Procedures which set out the financial responsibilities of the Council. These procedures have been devised as a control to help the Council manage its financial matters properly in compliance with all necessary requirements.

1.2.2 Good, sound financial management is a key element of the Council's Corporate Governance framework which helps to ensure that the Council is doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.

1.2.3 Good financial management secures value for money, controls spending, ensures due probity of transactions and allows decisions to be informed by accurate accounting information.

1.2.4 Good financial management requires secure and reliable records and systems to process transactions and information and substantiate the effective use of public money.

1.2.5 Financial Procedures should not be seen in isolation, but rather as part of the overall regulatory framework of the Council as set out in the Council's Constitution.

1.3 Who do Financial Procedures apply to?

1.3.1 Financial Procedures apply to every Member and officer of the Council and anyone acting on its behalf. Members and officers have a general responsibility for taking reasonable action to provide for the security and use of the resources and assets under their control, and for ensuring that the use of such resources and assets is legal, consistent with Council policies and priorities, is properly authorised, provides value for money and achieves best value.

1.3.2 Separate financial procedures have been incorporated into the Council's Scheme for Financing of Schools and relate to those matters where decisions have been delegated to school governing bodies.

1.3.3. These Financial Procedures shall apply in relation to any partnership for which the Council is the accountable body, unless the Council expressly agrees otherwise. Where services are provided via an 'Alternative Delivery Model', specific financial procedures will be incorporated into the individual models.

1.3.4 Failure to observe Financial Procedures may result in action under the Council's disciplinary procedures.

1.4 Who is responsible for ensuring that they are applied?

1.4.1 The Chief Executive and Chief Officers are ultimately responsible to the Council for ensuring that Financial Procedures are applied and observed by his/her staff and contractors providing services on the Council's behalf and for reporting to the Chief Finance Officer any known or suspected breaches of the procedures.

1.4.2 The Chief Finance Officer is responsible for maintaining a continuous review of the Financial Procedures and submitting any additions or changes necessary to the Council for approval. The Chief Finance Officer is also responsible for reporting, where appropriate, breaches of the Financial Procedures to the Council and/or to the Members.

1.4.3 The Chief Finance Officer is responsible for issuing advice and guidance to underpin the Financial Procedures which Members, Chief Executive and Chief Officers and others acting on behalf of the Council are required to follow.

1.4.4 Where any Officer or Member considers that complying with Financial Procedures in a particular situation might conflict with the achievement of value for money or the principles of Best Value or the best interests of the Council, he/she shall raise the issue with the Chief Finance Officer who will, if he/she considers necessary and appropriate, seek formal approval from the Council for a specific waiver of the procedures, or an amendment to the procedures themselves.

2. Financial Management – General Roles and Responsibilities

The Role of the Full Council

2.1.1. The Council has a duty towards its Council ~~Tax payers~~[Taxpayers](#) and Non Domestic Ratepayers with regard to financial decisions and their consequences. The full Council is responsible for adopting the Council's Constitution and Members' Code of Conduct and for approving the budget and policy framework within which the Cabinet operates. It is also responsible for approving and monitoring compliance with the Council's overall framework of accountability and control. The full Council is also responsible for monitoring compliance with policies and related Cabinet decisions.

2.2 The Role of the Cabinet

2.2.1 The Cabinet (as the Council's Executive) is responsible for proposing the Budget and Policy Framework to full Council, and for discharging executive functions in accordance with the Budget and Policy Framework.

2.3 The Role of the Chief Finance Officer

2.3.1 The Chief Finance Officer is accountable to the Chief Executive and the Council and has statutory duties that provide overall responsibility for the financial administration and stewardship of the Council. This statutory responsibility cannot be overridden. These statutory duties arise from:

- Section 151 of the Local Government Act 1972
- The Local Government Finance Act 1988
- The Local Government and Housing Act 1989
- The Accounts and Audit Regulations (Wales) Regulations currently in force

2.3.2 The Chief Finance Officer among other functions is responsible for;

- a) The proper administration of the Council's financial affairs.
- b) Setting and monitoring compliance with financial management standards.
- c) Advising on the corporate financial position and on the key financial controls necessary to secure sound financial management.
- d) Advising on all matters which affect, or potentially affect, the finances or financial administration of the Council.
- e) Providing financial information.
- f) Making recommendations to the Cabinet and Council for the preparation of the revenue budget and capital programme.

- g) Preparing the approved revenue budget and capital programme.
- h) Treasury management.

The Chief Executive and Chief Officers are responsible for promoting the financial management standards set by the Chief Finance Officer in their portfolio and monitoring adherence to the standards and practices, liaising as necessary with the Chief Finance Officer.

Section 114 of the Local Government Finance Act 1988 requires the Chief Finance Officer to report to every Member of the Cabinet or the Council as appropriate and to the External Auditor, if the Council, a Committee or Officer of the Council, or a Joint Committee on which the Council is represented:

- Has made, or is about to make, a decision which involves or would involve the Council incurring expenditure which is unlawful
- Has taken, or is about to take, a course of action which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency to the Council
- Is about to make an unlawful entry in the Council's accounts

The Chief Finance Officer must consult with the Head of Paid Service and the Monitoring Officer when preparing any report under Section 114.

The Chief Finance Officer shall make a report under this Section if it appears to him or her that the expenditure of the Council incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.

Section 114 of the 1988 Act also requires:

- The Chief Finance Officer to nominate a properly qualified member of staff to deputise should he or she be unable to perform the duties under Section 114 personally, due to absence or illness
- The Council to provide the Chief Finance Officer with sufficient staff, accommodation and other resources – including legal advice where this is necessary – to carry out the duties under section 114
(All references to a Committee (joint or otherwise) include Sub-Committees).

Where a report has been issued by the Chief Finance Officer under Section 114 of the Local Government Finance Act 1988, the Council and the Council's Head of Paid Service shall then follow the requirements of Sections 115 and 116 of the said Act.

2.4 The Role of Chief Officers

2.4.1 Chief Officers are each accountable to the Council for the financial management and administration of those services and activities allocated to them in accordance with Council policy.

2.4.2 Chief Officers are responsible for:

- a) Ensuring that adequate and effective systems of internal control are operated to ensure the accuracy, legitimacy and proper processing of transactions and the management of activities, having regard to advice and guidance from the Chief Finance Officer.
- b) Ensuring that Cabinet members are advised of the financial implications of all proposals and that the financial implications have been agreed by the Chief Finance Officer.
- c) Consulting with the Chief Finance Officer in seeking approval regarding any matters which may affect the Council's finances materially, before any commitments are incurred.
- d) Consulting with each other on any issue with corporate financial implications before submitting policy options or recommendations to Members.

3. Financial Planning

3.1 Strategic Planning

Why is this important?

Planning is a continuous process and is a fundamental tool in the management and control of the Council. The Council has a statutory responsibility to produce various plans. Financial planning is a key part of this process, setting out the financial consequences of the actions planned to meet the objectives and targets set within the plan.

Key Controls

- Ensure that all relevant plans are produced and that they are consistent with Corporate objectives
- Produce plans in accordance with statutory requirements
- Meet the timetables set
- Ensure that all performance information is accurate, complete and up to date
- Provide improvement targets that are meaningful, realistic and challenging

Responsibilities of the Chief Finance Officer

- a) To advise and supply the financial information that needs to be included in plans in accordance with the statutory requirements and agreed timetables.
- b) To contribute to the development of corporate and service targets and objectives and performance information.
- c) To ensure that performance information is monitored frequently to allow corrective action to be taken if targets are not likely to be met.

Responsibilities of the Chief Officers

- a) To contribute to the development of plans in line with statutory requirements.
- b) To contribute to the development of corporate and service targets and objectives and performance information.

3.2 Budgets and Medium Term Planning

Why is this important?

The Council is a complex organisation responsible for delivering a wide variety of services. It needs to plan effectively to enable scarce resources to be allocated in accordance with the Council's priorities.

Flintshire's Medium Term Financial Strategy (MTFS) provides a framework for the financial principles through which revenue and capital resources will be forecast, organised and managed to deliver the Council's vision and strategic objectives.

The MTFS uses detailed intelligence led forecasting to estimate available resources, investment needs linked to the Council Plan and priorities, demand and externally led cost pressures and opportunities for efficiencies / savings for both revenue services and the capital programme over the medium term. The MTFS enables the gap between forecast funding levels and resource requirements to be identified over the medium term.

Detailed work is undertaken on an annual basis by [the Corporate Finance Team](#), in conjunction with the Chief Executive and Chief Officer Team to build on the MTFS to enable a balanced revenue budget and capital programme which is [then](#) approved by Council for the following financial year.

Responsibilities of the Chief Finance Officer

- a) To prepare and submit reports on budget prospects for the Cabinet including resource constraints set by the Welsh Government.
- b) To determine the detailed form of revenue estimates after consultation with the Cabinet, Chief Executive and Chief Officers.
- c) To prepare and submit forecasting reports to the Cabinet on the aggregate spending plans and resources available to fund them.
- d) To advise on the medium term implications of spending decisions and prepare forecasts.
- e) To encourage the best use of resources and value for money by working with Chief Officers to identify opportunities to improve economy, efficiency and effectiveness.
- f) To advise the Council on proposals in accordance with responsibilities under Section 151 of the Local Government Act 1972.

Responsibilities of the Chief Officers

- a) To integrate financial and budget plans into service planning so that budget plans can be supported by financial and non-financial performance measures.
- b) To encourage the best use of resources and value for money by working with the Chief Finance Officer to identify opportunities to improve economy, efficiency and effectiveness.

3.3 Budgeting

3.3.1 Revenue Budget

Why is this important?

Budgetary control and monitoring procedures ensure that once the budget has been formally approved by the County Council, resources allocated are used for their intended purposes and are properly accounted for. Budgetary control is a continuous process, enabling the Council to review and adjust its budget targets during the financial year.

By continuously identifying and explaining variances against budgetary targets, the Council can identify changes in trends and resource requirements at the earliest opportunity.

Key Controls

The key controls for managing and controlling the revenue budget are:

- Budget managers should be responsible only for income and expenditure that they can influence
- There is a nominated budget manager for each cost centre heading and the responsibilities for budgetary control are clearly defined
- Budget managers accept accountability for their budgets and the level of service to be delivered and understand their financial responsibilities
- Budget managers follow an approved certification process for all expenditure
- Income and expenditure are properly recorded and accounted for
- Performance levels of service are monitored in conjunction with the budget and necessary action is taken to align service outputs and budget
- An annual cycle is established to ensure budgets are promptly prepared

Responsibilities of the Chief Finance Officer

To ensure an appropriate framework of budgetary management and control that ensures that:

- a) A revenue budget is prepared on an annual basis, together with a revenue projection over the medium term, for consideration by the Cabinet, which will make recommendations to the Council. The Council is responsible for the approval of the revenue budget.
- b) A resource allocation process is developed and maintained for consideration by Members at each stage of the revenue budget process.
- c) The revenue budget includes the proposed level of unallocated Council Fund reserves, proposed taxation levels and the proposed budgets for each Chief Officer and for central and corporate budget heads.
- d) Each Chief Officer has available timely information on receipts and payments on each budget which is sufficiently detailed to enable managers to fulfil their budgetary responsibilities.
- e) Expenditure is committed only against an approved budget head.
- f) Significant variances from approved budgets are investigated and reported by budget managers on a regular and timely basis.

Responsibilities of the Chief Officers

- a) To maintain budgetary control within their departments and ensure that all income and expenditure are properly recorded and accounted for.
- b) To ensure that an accountable budget manager is identified for each area of income and expenditure under the control of the Chief Officer. As a general principle, budget responsibility should be aligned as closely as possible to the decision making that commits expenditure.
- c) Ensure that Managers and all staff understand their financial responsibilities.
- d) Ensure that budget managers follow the monthly budget monitoring procedures when using Collaborative Planning (CP) system.
- e) To prepare annual service plans linked to the Council Plan identifying any budgetary implications for inclusion in the Medium Term Financial Plan for Member consideration.
- f) To ensure that spending remains within the service's overall cash limit, and that individual budget heads are not overspent, by monitoring the budget and taking appropriate corrective action where significant variations from the approved budget are forecast. Variances in excess of £50k should be reported with an explanation to the Chief Finance Officer.

- g) Prepare budget action plans where a significant overspend is forecast. The action plan should identify how expenditure will be brought back into line with budget, either by taking corrective action, or through the proposed use of compensating savings elsewhere in their budget.
- h) Report areas of forecast under spend, along with the implications for future years, for corporate consideration of where any available resources should be re-allocated. The use of budget savings other than in accordance with the approved budget is not permitted without Cabinet approval.
- i) Consult with the Chief Finance Officer and seek advice on further action to be taken before any commitments are incurred, where these are not covered by the Council's approved budget.
- j) Report significant variations from budget to the Chief Finance Officer, who will report the position and any budget actions plans in the overall budget monitoring report to Cabinet. In certain circumstances it may be that the significance of the variance requires a separate report to Cabinet for consideration or approval. The report will outline the reasons for the projected variance, the implications for future years' budgets, along with the budget action plan to bring expenditure in line with the budget.
- k) Budget action plans will be monitored by the relevant Chief Officer who will notify the Chief Finance Officer should it emerge that a budget action plan will fail to prevent an overspend. The Chief Finance Officer will report the position to Cabinet.
- l) In exceptional cases submit reports to the Cabinet and to the Council, in consultation with Chief Finance Officer, where a Chief Officer is unable to balance expenditure and resources within existing approved budgets under his or her control, requesting a supplementary budget allocation for the current financial year only.
- m) Nothing in the Financial Procedure Rules shall prevent expenditure being incurred which is essential to meet any immediate needs arising from an emergency, including any expenditure under Section 155 of the Local Government and Housing Act 1989 (Emergency Financial Assistance Scheme, formerly known as the "Belwin" scheme). Such action shall only be taken after consultation with the Chief Finance Officer, and any such expenditure must be reported retrospectively to the Cabinet, and agreement for the funding of such expenditure and how it should be treated must be agreed as soon as possible.
- n) To ensure compliance with the scheme of virement.

3.3.2 Budget Virements/Accounting Adjustments

Why is this important?

Transfers between budgets is an integral and important feature of budgetary control for an organisation to ensure sound financial management.

In general terms there are two main types of budget transfers:-

1. Accounting Adjustments – this is where it is necessary to transfer a budget from one place to another to account properly for the relevant expenditure or income but where the approved purpose of that expenditure/income does not change from that approved by County Council. An example of this is the allocation of energy inflation which is held centrally and allocated to portfolio areas based on evidenced need.
2. Formal Virements – this is where there is an intended action to transfer budget from one place to another that does change the purpose of the expenditure/income approved by County Council. An example of this would be the transfer of an amount from Adult Social Services to Children's Social Services to deal with a pressure in the Children's Services area.

The Key Principles underpinning the control of budget transfers are as follows:

- Where Budget transfers relate to a change of use or policy they should be authorised and there should be formal evidence of this
- Transferring budgets simply to minimise variances are specifically precluded
- Where an approved budget is a lump sum provision or contingency intended for allocation during the year, its allocation will not be treated as a virement provided the amount is used in accordance with the purposes for which it was originally intended, or if Cabinet has approved the basis on which it will be allocated

Formal Virements in excess of £100,000 (this includes cumulative amounts over £100,000) should be submitted to Cabinet for Approval

- Where there are policy implications for the Council which require a budget virement, Cabinet approval must be obtained

Overall control of budget transfers is undertaken within the Strategy and Insurance team which tracks the movements and also ensures that any virements that change the purpose of the funding are subject to the relevant approval

The Corporate Finance Manager as Section 151 Officer for the Council has a legal responsibility to ensure the proper management of the Council's financial affairs and is content that the rules and procedures in place governing the virement of budget are adequate.

Key Controls

- Performance levels of service are monitored in conjunction with the budget and necessary action is taken to align service outputs and budget
- Notification of virements should be given to the Chief Finance Officer and approved

Responsibilities of the Chief Finance Officer

- a) Ensure that budget virements in excess of £100,000 (cumulative) are submitted to Cabinet for approval.
- b) Where there are policy implications for the Council ensure that Cabinet approval is obtained where it is proposed to vire between budgets of different Cabinet Portfolio holders or vire between budgets managed by different Chief Officers.
- c) Where there are implications to the policy framework submit a joint report with the relevant Chief Officer.

Responsibilities of the Chief Officers

- a) To ensure compliance with the scheme of virement.
- b) To agree with the relevant Chief Officer where it appears that a virement proposal may impact materially on another service area.

3.4 Capital Programme

Why is this important?

Capital expenditure involves acquiring or enhancing fixed assets with a long term value to the Council such as land, buildings and major items of plant, equipment and vehicles. Capital assets shape the way services are delivered in the long term and create financial commitments for the future in the form of financing costs and revenue running costs.

Key Controls

The key controls for capital programmes are:

- Specific approval by the County Council for the programme of capital expenditure
- Expenditure on capital schemes is subject to the approval of the Chief Officer
- A scheme and estimate, including project plan, progress targets and associated revenue expenditure is prepared for each capital project
- Accountability for each proposal is accepted by a named manager

- Monitoring of progress in conjunction with expenditure and comparison with approved budget

Responsibilities of the Chief Finance Officer

- a) To prepare capital estimates jointly with Chief Officers to report them to the Cabinet for approval which will make recommendations to the Council.
- b) To be responsible for the monitoring of the capital programme in conjunction with the ~~Chief Officer (Housing and Assets)~~[Corporate Manager, Corporate Property and Assets](#).
- c) To prepare and submit reports to the Cabinet on the projected income, expenditure and resources compared with the approved estimates on a quarterly basis. The report will identify changes in capital resources, including the generation of capital receipts and the effect of carry forward together with quantifying contractually uncommitted values by scheme.
- d) To obtain authorisation from the Cabinet for individual schemes where the estimated expenditure exceeds the capital programme provision by more than the specified amount.
- e) To ensure that whole schemes, or distinct parts thereof, which are identified as slipping into the following financial year, shall be included in the Capital Programme assessments for the later year.
- f) Ensure that the approved Capital Programme includes information on grant funded schemes if appropriate.

Responsibilities of the Chief Officers

- a) To comply with guidance concerning capital schemes and controls issued by the Chief Finance Officer.
- b) To ensure that all capital proposals have undergone a project appraisal in accordance with guidance issued by the Chief Finance Officer.
- c) To prepare regular reports reviewing the capital programme provisions for their services.
- d) To ensure that adequate records are maintained for all capital contracts.
- e) To proceed with projects only when there is adequate provision in the capital programme and with the agreement of the Chief Finance Officer, where required.
- f) To ensure that credit agreements such as leasing agreements are not entered into without the agreement of the Chief Finance Officer (via the Treasury

Management Team) and if applicable approval of the scheme through the capital programme.

- g) To ensure that for the purchase of all items which are not brand new that a Hire Purchase Information (HPI) check has been undertaken to ensure that there is no outstanding finance.

3.5 Maintenance of Reserves

Why is this important?

The Council must decide the general level of reserves it wishes to maintain before it can decide the level of Council Tax. Reserves are maintained as a matter of prudence. They enable the Council to provide for unexpected events and therefore protect it from overspending should such events occur. Reserves for specific purposes may also be maintained such as the purchase or renewal of capital items.

Key Controls

To maintain reserves in accordance with the CIPFA Code of Practice and agreed accounting policies.

The Councils Reserves protocol must be adhered to by all officers to ensure the controls governing reserves are followed.

Responsibilities of the Chief Finance Officer

To advise the Cabinet and/or the full Council on prudent levels of reserves for the Council and to provide an annual statement as to the adequacy of the level of reserves held.

Responsibilities of the Chief Officers

To ensure that resources are used only for the purposes for which they were intended. To ensure the Reserves Protocol is followed.

4. Risk Management and Control of Resources

4.1 Risk Management

Why is this important?

The Council, like any organisation, faces risks to people, property and continued business operations. Risk is the chance or possibility of loss, damage, injury or failure to achieve objectives caused by an unwanted or uncertain action or event. Risk management is the planned and systematic approach to the identification, evaluation and control of risk. Its objectives are to secure the assets of the Council and ensure the continued financial and organisational well-being of the Council. Risk management is concerned with evaluating the measures the Council has in place to manage identified risks and recommending the course of action the organisation needs to take to control these risks effectively.

Risk Management is an integral part of the Council's Governance Framework and Internal Control. The Council has a Risk Management Strategy which outlines how the Council manages risk corporately.

Key Controls

The key controls for risk management are:

- Procedures are in place to identify, assess, prevent or contain material known risks
- A monitoring process is in place to review regularly the effectiveness of risk reduction strategies and the operation of these controls. The risk management process should be conducted on a continuing basis
- Managers know that they are responsible for managing relevant risk and are provided with relevant information
- Provision is made for losses that might result from the risks that remain
- Procedures are in place to investigate claims within required timescales
- Acceptable levels of risk are determined and insured against where appropriate
- Business Continuity Plans are in place

Responsibilities of the Chief Finance Officer

- a) To develop and implement risk management controls in conjunction with Chief Officers.
- b) To include all appropriate employees of the Council in a suitable Fidelity Guarantee insurance policy.
- c) To effect corporate insurance cover, for all relevant and identified risks, through external insurance and internal funding ~~and negotiate all claims in consultation with other officers.~~
- d) In consultation with other officers if applicable, to negotiate all claims with a view to minimising both financial and reputational loss.

Responsibilities of the Chief Officers

- a) To notify the Chief Finance Officer immediately of any loss, liability or damage that may lead to a claim against the Council, and to respond promptly with any information or explanation required by the Chief Finance Officer for the Council's insurers.
- b) To take responsibility for risk management, having regard to advice from the Chief Finance Officer and other specialist officers e.g. health and safety.
- c) To implement the Risk Management [Strategy Framework](#) and ensure a regular review of risks within the service they manage.
- d) To notify the Chief Finance Officer promptly of all new risks, properties or vehicles that require insurance and of any alterations [which may affect](#) ~~ing~~ existing insurances.
- e) To ensure that employees or anyone covered by the Council's insurances do not admit liability or make any offer to pay compensation that may prejudice the assessment of liability in respect of any insurance claim.
- f) To ensure Business Continuity plans are in place and regularly reviewed.
- g) To ensure that no insurance policies are taken out without first consulting with the Chief Finance Officer.

4.2 Internal Controls

Why is this important?

Overall responsibility for the control environment rests with the Council as a whole. The Chief Officer Team is responsible for overseeing and monitoring the control environment.

Monitoring of compliance with policies, procedures, laws and regulations is undertaken by relevant key officers. The Chief Finance Officer and Monitoring Officer have statutory responsibilities. Chief Officers have responsibility for the development and maintenance of the internal control environment to ensure:

- The Council's objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that the Council's assets and interests are safeguarded

- Compliance with all applicable statutes and procedure rules, and other relevant statements of best practice

Key Controls

The key controls and objectives for internal control systems are:

- Key controls should be reviewed on a regular basis
- Financial and operational control systems and procedures, which include physical safeguards for assets, segregation of duties, authorisation and approval procedures and information systems
- An effective internal audit function that is properly resourced

Responsibilities of the Chief Finance Officer

To assist the Council to put in place an appropriate control environment and effective internal controls which provide reasonable assurance of effective and efficient operations, financial stewardship, probity and compliance with laws and regulations.

Responsibilities of the Chief Officers

- To manage processes to check that established controls are being adhered to and to evaluate their effectiveness, in order to be confident in the proper use of resources, achievement of objectives and management of risks.
- To be responsible for having in place procedures to ensure that established controls are being adhered to and for evaluating their effectiveness. Chief Officers are required to periodically assess their systems of internal control to ensure that they are adequate to manage the risks associated with the service. They are also required to undertake such reviews when material changes are to be made either to structures or to working practices. This requirement applies equally to those arrangements in which the Council has a partnership relationship with a third party.
- Assess, at least once a year, the effectiveness of the systems of internal control, in line with current Accounts & Audit (Wales) Regulations.
- Provide appropriate information to the Corporate Governance Working Group to enable the Annual Governance Statement to be included within the financial statements, as required.

- e) Review existing controls in the light of changes affecting the Council and establish and implement new controls as necessary. Also remove controls that are unnecessary or not cost or risk effective – for example, because of duplication.
- f) Ensure that staff have a clear understanding of all procedures, and of the consequences of lack of control.

4.3 Audit Requirements – Internal Audit

Why is this important?

The requirement for an internal audit function for local authorities is implied by section 151 of the Local Government Act 1972 and is required by the Accounts and Audit (Wales) Regulations 2005. The regulations state that 'a local government body shall maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with proper internal audit practices'.

Internal audit is defined in the Public Sector Internal Audit Standards as:

'Internal Auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes'

Key Controls

The key controls for internal audit are:

- That it is independent in its planning and operation
- The Internal Audit Manager has direct access to the Head of Paid Services, the Monitoring Officer, External Audit and the Chair of the [Governance and Audit Committee](#)

Responsibilities of the Chief Finance Officer

To ensure that an effective Internal Audit function is resourced and maintained. Under Section 151 the local Council should 'make arrangements for the proper administration of their financial affairs'. Proper administration includes compliance with the statutory requirements for accounting and internal audit.

Responsibilities of the Chief Officers

Chief Officers will:

- (a) Ensure that internal and external auditors are given access at all reasonable times to premises, personnel, documents and assets that the auditors consider necessary for the purposes of their work.
- (b) Ensure that auditors are provided with any information and explanations that they seek in the course of their work.
- (c) Consider and respond promptly to recommendations in audit reports.
- (d) Ensure that any agreed actions arising from audit recommendations are carried out timely and efficiently.
- (e) Ensure that whenever any matter arises which involves, or potentially involves, any suspected fraud, theft, irregularity, improper use or misappropriation of the Council's property or resources, Internal Audit are notified and take any such other immediate action as considered necessary (subject to any Council rules and protocols).
- (f) Internal Audit shall notify the Chief Officer (Governance) where appropriate, and take such action by way of investigation and report, including informing and consulting with the relevant Chief Officer, [Senior Corporate Manager, People and Organisational Development \(HR & OD\)](#), notifying the Head of Paid Service, the Police and/or the External Auditor, as considered appropriate. Pending investigations and reporting, the Chief Officer will follow the fraud response plan and will take all necessary steps to prevent further loss and to secure records and documentation against removal or alteration.
- (g) Where sufficient evidence exists to believe that a criminal offence may have been committed, Internal Audit will consult with the Chief Officer, ~~Senior Manager (HR & OD)~~ [Corporate Manager, People and Organisational Development](#) and the Monitoring Officer, together with the Head of Paid Service and determine whether to refer the matter to the Police. The Police will determine, with the Crown Prosecution Service, whether any prosecution will take place. Where fraud, theft, improper use or misappropriation of the Council's property or resources is proved, and the Council has suffered a financial loss, the Council will seek to recover the full value of any loss as outlined in the Corporate Anti-Fraud and Anti-Corruption Strategy, Fraud Response Plan and Prosecution Policy.
- (h) Instigate the Council's disciplinary procedure when the outcome of an audit investigation indicates improper behaviour (by a member of staff), or indicates that a wider investigation is appropriate.

- (i) Ensure that new systems for maintaining financial records, or records of assets, or changes to such systems, are discussed with and agreed by the Internal Audit Manager prior to implementation, to ensure that control issues are fully considered and complied with.

4.4 Security of Assets

Why is this important?

The Council holds assets in the form of property, vehicles, equipment, furniture, and other items. It is important that assets are safeguarded and used efficiently in service delivery and that there are arrangements for the security of both assets and information required for service operations. An up to date asset register is a pre-requisite for sound asset management.

Key Controls

The key controls for the security of resources such as land, buildings, fixed plant machinery, equipment, software and information are:

- Resources are used only for the purposes of the Council and are properly accounted for
- Resources are available for use when required
- An asset register is maintained, assets are recorded when acquired and the record is updated following completion of condition surveys which are carried out on a cyclical planned basis
- All staff are aware of their responsibilities with regard to safeguarding the Council's assets and information including the requirements of the General Data Protection Regulation (GDPR) and software copyright legislation
- All staff are aware of their responsibilities with regard to safeguarding the security of the Council's computer systems, including maintaining restricted access to the information held on them and the compliance with the Council's computer and internet security policies

Responsibilities of the Chief Finance Officer

Ensure that an asset register is maintained in accordance with good practice for all fixed assets. The function of the asset register is to provide the Council with information about fixed assets so that they are safeguarded, used efficiently and effectively and adequately maintained.

To receive the information required for accounting, costing and financial records from each Chief Officer.

To ensure that assets are valued in accordance with the Code of Practice on Local Council Accounting in the United Kingdom (CIPFA/LASAAC).

Ensure appropriate accounting entries are made to remove the value of disposed assets from the Council's records and to include the sale proceeds.

Responsibilities of the Chief Officers

- a) Ensure that records and assets are properly maintained and securely held.
- b) The corporate property function resides within the ~~Housing and Assets Portfolio~~ Head of Paid Services function under the Corporate Manager, Corporate Property and Assets, with property records maintained by Valuation and Estates Services in conjunction with Legal.
- c) The Chief Officer (Governance), in consultation with the Corporate Manager, Corporate Property and Assets ~~Chief Officer (Housing and Assets)~~, shall maintain a register of:
 - All lands and properties owned by the Council (with the exception of dwellings provided under the Housing Acts) in a form agreed with the Chief Finance Officer, recording the holding Committee, purpose for which held, location, extent, plan reference, purchase details, particulars of all interests, tenancies granted and rents receivable.
 - All lands and properties leased to the Council in a form agreed with the Chief Finance Officer, recording the holding Committee, purpose for which held, location, extent, plan reference and lease rental payment details.
- d) The Corporate Manager, Corporate Property and Assets ~~Chief Officer (Housing & Assets)~~ will arrange for the valuation of assets for accounting purposes to meet requirements specified by the Chief Finance Officer and, in accordance with the *Code of Practice on Local Council Accounting in the United Kingdom* (CIPFA/LASAAC).
- e) The Legal Services Manager shall have custody of all title deeds and will put in place secure arrangements for this.

- f) The [Corporate Manager, Corporate Property and Assets](#) Chief Officer (~~Housing and Assets~~) shall maintain a record of all dwellings provided under the Housing Acts in a form agreed with the Chief Finance Officer.
- g) Chief Officers shall be responsible for maintaining proper security and confidentiality of all financial and related information in the Chief Officer's possession including complying with the requirements of the Council's Information Security Policy, General Data Protection Regulation (GDPR), the Computer Misuse Act and any subsequent legislation.
- h) Chief Officers must ensure that:
- All staff are aware of their responsibilities with regard to safeguarding the Council's assets and the protection and confidentiality of information, whether held in manual or computerised records, including the requirements of GDPR and software copyright legislation
 - All staff are aware of their responsibilities with regard to safeguarding the security of the Council's computer systems, including maintaining restricted access to the information held on them and compliance with the Council's computer, portable storage media acceptable usage, e-mail and internet security policies
 - Arrangements are in place for the proper security and safe custody of all buildings, vehicles, equipment, furniture, stock, stores and other assets under their control
 - Lessees and other prospective occupiers of Council land or buildings are not allowed to take possession or enter the land or building until a lease or legal agreement, in a form approved by the Chief Officer (Governance) in consultation with the Chief Finance Officer, has been established as appropriate
 - Where land or buildings are surplus to requirements, a recommendation for sale is the subject of a report by the Chief Officer, or where action is taken under delegated powers this is reported to the Cabinet
 - Each Chief Officer maintains a register of assets with a value of over £500 which are moveable or desirable assets. The register should list the asset, location recorded, and that they are appropriately marked ~~and insured~~

- Cash holdings on premises are kept to a minimum and shall not exceed such limit as the Chief Finance Officer may prescribe, and that the arrangements for such cash holdings have been agreed with Internal Audit. Each Chief Officer must, in consultation with the Chief Finance Officer ensure safe and efficient cover for cash in transit
- Keys to safes and similar receptacles are carried in the possession of those responsible at all times; loss of any such keys must be reported to the Chief Finance Officer as soon as possible. All official keys of buildings, alarms and secure places shall be securely maintained at all times using a designated key tagging system by the individual responsible for their custody. If not held on the person of the individual responsible for their custody, they should be held under secure arrangements. The loss of any such keys shall be reported to the Chief Finance Officer immediately
- Assets are only used in the course of the Council's business, unless the Chief Officer concerned has given permission, in writing, for personal use by an employee
- Records are kept of the disposal or part-exchange of assets
- Inventories or other records are maintained, in a form approved by the Chief Finance Officer, of all vehicles, plant, equipment (including portable equipment such as FCC Laptops), machinery, protective clothing and such other items as the Chief Finance Officer may require for each location under the Chief Officer's control. Unless otherwise authorised in writing by the Chief Finance Officer, each inventory shall record, in respect of each item a brief description of the item, the serial number or other identifying mark (where applicable), particulars of acquisition (including details of ownership where applicable) and, in due course, particulars of disposal
- An annual check of all items on the inventory is carried out in order to verify location, review condition and to take action in relation to surpluses or deficiencies, annotating the inventory accordingly. Attractive and portable items such as computers, cameras and video recorders should be identified with security markings as belonging to the Council
- There are arrangements for the care and custody of stocks and stores in the Portfolio. Each Chief Officer shall be responsible for the care and custody of all stocks and stores held in that Portfolio and shall account for their purchase, control, issue and return and disposal in a manner approved by the Chief Finance Officer

- Items shall be held in stock only where ready availability or where purchase in bulk is more economical than purchase of individual items, having due regard to the storage and administration costs associated with each method. Stocks shall not exceed the level required to meet reasonable anticipated needs or to obtain the benefits of bulk purchasing, except in special circumstances in consultation with the Chief Finance Officer
- Stocks are maintained at reasonable levels and are subject to a regular independent physical check. All discrepancies should be investigated and pursued to a satisfactory conclusion, referring issues to Internal Audit, where appropriate
- The Chief Finance Officer shall receive from the appropriate Chief Officer such information relating to stocks as the Chief Finance Officer may require for accounting or costing purposes, and shall require the appropriate Chief Officer to conduct, by persons other than the storekeeper, a complete stock-take at intervals of not more than one year together with one interim stock check
- Sample checks are made of all actual stock holdings against recorded stock holdings. The checks should be such that all items of stock are included within the check at least once a year
- Discrepancies are investigated and written off as necessary
 - i) Surplus, obsolete or defective items held in stock shall be disposed of at regular intervals not exceeding one year. Procedures for disposal of such stocks and equipment, including inventory items, should be by competitive quotations or auction, unless, following consultation with the Chief Finance Officer, the Cabinet decides otherwise in a particular case. Such write-offs or disposals will be reported to the Cabinet.
 - j) When the Chief Officer considers it appropriate, the stock or inventory item may be offered to other Portfolio's or employees for the highest quotation received in a sealed bid process and competitive basis or disposed of by public auction. In each case officers should seek to achieve the highest amount of value for the Council, whichever method of disposal is appropriate. Disposal shall be certified in the stock records or inventory by the signature of the Chief Officer or other authorised Officer.
 - k) The names of Officers authorised to certify such disposals shall be agreed with and notified to the Chief Finance Officer by each Chief Officer, who shall provide the Chief Finance Officer with the specimen signature and initials of each such authorised Officer and amendments as they may occur. Disposal of items by any other method shall be subject to prior written consent from the Chief Finance Officer.
 - l) In the event that the Council decides to become involved in the commercial exploitation of intellectual property e.g. software development, the matter should be agreed by the Cabinet.

- m) Whenever, in case of eviction, re-possession or similar circumstances, the Council takes possession or custody of private moveable property, an itemised inventory shall be taken in the presence of two persons, one of whom shall be a Council Officer or representative, who both shall witness it as a correct record.
- n) Each Chief Officer shall be responsible for ensuring safe custody and maintaining adequate records of lost property found on premises for which that Chief Officer is responsible. Unclaimed items shall be disposed of by the Chief Officer under arrangements approved by the Chief Finance Officer.
- o) Each Chief Officer will ensure that controls are in place to ensure that staff do not carry out private work in Council time and that staff are aware of an employer's rights with regard to intellectual property. The ~~Senior Manager (HR & OD)~~ Corporate Manager, People and Organisational Development will ensure that this is reflected in the Council's HR Policies.
- p) Ensure that income received for the disposal of an asset is properly banked and recorded.
- q) If any aspect of security is considered defective, or if special security arrangements are considered desirable, the Chief Officer concerned shall consult with the Chief Finance Officer with a view to remedial action.

4.5 Treasury Management

Why is this important?

The Council holds varying levels of surplus cash at certain points in the year representing income received in advance of expenditure plus balances and reserves held. The Council complies with CIPFA and WG guidance 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. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

Key Controls

That the Council's borrowing and investments comply with the CIPFA Code: Treasury Management in Public Services: Code of Practice and Cross-Sectoral Guidance Notes (2021 Edition), Welsh Government (WG) guidance on local Council investments and the Council's Treasury Management Strategy.

The Council nominates the Governance and Audit Committee to be responsible for ensuring effective scrutiny of the Treasury Management Strategy and Policies.

Responsibilities of the Chief Finance Officer

- a) Ensure that the Council has an annual Treasury Management Strategy which fulfils the Council's legal obligation under the Local Government Act 2003 and to have regard to both the CIPFA code and the WG guidance.
- b) The Chief Finance Officer will operate bank accounts as are considered necessary. Opening or closing any bank account shall require the approval of the Chief Finance Officer. Heads of Service will follow the instructions on banking issued by the Chief Finance Officer.
- c) The Chief Finance Officer will act as the Council's registrar of stocks, bonds and mortgages and maintain records of all borrowing [and investing](#) of money by the Council.

Responsibilities of the Chief Officers

- a) Arrange for all trust funds to be held, wherever possible, in the name of the Council. All officers acting as trustees by virtue of their official position shall deposit securities, etc. relating to the trust with the Chief Finance Officer, unless the deed otherwise provides.
- b) Arrange where funds are held on behalf of third parties, for their secure administration, approved by the Chief Finance Officer, and for the maintenance of written records of all transactions.
- c) Ensure that trust funds are operated within any relevant legislation and the specific requirements for each trust.

4.6 Imprest Accounts

Responsibilities of the Chief Finance Officer

- a) Provide employees of the Council with cash or bank imprest accounts to meet minor expenditure on behalf of the Council and prescribe rules for operating these accounts.
- b) Agree, in consultation with the relevant Chief Officer, the petty cash limit and maintain a record of all transactions and petty cash advances made, and periodically review the arrangements for the safe custody and control of these advances.

- c) Reimburse imprest holders as often as necessary to restore the imprests, but normally not more than monthly.
- d) Issue to Officers authorised to receive official money, such change floats as considered necessary, following consultation with the relevant Chief Officer, for the efficient performance of cash collection duties. Such a float shall not be used for any purpose other than the giving of change, and the Officer to whom it is issued shall be responsible at all times for its safe custody until such time as it is repaid to the Chief Finance Officer.
- e) The Chief Finance Officer may at any time require the authorised Officer to produce the float for inspection, to repay it or to sign a certificate of the amount held.
- f) Where considered appropriate the Chief Finance Officer shall open an account with the Council's bankers or other approved agency.

Responsibilities of the Chief Officers

Ensure that a business case is submitted to the Chief Finance Officer for any new Imprest Account. Payments shall be limited to minor items of expenditure up to a general individual limit of £50.

Ensure that employees operating an imprest account:

- (a) Obtain and retain receipts/invoices and vouchers to support each payment from the Imprest account. Where appropriate, an official receipted VAT invoice must be obtained in order to ensure the correct recovery of VAT as per Her Majesty's Revenue and Customs (HMRC) regulations.
- (b) Ensure reimbursement claims are signed by the claimant and one authorising signatory. Imprest controllers must ensure that two authorising signatories are obtained where there are no valid receipts/invoices to support the expenditure.
- (c) Make adequate arrangements for the safe custody of the account.
- (d) Produce upon demand by the Chief Finance Officer cash and all receipts/invoices and vouchers to the total value of the imprest amount.
- (e) Record transactions promptly.
- (f) Reconcile and balance the account at least monthly irrespective of the frequency of reimbursement claims. Reconciliation sheets are to be signed by the imprest holder and two authorising signatories and placed on file.

- (g) The Imprest holder shall not allow the account to become overdrawn. It shall be a standing instruction to the Council's bankers or approved agency that the amount of any overdrawn balance on a Petty Cash Imprest holder's bank account be reported to the Chief Finance Officer.
- (h) Provide the Chief Finance Officer with a certificate of the value of the imprest account/float at the date requested by the Chief Finance Officer.
- (i) Ensure that the imprest is never used to cash personal cheques or to make personal loans and that the only payments into the account are the reimbursement of the float and change relating to purchases where an advance has been made.
- (j) Ensure that payments are never made to individuals, contractors, consultants, casual staff or self-employed persons. The exceptions are where incentive bonus payments are made to service users in Social Services Day Opportunities and payments are made to residents from deputyship monies. Payments can be made from petty cash and then coded appropriately to the correct budget. In the case of deputyship, this is then reclaimed from personal monies.
- (k) Where emergency loans are made to service users, Officers will comply with the Monitoring and Recovery of Loans Procedure.
- (l) On leaving the Council's employment or otherwise ceasing to be entitled to hold or be a signatory for an imprest account inform the Chief Finance Officer so that arrangements can be made to close the account or transfer to another authorised Officer.

4.7 Staffing

Why is this important?

In order to provide the highest level of service, it is crucial that the Council recruits and retains high calibre, knowledgeable individuals, qualified to an appropriate level.

Key Controls

The key controls for staffing are:

- a) The Council has an appropriate workforce policy and strategy.
- ~~a) An appropriate workforce strategy and policy exists in which workforce requirements and budget allocations are matched.~~
- b) Procedures are in place for forecasting workforce requirements and cost.
- c) Controls are implemented that ensure that workers time is used efficiently and to the benefit of the Council.

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- d) Checks are undertaken prior to engaging new employees to ensure that they are appropriately qualified, experienced and trustworthy.

The management of employee costs within schools is the responsibility of the Governing Body.

Responsibilities of the Chief Finance Officer

To act as an advisor on workforce related costs (e.g. pension contributions) as appropriate.

Responsibilities of the Chief Officers

The ~~Senior Manager (HR & OD)~~ Corporate Manager, People and Organisational Development will act as an advisor to a Chief Officer on Human Resources (HR) policies.

Chief Officers will:

- (a) Ensure that budget provision exists for all existing and new employees.
- (b) Monitor employee's activity to ensure adequate control over such costs as sickness, overtime, training and temporary workers.
- (c) Ensure that the staffing budgets are not exceeded without due authority and that they are managed to enable the agreed level of service to be provided.
- (d) When reporting to the Cabinet or Council on any matter which has, or is liable to have, people / HR implications, the Chief Officer shall, in consultation with the Chief Finance Officer and the ~~Senior Manager (HR & OD)~~ Corporate Manager, People and Organisational Development, incorporate into the report both the people / HR and financial implications of the matter under discussion.
- (e) Maintain a register of interests, in which any hospitality or gifts accepted, must be recorded:
 - In compliance with the Flintshire County Council Code of Conduct for Local Government Employees, no employee of the Council shall accept any fee, gift or reward which is intended as, or might be construed as, an inducement to influence that employee in the execution of that employee's duties
 - The offer of any such fee, gift or reward shall be reported immediately by the employee concerned to the appropriate Chief Officer, and shall be recorded in the register of gifts and hospitality

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The ~~Senior Manager (HR & OD)~~Corporate Manager, People and Organisational Development will ensure that this policy will be reflected in the HR Policies and other policies, as relevant, of the Council.

5. Financial Systems and Procedures

5.1 General

Why is this important?

The information held in financial systems must be accurate and the systems and procedures well administered. They should contain controls to ensure that transactions are properly processed and errors detected promptly.

Key Controls

The key controls for systems and procedures are:

- a) Basic data exists to enable the Council's objectives, targets, budgets and plans to be formulated.
- b) Performance is communicated to the appropriate managers on an accurate, complete and timely basis.
- c) Early warning is provided of deviations from target, plans and budgets that require management attention.
- d) Operating systems and procedures are secure.

Responsibilities of the Chief Finance Officer

To make arrangements for the proper administration of the Council's financial affairs, including to:

- a) Issue advice, guidance and procedures for officers and others acting on the Council's behalf.
- b) Determine the accounting systems, form of accounts and supporting financial records.
- c) Establish arrangements for audit of the Council's financial affairs.
- d) Approve any new financial systems to be introduced.
- e) Approve any changes to be made to existing financial systems.

Responsibilities of the Chief Officers

- a) To ensure that accounting records are properly maintained and held securely.
- b) To ensure that vouchers and documents with financial implications are not destroyed except in accordance with arrangements approved by the Chief Finance Officer.
- c) To ensure that a complete management trail, allowing financial transactions to be traced from the accounting records to the original documents and vice versa is maintained.
- d) To incorporate appropriate controls to ensure where relevant that all input is genuine, complete, accurate, timely and not previously processed. All processing is carried out in an accurate, complete and timely manner and output from the system is complete, accurate and timely.
- e) To ensure that the organisational structure provides an appropriate segregation of duties to provide adequate internal controls and to minimise the risk of fraud or other malpractice.
- f) To ensure there is a documented and tested disaster recovery plan to allow for information system processing to resume quickly in the event of an interruption.
- g) To ensure that systems are documented and staff trained in operations.
- h) To consult with the Chief Finance Officer before changing any existing system or introducing new systems.
- i) To establish a scheme of delegation identifying officers authorised to act upon the Chief Officer's behalf in respect of payments, income collection and placing orders, including variations and showing their authorised limits.
- j) To supply lists of authorised officers, with specimen signatures and delegated limits to the Chief Finance Officer and any subsequent variations.
- k) To ensure that where appropriate, computer systems are registered in accordance with current data protection legislation and that staff are aware of their responsibilities under the legislation. The law around data protection has changed, the General Data Protection Regulation (GDPR) now applies in the UK (from 25th May 2018) and has replaced the Data Protection Act (DPA).

5.2 Income and Expenditure

Why is this important?

Effective income collection systems are necessary to ensure that all income is identified, collected, receipted and banked properly. It is preferable to obtain income in advance of supplying goods or services as this improves the Council's cashflow and avoids the time and cost of administering debts.

Key Controls

The key controls for income are:

- a) All income due to the Council is identified and charged correctly, in accordance with the Council's Income Generation Policy, which is regularly reviewed.
- b) All income is collected from the correct person at the right time using the correct procedures.
- c) All money received by an employee on behalf of the Council is paid without delay to the Chief Finance Officer or as he or she directs to the Council's bank account and properly recorded. The responsibility for cash collection should be separated from that of identifying the amount due and for reconciling the amount due to the amount received.
- d) Effective action is taken to pursue non-payment within defined timescales.
- e) Formal approval for debt write-off is obtained.
- f) Appropriate write-off action is taken within defined timescales.
- g) Appropriate accounting adjustments are made following write-off action.
- h) All appropriate income documents are retained and stored for the defined period in accordance with the document retention schedule.
- i) Money collected and deposited is reconciled to the bank account by a person who is not involved in the collection or banking process.
- j) The Council's position on money laundering is contained within the Money Laundering Policy, which is available upon request from the Chief Finance Officer. Officers involved in the collection of income should make themselves aware of this policy and report suspected cases to the Chief Finance Officer. For this purpose, the Council cannot accept cash in excess of £5,000, although it is for individual officers to decide if, in specific instances, they should report incidents involving lesser amounts. In any situation requiring a sizeable refund the Officer involved should check the original type of lodgement.

Responsibilities of the Chief Finance Officer

- a) To agree arrangements for the collection of all income due to the Council and to approve the procedures, systems and documentation for its collection.
- b) To order, control and issue all receipts, invoices, tickets and other documents recording, acknowledging, or demanding the receipt of monies paid to the Council, except where the Chief Finance Officer has given written approval to alternative arrangements in specific instances.
- c) Agree the write-off of bad debts up to ~~£5,000~~£10,000 in aggregate for each single domestic or business debtor, agree in consultation with the Cabinet ~~Member~~ the Member the write-off of bad debts ~~over those amounts but up to~~between £10,000 and £25,000 and refer for approval items for write-off in excess of £25,000 to the Cabinet. A record of all sums written off up to the approved limit is maintained to adhere to the requirements of the Accounts and Audit Regulations
- d) Make or approve secure and efficient arrangements for the recording of all income received by direct debit, standing order, debit and credit cards and such other methods of payment as the Council may approve.
- e) To ensure that appropriate accounting adjustments are made following write-off action.

Responsibilities of the Chief Officers

- a) To comply with the Income Generation Policy which has been established to support the provision of setting the Council's fees and charges, ensuring these operate at full cost recovery wherever possible and are subject to annual review and uplift.
- b) Where possible income should be obtained in advance of supplying goods or services to improve the Council's cash flow, to avoid the time and cost of administering debts, and to reduce the risk of non-collection, particularly for low value items.
- c) No Sundry debt invoices with a value of less than £40, with the exception of invoices relating to peppercorn rents, licenses or leases in connection with the occupation of council land or property, shall be raised without the approval of the Chief Finance Officer and supported by an application in writing.
- d) To separate the responsibility for identifying amounts due and the responsibility for collection.
- e) To initiate appropriate debt recovery procedures in accordance with the Corporate Debt policy.

- f) To issue official receipts or to maintain other documentation for income collection.
- g) To ensure that at least two employees are present when post is opened so that money received by post is properly identified and recorded.
- h) To lock away all income to safeguard against loss or theft and to ensure the security of cash handling.
- i) To ensure that income is paid fully and promptly into the appropriate Council bank account in the form in which it is received.
- j) To ensure income is not used to cash personal cheques or other payments.
- k) To supply the Chief Finance Officer with details relating to work done, goods supplied, services rendered or other amounts due, to enable the Chief Finance Officer to record correctly the sums due to the Council and to ensure accounts are sent out promptly. If possible all invoices should be raised within 5 working days of the provision of goods or services or at the earliest opportunity.
- l) Have a responsibility to assist the Chief Finance Officer in collecting debts that they have originated, by providing any further information requested by the debtor, and in pursuing the matter on the Council's behalf.
- m) To recommend to the Chief Finance Officer all debts to be written off and keep a record of all sums written off up to the approved limit. Once raised, no bona fide debt may be cancelled except by full payment or by it being subject to formal writing off.
- n) Ensure that levels of cash held on the premises do not exceed approved limits.
- o) Keep a record of every transfer of cash between employees of the Council. The receiving officer must sign for the transfer and the transferor must retain a copy. Every transfer of cash shall be made direct by hand and not through the internal or external post (unless by prior approval from the Chief Finance Officer).
- p) To obtain the approval of the Chief Finance Officer when writing off debts in excess of the approved limit and the approval of Cabinet where required.

5.3 Ordering and paying for work, goods and services

Why is this important?

Public money should be spent with demonstrable probity and in accordance with the Council's policies. The Council has a statutory duty to achieve best value through economy and efficiency. The Council's procedures should help ensure that services

obtain value for money from their purchasing arrangements. These procedures should be read in conjunction with the Council's Contract Procedure Rules.

General

Every officer and Member of the Council has a responsibility to declare any links or personal interests that they may have with purchasers, suppliers and/or contractors if they are engaged in contractual or purchasing decisions on behalf of the Council in accordance with the appropriate codes of conduct.

Official orders must be submitted in advance via the Purchase to Pay system (P2P). No retrospective orders should be placed. Official orders must be issued for all work, goods or services to be supplied to the Council except for petty cash purchases or other exceptions specified by the Chief Finance Officer.

Each order must conform to the guidelines approved by the full Council on central purchasing and the standardisation of supplies and materials. Standard terms and conditions for orders must be aligned within associated contracts (if applicable) and these must not be varied unless there is a valid exemption with ~~without agreement from the relevant Chief Officer and the prior approval of the Chief Finance Officer~~ must not be varied without the prior approval of the Chief Finance Officer.

Apart from petty cash, schools own bank accounts and other payments in advance accounts, the normal method of payment from the Council shall be by BACS or other instrument or approved method drawn on the Council's bank account. The use of direct debit shall require the prior agreement of the Chief Finance Officer.

Official orders must not be raised for any personal or private purchases, nor must personal or private use be made of Council contracts.

Key Controls

The key controls for ordering and paying for work, goods and services are:

- a) All goods and services are ordered only by appropriate persons and are correctly recorded.
- b) All goods and services shall be ordered in accordance with the Council's Contract Procedure Rules.
- c) All orders are submitted via Purchase to Pay (P2P) and placed in advance of the relevant work, goods, services or works being supplied.
- d) Goods and services received are-should be checked by the person who placed the order to ensure they are in accordance with the order. Goods should not be received by the person who placed the order.

- e) Payments are not made unless goods have been received by the Council to the correct price, quantity and quality standards.
- f) All payments are made to the correct [person, supplier or individual](#), for the correct amount and are properly recorded, regardless of the payment method.
- g) All appropriate evidence of transaction and payment documents are retained and stored for the defined period in accordance with the document retention schedule.
- h) All expenditure, including VAT, is accurately recorded against the right budget and any exceptions corrected.
- i) The effect of electronic purchasing requires that processes are in place to maintain the security and integrity of data for transacting business electronically.
- j) Purchases made using corporate [credit](#) cards:
 - Must be made in accordance with these Financial Procedure rules and requires the cardholder to obtain a valid receipt for each item purchased to ensure the expenditure and VAT can be properly accounted for
 - Must only be used for legitimate purposes and only for official Council purchases
 - Must not be used to circumvent the official procedures of ordering and procuring goods and services

Responsibilities of the Chief Finance Officer

- a) To ensure that all the Council's financial systems and procedures are sound and properly administered.
- b) All procurement activities (ordering of goods, services and works) will be undertaken on the Council's approved Purchase to Pay (P2P) system.
- c) To approve any changes to existing financial systems and to approve any new systems before they are introduced.
- d) To approve the form of official orders and associated terms and conditions.
- e) To make payments from the Council's funds on the Chief Officer's authorisation that the expenditure has been duly incurred in accordance with financial procedure rules.
- f) To make payments, whether or not provision exists within the estimates where the payment is specifically required by statute or is made under a court order.

- g) To make payments to contractors on the certificate of the appropriate Chief Officers which must include details of the value of work, retention money, amounts previously certified and amounts now certified.
- h) To provide advice and encouragement on making payments by the most economical means.
- i) To ensure that a budgetary control system is established that enables commitments incurred by placing orders to be shown against the appropriate budget allocation so that they can be taken into accounts in budget monitoring reports.
- j) To authorise the issue of corporate [Credit](#) cards together with the agreed spending limit.

Responsibilities of the Chief Officers

- a) To ensure that upfront electronic orders using the Purchase to Pay (P2P) system are placed for all goods and services other than petty cash purchases and any other exemptions specified by the Chief Finance Officer.
- b) To ensure that orders are only used for goods and services provided to the Portfolio. Individuals must not order goods or services for their private use.
- c) [To ensure that the payment terms and conditions for orders are aligned to the Council's standard payment terms and conditions unless there is a valid exemption which must be recorded. The Council's payment terms are 28 days for construction operations and 30 days for general goods and services](#)
- e)d) _____ To ensure that only those staff authorised by the Chief Officer approve orders and to maintain an up to date list of such authorised staff including specimen signatures identifying in each case the limits of their authority. The list should be reviewed annually. Names of authorising Officers together with details of the limits of their authority shall be forwarded to the Chief Finance Officer and any subsequent amendments incorporated into the P2P system.
- e)e) _____ The authoriser of the order should be satisfied that the goods and services ordered are appropriate and that there is adequate budgetary provision and that quotations or tenders have been obtained if necessary. Best value principles should underpin the Council's approach to procurements. Value for money should always be achieved.

e) To ensure that all expenditure, including VAT, is accurately recorded against the correct budget head and any exceptions are corrected. If it is deemed that a budget amount has been incorrectly allocated, a Chief Officer will request a journal adjustment. Under no circumstances will the expenditure be incorrectly coded in order to match the expenditure with an incorrect budget allocation.

f) Each Chief Officer shall be responsible for all orders issued from, or on behalf of, his or her Portfolio. Where one Chief Officer places an order on behalf of another, that Chief Officer shall obtain the latter's consent in advance.

g) To ensure that goods and services are checked on receipt to verify that they are in accordance with the order. This check should where possible be carried out by a different officer from the person who authorised the order.

h) To ensure that payment is not made unless a proper VAT invoice has been received, checked, coded and certified for payment confirming:

- Receipt of goods or services
- That the invoice has not been previously paid
- That expenditure has been properly incurred and is within budget provision
- That prices and arithmetic are correct and accord with quotations, tenders, contracts or catalogue prices
- Correct accounting treatment of tax
- That discounts have been taken where available
- That appropriate entries will be made in accounting records

f) To ensure that two authorised members of staff are involved in the ordering, receiving and payment process and appropriate segregation of duties are maintained at each stage.

g) To ensure that the Portfolio maintains and reviews periodically a list of staff approved to authorise the invoices. Names of authorising officers together with specimen signatures and details of the limits of their Council shall be forwarded to the Chief Finance Officer.

h) To ensure that payments are ~~not made~~ only on receipt of a proper valid invoice or true copy photocopied or faxed invoice, statement or other document other than the formal invoice. Payments cannot be made from a statement, letter, quote or any other document other than a formal invoice.

i) To encourage suppliers of goods and services to receive payments by the most economical means for the Council. Payments made by direct debit must have the prior approval of the Chief Finance Officer.

j) To ensure that the directorate obtains the best value from purchases by taking appropriate steps to obtain competitive prices for goods and services of the

appropriate quality with regard to best value principles and Contract Procedure Rules.

- k) To ensure that loans, leasing or rental arrangements are not entered into without prior agreements from the Chief Finance Officer.
- l) To notify the Chief Finance Officer of outstanding expenditure relating to the previous financial year as soon as possible after 31 March in line with the timetable determined by the Chief Finance Officer.
- m) To notify the Chief Finance Officer immediately of any expenditure incurred as a result of statute/court order where there is no budgetary provision.
- n) To ensure that all appropriate payment records are retained and stored for the defined period in accordance with the document retention schedule.
- o) For all staff issued with a Corporate [Credit](#) card, to ensure that they:
 - Comply with the Corporate Card Policy issued upon receipt of the Corporate Card
 - Ensure the safe custody of the card

5.4 Payments to employees and Members

Why is this important?

Staff costs are the largest item of expenditure for most Council services. It is therefore important that payments are accurate, timely, made only where they are due for services to the Council and that payments accord with individuals' conditions of employment. It is important that all Members' allowances are authorised in accordance with the scheme adopted by the full Council.

Key Controls

The key controls for payments to employees and Members are:

- a) Proper authorisation procedures are in place and that there are corporate timetables in relation to starters, leavers and variations to pay.
- b) Frequent reconciliation of payroll expenditure against approved budget and bank account.
- c) All appropriate payroll documents are retained and stored for the defined period in accordance with the retention schedule.

- d) Compliance with HMRC and other statutory regulations.
- e) All claims for payment of financial loss, attendance, travelling, subsistence and car allowances and other incidental expenses paid for by the claimant, shall be completed and signed by the claimant in a form approved by the ~~Corporate Chief Finance Manager-Officer~~ or ~~Senior Manager (HR & OD)~~ Corporate Manager, People and Organisational Development as appropriate and approved by the relevant manager.
- f) The off-payroll (IR35) working rules are in place to ensure that where an individual would have been an employee if they were providing their services directly, their payments are processed via payroll.

Responsibilities of the ~~Corporate Chief Finance Manager-Officer~~

The ~~Corporate Chief Finance Manager-Officer~~ or ~~Senior Manager (HR & OD)~~ Corporate Manager, People and Organisational Development as appropriate will:

- a) Arrange and control secure and reliable payment of salaries, pensions, compensation or other emoluments to existing and former employees, in accordance with procedures prescribed by him or her, on the due date.
- b) Record and make arrangements for the accurate and timely payment to all appropriate statutory and non-statutory bodies including Pay as you Earn (PAYE), pensions and other payroll deductions.
- c) Make arrangements for payment of all travel and subsistence claims or financial loss allowance.
- d) Make arrangements for paying Members' under the Members Allowances Scheme and the Members Travel and Subsistence Scheme, which will be maintained by the ~~Chief~~ Corporate Finance Manager-Officer or Corporate Manager, People and Organisational Development ~~Senior Manager (HR & OD)~~ as appropriate.
- e) Ensure that there are adequate arrangements for administering pension scheme matters on a day-to-day basis.
- f) Maintain a list of all officers who are approved to authorise any payroll related records as notified by the relevant Chief Officer. This shall be reviewed on a regular basis. Chief Officers must communicate any changes as soon as they are known.

- g) Implement pay agreements as soon as possible after their notification from the appropriate body and process increments. Arrangements for funding such awards will be determined each year as part of the budgetary process.
- h) Retain for each employee, a copy of all relevant contracts and terms and engagements together with sufficient information to identify service, salary scale and current amount payable and absences from duty (apart from approved leave).

Responsibilities of the Chief Officers

- a) To provide the ~~Senior Manager (HR & OD)~~ Corporate Manager, People and Organisational Development in writing with the names of officers authorised to certify claims for expenses together with the specimen signature of each such authorised Officer, and any amendments on the occasion of any change. Certification of a claim by, or on behalf of, a Chief Officer shall signify that the certifying Officer is satisfied that the journeys were authorised, that the expenses were necessarily incurred in the performance of duty, that the allowances are properly payable by the Council, and that cost-effective travel arrangements are achieved.
- b) To ensure that claims are submitted to the ~~Senior Manager (HR & OD)~~ Corporate Manager, People and Organisational Development for payment within the specified timescale. Ensure appointments are made in accordance with the Procedure Rules of the Council and approved establishments, grades, scale of pay and that adequate budget provision is available.
- c) Notify the ~~Senior Manager (HR & OD)~~ Corporate Manager, People and Organisational Development of all appointments, terminations (resignations, dismissals) or variations (secondments, transfers, absences from duty through sickness or other reasons apart from approved leave, changes in remuneration, other than normal increments and pay awards and agreements of general application) which may affect the pay or pension of an employee or former employee, in the form and to the timescale required by the ~~Senior Manager (HR & OD)~~ Corporate Manager, People and Organisational Development as appropriate.
- d) Ensure that adequate and effective systems and procedures are operated in a form approved by the ~~Senior Manager (HR & OD)~~ Corporate Manager, People and Organisational Development so that payments are only authorised to bona fide employees:
- Payments are only made where there is a valid entitlement
 - Conditions and contracts of employment are correctly applied
 - Employees' names listed on the payroll are checked at regular intervals to verify accuracy and completeness

- e) Provide information necessary to maintain records of service for pensions, income tax, national insurance or other statutory obligations.
- f) Ensure that payroll transactions are processed only through the payroll system. Chief Officers should give careful consideration to the employment status of individuals employed on a self-employed, consultant or subcontract basis. HMRC applies a tight definition for employee status, and in cases of doubt, advice should be sought from the ~~Senior Manager (HR & OD)~~ Corporate Manager, People and Organisational Development.
- g) Ensure that the Corporate Manager, People and Organisational Development ~~Senior Manager (HR & OD)~~ is notified of the details of any employee benefits in kind, to enable full and complete reporting within the income tax self-assessment system.
- h) In conjunction with the Corporate Manager, People and Organisational Development ~~Senior Manager (HR & OD)~~, maintain an up to date establishment structure and adhere to the Establishment Control Maintenance Process.
- i) The Corporate Manager, People and Organisational Development ~~Senior Manager (HR & OD)~~ will be responsible for recovering payroll overpayments where the employee continues to have employment with the Council, ~~and where the overpayment is £750 or less~~. A repayment schedule, ensuring repayment, where practicable, is made within the same financial year as the overpayment, will be formally agreed with the employee.
- j) ~~For all payroll overpayments in excess of £750, irrespective of employment status~~ Where a repayment schedule cannot be agreed for existing employees, or if the person is no longer employed by the Council, recovery of the overpayment will be the responsibility of Debt Recovery, ensuring that such overpayments are included within the Council's total debt.
- k) All pay documents shall be, in a manner prescribed by the Corporate Manager, People and Organisational Development ~~Senior Manager (HR & OD)~~, certified manually by or on behalf of the appropriate Chief Officer. The names of Officers authorised to certify such documents shall be agreed with, and notified in writing to the Corporate Manager, People and Organisational Development ~~Senior Manager (HR & OD)~~ by each Chief Officer, who shall provide the Corporate Chief Finance ~~Manager/Officer~~ with the specimen signature and initials of each such authorised Officer and any amendments on the occasion they arise.
- l) Chief Officers and the Corporate Manager, People and Organisational Development ~~Senior Manager (HR & OD)~~ will ensure that all appropriate payroll documents are retained and stored, as required, by the Corporate Manager, People and Organisational Development ~~Senior Manager (HR & OD)~~.

- m) No cheque made payable to a Member or employee will be cashed by the Council, unless it is under a scheme approved by the ~~Corporate Chief~~ Finance ~~Manager Officer~~ and is presented by the person named on the cheque, and duly endorsed.
- n) Members and employees will submit claims for travel and subsistence on a monthly basis and comply with the Mileage and Expenses Policy. Mileage and expense claims over three months old will only be paid once a satisfactory written explanation of the late submission has been provided from the relevant Service Manager to the ~~Corporate Manager, People and Organisational Development, Senior Manager (HR and OD)~~.
- o) Timesheets, Employee Self Service and other documents which are used to generate payment of salaries or other employee related expenses must be on official forms or via authorised electronic inputs. Chief Officers are responsible for ensuring that they are certified by an authorised Certifying Officer.

5.5 Taxation

Why is this important?

The Council is responsible for ensuring its tax affairs are in order. Tax issues are often very complex and the penalties for incorrectly accounting for tax are severe. It is therefore very important that all officers are made aware of their role.

Key Controls

The key controls for taxation are:

- a) Budget managers are provided with the relevant information and kept up to date on tax issues.
- b) Budget managers are instructed on required record keeping.
- c) All taxable transactions are identified, properly carried out and accounted for within stipulated timescales.
- d) Records are maintained in accordance with instructions.
- e) Returns are made to the appropriate authorities within the stipulated timescale.

Responsibilities of the Chief Finance Officer

a) The Chief Finance Officer and/or the [Corporate Manager, People and Organisational Development](#)/~~Senior Manger HR & OD~~ (as appropriate as described below) is responsible for advising Chief Officers and Heads of Service, on all taxation issues that affect the Council.

b) The Chief Finance Officer [and/or the Corporate Manager, People and Organisational Development](#) or ~~Senior Manger HR & OD~~ as appropriate is responsible for maintaining the Council's tax records, making tax payments, receiving tax credits and submitting tax returns by their due date.

c) Complete a monthly return of Value Added Tax (VAT) inputs and outputs to HMRC.

d) Be responsible for accounting to the appropriate agency for other forms of taxation payable to or by the Council and for supplying to such agencies such other information as they may validly require.

e) Provide details to HMRC regarding the construction industry tax deduction scheme.

f) Maintain up-to-date guidance for each Chief Officer on their responsibilities in regard to any taxation matters, and to individual Council employees on taxation issues.

g) The [Corporate Manager, People and Organisational Development](#)~~Senior Manger (HR & OD)~~, with guidance from the Chief Finance Officer, will:

- Account to HMRC for all tax deducted from employees' emoluments under the PAYE arrangements
- Maintain up-to-date guidance for Chief Officers on their responsibilities in regard to taxation matters relating to Payroll, and inform Council employees of taxation issues arising within Payroll

h) The Chief Finance Officer or [Corporate Manager, People and Organisational Development](#)~~Senior Manger (HR & OD)~~ as appropriate may require from any employee of the Council such information as is necessary for fulfilment of their obligation under this Financial Procedure Rule.

Responsibilities of the Chief Officers

(a) Ensure that for any purchase which is taxable under current VAT legislation, payment will only be made on receipt of a proper invoice complying with the VAT regulations. The only exceptions are where an invoice is properly issued by the supplier on receipt of payment or where the use of authenticated VAT receipts has been agreed with the supplier.

- (b) Ensure that the correct VAT liability is attributed to all income due and that the recovery of VAT on purchases, including those paid for via an imprest account or corporate card, complies with HMRC Customs regulations.
- (c) Ensure that, where construction and maintenance works are undertaken, the contractor fulfils the necessary construction industry tax deduction requirements.
- (d) Ensure that all persons employed by the Council are added to the Council's payroll and tax deducted from any payments, except where the individuals are bona fide self-employed or are employed by a recognised staff agency.
- (e) Follow the guidance on taxation issued by the [Corporate Manager, People and Organisational Development Senior Manger \(HR & OD\)](#) such as the "Tax Management: Corporate Policy Statement"; in the "VAT Manual" and in taxation updates issued periodically.
- (f) Seek advice from the Chief Finance Officer or [Corporate Manager, People and Organisational Development Senior Manager \(HR & OD\)](#) as appropriate on VAT, or other tax implications, when entering into partnerships and other joint working arrangements.

5.6 Trading Accounts and Business Units

Why is this important?

Trading accounts and business units will become more important as services develop a more commercial culture. Authorities are required to keep trading accounts for services provided on a basis other than a straightforward recharge of cost.

Where services are provided via an 'Alternative Delivery Model' (separate legal entities), specific financial procedures will be incorporated into the individual models.

Responsibilities of the Chief Finance Officer

To advise on the establishment and operation of trading accounts and business units.

Responsibilities of the Chief Officers

- a) To consult with the Chief Finance Officer where a business unit wishes to enter into a contract with a third party where the contract exceeds the remaining life of their main contract with the Council.
- b) To observe all statutory requirements in relation to business units, including the maintenance of a separate revenue account to which all relevant income is credited

and all relevant expenditure, including overhead costs is charged to produce an annual report in support of the final accounts.

- c) To ensure that the same accounting principles are applied in relation to trading accounts as for other services or business units.
- d) To ensure that each business unit prepares an annual business plan.

6. External Arrangements

6.1 Partnerships

Why is this important?

Partnerships play a key role in delivering community strategies and in helping to promote and improve the well-being of an area. The Council can still deliver some services, but their distinctive leadership role is to bring together the contributions of the various stakeholders and deliver a shared vision of services based on user wishes.

Key Controls

The key controls for Council partners are:

- a) If appropriate to be aware of their responsibilities under the Council's financial regulations and contract standing orders.
- b) To ensure that risk management processes are in place to identify and assess all known risks.
- c) To ensure that project appraisal processes are in place to assess the viability of the project in terms of resources, staffing and expertise.
- d) To agree and accept formally the roles and responsibilities of each of the partners involved in the project before the project commences.

- e) To communicate regularly with other partners throughout the project so that problems can be identified and shared to achieve their successful resolution.

General

- a) Both the Council and the Cabinet are responsible for approving delegations, including frameworks for partnerships and joint ventures. The Cabinet is the focus for forming partnerships and joint ventures with other local public, private, voluntary and community sector organisations to address local needs.
- b) Both the Council and the Cabinet can delegate functions – including those relating to partnerships – to Officers. These are set out in the Scheme of Delegation that forms part of the Council's Constitution. Where functions are delegated the Officers remain accountable for them to the Council and the Cabinet as appropriate.
- c) The Head of Paid Service or other nominated Officers will represent the Council on partnerships and external bodies, in accordance with decisions of the Council/Cabinet or otherwise as authorised by the Head of Paid Service.

Responsibilities of the Chief Finance Officer

- a) Be responsible (with the Monitoring Officer) for encouraging the same high standards of conduct (with regard to financial administration and other matters, respectively) in partnerships and joint ventures that apply throughout the Council insofar as the constitutions of respective organisations permit them to do so.
- b) Ensure that the accounting arrangements to be adopted relating to partnerships and joint ventures are appropriate. He or she, in consultation with the Monitoring Officer, must also consider the overall corporate governance arrangements and legal issues when arranging contracts with external bodies, ensuring that the risks have been fully appraised before agreements are entered into.
- c) Advise on the key elements of funding a project, including:
- An options appraisal scheme for financial viability
 - Risk appraisal and management
 - Resourcing, including taxation and pension issues
 - Audit, security and control requirements

- Carry-forward arrangements
- d) Ensure that the accounting arrangements are appropriate.

Responsibilities of the Chief Officers

- a) To be responsible for ensuring that appropriate approvals are obtained before any negotiations are concluded in relation to work with external bodies. (The Monitoring Officer will advise on legal matters).
- b) Maintain a register of all contracts entered into with external bodies in accordance with procedures specified by the Chief Finance Officer.
- c) Ensure that, before entering into agreements with external bodies, a risk management and options appraisal has been prepared for the Cabinet, in consultation with the Chief Finance Officer and Monitoring Officer.
- d) Ensure that all agreements and arrangements are properly documented.
- e) Provide appropriate information to the Chief Finance Officer to enable a note to be entered into the Council's Statement of Accounts concerning material items.
- f) Ensure that the project progresses in accordance with the agreed plan and that all expenditure is properly incurred and recorded.
- g) Ensure that loans are not made to third parties and that interests are not acquired in companies, joint ventures or other enterprises without the approval of the Council, following consultation with the Chief Finance Officer.
- h) Seek advice from the Chief Finance Officer or Corporate Manager, People and Organisational Development ~~Senior Manager (HR & OD)~~ as appropriate on VAT, or other tax implications, when entering into partnerships.

6.2 External Funding including Grants

Why is this important?

External funding is potentially a very important source of income, but funding conditions need to be carefully considered to ensure that they are compatible with the aims and objectives of the Council. Local authorities are increasingly encouraged to provide seamless service delivery through working closely with other agencies and private service providers.

Key Controls

The key controls for external funding are:

- a) To ensure that key conditions of funding and any statutory requirements are complied with and that the responsibilities of the accountable body are clearly understood.
- b) To ensure that funds are acquired only to meet the priorities approved in the policy framework by the full council.
- c) To ensure that any match funding requirements are given due consideration prior to entering into long term agreements and that future revenue budgets reflect these requirements.

Responsibilities of the Chief Finance Officer

- (a) Ensure that all funding notified by external bodies is received and properly recorded in the Council's accounts.
- (b) Ensure that all grant income and associated information is logged on the Corporate Grants Database and adhere to the requirements of the Grant Manual.
- (c) Ensure that audit requirements are met.
- (d) Ensure that match funding requirements are considered prior to entering into the agreements and that future revenue budgets reflect these requirements.

Responsibilities of the Chief Officers

- a) Ensure that key conditions of funding and any statutory requirements are complied with and that the responsibilities of the accountable body are clearly understood.
- b) Ensure that funds are acquired only to meet the priorities approved by the Council in the policy framework.
- c) Ensure that any match-funding requirements are given due consideration and that future revenue budgets reflect these requirements, before entering into long-term agreements.
- d) Ensure that all claims for funds are made by the due date.

- e) Ensure that proposals are costed properly and that the approval of the Cabinet is obtained before any negotiations are concluded to work for third parties.
- f) Ensure that contracts are drawn up and maintain a register of all contracts entered into with third parties.
- g) Ensure that appropriate insurance arrangements are made, via the Chief Finance Officer.
- h) Ensure that, as far as possible, the Council is not put at risk from any bad debts.
- i) Ensure that no contract is subsidised by the Council.
- j) Ensure that such contracts do not impact adversely upon the services provided for the Council.
- k) Have in place an exit strategy to implement when the funding ceases. This strategy must allow for all costs associated with the winding up, including any costs arising because staff have gained employment rights, being met from within the externally provided monies and, therefore, at no additional cost to the Council. If the terms of the external funding do not allow such costs to be met from it, then they must be met from within the base budget of the Portfolio concerned.
- l) Provide appropriate information to the Chief Finance Officer to enable a note to be entered into the Statement of Accounts, as required.
- m) Ensure that all grant income is coded, in the first instance, to the appropriate balance sheet code in order to avoid double counting the overall income and expenditure of the Council.

Other Funds

Why is this important?

The Council will not as a general rule supervise the financial administration of, nor audit, unofficial funds, and accepts no liability whatsoever for any loss however caused. Unofficial funds are defined as those which are not the property of the Council, for example school monies collected by schools for school trips and monies held in Amenities Funds in Social Services establishments. Those operating such funds, therefore, have an overall responsibility to ensure that proper financial stewardship is observed.

Key Controls

- (a) A Treasurer and independent auditor are formally appointed.
- (b) Proper rules are operated to secure adequate standards.
- (c) Adequate records and procedures are maintained.

- (d) Regular reports on fund transactions and balances are received and checked against bank statements.
- (e) Annual statements of income and expenditure and fund balances are prepared and audited on a timely basis.

General

The School Fund Regulations, 2013 must be followed for the operation of all school funds in Flintshire Schools and ensure that funds are only used for the purpose that they are intended for as per the regulations.

Responsibilities of the Chief Finance Officer

Prepare the note to be entered into the Statement of Accounts

Responsibilities of the Chief Officers

Those operating or intending to operate unofficial funds are also required to:

- (a) Notify the Chief Finance Officer of details of the fund as soon as it is set up.
- (b) Provide an independent audit certificate for the fund on an annual basis.
- (c) Provide appropriate information to the Chief Finance Officer to enable a note to be entered into the Statement of Accounts, as required.

Protection of Clients Assets

Why is this important?

Where the Council is appointed as a Deputy for a Client by the Office of the Public Guardian (OPG), the Chief Officer will ensure that all OPG regulations and guidelines are complied with.

Where the Council is approved by the Department for Work and Pensions (DWP) to act as a Corporate Appointee for a Client, Chief Officers will ensure that all guidelines provided by the DWP are complied with.

Key Controls

Responsibilities of the Chief Officers

Heads of Service will ensure that a separate bank account is arranged for each Client, with the bank account reconciled on a regular basis, at least monthly.

Every transfer of clients monies from one Officer to another shall be recorded immediately in a manner approved by the Chief Finance Officer and shall be evidenced by the signature of the receiving Officer.

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| GLOSSARY OF FINANCIAL TERMS | |
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| Aggregate External Finance (AEF) | Aggregate external finance (AEF) represents the support for local revenue spending from the Welsh Government and is made up of formula grant. Formula grant includes the revenue support grant (RSG), and the distributable part of non-domestic rates (NDR). Amounts are determined annually and in advance of each new financial year as part of the Local Government Financial Settlement. |
| Annual Report & Accounts | The document that contains a summary of the purpose of the local authority, its activities and performance for the year, as well as the annual accounts. |
| Anti Canvassing | A declaration that a supplier, provider or contractor has not been party to canvassing or lobbying Council staff or Members either directly or indirectly to gain preferential treatment in competitive tendering processes. |
| Anti Collusive | A declaration that a supplier, provider or contractor has not been party to possibly fraudulent arrangements between two or more of them whereby prices or service requirements are manipulated to get round competitive tendering. |
| Assets | Any item of value owned by an entity (e.g. buildings, vehicles). Assets can be classed as Non-current or capital assets where the asset has a useful life of more than one year (e.g. buildings, vehicles), or a current asset which includes cash or other assets which can reasonably be expected to be converted to cash in the normal course of business including stocks, debtors etc. |
| Audit Certificate | The document that contains the opinion of the external auditor regarding an organisation's accounts, systems and standards. |
| Audit Committee | Audit Committees monitor and review the risk, control and governance processes that have been established in an organisation and the associated assurance processes to ensure that internal control systems are effective and that activities are within the law and governing regulations. This is done through a process of constructive challenge. |
| Audit Plan | Internal audit identification of the work that they intend carrying out over the audit planning period (up to a year) and the resources needed for that work. |
| Barnett Formula | The formula used to allocate a population based share of changes in planned expenditure on comparable services by Departments of the UK Government to the devolved administrations of Wales, Scotland and Northern Ireland. The Barnett Formula calculates the size of change to the assigned budget rather than the total assigned budget. |
| Benchmarking | A method for councils to work out how well they are doing, by comparing their performance with other, similar councils, and with performance indicators. |
| Best value | A statutory duty owed by local authorities to their local community, requiring them to make continuous improvements in the way they carry out their functions having regard to a combination of economy, efficiency and effectiveness. |
| Block Grant | The Block Grant is the sum of money voted by parliament to the Secretary of State for Wales. It constitutes the assigned element of the |

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| | Welsh Governments' Departmental Expenditure Limit and is calculated from the existing baseline using the Barnett Formula. |
| Budget | A statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and the capital programme and any authorised amendments to them. |
| Budget Book | The publication in which the Council sets out its budget for a particular financial year. |
| Budget Head | For a particular service activity, the level of detail at which revenue or capital budgets are approved by the Council, whether in the Budget Book, the latest approved capital programme or as a result of supplementary estimates approved for the budget year. |
| Budgetary Control | The continual review of expenditure and income, both revenue and capital, against planned levels of expenditure and income to help ensure that service objectives are achieved and the overall resources of the Council are not over or under spent. This process is aided by the use of budget profiles. |
| Capital Programme | The Council's financial plan covering capital schemes and expenditure proposals for the current year and a number of future years. It also includes estimates of the capital resources available to finance the programme. |
| Capital Charges | A calculation of the annual costs, included within the revenue accounts of using capital assets. This includes, where appropriate depreciation. |
| Capital Expenditure | Spending on non-current assets (buildings, equipment and land) intended to benefit future accounting periods or spending that increases the capacity, economy, efficiency or lifespan of an existing asset. |
| CIPFA | Chartered Institute of Public Finance and Accountancy |
| Code of Corporate Governance | The part of the Council's constitution which sets out the systems and processes, and cultures and values necessary for achieving and demonstrating good corporate governance. |
| Codes of Conduct | The protocols within which Members and Officers will work as set out in the Constitution. |
| Codes of Practice | Guidance issued by professional bodies in relation to standards which are not regulated by statute, or by the Council itself. |
| Collaborative Arrangement | A contract or agreement established in conjunction with one or more other organisations. |
| Collaboration/ Consortium | The process of procurement shared between different Councils or other public sector organisations. |
| Construction Industry Scheme 2007 | Legislation designed to ensure that all payments to contractors are made in accordance with HMRC legislation. |
| Consultant | A person (not an employee), agency or firm engaged for a limited period of time on a fee basis to carry out a specific task or tasks. A consultant provides subject matter expertise and/or experience to the Council either because it does not possess the skills or resource in-house or which requires an independent evaluation/assessment to be made |

Appendix 2

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| Contract | An agreement to be supplied with goods, works, services or supplies on mutually agreed and binding terms, often in writing. |
| Contractor/ Supplier/ Provider | The successful 'other party' with whom a contract is formed to provide the specified requirement. |
| Corporate Contracts | A contract which has been procured by Flintshire County Council or a Consortium for the potential use of, and on behalf of, the whole of Flintshire. |
| Corporate Governance | The system by which organisations are directed and controlled. The framework that ensures that an organisation fulfils its overall purpose, achieves its intended outcomes for residents of Flintshire and service users, and operates in an effective, efficient and ethical manner. |
| Council Fund | The fund to which all the Council's revenue expenditure is charged |
| Council Tax | A local tax based on the capital value of residential properties. |
| Council Tax Base | The estimated number of chargeable properties, expressed as the equivalent number of 'Band D' properties in the Council's area. The Council is required to annually advise the Welsh Government of its Council Tax Base (as at 31 st October), which they use in the Local Government Financial Settlement, and to allow the County Council, North Wales Police Authority and Town / Community Councils to calculate the following year's Council Tax charges. |
| Council's Constitution | The Constitution sets out how Flintshire County Council operates, how decisions are made and the procedures which are followed to ensure that the Council is efficient, transparent and accountable to local people. |
| Council's Monitoring Officer | The Officer designated by the Council as its Statutory Monitoring Officer. |
| Creditors | A person or body to whom the Council owes money. |
| Debtors | A person or body who owes the Council money. The debt may derive from a number of sources such as Council Tax or rent arrears, rechargeable works or where an account has been rendered for a service provided by the Council. |
| E procurement | The effective use of ICT to communicate and transact Council business with suppliers etc. |
| E tender | The effective use of ICT to undertake tenders. |
| Estimated Outturn | Estimates of the expenditure to the end of the financial year, made on the basis of actual expenditure incurred to date. |
| External Audit | External auditors provide an independent check that the annual accounts of a body properly reflect the financial year, funds were spent in accordance with relevant regulations or directions, and that the body achieves the best possible value for public money. External audit may also carry out value for money or other reviews of services. |
| Financial Regulations | That part of the Council's Constitution which provides an approved framework for the proper financial management of the authority. |
| Financial year | The period of twelve months commencing on 1 April |
| Framework Agreements | An arrangement under which a contracting Authority establishes with a provider of goods, works or services, the terms under which contracts subsequently can be entered into, or 'called-off' (within the limits of the agreement) when particular needs arise. |

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| Fraud | Fraud is an intentional deception made for personal gain or to damage another individual. Good internal controls and governance arrangements are essential to minimise the risk of fraud. When council suffer fraud or theft it is often the case that the perpetrator has prepared false documents to disguise or to cover up the theft or fraud. In many cases the false documents include invoices and minutes |
| Goods | Tangible, moveable commodities (e.g. furniture and equipment etc) |
| Housing Revenue Account | The Housing Revenue Account (HRA) is a local authority account showing current income and expenditure on housing services related to its own housing stock. The account is separate from the council fund and trading accounts and is funded primarily from rents and government subsidy. Rent increases and the Housing Revenue Account Subsidy (HRAS) are approved annually under Standing Order 29, by the Welsh Government, through the <i>(Wales) General Determination of the Item 8 Credit and Item 8 Debit</i> and the <i>Housing Revenue Account Subsidy (Wales) Determination</i> . |
| Hypothecated Funding | Ring-fenced funding, which must be spent on particular services or initiatives |
| Indicator Based Assessments (IBAs) | Service specific Indicator Based Assessments (IBAs) are combined to generate total Standard Spending Assessments (SSAs, see further on) which are used by the Welsh Government to distribute the Revenue Support Grant funding to Local Authorities. IBAs are for use in calculating total SSAs and are not intended for use in determining individual authorities' budgeted expenditure on particular services. |
| Investment Income | Income form interest receipts on investments held by the council |
| Indemnity | Protection against future loss, or legal exemption from liability for damages |
| Insurance | Insurance is one of the ways that the councils manage the risk of losses |
| Internal Audit | Internal audit provides an objective appraisal service within an organisation, to improve the organisation's risk management, control and governance procedures, and to provide assurance to the accountable officer and the audit committee on these matters. |
| Internal control | The systems an organisation has in place to manage and mitigate risk. |
| Inventory | A detailed listing of all goods, materials, furniture and equipment in the ownership or use of a particular service, other than those held in stocks and stores records. They are also subject to periodic physical checks. Inventories are normally maintained in sufficient detail as to description, location, age, value etc. to enable any material loss arising from a fire, theft or other event to be identified and to support any insurance claim. |
| Land Terrier | Records of land owned by the Council |
| Liabilities | Items that are owed by the entity such as loans, leases, etc. |
| Liquidated Damages | A prior estimate of a justifiable financial loss in the event of a failure to complete by the specified date(s). |
| Materiality | An expression of the relative significance of a particular matter in the context of the financial statements as a whole |

Appendix 2

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| Members Allowances | A scheme of payments to elected Members of the Council in recognition of their duties and responsibilities in accordance with the relevant Regulations. |
| Medium Term Financial Strategy | The approved strategic process by which the council expects to finance its activities in the medium term. |
| Outturn | Expenditure actually incurred |
| Overspend | When referring to expenditure the actual expenditure incurred is greater than the budget. Shown as a +ve When referring to income the actual income achieved is less than the budget. Shown as a +ve. |
| PAYE | Tax deductions from salaries and wages payments made by the Council in accordance with HMRC legislation. |
| Petty Cash/Imprest Account | A small amount of cash kept on hand by a service for incidental expenses |
| Precept | This is the Council Tax collected by the Council on behalf of the Community Councils and the North Wales Police Authority |
| Procurement | Procurement is the process of obtaining supplies, services and works spanning the life cycle of the asset or service contract. It has a wider meaning than traditional terms such as purchasing, buying or commissioning. It is about securing services and products which best meet the needs of all stakeholders; anyone who can or might be affected by the services and products involved. |
| Reserves | These are balances in hand that have accumulated over previous years and are held for defined (earmarked reserves) and general (general reserves) purposes. Councils are required to regularly review the level and purpose of their reserves and to take account of the advice of the Chief Finance Officer. |
| Revenue | A term used to describe the day-to-day costs of running Council services and income deriving from those services. It also includes however charges for the repayment of debt, including interest, and may include direct financing of capital expenditure. |
| Revenue Support Grant (RSG) | <p>The Revenue Support Grant (RSG) represents the major element in the support for local revenue spending that the Council receives from the Welsh Government, as required by section 78(1) of the <i>Local Government Finance Act 1988</i>. Amounts are determined annually and in advance of each new financial year as part of the Local Government Financial Settlement, and form a part of the Aggregate External Finance (AEF).</p> <p>The objective of the revenue support grant system is to enable authorities to provide a common level of service consistent with an aggregate figure of total standard spending (as assessed by Welsh Government using Standard Spending Assessments, see below). Its aim is to compensate for differences in the levels at which authorities need to spend and at which they can raise council tax in order to provide a common level of service. This objective is met by calculating the revenue support grant for each authority as the difference between its standard spending assessment and the sum of its re-distributed</p> |

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| | non-domestic rate income and council tax (as calculated by the Welsh Government for standard spending purposes.) |
| Risk Management | A planned and systematic approach, involving culture, structure and processes, to provide assurance that the Council's significant risks are identified, evaluated and managed effectively |
| Risk Management Policy | An agreed policy which sets out how and why the Council will manage risk of all types across all of its activities |
| Scheme of Delegation | The framework by which budgetary control and financial monitoring are exercised at a local level. |
| Section 151 Officer | Section 151 of the Local Government Act 1972 requires every local authority to make arrangements for the proper administration of their financial affairs and requires one officer to be nominated to take responsibility for the administration of those affairs. In Flintshire, this responsibility is vested in the Head of Finance. |
| Select List | A list of suitably qualified contractors, suppliers or providers that has been drawn up and assessed through an advertising and short-listing exercise for a particular contract or procurement activity. |
| Services | Intangible commodities (e.g. agency staff, consultants etc). It can also mean support to individuals or groups. |
| Standard Spending Assessments (SSAs) | <p>Standard Spending Assessments (SSAs) are notional assessments of each council's need to spend on revenue services, calculated each year by the Welsh Government for use in the distribution of the Revenue Support Grant (RSG). SSAs are calculated prior to the year to which they relate using principles established by the Welsh Government, which encompass the demographic, physical and social characteristics of each area, as reflected by a range of indicators. SSAs include the need to spend on the current element of revenue expenditure and the need to spend on the capital charges element of revenue expenditure. The distribution of the current element between local authorities is based on the distribution of, such as pupil numbers, population and measures of deprivation and rurality. The distribution of the capital charges element between local authorities is based on the latest available credit ceiling figure for each authority (which is essentially the level of unpaid debt) together with estimates of how this will change in the year to which the SSAs relate.</p> <p>SSAs are intended to reflect variations in the need to spend which might be expected if all authorities responded in a similar way to the demand for services in their area, and as this is the mechanism for distributing the RSG to local authorities this would enable all authorities in Wales to charge the same level of council tax for the provision of a similar standard of service.</p> <p>An authority's SSA is derived as a funding mechanism to distribute the RSG, it is not and should not be viewed as a target level of expenditure for an authority. The RSG funding is unhypothecated, SSAs are not meant to be prescriptive in any way, and therefore</p> |

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| | authorities will spend at levels above and below their SSA according to decisions that have been made locally. |
| Statement of Accounts | <p>The Statement of Accounts provides details of the Council's financial position over the previous financial year. Its purpose is to give electors, those subject to locally levied taxes and charges, members of the authority, employees and other interested parties clear information about the authority's finances. Statements of Accounts across all local authorities should reflect a common pattern of presentation, although this does not require them to be in an identical format.</p> <p>The Statement of Accounts is produced in accordance with the requirements of the Code of Practice on Local Authority Accounting in the UK (the code). The code is updated annually and in 2010/11 the code was based on International Financial Reporting Standards (IFRS) issued by CIPFA for the first time.</p> |
| Sub-contractors | A subcontractor is a legal person appointed by a contractor to get the contract, part of the contract or any section of the contract assigned to him to be executed. |
| Supplies | Consumables (e.g. paper, stationery, foodstuffs etc). |
| Tender List | Drawn from a previously determined select list, the list of suppliers, providers or contractors actually invited to tender |
| Tenderer | A potential supplier or provider or contractor. |
| Third Sector | Third Sector Organisations are key partners in the delivery of services on behalf of the people of Flintshire |
| Treasury Management | The management of the authority's cash flows, its borrowings and its investments, the management of the associated risks, and the pursuit of the optimum performance or return consistent with those risks. |
| Treasury Management Strategy | The strategy for the Treasury Management activities to be adopted for a particular financial year. The strategy needs to be flexible enough to allow the Head of Finance to respond appropriately to changing circumstances during the course of the year to the best advantage of the Council. |
| Underspend | <p>When referring to expenditure the actual expenditure incurred is less than the budget. Shown as a –ve.</p> <p>When referring to income the actual income achieved exceeds the budget. Shown as a -ve.</p> |
| Unhypothecated Funding | Funding allocated without restrictions on how it should be spent. |
| Unhypothecated Supported Borrowing | A source of funding from the Welsh Government to finance general capital expenditure. Allocations are issued annually to each local authority as part of the Local Government Financial Settlement. The Welsh Government includes an element within the Revenue Support Grant to fund the cumulative costs of this borrowing that is classed as supported borrowing. |

Appendix 2

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| <p>Unsupported (Prudential) Borrowing</p> | <p>Borrowing to fund capital expenditure which exceeds Welsh Government support in the Revenue Support Grant. Councils can choose to fund capital expenditure through Unsupported (Prudential) Borrowing so long as they demonstrate that borrowing is prudent, sustainable and affordable, as the ongoing revenue costs of unsupported borrowing will still need to be met from available resources.</p> |
| <p>Value for Money</p> | <p>Broadly value for money is the extent to which objectives are achieved in relation to costs. It is about achieving the optimum combination of costs and benefits to an organisation. Value for money is more formally defined as the relationship between economy, efficiency and effectiveness. Economy is the price paid for what goes into providing a service Efficiency is a measure of productivity – how much you get out in relation to what is put in Effectiveness is a measure of the impact achieved and can be quantitative or qualitative. Outcomes should be equitable across communities, so effectiveness measures should include aspects of equity.</p> |
| <p>Variance</p> | <p>Difference between latest budget and actual income or expenditure. Can be to date if reflecting the current or most up to date position or projected for example projected to the end of the month or financial year.</p> |
| <p>Virement</p> | <p>The transfer of budget provision from one budget head to another. Virement decisions apply to both revenue and capital expenditure heads, and between expenditure and income, and may include transfers from contingency provisions. Virements may not however be approved between capital and revenue budget heads.</p> |



FLINTSHIRE COUNTY COUNCIL

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| Date of Meeting | Tuesday, 24 January 2023 |
| Report Subject | Adoption of the Model Ordinary Language Guide to the Constitution and updates made to the National Model Constitution |
| Report Author | Chief Officer (Governance) |

EXECUTIVE SUMMARY

The Council is required to publish a constitution setting out the rules, codes and protocols that govern its business. The current document is based on a national model produced by Lawyers in Local Government and the Welsh Local Government Association in 2014. Legislation has changed since then and so a revised model has been prepared. Council needs to update its document in line with those changes.

The Council must also produce an ordinary language guide to the constitution by way of a summary. A national model of this document has also been prepared.

The Constitution and Democratic Services Committee appointed a working group to consider the draft model ordinary language guide to the constitution and revisions to the draft updated Model Constitution.

The working group reported back to the Constitution and Democratic Services Committee on the 12th of January and the Committee resolved to make the following recommendations to Council.

RECOMMENDATIONS

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| 1 | That the role descriptions in the draft Model Constitution should be subject to consultation with relevant Members, before the updated constitution is adopted at the Annual General Meeting. |
| 2 | That the ordinary language guide be approved for adoption at the Annual Meeting, subject to a final document and cross reference comparison with the draft constitution to ensure accuracy and consistency between those documents. |

REPORT DETAILS

| 1.00 | WORKING GROUP MEETINGS |
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| 1.01 | <p>Under the Local Government Act 2000 the Council must publish a Constitution which sets out the key documents governing its workings and procedures. The mandatory contents for the document are defined in legislation. Since 2014 the Council has used a national model document that was prepared jointly by Lawyers in Local Government and the WLGA. Given the age of the national model an updated version was produced in 2022.</p> |
| 1.02 | <p>The Constitution and Democratic Services Committee appointed a working group to consider updates to the Model National Constitution, and the model ordinary language guide (see below) to the constitution on the 7th of July 2022. The Committee considered the report back from the working group at its meeting on 12th January 2023. The Committee resolved to undertake some further detailed consideration of parts of the Constitution</p> |
| 1.03 | <p>One of the requirements of the Local Government and Elections (Wales) Act 2021 was for Councils to publish an ordinary language guide to the constitution so that the contents of the constitution were more easily accessible and understandable for everyone. The group considered the content of the model guide and recommended that, subject to the adaptation of it to reflect the local position in Flintshire, it should be adopted by the Council, as the group considers that the guide is fully fit for purpose.</p> |
| 1.04 | <p>Notwithstanding the further work to the detail of the main document, the Committee was content that the further work would not affect the ordinary language guide, which is a summary of the main provisions of the Constitution. It therefore resolved that the ordinary language guide could be recommended to Council for adoption. This is subject to a final document and cross reference comparison with the draft constitution in order to ensure accuracy and consistency between those documents. The Constitution and Democratic Services Committee resolved to make this recommendation to Council. The draft ordinary language guide is shown as Appendix two to this report.</p> |
| 1.05 | <p>The working group also considered a part of the Model Constitution setting out definitions of roles for certain members/positions within the Council. Those role descriptions are also referenced in the ordinary language guide, but have never been adopted by the Council. The role descriptions are shown as Appendix one to this report. The group considered that including such descriptions in the Council's constitution and ordinary language guide may well be useful to members of the public and aid their understanding of how the Council works. However, the group considered that before those role descriptions are adopted by the Council there should be further consultation with members of the Council who hold those roles</p> |

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| | in order that they are fully aware of, and in agreement with, the appropriateness of those role descriptions. The Constitution and Democratic Services Committee resolved to make this recommendation to Council. |
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| 2.00 | RESOURCE IMPLICATIONS |
| 2.01 | The work to create the national model and plain language guide was funded by the Welsh Local Government Association. The work to consider the changes has been accommodated within existing resources. |
| 2.02 | The draft constitution with the changes approved by the working group, incorporated as tracked changes to the draft constitution, have been produced by the law firm who produced the updated national model and plain language guide for the Welsh Local Government Association. They will also carry out a full internal consistency check, proof-read, and an update of any cross-references and a cross reference comparison with the ordinary language guide, to ensure accuracy and consistency between those documents. The costs are estimated to be between £3,000 and £4,000. |
| 2.03 | The approved updated constitution will require translation into Welsh as will the ordinary language guide. |

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| 3.00 | CONSULTATIONS REQUIRED / CARRIED OUT |
| 3.01 | The model documents contain a section of role descriptions for members who have certain specific roles within the Council. These role descriptions do not form part of the current constitution and it is appropriate to consult directly with members who hold these positions in the council before the Council adopts them. |
| 3.02 | The Council will need to approve and adopt the draft updated constitution and ordinary language guide. |
| 3.03 | The working group will need to consider recommendations from the Constitution and Democratic Services Committee before reporting back to that Committee in respect of the draft updated constitution. |

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| 4.00 | RISK MANAGEMENT |
| 4.01 | The updated constitution and ordinary language guide are fully compliant with the legislative requirements for constitutions. They set rules and procedures that ensure the Council works in accordance with legislation and principles such as natural justice thereby reducing the risk of legal challenge. |

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| 5.00 | APPENDICES |
| 5.01 | App 1 – Draft Role Descriptions from the Model Constitution App 2 - Draft Constitution Guide |

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| 6.00 | LIST OF ACCESSIBLE BACKGROUND DOCUMENTS |
| 6.01 | Current Constitution |
| 6.02 | Model Constitution Contact Officer: Gareth Owens, Chief Officer (Governance) Telephone: 01352 702344 E-mail: gareth.legal@flintshire.gov.uk |

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| 7.00 | GLOSSARY OF TERMS |
| 7.01 | Welsh Local Government Association (WLGA) – the representative body for all local authorities in Wales. It liaises with Welsh Government, provides advice and assistance to improve governance and helps to co-ordinate activity. |

APPENDIX 1

MEMBER ROLE DESCRIPTIONS

1. Elected Member Role Description

1.1 Accountabilities

- (a) To Full Council.
- (b) To the electorate of their ward.

1.2 Role Purpose and Activity

(c) *Representing and Supporting Communities*

- (i) To represent ward interests.
- (ii) To be an advocate for the Council in the ward and communities they serve.
- (iii) To be a channel of communication to the community on council strategies, policies, services and procedures.
- (iv) To represent individual constituents and local organisations, undertaking casework on their behalf and serving all fairly and equally.
- (v) To liaise with executive members, other council members, council officers and partner organisations to ensure that the needs of the local communities are identified, understood and supported.
- (vi) To promote tolerance and cohesion in local communities.

(d) *Making Decisions and Overseeing Council Performance*

- (i) To participate in Full Council meetings, reaching and making informed and balanced decisions, and overseeing performance.
- (ii) To participate in informed and balanced decision making on committees and panels to which they might be appointed.
- (iii) To adhere to the principles of democracy and collective responsibility in decision making.
- (iv) To promote and ensure efficiency and effectiveness in the provision of council and other public services.

(e) *Representing the Council (Subject to Appointment)*

- (i) To represent the Council on local outside bodies as an appointee of the Council.
- (ii) To represent the Council on local partnership bodies, promoting common interest and co-operation for mutual gain.
- (iii) To represent and be an advocate for the Council on national bodies and at national events.

(f) *Internal Governance, Ethical Standards and Relationships*

- (i) To promote and support good governance of the Council and its affairs. To provide community leadership and promote active citizenship.
- (ii) To promote and support open and transparent government.
- (iii) To support, and adhere to respectful, appropriate and effective relationships with employees of the Council.
- (iv) To adhere to the Member's Code of Conduct, the Member/Officer Protocol and the highest standards of behaviour in public office.

(g) *Personal and Role Development*

To participate in opportunities for development provided for members by the authority.

1.3 Values

To be committed to the values of the Council and the following values in public office:

- (a) openness and transparency;
- (b) honesty and integrity;
- (c) tolerance and respect;
- (d) equality and fairness;
- (e) appreciation of cultural difference;
- (f) sustainability.

2. Leader (and Deputy) Role Description

2.1 Accountabilities

- (a) To Full Council.

(b) The Public.

2.2 Role Purpose and Activity

(a) *Providing Political Leadership to the Council*

- (i) To be a political figurehead for the Council; to be the principal political spokesperson for the Council.
- (ii) To provide leadership in building a political consensus around council policies.
- (iii) To form a vision for the Council and community.
- (iv) To provide strong, clear leadership in the co-ordination of policies, strategies and service delivery.

(b) *Appointing the Cabinet*

- (i) To designate the appropriate portfolios.
- (ii) To appoint appropriate elected members to each portfolio.
- (iii) To allocate cabinet members to roles with regard to their abilities.
- (iv) To designate the Deputy Leader.

(c) *Representing and Acting as Ambassador for the Authority*

- (i) To represent the Authority to a high standard. Provide a strong, competent and eloquent figure to represent the Authority both within the County and at external bodies.
- (ii) To represent the Authority on the WLGA coordinating committee and the WLGA regional partnership board.
- (iii) To represent the Authority on the Public Services Board.
- (iv) To be the Council member on the North Wales Corporate Joint Committee
- (v) To provide leadership and support local partnerships and organisations.
- (vi) To represent the Authority in regional and national bodies as appropriate.

(d) *Providing Leadership within the Portfolio*

To fulfil the role of a portfolio holder, having regard to the role purpose and activities, and role specification of an executive member.

- (e) *Managing and Leading the Work of the Cabinet and Chairing Meetings*
 - (i) To ensure the effective running of the Cabinet by managing the Forward Work Programme and ensuring its continuing development.
 - (ii) To ensure the work of the Cabinet meets national policy objectives.
 - (iii) To advise and mentor other cabinet members in their work.
 - (iv) To chair meetings of the Cabinet in line with the Constitution.
 - (v) In the Leader's absence the Deputy Leader should fulfil this role.
- (f) *Participating in the Collective Decision Making of the Cabinet*
 - (i) To work closely with other cabinet members to ensure the development of effective council policies and the budgetary framework for the Council, and the delivery of high quality services to local people.
 - (ii) To accept collective responsibility and support decisions made by the Cabinet once they have been made.
- (g) *Working with Officers to Lead the Organisation*
 - (i) To liaise with the Chief Executive, and other appropriate officers, on a regular basis.
 - (ii) To work with employees of the Council in relation to the strategic vision and direction of the Council, the management roles of officers and the development of policy issues.
- (h) *Leading Partnerships and Community Leadership*
 - (i) To give leadership to local strategic partnerships and local partners in the pursuit of common aims and priorities.
 - (ii) To negotiate and broker in cases of differing priorities and disagreement.
 - (iii) To act as a leader of the local community by showing vision and foresight.
- (i) *Internal Governance, Ethical Standards and Relationships*
 - (i) To promote and support good governance of the Council and its affairs.
 - (ii) To provide community leadership and promote active citizenship.

- (iii) To promote and support open and transparent government.
- (iv) To support, and adhere to respectful, appropriate and effective relationships with employees of the Council.
- (v) To adhere to the Member's Code of Conduct, Member/Officer Protocol and the highest standards of behaviour in public office.

2.3 Values

To be committed to and demonstrate the following values in public office:

- (a) openness and transparency;
- (b) honesty and integrity;
- (c) tolerance and respect;
- (d) equality and fairness;
- (e) appreciation of cultural difference;
- (f) sustainability;
- (g) inclusive leadership;
- (h) consensus building.

3. Deputy Leader

3.1 To fulfil the duties of the Leader in his or her absence.

3.2 To assist the Leader[s] in specific duties as required.

4. Cabinet Member Role Description

4.1 Accountabilities

- (a) To the Leader.
- (b) To the Cabinet (through collective responsibility).
- (c) To Full Council.

4.2 Role Purpose and Activities

- (a) *Providing Portfolio Leadership*
 - (i) To give political direction to officers working within the portfolio.
 - (ii) To gain the respect of officers within the portfolio; provide support to officers in the implementation of portfolio programmes.

- (iii) To provide leadership in the portfolio.
 - (iv) To liaise with the appropriate scrutiny chair and receive scrutiny reports as required.
 - (v) To be accountable for choices and performance in the portfolio.
 - (vi) To have an overview of the performance management, efficiency and effectiveness of the portfolio.
 - (vii) To make Executive Decisions within the Portfolio.
- (b) *Contributing to the Setting of the Strategic Agenda and Work Programme for the Portfolio*
- (i) To work with officers to formulate policy documents both strategic and statutory. Ensure that the political will of the majority is carried to and through the Cabinet.
 - (ii) To provide assistance in working up and carrying through a strategic work programme both political and statutory. Carry out consultations with stakeholders as required. Make sure that the portfolio's Forward Work Programme is kept up to date and accurate.
- (c) *Providing Representation for the Portfolio*
- To provide a strong, competent and persuasive figure to represent the portfolio. Be a figurehead in meetings with stakeholders.
- (d) *Reporting and Accounting*
- (i) To report as appropriate to the Leader[s], Full Council, Cabinet, appropriate chair of scrutiny, regulatory bodies and the media.
 - (ii) To be the principal political spokesperson for the portfolio.
 - (iii) To appear before scrutiny committees in respect of matters within the portfolio.
- (e) *Taking an Active Part in Cabinet Meetings and Decision Making*
- (i) To show an interest in and support for the portfolios of others.
 - (ii) To recognise and contribute to issues which cut across portfolios or are issues of collective responsibility.
- (f) *Leading Partnerships and Community Leadership*
- (i) To give leadership to local strategic partnerships and local partners in the pursuit of common aims and priorities.

- (ii) To negotiate and broker in cases of differing priorities and disagreement.
- (iii) To act as a leader of the local community by showing vision and foresight.

(g) *Internal Governance, Ethical Standards and Relationships*

- (i) To promote and support good governance of the Council and its affairs.
- (ii) To provide community leadership and promote active citizenship.
- (iii) To promote and support open and transparent government.
- (iv) To support, and adhere to respectful, appropriate and effective relationships with employees of the Council.
- (v) To adhere to the Members' Code of Conduct, Member/Officer Protocol and the highest standards of behaviour in public office.

4.3 Values

To be committed to the values of the Council and the following values in public office:

- (a) openness and transparency;
- (b) honesty and integrity;
- (c) tolerance and respect;
- (d) equality and fairness;
- (e) appreciation of cultural difference;
- (f) sustainability;
- (g) inclusive leadership.

5. Chair of Democratic Services Committee Role Description

5.1 Accountabilities

To Full Council.

5.2 Role Purpose and Activity

(a) *Providing Leadership and Direction*

- (i) To provide confident and effective management of meetings to facilitate inclusivity, participation and clear decision making.

- (ii) To lead the committee in its role in:
 - 1. designating the Head of Democratic Services;
 - 2. keeping under review the provision of staff, accommodation and other resources made available to the Head of Democratic Services, ensuring that these are adequate;
 - 3. make annual reports to the full council in relation to the above;
 - 4. appointing sub committees and chairs of sub-committees to undertake functions delegated by the committee;
 - 5. considering reports prepared by the Head of Democratic Services;
 - 6. developing the Authority's member support and development strategy;
 - 7. ensuring that members have access to a reasonable level of training and development as described in the Authority's member development strategy and the Wales Charter for Member Support and Development;
 - 8. ensuring that the budget for member development is sufficient;
 - 9. ensuring that members have access to personal development planning and annual personal development reviews;
 - 10. work with the member support and development champion where relevant to promote the role of members and necessary support and development.

(iii) To demonstrate integrity and impartiality in decision making which accord with legal, constitutional and policy requirements.

(b) *Promoting the Role of the Democratic Services Committee*

- (i) To act as an ambassador for the DS committee, facilitating understanding of the role.
- (ii) To act within technical, legal and procedural requirements to oversee the functions of the committee fairly and correctly.
- (iii) To ensure thoroughness and objectivity in the committee, receiving and responding to professional advice in the conduct of meetings.

(c) *Internal Governance, Ethical Standards and Relationships*

- (i) To develop the standing and integrity of the committee and its decision making.
- (ii) To understand the respective roles of members, officers and external parties operating within the Democratic Services Committee's area of responsibility.
- (iii) To promote and support good governance by the Council.

5.3 Values

To be committed to the values of the council and the following values in public office:

- (a) openness and transparency;
- (b) honesty and integrity;
- (c) tolerance and respect;
- (d) equality and fairness;
- (e) appreciation of cultural differences;
- (f) sustainability.

6. Member of a Democratic Services Committee Role Description

6.1 Accountabilities

- (a) To Full Council.
- (b) To the Chair of the Democratic Services Committee.

6.2 Role Purpose and Activity

- (a) *Understanding the Nature of the Governance and Audit Committee:*
 - (i) To be aware of and effectively undertake the role of the committee in:
 1. designating the Head of Democratic Services;
 2. keeping under review the provision of staff, accommodation and other resources made available to the Head of Democratic Services, ensuring that these are adequate;
 3. make annual reports to the full council in relation to the above;

4. appointing sub committees and chairs of sub-committees to undertake functions delegated by the committee;
 5. considering reports prepared by the Head of Democratic Services;
 6. developing the Authority's member support and development strategy;
 7. ensuring that members have access to a reasonable level of training and development as described in the member development strategy and the Wales Charter for Member Support and Development;
 8. ensuring that the budget for member development is sufficient;
 9. ensuring that members have access to personal development planning and annual personal development reviews.
- (b) To have sufficient technical, legal and procedural knowledge to contribute fairly and correctly to the function of the committee.
- (c) To be thorough and objective in receiving and responding to professional advice in the conduct of meetings and issues before the committee.
- (d) *Participating in Meetings and Making Decisions*
- (i) To participate effectively in meetings of the Democratic Services Committee.
 - (ii) To make informed and balanced decisions, within the terms of reference of the committee, which accord with legal, constitutional and policy requirements.
- (e) *Internal Governance, Ethical Standards and Relationships*
- (i) To ensure the integrity of the committee's decision making and of his/ her own role by adhering to the Code of Conduct(s) and other constitutional and legal requirements.
 - (ii) To promote and support good governance by the Council.
 - (iii) To understand the respective roles of members, officers and external parties operating within the Democratic Services Committee's area of responsibility.

6.3 Values

To be committed to the values of the Council and the following values in public office:

- (a) openness and transparency;
- (b) honesty and integrity;
- (c) tolerance and respect;
- (d) equality and fairness;
- (e) appreciation of cultural difference;
- (f) sustainability.

7. Chair of a Regulatory Committee Role Description

7.1 Accountabilities

- (a) To Full Council.
- (b) To the members of the regulatory committee.

7.2 Role Purpose and Activity

- (a) *Providing Leadership and Direction*
 - (i) To provide confident and effective management of meetings to facilitate inclusivity, participation and clear decision making.
 - (ii) To ensure that applicants and other interested parties are satisfied as to the transparency of the regulatory process.
 - (iii) To demonstrate integrity and impartiality in decision making which accord with legal, constitutional and policy requirements.
 - (iv) To delegate actions to sub committees as appropriate
- (b) *Promoting the Role of the Regulatory Committee and Quasi-Judicial Decision Making*
 - (i) To act as an ambassador for the regulatory committee, facilitating understanding of the role.
 - (ii) To act within technical, legal and procedural requirements to oversee the functions of the committee fairly and correctly.
 - (iii) To ensure thoroughness and objectivity in the committee, receiving and responding to professional advice in the conduct of meetings and in individual cases/applications before formal committee meetings.
- (c) *Internal Governance, Ethical Standards and Relationships*
 - (i) To develop the standing and integrity of the committee and its decision making.

- (ii) To understand the respective roles of members, officers and external parties operating within the regulatory committee's area of responsibility.
- (iii) To promote and support good governance by the Council.

7.3 Values

To be committed to the values of the council and the following values in public office:

- (a) openness and transparency;
- (b) honesty and integrity;
- (c) tolerance and respect;
- (d) equality and fairness;
- (e) appreciation of cultural differences;
- (f) sustainability.

8. Member of a Regulatory Committee Role Description

8.1 Accountabilities

- (a) To Full Council.
- (b) To the Chair of the regulatory committee.

8.2 Role Purpose and Activity

- (a) *Understanding the Nature of the Regulatory Committee and Quasi-Judicial Decision Making*
 - (i) To be aware of the quasi-judicial nature of regulatory committee decision making.
 - (ii) To have sufficient technical, legal and procedural knowledge to contribute fairly and correctly to the function of the committee.
 - (iii) To be thorough and objective in receiving and responding to professional advice in the conduct of meetings and individual cases/applications before the committee.
- (b) *Participating in Meetings and Making Decisions*
 - (i) To participate effectively in meetings of the regulatory committee, ensuring that both local considerations and policy recommendations are balanced to contribute to effective decision making.

- (ii) To make informed and balanced decisions, within the terms of reference of the committee, which accord with legal, constitutional and policy requirements.
- (c) *Internal Governance, Ethical Standards and Relationships*
 - (i) To ensure the integrity of the committee's decision making and of his/her own role by adhering to the Code of Conduct(s) and other constitutional and legal requirements.
 - (ii) To promote and support good governance by the Council.
 - (iii) To understand the respective roles of members, officers and external parties operating within the regulatory committee's area of responsibility.

8.3 Values

To be committed to the values of the Council and the following values in public office:

- (a) openness and transparency;
- (b) honesty and integrity;
- (c) tolerance and respect;
- (d) equality and fairness;
- (e) appreciation of cultural difference;
- (f) sustainability.

9. Chair of Standards Committee Role Description

9.1 Accountabilities

To Full Council.

9.2 Role Purpose and Activity

- (a) *Providing Leadership and Direction*
 - (i) To act within technical, legal and procedural requirements to oversee the functions of the committee fairly and correctly.
 - (ii) To ensure thoroughness and objectivity in the committee, receiving and responding to professional advice on the Code of Conduct.
 - (iii) To demonstrate independence, integrity and impartiality in decision making which accord with legal, constitutional and policy requirements.

- (iv) To provide confident and effective management of meetings to facilitate inclusivity, participation and clear decision making.
- (v) To lead the committee in its role in:
 - 1. promoting and maintaining high standards of conduct by Councillors and co-opted members;
 - 2. assisting the Councillors and co-opted members to observe the Members' Code of Conduct;
 - 3. advising the Council on the adoption or revision of the Members' Code of Conduct;
 - 4. monitoring the operation of the Members' Code of Conduct;
 - 5. advising, training or arranging to train Councillors, co-opted members on matters relating to the Members' Code of Conduct;
 - 6. granting dispensations to Councillors and co-opted members on dealing with any reports from a case tribunal or interim case tribunal, and any report from the Monitoring Officer on any matter referred to that officer by the Public Services Ombudsman for Wales;
 - 7. the exercise of these functions in relation to community councils and the members of those community councils.

9.3 Values

To be committed to the values of the council and the following values in public office:

- (a) openness and transparency;
- (b) honesty and integrity;
- (c) tolerance and respect;
- (d) equality and fairness;
- (e) appreciation of cultural differences;
- (f) sustainability.

10. Member of a Standards Committee Role Description

10.1 Accountabilities

- (a) To Full Council.

(b) To the Chair of the Standards Committee.

10.2 Role Purpose and Activity

- (a) Understanding the nature of the Standards committee and effectively fulfilling its functions by:
- (i) promoting and maintaining high standards of conduct by Councillors and co-opted members;
 - (ii) assisting the Councillors and co-opted members to observe the Members' Code of Conduct;
 - (iii) advising the Council on the adoption or revision of the Members' Code of Conduct;
 - (iv) monitoring the operation of the Members' Code of Conduct;
 - (v) advising, training or arranging to train Councillors, co-opted members on matters relating to the Members' Code of Conduct;
 - (vi) granting dispensations to Councillors and co-opted members on dealing with any reports from a case tribunal or interim case tribunal, and any report from the Monitoring Officer on any matter referred to that officer by the Public Services Ombudsman for Wales.
- (b) To have sufficient technical, legal and procedural knowledge to contribute fairly and correctly to the function of the committee.
- (c) To be thorough and objective in receiving and responding to professional advice in the conduct of meetings and issues before the committee.
- (d) *Participating in Meetings and Making Decisions*
- (i) To participate effectively in meetings of the Standards committee.
 - (ii) To make informed and balanced decisions, within the terms of reference of the committee, which accord with legal, constitutional and policy requirements.
- (e) *Internal Governance, Ethical Standards and Relationships*
- (i) To ensure the integrity of the committee's decision making and of his/her own role by adhering to the Code of Conduct(s) and other constitutional and legal requirements.
 - (ii) To promote and support good governance by the Council.

- (iii) To understand the respective roles of members, officers and external parties operating within the Standards committee's area of responsibility.

10.3 Values

To be committed to the values of the Council and the following values in public office:

- (a) openness and transparency;
- (b) honesty and integrity;
- (c) tolerance and respect;
- (d) equality and fairness;
- (e) appreciation of cultural difference;
- (f) sustainability.

11. Chair of Governance and Audit Committee Role Description

11.1 Accountabilities

To Full Council.

11.2 Role Purpose and Activity

(a) *Providing Leadership and Direction*

- (i) To demonstrate independence, integrity and impartiality in decision making which accord with legal, constitutional and policy requirements.
- (ii) To provide confident and effective management of meetings to facilitate inclusivity, participation and clear decision making.
- (iii) To agree the agendas for Governance and Audit Committee meetings .
- (iv) To lead the committee in its role in:
 - 1. reviewing and scrutinising the authority's financial affairs;
 - 2. making reports and recommendations in relation to the authority's financial affairs;
 - 3. reviewing and assessing the risk management, internal control and corporate governance arrangements of the authority;
 - 4. making reports and recommendations to the authority on the adequacy and effectiveness of those arrangements;

5. overseeing the authority's internal and external audit arrangements;
6. reviewing the financial statements prepared by the authority and approving them when powers are delegated;
7. developing relationships with internal and external auditors and the Authority's Monitoring Officer;
8. developing a Forward Work Programme designed to deliver the governance and audit committees functions;
9. reviewing and self-assessing the performance of the Committee and its members; and
10. reviewing and making recommendations in relation to the self-assessment report pursuant to section 91 of the Local Government and Elections (Wales) Act 2021.

(b) *Promoting the Role of the Governance and Audit Committee*

- (i) To act as an ambassador for the governance and audit committee, facilitating understanding of the role.
- (ii) To act within technical, legal and procedural requirements to oversee the functions of the committee fairly and correctly.
- (iii) To ensure thoroughness and objectivity in the committee, receiving and responding to professional advice in the conduct of meetings and in the audit process.

(c) *Internal Governance, Ethical Standards and Relationships*

- (i) Understanding the financial risks associated with corporate governance; being satisfied that the authorities assurance statements including the annual governance statement reflects the risk environment and any activities required to improve it.
- (ii) To develop the standing and integrity of the committee and its decision making.
- (iii) To understand the respective roles of members, officers and external parties operating within the governance and audit committee's area of responsibility.
- (iv) To promote and support good governance by the Council.

11.3 Values

To be committed to the values of the council and the following values in public office:

- (a) openness and transparency;

- (b) honesty and integrity;
- (c) tolerance and respect;
- (d) equality and fairness;
- (e) appreciation of cultural differences;
- (f) sustainability.

12. Member of a Governance and Audit Committee Role Description

12.1 Accountabilities

- (a) To Full Council.
- (b) To the Chair of the Governance and Audit Committee.

12.2 Role Purpose and Activity

- (a) Understanding the role of the Governance and Audit Committee and undertaking its functions:
 - (i) reviewing and scrutinising the authority's financial affairs;
 - (ii) making reports and recommendations in relation to the authority's financial affairs;
 - (iii) reviewing and assessing the risk management, internal control and corporate governance arrangements of the authority;
 - (iv) making reports and recommendations to the authority on the adequacy and effectiveness of those arrangements;
 - (v) overseeing the authority's internal and external audit arrangements;
 - (vi) reviewing the financial statements prepared by the authority.
- (b) To have sufficient technical, legal and procedural knowledge to contribute fairly and correctly to the function of the committee.
- (c) To be thorough and objective in receiving and responding to professional advice in the conduct of meetings and issues before the committee.
- (d) *Participating in Meetings and Making Decisions*
 - (i) To participate effectively in meetings of the governance and audit committee; questioning and seeking clarification on matters falling within the committee's remit.

- (ii) To make informed and balanced decisions, within the terms of reference of the committee, which accord with legal, constitutional and policy requirements.

(e) *Internal Governance, Ethical Standards and Relationships*

- (i) Understanding the financial risks associated with corporate governance; being satisfied that the authorities assurance statements including the annual governance statement reflects the risk environment and any activities required to improve it.
- (ii) To ensure the integrity of the committee's decision making and of his/her own role by adhering to the Code of Conduct(s) and other constitutional and legal requirements.
- (iii) To promote and support good governance by the Council.
- (iv) To understand the respective roles of members, officers and external parties operating within the governance and audit committee's area of responsibility.

12.3 Values

To be committed to the values of the Council and the following values in public office:

- (a) openness and transparency;
- (b) honesty and integrity;
- (c) tolerance and respect;
- (d) equality and fairness;
- (e) appreciation of cultural difference;
- (f) sustainability.

13. Overview and Scrutiny Chair Role Description

13.1 Accountabilities

- (a) Full Council.
- (b) The Public.

13.2 Role Purpose and Activity

- (a) *Providing Leadership and Direction*
 - (i) To provide confident and effective management of the member team.

- (ii) To promote the role of overview and scrutiny within and outside the council, liaising effectively both internally within the council and externally with the Council's partners.
- (iii) To demonstrate an objective and evidence based approach to overview and scrutiny.
- (iv) To evaluate the impact and added value of overview and scrutiny activity and identify areas for improvement.

(b) *Managing the Work Programme*

- (i) To develop a balanced work programme of the committee which includes pre decision scrutiny, policy development and review, investigative scrutiny, and holding the executive to account including performance monitoring.
- (ii) To ensure the programme takes account of relevant factors such as: the work programmes of the executive and other committees, strategic priorities and risks, and relevant community issues.
- (iii) To ensure that the work programme is delivered.
- (iv) To report on progress against the work programme to Council, and others as appropriate.
- (v) To liaise with officers, other members and community representatives to resource and deliver the work programme.

(c) *Effective Meeting Management*

- (i) To set agendas containing clear objectives and outcomes for the meeting.
- (ii) To manage the progress of business at meetings, ensuring that meeting objectives are met, and the code of conduct, standing orders and other constitutional requirements are adhered to.
- (iii) To ensure that the necessary preparation is done beforehand
To ensure that all participants have an opportunity to make an appropriate contribution.

(d) *Community Leadership*

- (i) To act as a focus for liaison between the council, community and external bodies in relation to the scrutiny function.
- (ii) To build understanding and ownership of the overview and scrutiny function within the community.
- (iii) To identify relevant community based issues for scrutiny.

- (iv) To promote the full involvement of external stakeholders for example, service users expert witnesses and partners in scrutiny activity.
- (e) *Involvement and Development of Committee Members*
 - (i) To encourage effective contributions from all committee members in both committee and task and finish groups.
 - (ii) To assess individual and collective performance within the committee and facilitate appropriate development.
 - (iii) To champion the importance of learning and development.

13.3 Values

To be committed to the values of the Council and the following values in public office:

- (a) openness and transparency;
- (b) honesty and integrity;
- (c) tolerance and respect;
- (d) equality and fairness;
- (e) appreciation of cultural difference;
- (f) sustainability.

14. Overview and Scrutiny Member Role Description

14.1 Accountabilities

- (a) Chair of the appropriate Overview and Scrutiny Committee.
- (b) Full Council.
- (c) The public.

14.2 Role Purpose and Activity

To participate fully in the activities of the Overview and Scrutiny Committee, the development and delivery of its work programme and any associated task and finish groups.

- (a) *Reviewing and Developing Policy*
 - (i) To assist in the creation, development, improvement and refinement of council policy.
 - (ii) To challenge policies on a sound basis of evidence for example against legislation or local political priority.

- (iii) To assess impact of existing policy.
- (b) *Holding the Executive to Account, Monitoring Performance and Service Delivery*
 - (i) To monitor the performance of internal and external providers against standards and targets including questioning of executive and senior officers over time.
 - (ii) To contribute to the identification and mitigation of risk.
 - (iii) To investigate and address the causes of poor performance.
 - (iv) To evaluate the validity of Executive Decisions and challenging decisions through call in where appropriate.
- (c) *Promoting the Work of Overview and Scrutiny*
 - (i) To promote the role of overview and scrutiny within and outside the council, developing effective internal and external relationships.
 - (ii) To demonstrate an objective and evidence based approach to overview and scrutiny.
 - (iii) To add value to the decision making and service provision of the authority through effective scrutiny.
- (d) *Community Leadership*
 - (i) To use scrutiny as a means to address community issues and engage the public.
 - (ii) To encourage stakeholders to participate in the work of the authority To develop locally viable and acceptable policy solutions.
 - (iii) To build a dialogue around priorities, objectives and performance, among communities and stakeholders.
- (e) *Meeting Participation*
 - (i) To make adequate and appropriate preparation for meetings through research and briefings.
 - (ii) To participate in a proactive, informed and effective manner taking account of the Code of Conduct, Standing Orders and other constitutional requirements.

14.3 Values

To be committed to the values of the Council and the following values in public office:

- (a) openness and transparency;
- (b) honesty and integrity;
- (c) tolerance and respect;
- (d) equality and fairness;
- (e) appreciation of cultural difference;
- (f) sustainability.

15. Leader of the Opposition Role Description

15.1 Accountabilities

To the nominating group within the constitution.

15.2 Role Purpose and Activity

(a) *Providing Political Leadership for an Opposition Group*

- (i) To be a political figurehead for the opposition group; to be the principal political spokesperson for the Council's opposition.
- (ii) To provide leadership in the constructive challenge of the Council's policies.
- (iii) To constructively challenge the vision for the Council and community where appropriate.
- (iv) To provide strong, clear leadership in the co-ordination of alternative policies, strategies and service delivery.

(b) *Representing the Authority's Opposition*

- (i) To represent the Opposition Group to a high standard; providing a strong, competent and eloquent figure to represent the opposition within the Authority.
- (ii) To represent the Council on external bodies.

(c) *Internal Governance, Ethical Standards and Relationships*

- (i) To promote and support good governance of the Council and its affairs.
- (ii) To provide community leadership and promote active citizenship.
- (iii) To promote and support open and transparent government.

- (iv) To promote, support, and adhere to respectful, appropriate and effective relationships with employees of the Council.
- (v) To promote, support and adhere to the Member's Code of Conduct, Member/Officer Protocol and the highest standards of behaviour in public office.

15.3 Values

To be committed to and demonstrate the following values in public office:

- (a) openness and transparency;
- (b) honesty and integrity;
- (c) tolerance and respect;
- (d) equality and fairness;
- (e) appreciation of cultural difference;
- (f) sustainability;
- (g) inclusive leadership;
- (h) consensus building.

16. Role of the Deputy Leader of the Opposition

16.1 To fulfil the duties of the Leader in his or her absence.

16.2 To assist the Leader in specific duties as required.

17. Member Champion Purpose and Role

What are Member Champions?

- (a) Member Champions exist to provide a voice for traditionally underrepresented groups, or issues which need to be kept at the forefront of council business although they may not be the responsibility of any individual or committee.
- (b) Member Champions, (sometimes called lead members) are elected members who in addition to their other council responsibilities make sure that the issue or group that they are championing are taken into account when council policy is being developed and decisions are made. Members act as champions in areas such as children, homelessness, equalities, older people, young people, scrutiny, member support and development, health improvement and anti-poverty. There is a statutory role for a lead member of children's and

young people's services with a responsibility for over-seeing the arrangements made under sections 25 and 26 of the 2004 Children Act.

- (c) Guidance on undertaking the role with regard to the subject knowledge that members need is sometimes available from the outside bodies associated with the issue being championed for example the toolkit for older peoples' champions from the LGA. Otherwise they will be reliant on their authority for guidance in the subject they lead on and also their role as lead member in this area.

What do they do?

Typically, the lead member will:

- (a) make sure that their area of interest is taken into account when developing policy or making decisions;
- (b) ask questions about performance and resourcing for the area;
- (c) raise the profile of the area and make the authority aware of good practice;
- (d) engage with external bodies who work in the area;
- (e) engage with other officers and members in relation to the role;
- (f) engage with community groups with an interest/stake in the area;
- (g) report action to the council.

How does their role fit within the Corporate Structure?

- (a) This will vary according to the area/issue that is being championed and how the authority functions. There is potential for confusion and overlap between the role of the member champion and those of the relevant executive member or overview and scrutiny members. The champion role itself could be undertaken by either the relevant executive member or a non-executive member.
- (b) It is therefore important that members and officers work together to agree roles and action for the area being championed and that there are mechanisms for lead members to report on their activities. It is helpful for the authority to draft a protocol which sets out what powers champions have and do not have, such as whether or not they are able to make decisions on behalf of the authority. Similarly, the appointment of champions varies between authorities, and includes appointments being made by full council meetings or by the leader.

The Role Description

It is difficult to create a role description that fits with the different roles expected of champions and how they operate in the different authorities' structures. The following is a generic model which will require local adaptation, particularly to reflect the difference that may exist between a statutory role, one undertaken by an executive member and a non-executive lead.

Accountabilities

To Full Council.

Role Purpose and Activities

(a) *Within the Council*

- (i) To promote the interest being championed within the Council's corporate and service priorities.
- (ii) To promote the needs of the client group represented in the interest to the decision makers within the council.
- (iii) To work with the decision makers in the Council to establish strategies/ policies/work plans connected with the interest.
- (iv) To maintain an awareness of all matters connected with the interest.
- (v) To contribute to good practice and the continuous improvement of services and functions related to the interest.
- (vi) To engage with members in matters related to the interest such as attending Overview and Scrutiny/Cabinet /Full Council meetings etc.
- (vii) Raising awareness of and taking a lead role in the development of all members and officers in relation to the interest.

(b) *In the Community*

- (i) To raise the profile of the interest in the community.
- (ii) To engage with citizens and community groups in matters related to the interest.
- (iii) To lead and support local initiatives related to the interest.

Values

To be committed to the values of the Council and the following values in public office:

- (a) openness and transparency;
- (b) honesty and integrity;

- (c) tolerance and respect;
- (d) equality and fairness;
- (e) appreciation of cultural difference;
- (f) sustainability;
- (g) inclusive leadership.

18. Elected Member Person Specification

To fulfil his or her role as laid out in the role description, an effective member requires the following:

18.1 Representing and Supporting Communities

- (a) Good advocacy skills.
- (b) Interpersonal skills.
- (c) Integrity and the ability to set aside own views and act impartially.
- (d) The ability to present relevant and well-reasoned arguments.
- (e) Good communication skills.

18.2 Making Decisions and Overseeing Council Performance

- (a) Knowledge and understanding of meetings law, rules and conventions.
- (b) An understanding of strategic, policy and service contexts for decisions.
- (c) The ability to challenge ideas and contribute positively to policy development.

18.3 Representing the Council (Subject to Appointment)

- (a) Good public speaking skills.
- (b) Good presentation skills.
- (c) The ability to persuade others and act with integrity.

18.4 Internal Governance, Ethical Standards and Relationships

- (a) An understanding of the roles of officers, members and different agencies.
- (b) Respect for, and desire to work with, different groups and individuals.

- (c) Have knowledge and understanding of the Code of Conduct and Member/Officer Protocol.
- (d) A knowledge and commitment to the values of the Council.

18.5 Personal and Role Development

- (a) An ability to assess personal and role development needs.
- (b) Desire and skills to participate in development.

19. Leader Person Specification

To fulfil his or her role as laid out in the role description, an effective leader requires:

19.1 Providing Political Leadership to the Council

- (a) Knowledge of community strengths, areas of improvement and key issues.
- (b) An understanding of the relationship between national and local politics.
- (c) Have a good strategic awareness of issues facing the Council.
- (d) An understanding of the Council's strategy, policies and operations.

19.2 Appointing the Cabinet

- (a) An understanding of the rules for the appointment of Cabinet Members.
- (b) An ability to recognise talent amongst members.
- (c) An ability to negotiate the most advantageous appointments within and across political groups.
- (d) To appraise, guide and mentor senior members.

19.3 Representing and Acting as Ambassador for the Authority

- (a) High level communication skills to communicate to the media, local community and wider audience.
- (b) Good public speaking skills.

19.4 Providing Leadership within the Portfolio

The skills necessary for a cabinet member to fulfil their role.

19.5 Managing and Leading the work of the Cabinet and Chairing Meetings of the Cabinet

- (a) An understanding of the Cabinet procedure rules.

- (b) Skills to Chair meetings, including encouraging participation from all members.
- (c) A knowledge and understanding of national policy objectives.
- (d) An overview of the work being carried out by cabinet members.

19.6 Participating in the Collective Decision Making of the Cabinet

The ability to constructively challenge decisions and suggest alternatives.

19.7 Working with Officers to Lead the Organisation

An understanding of the roles and responsibilities of the Chief Executive and other officers.

19.8 Leading Partnerships and Community Leadership

- (a) Adaptive leadership skills.
- (b) Negotiation and brokerage skills.
- (c) Creative and lateral thinking skills; the ability to see ahead and be predictive.

19.9 Internal Governance, Ethical Standards and Relationships

- (a) An understanding of the roles of officers, members and different agencies.
- (b) Respect for, and desire to work with, different groups and individuals.
- (c) Have knowledge and understanding of the Code of Conduct and Member/Officer Protocol.
- (d) A knowledge and commitment to the values of the Council.

20. Cabinet Member Person Specification

To fulfil his or her role as laid out in the role description, an effective Cabinet Member requires:

20.1 Portfolio Leadership

- (a) An understanding of the Council's strategy, policies and operations.
- (b) Leadership skills.

20.2 Contributing to the setting of the Strategic Agenda and Work Programme for the Portfolio

- (a) The ability to present to others.
- (b) The ability to exercise strategic awareness and judgement.

- (c) Knowledge of relevant issues and who to involve in decision making.
- (d) The ability to persuade others.
- (e) Knowledge of Council and national objectives.

20.3 Providing Representation for the Portfolio

- (a) Public speaking skills.
- (b) Good presentation skills.

20.4 Reporting as Appropriate

High level communication skills.

20.5 Taking an Active Part in Cabinet Meetings and Decisions

- (a) The ability to constructively challenge decisions and suggest alternatives.
- (b) The knowledge, confidence and ability to contribute to discussion and resolution of cross cutting and collective issues.

20.6 Leading Partnerships and Community Leadership

- (a) Adaptive leadership skills.
- (b) Negotiation and brokerage skills.
- (c) Creative and lateral thinking skills; the ability to see ahead and be predictive.

20.7 Internal Governance, Ethical Standards and Relationships

- (a) An understanding of the roles of officers, members and different agencies.
- (b) Respect for, and desire to work with, different groups and individuals.
- (c) Have knowledge and understanding of the Code of Conduct and Member/Officer Protocol.
- (d) A knowledge and commitment to the values of the Council.

21. Chair of Regulatory Committee Person Specification

To fulfil his or her role as set out in the role description, an effective regulatory committee chair requires:

21.1 Providing Leadership and Direction

- (a) Ability to conduct meetings to ensure that applicants feel that they have been dealt with fairly and fully even if their application is refused.
- (b) Understanding of the Council's role and ability to ensuring that stake holders are aware of that role.
- (c) Communication skills Knowledge of local issues.
- (d) Ability to manage the work of the committee.
- (e) Ability to support and develop necessary skills in fellow members of the committee.

21.2 Promoting the Role of the Regulatory Committee and Quasi-Judicial Decision Making

- (a) Understanding and appreciation of the regulatory framework.
- (b) Ability to inspire and enthuse committee members for the work of the committee.
- (c) Integrity and the ability to set aside own views and act impartially.
- (d) Knowledge and understanding of the relevant code(s) of conduct and protocols and the ability to champion them.

21.3 Internal Governance, Ethical Standards and Relationships

- (a) Knowledge and understanding of the Code of Conduct(s) and protocols.
- (b) Knowledge of and commitment to the values of the Council.

22. Regulatory Committee Member Person Specification

To fulfil his or her role as laid out in the role/job description, an effective member of a regulatory committee requires the following:

22.1 Understanding the Nature of the Regulatory Committee and Quasi-Judicial Decision Making

- (a) Integrity and the ability to set aside own views and act impartially.
- (b) Knowledge of law, policy and procedures for that regulatory/quasi-judicial area.
- (c) Maintenance of knowledge.
- (d) Objectivity and judgement.

22.2 Participating in Meetings and Making Decisions

- (a) Ability to listen and to consider and respect the views of other contributors.
- (b) Good public speaking skills.
- (c) Good advocacy skills.

22.3 Internal Governance, Ethical Standards and Relationships

- (a) Knowledge and understanding of the Code of Conduct(s) and protocols.
- (b) Knowledge of and a commitment to the values of the Council.

23. Scrutiny Chair Person Specification

To fulfil his or her role laid out in the role description an effective Scrutiny Chair requires:

23.1 Providing Leadership and Direction

- (a) Understanding of council role and functions.
- (b) Understanding of role of scrutiny, terms of reference for the committee, role of chair, and other aspects of the democratic arrangements.
- (c) Understanding of member support functions Understanding of council priorities and risks Ability to develop work programmes.
- (d) Understanding of community issues.
- (e) Objectivity.
- (f) Negotiation and consensus building.
- (g) Ability to build constructive and 'critical friend' relationships with the Executive.

23.2 Managing the Work Programme

- (a) Ability to manage projects and resources.
- (b) Ability to manage people.
- (c) Ability to prioritise.
- (d) Ability to report progress to different groups in different styles.

23.3 Effective Meeting Management

- (a) Understanding and application of meeting protocols, code of conduct, standing orders and other constitutional requirements.
- (b) Ability to chair meetings effectively, managing the agenda and progressing business.
- (c) Ability to facilitate effective discussions.
- (d) Ability to listen and question effectively.

23.4 Community Leadership

- (a) Understanding of the community leadership role.
- (b) Knowledge of local issues and expectations.
- (c) Ability to work effectively with all members of the community and build understanding and ownership of scrutiny.
- (d) Knowledge of the individuals and organisations in the community especially those traditionally excluded.

23.5 Involving and Developing of Committee Members

- (a) Understanding of the role and skills of the scrutiny committee and its individuals.
- (b) Ability to support members and the committee in assessing their performance.
- (c) Ability to identify any training and development needs and Champion and participate in appropriate learning and development.

24. Scrutiny Member Person Specification

To fulfil his or her role as laid out in the role description, an effective scrutiny member requires:

24.1 Participating Fully in the Activities of the Scrutiny Function

- (a) Full understanding of the scrutiny remit and role, and terms of reference for their own committee and others.
- (b) Understanding of member support functions.
- (c) Willingness to work within the guidance of the chair.
- (d) Willingness to undertake training as necessary.

24.2 Reviewing and Developing Policy

- (a) Knowledge of and ability to evaluate existing policy.
- (b) Understanding of best practice.
- (c) Understanding of national and local legislative and policy context.

24.3 Monitoring Performance and Service Delivery and Holding the Executive to Account

- (a) Understanding of the Wales Programme for Improvement (WPI) and associated risk assessment arrangements.
- (b) Understanding of the principles and practice of performance management.
- (c) Understanding of council's performance management arrangements.
- (d) Ability to analyse data and challenge performance.
- (e) Understanding of arrangements for call in.

24.4 Promoting the Work of Scrutiny

- (a) Ability to negotiate and build consensus.
- (b) Ability to act objectively and on the basis of evidence.

24.5 Community Leadership

- (a) An understanding of the community leadership role.
- (b) Knowledge of local issues and expectations.
- (c) Ability to work effectively with all members of the community and build understanding and ownership of scrutiny.
- (d) Knowledge of the individuals and organisations in the community especially those traditionally excluded.

24.6 Meeting Participation

- (a) Ability to interpret information and data from a range of sources.
- (b) Understanding and application of meeting protocols, code of conduct, standing orders and other constitutional requirements.
- (c) Ability to participate in meetings including effective listening, questioning and speaking.

25. Leader of the Opposition Person Specification

To fulfil his or her role as laid out in the role description, an effective leader of the opposition requires:

25.1 In Providing Political Leadership for the Opposition Group

- (a) Knowledge of community strengths, areas of improvement and key issues.
- (b) An understanding of the relationship between national and local politics.
- (c) Have a good strategic awareness of issues facing the Council.
- (d) An understanding of the Council's strategy, policies and operations.
- (e) An ability to challenge different strategies, policies and operations.

25.2 In Representing the Authority's Opposition

- (a) High level communication skills to communicate to the media, local community and wider audience.
- (b) Good public speaking skills.
- (c) Creative and lateral thinking skills; the ability to see ahead and be foresighted.
- (d) Leadership skills.

25.3 Internal Governance, Ethical Standards and Relationships

- (a) An understanding of the roles of officers, members and different agencies Respect for, and willingness to work with, different groups and individuals.
- (b) A thorough knowledge and understanding of the Code of Conduct and Member/Officer Protocol.
- (c) A knowledge of and commitment to the values of the Council.

26. Member Champion Person Specification

26.1 Within the Council

- (a) Understanding of the area of interest being championed in terms of council strategies and policy, good practice, improvement and national agendas and the needs of the client group.
- (b) Ability to engage with a range of members and officers around the area of interest and listening to requirements.
- (c) Ability to advocate on behalf of the area of interest within the council.

26.2 In the Community

- (a) Understanding of the needs of the community in relation to the interest
- (b) Ability to engage with citizens and community groups in matters related to the interest.
- (c) Ability to lead and support local initiatives related to the interest.
- (d) Ability to represent the position of the council to the community in relation to the interest.

Guide to the model Welsh Local Authority constitution

Produced pursuant to section 37 (1A) of the Local Government Act 2000

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Introduction

The constitution

The Council is made up of different individuals and bodies, who work together to deliver the Council's functions. The Council's constitution describes the different people and bodies that make up the Council, their functions, and the procedure rules that govern how those bodies work together to deliver services.

It is intended to: -

- enable the Council to make decisions efficiently and effectively;
- support you to participate in decisions that affect you;
- help Councillors to represent their constituents more effectively; and
- enable you to hold the Council to account.

One of the main aims of the constitution is to set out clearly what you can expect from the Council, and what you can do if your expectations are not met.

This guide

This guide is designed to help you to understand how the Council works to deliver services in your area. It provides an overview of the Council's constitution and explains key sections of the constitution in clear and simple language.

It may also be of use to those organisations that work with the Council to deliver services in the Council's area.

The first part of this guide explains why the constitution is important and how it is reviewed and updated.

It aims to answer questions such as: -

- *Why does the Council have a constitution?* p.5
- *How can I get a copy of the constitution?* p.5
- *Who is responsible for keeping the constitution up to date?* p.5

The second part of this guide explains how the Council is structured. It describes the Council's democratic bodies as well as how decisions are made and by whom.

It explains the functions of the Council, its Cabinet and its committees, and which body of the Council is responsible for particular policies and decisions.

It aims to answer questions such as: -

- *What does my local Councillor do?* p.9
- *What does the Council do?* p.10
- *What happens at Council meetings?* p.11
- *How does the Council make decisions?* p.11
- *How can I find out what the Council decided about an issue that affects me?* p.12
- *What does the Cabinet do?* p.14
- *How does the Cabinet make decisions?* p.14
- *What do the Council's committees do?* p.16
- *Who is responsible for governance, audit and risk management?* p.16
- *Who is responsible for upholding local democracy?* p.16
- *What does the licensing committee do?* p.17
- *What does the planning committee do?* p.17
- *How are decisions scrutinised?* p.18
- *Who is responsible for upholding standards and holding Councillors to account for their conduct?* p.18

The third part of this guide explains the roles and responsibilities of elected members and paid officers of the Council. It describes the jobs they do, and how they work together to deliver the Council's functions and priorities. It also explains the codes of conduct that govern councillors' and officers' conduct and the standards of behaviour that you can expect from them.

It aims to answer questions such as: -

- *What does the Chair do?* p.23
- *What does the Leader do?* p.24

- *What happens if the Leader is unable to perform their duties?* p.24
- *My Councillor is a member of the Cabinet, what does this mean?* p.25
- *How are members of the Cabinet supported?* p.25
- *What does the Chief Executive do?* p.26
- *What responsibilities does the Monitoring Officer have?* p.26
- *Who is responsible for ensuring that the Council's democratic policies and procedures are complied with?* p.26
- *How should Councillors behave?* p.28
- *How should Officers behave?* p.31
- *Are there any special requirements when Councillors or Officers decide planning applications?* p.31
- *How can I complain about the behaviour of a Councillor?* p.32
- *How do I report concerns about the conduct of a paid Officer of the Council?* p.32

The fourth part of this guide provides a summary of the key policies and procedures that govern how the Council carries out certain functions.

It aims to answer questions such as: -

- *Where can I find the Council's key plans and strategies?* p.33
- *How is the Council's policy framework decided?* p.34
- *How does the Council set its budget?* p.35
- *Can decisions be taken that do not comply with the budget or policy framework?* p.35
- *Can money be moved from one budget head to another once the budget has been adopted?* p.36
- *What other policies and procedures govern how the Council manages its budget?* p.36
- *Are there any restrictions on how the Council buys in goods and services?* p.36

- *How does the Council enter into contracts and agreements?* p.37

The final part of this guide explains how you can engage with, and get involved in, your Council and local democracy. It explains how your councillors are elected, how you can contact your councillor, raise questions and speak at meetings, and how you can use petitions to raise issues that are important to you with the Council.

It aims to answer questions such as: -

- *How can I find out when meetings of the Council and its committees and bodies are taking place?* p.38
- *How can I find out what will be discussed at a particular meeting?* p.38
- *How can I find out when an issue I am concerned about will be decided?* p.38
- *Can I ask a committee or body of the Council to look into a particular issue?* p.39
- *Can I attend meetings of the Full Council?* p.39
- *Can I attend other meetings?* p.40
- *Can I speak at a meeting?* p.40
- *Can I ask a question at a meeting?* p.40
- *How can I find out what the Council decided?* p.41
- *Can I view the Council's accounts to understand how my council tax is spent?* p.41

Signposts to the most relevant sections of the constitution and to additional resources available on the Council's website are provided throughout this guide to enable you to read more on a particular topic if you wish.

There is also a detailed index on the last page of this guide to allow you to quickly look up specific topics and issues of interest to you.

If there is anything in this guide which is unclear, or anything is missing, please let us know so we can improve it.

You can get in touch by [DN: insert contact details].


Part 1 The constitution

The constitution governs the way in which the Council, Councillors and officers working at the Council work together to deliver the Council's functions. It ensures that everyone at the Council acts lawfully, fairly and appropriately and that the Council's functions are performed properly and effectively.

 Section 2.1 of the constitution explains the purpose of the constitution.

You can obtain a copy of the constitution from the Council's offices and view it on the Council's website. A copy of the constitution must also be provided to each Councillor when they are elected to the Council.


 You can access the Council's constitution on the Council's website <insert hyperlink>.

 Section 2.8 of the constitution explains where, when and how the constitution must be published.


The Monitoring Officer is responsible for maintaining and reviewing the constitution. The Monitoring Officer is also responsible for deciding how the constitution should be understood and applied. You can read more about the Monitoring Officer's role in Part 4 of this guide.

The Full Council is responsible for agreeing the constitution. Once the constitution has been agreed, it can only be changed by the Full Council. Usually, changes to the constitution are recommended to the Full Council by the Monitoring Officer.

In some circumstances, the Monitoring Officer may make changes to the constitution. For example, where there is a change in the law that affects the constitution, or where a minor change is needed to clarify a provision in the constitution that is unclear.

 Sections 2.4 to 2.6 of the constitution explain how the constitution is agreed and how it can be changed.

The constitution also governs how meetings of the Council and its committees should be conducted. The person chairing a meeting will be responsible for ensuring that the constitution is followed during that meeting.

 Key words and phrases are defined and explained in section 2.2 of the constitution.

Part 2 The Council's democratic structures

The Council is made up of Councillors who are elected every five years to represent people living in different parts of the Council's area (referred to in the constitution as 'electoral divisions', but commonly known as 'wards').

Councillors are responsible for everyone living in the Council's area, but they have a special duty to people living in their ward.



Section 1.2 of the constitution provides an overview of how individual Councillors work together as the Council.

All Councillors meet together regularly as the Full Council. The Full Council is responsible for setting the Council's budget, policy priorities and overall policy framework.

At the start of every year, the Full Council will elect one Councillor as its Chair. The Chair is responsible for chairing meetings of the Full Council and ensuring that decisions are taken properly and in accordance with the rules.

You can read more about these roles in Part 3 of this guide.

Individual councillors may also be appointed to the Cabinet by the Leader. Members of the Cabinet are responsible for specific policy areas, commonly referred to as portfolios. Where responsibility for a particular work area or function is given to a member of the Cabinet, it is described in the constitution as being delegated to that person.

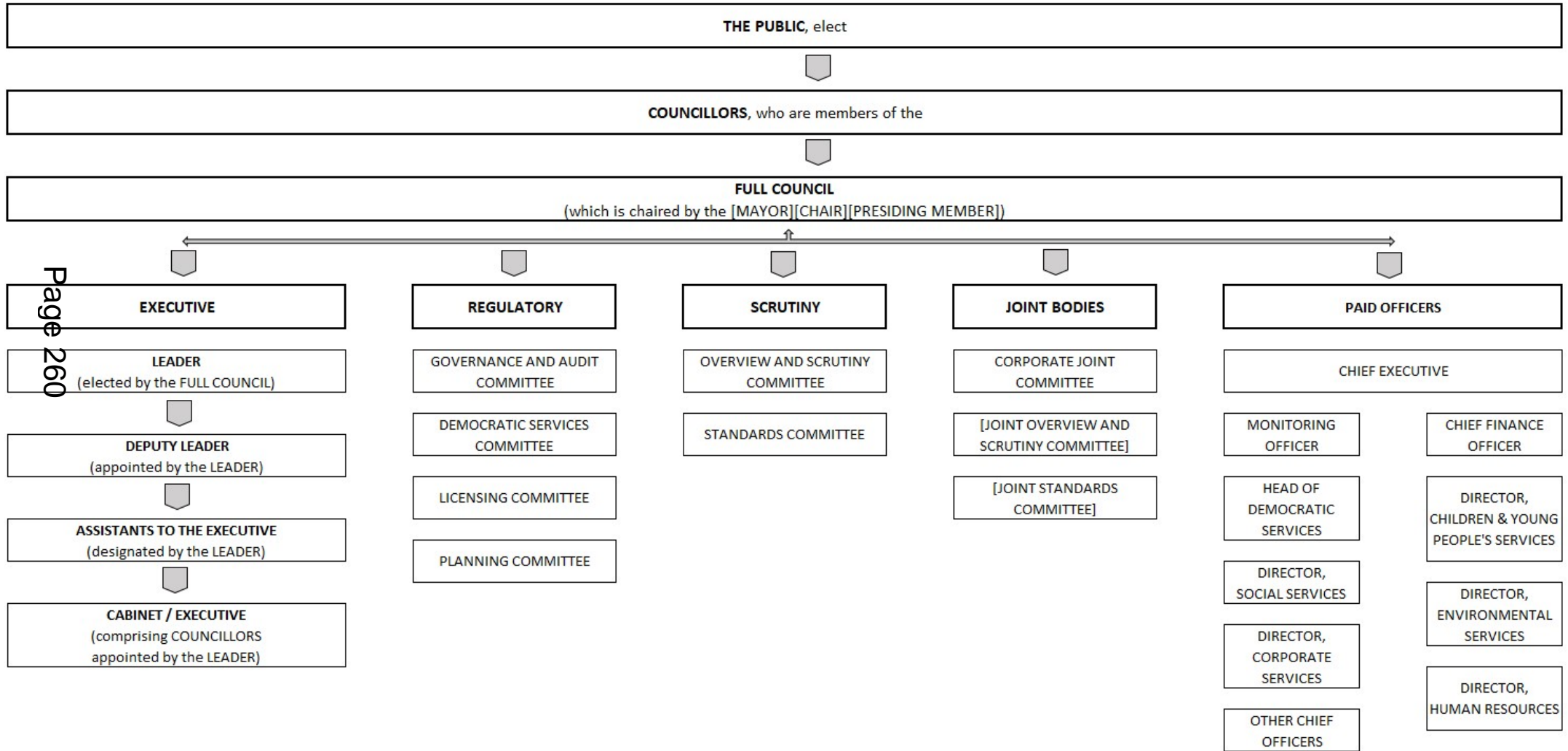
The Cabinet meets regularly to take collective decisions on those aspects of the Council's work which the Cabinet is responsible for.

Some of the Council's functions are carried out by committees. Committees are small groups of Councillors that meet together to carry out certain of the Council's regulatory and scrutiny functions.

The Full Council may engage such paid staff (referred to as officers) as it considers necessary. The Cabinet, Full Council and committees may delegate functions to officers. Further information on delegations can be found in the officers' scheme of delegations [\[insert hyperlink\]](#).

You can read more about all of these structures in the following sections of this Part of the guide.

Structure chart



Page 260


Councillors

Councillors are elected by the people living in a particular ward to represent them on the Council. However, Councillors are also accountable to the wider community and must act in the best interests of everyone living in the Council's area.

If you want to raise an issue with the Council and are not sure who to contact, you may wish to contact your Councillor to ask for help.

 You can find out who your local Councillor is and their contact details on the Council's website <insert hyperlink>.


All Councillors are members of the Full Council, and they may also be members of one or more of the Council's member bodies (such as the Cabinet or a committee). Where Councillors act as a member of a particular Council body, they are referred to in the constitution as 'Members'.


 This is explained more fully in the list of definitions in section 2.2.2 of the constitution.

Councillors have certain rights that are set out in the constitution, which enable them to raise issues and make representations on your behalf.


For example, Councillors may: -


- see any information which they need in order to fulfil their role as a member of the Council;
- attend any meeting of the Council, its committees or the Cabinet ;
- speak at any meeting of any Council body which they are a member of;
- with the permission of the Chair, speak at any meeting of any Council body (even if they are not a member of that body);
- talk to the Leader, or members of the Cabinet or Council officers about any aspect of Council business; and
- raise complaints.

 Councillors' rights to information are set out in section 3.1.2 of the constitution.

 Councillors' rights to participate in Council proceedings are set out in section 3.3 of the constitution.

Councillors may also raise questions at meetings of the Full Council and the Council's committees and sub-committees, submit motions to the Full Council and call-in decisions.

 The rules surrounding how these rights are exercised are set out in sections 4.19 to 4.21 and 7.29 of the constitution.

 You can read more about the role of elected Councillors and the qualities that make a good Councillor in the role description (in section 24.1 of the constitution) and the person specification (in section 24.21 of the constitution).

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Full Council



Section 4 of the constitution governs the Full Council.

What does the Full Council do?

The law requires that certain important decisions are taken by all Councillors meeting together as the Full Council. These are referred to in the constitution as functions of the Full Council. The Council may decide that other non-executive functions should be carried out by the Full Council too. These are referred to in the constitution as local choice functions because the Council has a choice about which person or body should carry them out.



Section 14 of the constitution explains the different types of functions that are carried out by the Council and which part of the Council is responsible for carrying them out.

The Full Council is responsible for, amongst other things: -

- agreeing the constitution, and any changes to the constitution;
- setting the Council's budget;
- developing the Council's single integrated plan (which explains how the Council will deliver its legal duties in areas such as health and social care, children and young people and community safety);
- agreeing key plans and strategies (referred to in the constitution as the 'policy framework');
- reviewing and reporting on the Council's performance;
- electing the Leader and the Chair and the Vice Chair; and
- appointing the Chief Executive and other Chief Officers.




All of the functions of the Full Council are listed in section 4.6 of the constitution.

Meetings of the Full Council are chaired by the Chair. They are responsible for ensuring that meetings are conducted in accordance with the constitution and that decisions are made properly, fairly and lawfully.


You can read more about the role of the Chair in Part 3 of this guide.

What happens at meetings of the Full Council?


The Full Council will meet at the start of each financial year to elect Councillors to particular positions on the Council, to appoint Councillors to outside bodies and to establish committees and working groups to carry out the Council's business during the year. This is known as the annual meeting.

 The timing of the annual meeting and the issues to be decided at that meeting are described in the council procedure rules in section 4.10 of the constitution.

At the annual meeting, the Council will also decide how often all Councillors should meet together as the Full Council. These regular meetings of the Full Council are known as ordinary meetings.

 Ordinary meetings are carried out in accordance with the council procedure rules in section 4.11 of the constitution.


In some circumstances, it may be necessary for the Full Council to meet before its next scheduled meeting to discuss an issue that is particularly urgent or important. This is known as an extraordinary meeting of the Council.

 The process by which an extraordinary meeting may be called and the issues that may be discussed there are set out in section 4.12 of the constitution.

The Head of Democratic Services is responsible for deciding when and where meetings of the Full Council will be held. They must notify Councillors of this by issuing them with a summons.


The Head of Democratic Services is also responsible for ensuring that the public are told about meetings of the Full Council, by publishing a notice in advance of each meeting. The notice must include certain information such as the date and time of the meeting, where it will be held and how you can access the meeting remotely using video conferencing.

You can read more about participating in meetings of the Council in part 4 of this guide.

 Section 4.13 and 4.14 of the constitution govern meeting arrangements and notice requirements.

How does the Full Council make decisions?

Meetings of the Full Council are carried out in accordance with an agreed set of rules that are designed to ensure that debates are conducted fairly and efficiently, and that every Councillor has the ability to raise questions and to make comments on the public's behalf.

 The rules of debate are set out in section 4.22 of the constitution.

Decisions are made by Councillors casting votes for or against a particular decision (referred to in the constitution as a motion). Councillors may also propose amendments (changes) to a particular motion, which must then be voted on.

Usually, votes will be conducted by a show of hands, with Councillors asked to raise their hand to indicate whether they vote for or against a particular motion, or whether they wish to abstain (i.e. to vote neither for nor against the motion).

Decisions will usually require a simple majority of those present voting for a particular motion. In other words, more Councillors must vote for a motion than against it. Where a vote is tied once all Councillors have voted, the Chair will have a second, casting vote.

Councillors may request a recorded vote on a particular issue. In a recorded vote, the Councillors voting for and against a particular motion, and those abstaining, will be written down and recorded in the minutes of the meeting. Councillors may also request that their individual vote on a particular motion is recorded in the minutes.

 The Council's voting arrangements are set out in section 4.25 of the constitution.

Does every Councillor need to be present before a decision can be taken?

Not every Councillor needs to vote on every decision. In fact, in some circumstances it may not be appropriate for a Councillor to vote on a particular issue (for example, where they have a personal and prejudicial interest in a decision). You can read more about this in part three of this guide.

However, in order for the Council to make a lawful decision a minimum number of Councillors must be present at a meeting. The minimum number of Councillors that must be present at a meeting is referred to in the constitution as the quorum for that meeting.




 Section 4.16 of the constitution sets out the minimum number of Councillors that must be present so the Full Council can make a decision.

Are meetings recorded?

A record of each meeting will be kept in the form of minutes. The minutes will contain a record of the motions that were put to the meeting, and the decisions that were taken. They will also record who was present at the meeting.


The minutes of a meeting of the Full Council will be agreed by the next meeting of the Council and published on the Council's website in accordance with the Council's access to information procedure rules.

If you want to find out what the Council decided about an issue that affects you, you can read the minutes of the meeting where that issue was discussed.


-  Information on minutes can be found in section 4.26 of the constitution.
-  The access to information procedure rules can be found in section 15 of the constitution.
-  Minutes of meetings are available on the Council's website <insert hyperlink>.

The Cabinet

The Cabinet is made up of the Leader and individual Councillors appointed to the Cabinet by the Leader.

-  Sections 5.2 and 5.5 of the constitution explain the composition of the Cabinet and how Councillors are appointed to the Cabinet.



The role of Leader and any role on the Cabinet may be carried out by two or more Councillors on a job-share basis.

-  Section 5.13 of the constitution explains the job sharing arrangements for members of the Cabinet.

What does the Cabinet do?

The Leader is responsible for carrying out the Council's executive functions. However, in practice the Leader cannot personally carry out every one of these functions, so the Leader delegates responsibility for certain functions to the Cabinet, to members of the Cabinet, to officers of the Council or to another bodies.

Each year, the Leader decides which functions to delegate to whom. This is known as the Council's scheme of delegation.


-  Sections 5.6 and 5.10.1 to 5.10.3 of the constitution explain how functions are delegated by the Leader.
-  The Council's scheme of delegation can be found in section 14 of the constitution.

Meetings of the Cabinet

The Leader will decide when the Cabinet will meet, and for how long. They will also chair meetings of the Cabinet.

The constitution prescribes certain matters that must be considered at every meeting of the Cabinet. Additionally, the Leader, members of the Cabinet and certain Chief Officers may require that an item of business is added to the meeting agenda.

Meetings of the Cabinet are carried out in accordance with the rules of procedure and debate set down in the constitution.

-  The rules of procedure and debate of the Cabinet are set out in sections 5.8 to 5.10 of the constitution.

- ➡ Section 5.11 of the constitution governs how meetings of the Cabinet are conducted.

How does the Cabinet make decisions?

The Cabinet is obliged to consult with individual Councillors and with certain committees before it makes a decision on matters that are not urgent.

- ➡ These consultation requirements are explained in section 15.14 of the constitution.

The Cabinet must keep a record of every decision it makes, including every decision made by an individual member of the Cabinet and the Cabinet's committees.

- ➡ Section 15.15 of the constitution sets down the requirements for the Cabinet's record of decisions.
- ➡ You can read the minutes of meetings of the Cabinet on the Council's website <insert hyperlink>.

Why does the Council have committees and what do they do?

The law requires the Council to establish committees for the purpose of carrying out certain legal functions of the Council.

The Council may also decide to establish other committees and working groups for the purpose of assisting the Council to conduct its business efficiently and effectively.



What do the Council's regulatory committees do?

Governance and Audit Committee

The Governance and Audit Committee advises the Full Council, the Cabinet and their respective committees and members on matters relating to good governance, financial oversight, risk management and complaints.

The Governance and Audit Committee monitors the effectiveness of the Council's rules and procedures for ensuring that the Council acts lawfully, responsibly and that it is accountable to the public (referred to in the constitution as the Council's governance systems and internal controls). The committee is also responsible for ensuring that the Council's decisions and finances are audited in accordance with agreed procedures.


The Governance and Audit Committee comprises a mixture of Councillors and lay members (who are not members of the Council). Councillors are appointed to the Committee in accordance with the political balance rules (which ensure that the political make-up of the committee reflects the political make-up of the Council).


-  Section 9.2 of the constitution explains the Council's arrangements for the Governance and Audit Committee.
-  The scheme of delegation in section 14 of the constitution explains the functions of the Governance and Audit Committee.

Democratic Services Committee

The Democratic Services Committee is responsible for appointing the Head of Democratic Services, keeping under review the provision of resources to the Head of Democratic Services and supporting non-executive members of the Council.

The Democratic Services Committee is made up of Councillors, though there are limits to the number of Cabinet members who can sit on the Democratic Services Committee. Councillors are appointed to the Committee in accordance with the political balance rules (which ensure that the political make-up of the committee reflects the political make-up of the Council).

 Section 9.3 of the constitution explains the Council’s arrangements for the Democratic Services Committee.


 The scheme of delegation in section 14 of the constitution explains the functions of the Democratic Services Committee.

Licensing Committee

The Council is responsible for deciding whether to grant licences for a wide range of different businesses, services and activities in its area. The Council’s licensing functions are delegated to the Council’s Licensing Committee.

The Council will appoint individual Councillors to the Licensing Committee and agree terms of reference for, and the delegation of powers to, the Licensing Committee to enable it to discharge those functions.

 You can read more about the Council’s Licensing Committee in section 9.4 of the constitution.


 You can also read more about the Council’s licensing functions on the Council’s website <insert hyperlink>.

Planning Committee

The Council is responsible for operating the planning system in its area. This involves preparing local development plans and local planning policies (which govern development in the Council’s area) and managing development (by granting or refusing permission for new development).

The Council will appoint individual Councillors to the Planning Committee and agree terms of reference for, and the delegation of powers to, the Planning Committee to enable it to discharge those functions.

 You can read more about the Council’s Planning Committee in section 9.4 of the constitution.


 You can also read more about the Council’s planning functions on the Council’s website <insert hyperlink>.

What do the Council's scrutiny committees do?

Overview and Scrutiny Committee



The Overview and Scrutiny Committee is responsible for holding the Cabinet and other bodies of the Council to account.

The Overview and Scrutiny Committee can: -

- review and scrutinise decisions made by the Cabinet and other parts of the Council;
 - make reports and recommendations to the Council or to the Cabinet; and
 - make proposals regarding changes to the Council's policies and procedures.
-  The functions of the Overview and Scrutiny Committee are set out in sections 7.2, 7.4, 7.10 and 7.19 of the constitution.

Members of the Overview and Scrutiny Committee must be told about meetings of other Council bodies. They have special rights to see Council documents.

The Overview and Scrutiny Committee may also require any member of the Cabinet or any senior paid officer of the Council to attend a meeting of the committee to explain a decision that they have taken or their performance.

-  The Overview and Scrutiny Committee's rights and powers are described in sections 7.22 to 7.25 of the constitution.
-  The rules around membership of the Overview and Scrutiny Committee, the conduct of committee meetings and the carrying out of the functions of the committee are set out in section 7 of the constitution.

Standards Committee

The Standards Committee is responsible for promoting high standards of conduct by Councillors, including by advising and training Councillors on the councillor code of conduct and advising the Council on changes to that code.

-  The functions of the Standards Committee are set out in sections 8.6 to 8.8 of the constitution.

The Standards Committee is also responsible for investigating alleged breaches of the councillor code of conduct and censuring members who are found to have failed to comply with that code.



The procedure for dealing with allegations made against Councillors is set out in Appendix 3 to Section 19 of the constitution.

The Standards Committee comprises a mixture of Councillors and independent members (who cannot be members or paid officers of the Council or related to members or paid officers of the Council).

Councillors are appointed to the Standards Committee in accordance with the political balance rules (which ensure that the political make-up of the committee reflects the political make-up of the Council).



You can read more about the Standards Committee in section 8 of the constitution.

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What are joint committees?

The Council may carry out some of its functions jointly with one or more other local authorities in Wales, and with other public bodies. The Council may decide to do this where, for example, the Council considers that it could better promote the economic, social or environmental wellbeing of people living in its area by coordinating its activities with other local authorities, bodies or people.

The Council can establish a joint committee with other local authorities, bodies or people and delegate decisions and functions to that joint committee. By allowing decisions to be taken by a joint committee, the Council can ensure that decisions can be coordinated between all authorities and bodies represented on the committee.

The Cabinet may also establish joint arrangements with one or more local authorities in Wales for the purpose of jointly exercising executive functions together with those authorities.



Section 10.3 of the constitution governs the circumstances in which the Council or Cabinet may enter into joint arrangements with other authorities and bodies.

The Council and the Cabinet may also delegate or contract out particular functions to another local authority or to another body or organisation.



Sections 10.5 to 10.6 of the constitution explain the Council's delegations and contracting out arrangements.

The [DN: insert name] Corporate Joint Committee

The [DN: insert name] Corporate Joint Committee is a type of joint committee.




However, unlike other joint committees (which are created by Councils deciding to work together), the [DN: insert name] Corporate Joint Committee was created by the Welsh Ministers.

The [DN: insert name] Corporate Joint Committee is responsible for the following functions: -

- [transport;]
- [strategic planning;]
- [economic development;]
- [improving education; and]
- [DN: insert other functions as appropriate.]

The Council must work together with other members of the [DN: insert name] Corporate Joint Committee when it performs these functions.

Corporate joint committees are established through regulations made by the Welsh Ministers. Consequently, many of the rules and standards that apply to corporate joint committees are set down in regulations, rather than in the constitution.

-  You can read more about the [DN: insert name] Corporate Joint Committee arrangements in section 11 of the constitution.
-  You can read the regulations that govern the [DN: insert name] Corporate Joint Committee online <insert hyperlink to legislation.gov.uk>
-  You can read more about statutory joint committees generally in guidance published by the Welsh Government <insert hyperlink>.

Part 3 Roles and responsibilities

What roles do Councillors perform?

In section 24 of the constitution you can find information about the roles that Councillors may perform on the Council.

These include: -

- Leader and Deputy Leader;
- Chair and Vice Chair;
- Member of the Cabinet;
- Elected Member (Councillor);
- Chair and / or member of the Democratic Services Committee;
- Chair and / or member of the Governance and Audit Committee;
- Chair and / or members of Overview and Scrutiny Committees;
- Chair and / or member of the Standards Committee;
- Chair and / or member of a regulatory committee;
- Leader of the Opposition and Deputy Leader of the Opposition; and
- Member Champion.

In section 12 of the constitution you will find information about the roles played by senior paid officials of the Council, including the Chief Executive, the Monitoring Officer, the Chief Finance Officer and the Head of Democratic Services.

This part of the guide provides more information about these important roles.

Chair and Vice Chair

The Chair and Vice Chair are elected by the Full Council every year.

- ➡ The procedures that govern the election of the Chair and the Vice Chair and their resignation or dismissal are set out in section 4.7.3 of the constitution.

The Chair is responsible for: -

- promoting and upholding the constitution;
- presiding over meetings of the Full Council;
- ensuring that meetings of the Full Council are quorate and conducted in accordance with the Council's procedure rules; and
- ensuring that decisions are taken in accordance with the constitution.

The Chair is also the civil leader of the Council. They are responsible for promoting the interests and reputation of the Council and for carrying out civic, community and ceremonial activities.


The Vice Chair performs the Chair's functions in their absence.

- ➡ You can read more about the role and functions of the Chair and the Vice Chair in section 4.7.4 of the constitution.
- ➡ The role description for the Chair can be found in section 24.5 of the constitution.
- ➡ The role description for the Vice Chair can be found in section 24.6 of the constitution.
- ➡ The person specification for the Chair can be found in section 24.24 of the constitution.

Leader and Deputy Leader

The Leader is elected by the Full Council every year.

The Deputy Leader is appointed by the Leader to exercise the Leader's functions in their absence.

 The arrangements governing the election of the Leader and the appointment of the Deputy Leader are set out in sections 6.1 to 6.4 of the constitution.

The Leader is responsible for appointing Councillors to the Cabinet and for allocating specific policy areas and responsibilities (portfolios) to members of the Cabinet.


The Leader is also responsible for preparing a scheme describing which functions are to be carried out by which members of the Cabinet (this is referred to in the constitution as the Leader's scheme of delegation).


 See section 6.5 of the constitution for more information.


The Leader also chairs meetings of the Cabinet.


The Leader will act as the Council member of the [DN: insert name] Corporate Joint Committee and the Council's representative on the [DN: insert name] Public Services Board.

The Leader may appoint other members of the Council to sit on other outside bodies.

 See sections 6.5.6 to 6.5.8 of the constitution for more information.

 The role description for the Leader can be found in section 24.2 of the constitution.

 The role description for the Deputy Leader can be found in section 24.3 of the constitution.

 The person specification for the Leader can be found in section 24.22 of the constitution.

Member of the Cabinet

Members of the Cabinet are responsible for: -

- taking decisions regarding issues that fall within their area of responsibility;
- playing an active role in Cabinet meetings and decision making;
- contributing to the development of the Council's forward work programme and to policies and procedures in their area of responsibility;
- providing political leadership to the Council's paid officers on matters they are responsible for;
- reporting to the Full Council, the Leader, the Cabinet and others on the performance of services which they are responsible for; and
- participating in the Council's scrutiny processes and procedures, including by explaining decisions they have made and the performance of functions within their area to the Overview and Scrutiny Committee.

 You can read more about members of the Cabinet in section 5.5 of the constitution.


 The role description for members of the Cabinet can be found in section 24.4 of the constitution.

 The person specification for members of the Cabinet can be found in section 24.23 of the constitution.

Assistants to the Executive

Assistants to the Executive support members of the Cabinet by taking on certain tasks and responsibilities on their behalf. They may attend meetings, prepare reports, review papers and draft comments for the member they support.


Assistants to the Executive are not members of the Cabinet and cannot vote at Cabinet Meetings or Committee Meetings. However, they are entitled to attend and to speak at meetings of the Cabinet and its committees.

 You can read more about Assistants to the Executive in section 5.7 of the constitution.


What roles do paid officers of the Council perform?

The elected members of the Council are supported by paid officers of the Council, who are accountable to the Council and responsible for delivering services to the public in accordance with the policies and procedures agreed by the Full Council, the Cabinet and their committees and bodies.


The **Chief Executive** has overall corporate and operational responsibility for the work of the Council and for all paid officers of the Council.

 The Chief Executive's role and responsibilities are described in sections 12.1.2 and 12.2 of the constitution.


The **Monitoring Officer** is responsible for ensuring lawfulness and fairness in the Council's decision making, maintaining and upholding the constitution, receiving reports of alleged breaches of the Council's duties and obligations and conducting investigations into such allegations.

 The Monitoring Officer's role and responsibilities are described in section 12.3 of the constitution.

The **Head of Democratic Services** is responsible for advising the Council, its committees and individual Councillors, on the proper discharge of the Council's democratic functions and responsibilities.

 The Head of Democratic Services' role and responsibilities are described in section 12.5 of the constitution.



The **Chief Finance Officer** is responsible for ensuring that the Council makes lawful and financially prudent decisions. They are also responsible for the administration of the Council's financial affairs and providing advice to Councillors on the Council's budgetary and other financial procedures.

 The Chief Finance Officer's role and responsibilities are described in sections 12.4 and 17.2.3 of the constitution.

The Council also employs a number of other Chief Officers, including: -

- Lead Director for Children and Young People's Services
- Director of Social Services
- [Director of Corporate Services]
- [Director of Human Resources]
- [Director of Environmental Services]

Chief Officers are each accountable to the Council for the financial management and administration of those services and activities allocated to them in accordance with the Council's policies.

-  The roles and responsibilities of Chief Officers are described in section 17.2.4 of the constitution.
-  The processes by which officers are recruited, appointed, disciplined and dismissed are set out in section 12.9 of the constitution.

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How should Councillors and Officers behave?

Councillors should comply with the Members' Code of Conduct

Councillors are expected to uphold the highest standards of personal and professional conduct. Those standards are described in the Code of Conduct for Members.

The Code of Conduct for Members is intended to help and guide Councillors in maintaining appropriate standards of conduct when serving their community. In turn, it provides reassurance to the public and helps build their trust in, and respect for, their local representatives.

The Code of Conduct for Members is based upon the 7 Principles of Public Life, which were first set out in the 1995 Nolan Report on Standards in Public Life. Three additional principles were added in the local government principles in Wales.

The Code of Conduct for Members is consistent with, and provides for the practical application of, these principles.

➤ **Selflessness**

Members must act solely in the public interest. They must never use their position as members to improperly confer an advantage on themselves or to improperly confer an advantage or disadvantage on others.

➤ **Honesty**

Members must declare any private interests relevant to their public duties and take steps to resolve any conflict in a way that protects the public interest.

➤ **Integrity and propriety**

Members must not put themselves in a position where their integrity is called into question by any financial or other obligation to individuals or organisations that might seek to influence them in the performance of their duties. Members must on all occasions avoid the appearance of such behaviour.

➤ **Duty to uphold the law**

Members must act to uphold the law and act on all occasions in accordance with the trust that the public has placed in them.

➤ **Stewardship**

In discharging their duties and responsibilities members must ensure that their authority's resources are used both lawfully and prudently.

➤ **Objectivity in decision-making**

In carrying out their responsibilities including making appointments, awarding contracts, or recommending individuals for rewards and benefits, members must make decisions on merit. Whilst members must have regard to the professional advice of officers and may properly take account of the views of others, including their political groups, it is their responsibility to decide what view to take and, if appropriate, how to vote on any issue.

➤ **Equality and respect**

Members must carry out their duties and responsibilities with due regard to the need to promote equality of opportunity for all people, regardless of their gender, race, disability, sex, sexual orientation, marital status, age or religion, and show respect and consideration for others.

➤ **Openness**

Members must be as open as possible about all their actions and those of their authority. They must seek to ensure that disclosure of information is restricted only in accordance with the law.

➤ **Accountability**

Members are accountable to the electorate and the public generally for their actions and for the way they carry out their responsibilities as a member. They must be prepared to submit themselves to such scrutiny as is appropriate to their responsibilities.

➤ **Leadership**

Members must promote and support these principles by leadership and example so as to promote public confidence in their role and in the authority. They must respect the impartiality and integrity of the authority's statutory officers and its other employees.



You can read the Code of Conduct for Members in full in section 19 of the constitution.

Councillors are expected to ensure that they understand their obligations under the Code and act in a way which shows that they are committed to meeting the high standards of conduct that are expected of them. Councillors are provided with

training when they are first appointed, and on a regular basis, to support them to comply with the Code of Conduct for Members.

Special requirements for Councillors who are members of the Council's planning committee

Planning affects people's private and financial interests in land and property and the environment in which communities live, work and play.

The Council's planning committee is responsible for balancing the needs and interests of individuals and the community to make decisions that are open, fair and transparent and decided using sound judgment and for justifiable reasons.

For these reasons, members of the Council's planning committee are expected to abide by the Planning Code of Practice.

The Planning Code of Practice explains, amongst other things: -

- the role of officers in providing impartial and professional advice to members of the committee;
- the factors that should be taken into account when deciding an application for planning permission and the factors that should not be taken into account;
- the legal duties which members of the committee must have regard to, such as the duty to have regard to the need to ensure that development contributes to the economic, social, environmental and cultural well-being of Wales and the duty to have regard to the impact of development on the extent to which the Welsh language is used in the Council's area
- the action members should take if they have a personal interest in a matter being determined by the committee (e.g. where an application relates to a property which they own); and
- how applications for development proposed by, or to be carried out by, the Council should be decided.




You can read the Planning Code of Practice in full in section 20 of the constitution.


Officers should comply with the Officers' Code of Conduct

Paid officers of the Council are responsible for serving the council by providing advice to Councillors, implementing the Council's policies, and delivering services to the local community. In performing their duties, they must act with integrity, honesty, impartiality and objectivity.

The public is entitled to expect the highest standards of conduct from all those who work for the Council. The Code of Conduct for Officers outlines the rules and conditions of service which apply to the Council's employees. It is designed to provide clear guidance to assist them in their day to day work and to allow the public to understand what they can expect when they interact with a Council employee.

 You can read the Code of Conduct for Officers in full in section 21 of the constitution.

Officers who support the Council's planning committee are also expected to abide by the Planning Code of Practice.


 You can read the Planning Code of Practice in full in section 20 of the constitution.

How should Councillors and Officers work together?

Councillors and Officers have different roles, responsibilities and accountabilities, but it is imperative that they work effectively together to perform the Council's functions and to deliver services to residents living in the Council's area.

The Protocol on Member and Officer Relations is designed to clarify the respective roles and responsibilities of Councillors and Officers and to guide them in their dealings with one another. It explains what Councillors and Officers can reasonably expect from one another and how they should work together to achieve their common purpose.




Councillors are entitled to express political views and to support the policies of the party or group to which they belong. Conversely, officers are expected to carry out the Council's business in a politically impartial way and many are restricted from engaging in political activity. The protocol therefore explains how officers can support the policy deliberations by political groupings, while remaining politically neutral.

 You can read the Protocol on Member and Officer Relations in full in section 22 of the constitution.

How can I complain about a Councillor?

Section 3.2.2.(g) of the constitution explains how you can submit comments or complaints about the Council's services.

If you wish to complain about a Councillor, then you should contact either the Council's Monitoring Officer or the Public Services Ombudsman for Wales.

-  The Council's complaints process provides more information about how to complain. It is available on the Council's website <insert hyperlink>.
-  You can find the Monitoring Officer's contact details on the Council's website <insert hyperlink>.
-  You can find out more about how to complain to the Public Services Ombudsman for Wales on their website <<https://www.ombudsman.wales/how-to-complain/>>

How can I complain about an officer?



If you wish to complain about a paid officer of the Council, you should write to the officer concerned or their line manager.

Part 4 Policies and procedures



The Council's key plans and strategies (the policy framework)

Where can I find the Council's key plans and strategies?

The Full Council is responsible for setting the Council's key plans and strategies, which together form the Council's policy framework.

-  The plans and strategies which form the Council's policy framework are listed in section 4.2 of the constitution.
-  Individual plans and strategies are published on the Council's website. [DN: you may need to provide additional signposts depending upon how the Council's website is structured and organised]

Additionally, the Council's single integrated plan brings together the Council's plans and strategies for: communities; children and young people; health social care and wellbeing; and community safety.

-  You can read more about the single integrated plan in section 4.3 of the constitution.
-  The Council's single integrated plan is published on the Council's website <insert hyperlink>.


How is the Council's policy framework decided?

The Cabinet is responsible for consulting with relevant stakeholders, considering any reports or recommendations made by the Council's scrutiny committees and working with the Council's Chief Officers to develop a draft policy framework.

Once the Cabinet has developed a draft policy framework, it will be considered by a meeting of the Full Council. The Full Council may decide to adopt the policy framework, make changes to it, refer it back to the Cabinet so that further work can be done on it, or substitute its own policy framework for the draft prepared by the Cabinet.

If the Full Council decides to adopt the policy framework then it shall take effect immediately. If the Full Council amends the policy framework then the Leader has an opportunity to object to the amendments and to reconvene the Full Council to reconsider the policy framework.

Once adopted, the Cabinet, their committees, individual Councillors and the Council's paid officers are bound to act in accordance with the policy framework.

 The process by which the Full Council adopts a policy framework is described in section 16.2 of the constitution.

Budget setting and financial management

How does the Council set its budget?

The Full Council is responsible for agreeing the Council's budget, and for agreeing changes to the Council's budget once it has been formally adopted.

The Council's budget is in two parts: -

- the revenue budget provides for day to day operating costs and expenditure like staff salaries, rent, and the ongoing costs of providing services.
- the capital budget provides for one-off costs like a major road improvement scheme, or the purchase or construction of a new car park.

The Cabinet, in consultation with the Chief Finance Officer, is responsible for developing initial proposals for the Council's budget and consulting over these.

Once this consultation has been completed, the Cabinet is responsible for preparing a final budget proposal for consideration by the Full Council.

The Full Council may adopt the budget without making any changes, amend the budget, or ask the Cabinet to reconsider it before adopting it.

 The process by which the Full Council adopts its budget is described in sections 16.3.1 and 17.3 of the constitution.




Decisions outside the budget or policy framework

Can decisions be taken that do not comply with the budget or policy framework?

The Full Council may decide to make changes to the policy framework.


Other bodies and individuals may only take decisions that do not comply with the policy framework in a limited number of exceptional circumstances, which are set out in the constitution. For example, where an urgent decision must be taken to safeguard the Council's interests and it is not possible to arrange a meeting of the Full Council in time.

However, the Council's overview and scrutiny committees may decide to refer such decisions to the Full Council for further consideration (this is referred to in the constitution as calling-in the decision).

-  The Council's arrangements for urgent decisions which do not comply with the policy framework are set out in section 16.5 of the constitution.
-  Section 16.7 of the constitution describes the limited circumstances in which bodies or individuals other than the Full Council may make changes to the policy framework.
-  The overview and scrutiny committee's powers are described in section 16.8 of the constitution.

Can money be moved from one budget head to another once the budget has been adopted?

During the year the Cabinet and Chief Officers may need to transfer budgets from one service area to another to reflect changed service needs or priorities in order to deliver the Council's policy framework within the financial limits set by the Council.

-  The mechanism by which the Cabinet and Chief Officers may move money between budget heads is set out in section 17.3.4 of the constitution.

What other policies and procedures govern how the Council manages its budget?

The Council is bound by a number of different financial rules and procedures that govern how the Council's spending is planned, committed, reviewed and audited.


-  The Council's detailed financial procedure rules are set out in section 17 of the constitution.

Are there any restrictions on how the Council buys in goods and services?

The Council can enter into contracts to purchase goods and services in much the same way as any other person or organisation. However, the Council must comply with the contract procedure rules in the constitution when it does so.

The purpose of the contract procedure rules are to ensure that the Council complies with relevant legal requirements, and secures the most economically advantageous (best value) goods and services for taxpayers.

If you regularly sell goods or services to the Council then you may wish to familiarise with these rules and procedures.

-  The Council's contract procedure rules are set out in section 18 of the constitution.

How does the Council enter into contracts and agreements?



The rules and procedures that govern how agreements, contracts and deeds are authorised and executed on behalf of the Council are set out in section 13 of the constitution.

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Part 5 How can I get involved?

How can I find out when meetings of the Council and its committees and bodies are taking place?



The Council publishes notices of meetings of the Full Council and its committees.

-  You can find out more about notice requirements in sections 3.11, 4.14 and 15.4 of the constitution.
-  The Council publishes notices of meetings, and a programme of upcoming meetings, on its website <insert hyperlink>.

How can I find out what will be discussed at a particular meeting?



The Council will publish agendas for meetings, together with any background papers and reports in advance of the meeting taking place.

Hard copies of agendas and background papers and reports will also be available at the meeting for those members of the public who wish to attend in person.

-  You can find out more the information that is made publicly available in advance of a Council meeting in sections 15.5 and 15.8 of the constitution.
-  The Council publishes meetings agendas and supporting documents and reports on its website <insert hyperlink>.

How can I find out when an issue I am concerned about will be decided?

The Council publishes a forward work programme, which sets out what decisions will be taken by the Full Council, the Cabinet and what issues the Overview and Scrutiny Committee will be considering, and when these matters will be discussed.

-  You can find out more about the Council's forward work programme in sections 3.1.1 and 15.13 of the constitution.
-  The Council publishes its forward work programme on its website <insert hyperlink>.

Can I ask a committee or body of the Council to look into a particular issue?

Yes. You can either ask the chair of a particular body to add an item to the agenda for a future meeting, or attend a meeting and ask that body to look at an issue when it is considering items of future business.

You can also submit petitions to the Council, using the Council's petition scheme. The Council is obliged by law to operate a petition scheme, which sets out: -

- how a petition can be submitted to the Council;
- how and when the Council will acknowledge receipt of a petition;
- the steps the Council will take in response to a petition; and
- how and by when the Council will make available its response to a petition to the person who submitted the petition and to the public.



You can read more about submitting a petition to the Council in section 3.2.2.(c) of the constitution.



The Council publishes details of its petition scheme on its website <insert hyperlink>.

Can I attend meetings of the Full Council?




Yes, members of the public can come to meetings of the Full Council so long as they are being held in public.

Meetings of the Full Council are also broadcast live on the Council's website so you can watch them in real time remotely if you wish to do so.

The public must be excluded from meetings when confidential information would otherwise be disclosed. Confidential information means information given to the Council by a Government Department on terms which forbid its public disclosure or information which cannot be publicly disclosed by Court Order.


The Council may also exclude the public from a meeting, or part of a meeting, where exempt information would be disclosed. Exempt information includes information that relates to a particular individual or their financial or business affairs, information that is legally privileged or information relating to the prevention, investigation or prosecution of a crime, or other information specified in the constitution.

If you interrupt a meeting of the Council, then you are likely to be warned by the Chair about causing a disturbance. If you continue to disturb the meeting, then you may be removed.

-  The rules around excluding the public from meetings are set out in sections 15.10 of the constitution.
-  The Council's obligations to broadcast meetings of the Council are set out in section 4.32 of the constitution.
-  The rules around disturbance by members of the public are set out in section 4.30 of the constitution.

Can I attend other meetings?

Yes, members of the public can come to any meeting which the Council has resolved should be held in public.

-  Your right to attend meetings of the Council's Cabinet, the Council's committees and other bodies are described in section 15.3 of the constitution.

Can I speak at a meeting?

Members of the public can speak at any meeting which the Council has resolved should include participation by members of the public.

Can I ask a question at a meeting?



You can ask formal questions of members of the Cabinet at meetings of the Full Council.

However, you may only ask a question if you have given the Head of Democratic Services notice in writing (including by email) that you wish to raise a question in advance of the meeting taking place.

You may only ask one question, but if you cannot attend the meeting then you may nominate someone to attend the meeting and ask the question on your behalf.

Time for questions is limited, and questions are permitted in the order in which they were notified to the Head of Democratic Services. If time for questions runs out before you are able to ask your question, then you will be provided with a written answer to your question instead.




Representations can also be made in specific circumstances, such as objectors to planning applications at planning committee (see section 20.12 of the constitution).

-  You can read more about asking a question in section 4.18 of the constitution.
-  Contact information for the Head of Democratic Services are published on the Council's website <insert hyperlink>.

How can I find out what the Council decided?


The Council publishes the agenda, reports and the minutes of meetings once they have been agreed. These papers are available for inspection by the public for a minimum of six years from the date of the meeting. The background papers are available to the public for at least four years.

The Council also has arrangements in place for publishing written records of decisions taken by the Cabinet and the Council's committees and other bodies.

-  You can read about the Council's arrangements for publishing minutes of meetings in section 15.7 of the constitution.
-  You can read about the Council's arrangements for publishing a written record of decisions taken by the Cabinet, the Council's committees and individual members of the Cabinet in section 15.15 of the constitution.
-  You can read meeting minutes, reports and agendas on the Council's website <insert hyperlink>.

Can I view the Council's accounts to understand how my council tax is spent?

Yes. The Council is required to publish its accounts and to make them available for inspection by the public. You may raise questions of concerns about the Council's accounts with the Council or with the Council's external auditor.

-  You can find out more about how to view and comment on the Council's accounts in sections 3.1.1 and 15.13 of the constitution.

INDEX

| | |
|---|----|
| Introduction..... | 1 |
| The constitution | 1 |
| This guide | 1 |
| Part 1 The constitution..... | 5 |
| Part 2 The Council’s democratic structures..... | 6 |
| Structure chart | 7 |
| Councillors..... | 8 |
| Full Council | 10 |
| The Cabinet..... | 14 |
| Why does the Council have committees and what do they do?..... | 16 |
| What do the Council’s regulatory committees do?..... | 16 |
| Governance and Audit Committee | 16 |
| Democratic Services Committee | 16 |
| Licensing Committee..... | 17 |
| Planning Committee | 17 |
| What do the Council’s scrutiny committees do? | 18 |
| Overview and Scrutiny Committee | 18 |
| Standards Committee | 18 |
| What are joint committees?..... | 20 |
| The [DN: insert name] Corporate Joint Committee | 21 |
| Part 3 Roles and responsibilities..... | 22 |
| What roles do Councillors perform?..... | 22 |
| Chair/Vice Chair | 23 |
| Leader and Deputy Leader..... | 25 |
| Member of the Cabinet..... | 26 |
| What roles do paid officers of the Council perform? | 27 |
| How should Councillors and Officers behave? | 29 |
| Councillors should comply with the Members’ Code of Conduct | 29 |
| Special requirements for Councillors who are members of the Council’s planning committee..... | 31 |
| Officers should comply with the Officers’ Code of Conduct | 31 |
| How should Councillors and Officers work together? | 32 |
| How can I complain about a Councillor?..... | 33 |
| How can I complain about an officer? | 33 |
| Part 4 Policies and procedures | 34 |
| The Council’s key plans and strategies (the policy framework) | 34 |
| Where can I find the Council’s key plans and strategies?..... | 34 |

| | |
|---|----|
| How is the Council’s policy framework decided?..... | 34 |
| Budget setting and financial management..... | 35 |
| How does the Council set its budget? | 35 |
| Decisions outside the budget or policy framework | 35 |
| Can decisions be taken that do not comply with the budget or policy framework? | 35 |
| Can money be moved from one budget head to another once the budget has been adopted?..... | 36 |
| What other policies and procedures govern how the Council manages its budget? | 36 |
| Are there any restrictions on how the Council buys in goods and services? | 36 |
| How does the Council enter into contracts and agreements? | 37 |
| Part 5 How can I get involved?..... | 38 |
| How can I find out when meetings of the Council and its committees and bodies are taking place? | 38 |
| How can I find out what will be discussed at a particular meeting?..... | 38 |
| How can I find out when an issue I am concerned about will be decided? | 38 |
| Can I ask a committee or body of the Council to look into a particular issue?..... | 39 |
| Can I attend meetings of the Full Council? | 39 |
| Can I attend other meetings? | 40 |
| Can I speak at a meeting? | 40 |
| Can I ask a question at a meeting?..... | 40 |
| How can I find out what the Council decided? | 41 |
| Can I view the Council’s accounts to understand how my council tax is spent? | 41 |

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FLINTSHIRE COUNTY COUNCIL

| | |
|------------------------|--|
| Date of Meeting | Tuesday 24 January 2023 |
| Report Subject | Timings and schedule of Council meetings and meeting format survey |
| Report Author | Democratic Services Manager |

EXECUTIVE SUMMARY

The survey was undertaken during November and December 2022 that sought the views of both elected and co-opted Members about

1. whether meeting arrangements should remain as they are currently or whether to change timings to include evening meetings; and,
2. the preferred format of meetings: i.e. hybrid or remote.

A [report](#) was presented to the Constitution & Democratic Services Committee on 12 January that provided a high-level summary of the results. A copy of the report is included at Appendix 1.

The Committee agreed to set-up a working group to fully consider the responses to the survey, and to undertake a review of the [interim Multi-Location Meeting Policy](#) before making any final recommendation to Council about any changes to the meeting format and the adoption of a long-term policy.

The Committee agreed to recommend to Council that the Planning Committee be held in hybrid format as soon as possible.

RECOMMENDATIONS

| | |
|---|--|
| 1 | To consider whether to accept the recommendation that Planning Committee meetings are held in 'Hybrid' format from 1 st March 2023. |
| 2 | That Council awaits a further report from the Constitution & Democratic Services Committee on the implications of hybrid working and a long-term Multi-Location Meetings Policy. |

REPORT DETAILS

| | |
|-------------|---|
| 1.00 | EXPLAINING THE FINDINGS FROM THE TIMINGS OF MEETINGS AND MEETING FORMAT SURVEY |
| 1.01 | Members will be aware that the Local Government & Elections (Wales) Act 2021 included changes to how formal meetings are held: specifically, that entirely physical meetings are not permitted under the legislation. |

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| 1.02 | <p>In November 2021, in response to the Act, the Constitution & Democratic Services Committee agreed an interim Multi-Location Meeting Policy.</p> <p>The Committee recommended that the interim policy would be in place until the new Council was consulted after the May 2022 elections.</p> |
| 1.03 | <p>Since the election in May 2022, there has been some divergence away from elements of this interim policy, including:</p> <ul style="list-style-type: none"> • The Annual Meeting in May was held in hybrid format. • Ordinary Council Meetings have all been held in hybrid format. • Overview & Scrutiny Committees have all been held in hybrid format. |
| 1.04 | <p>After allowing for a reasonable period of settling in for the new Council, and to ensure that new Members could base any responses on their experience, Members were asked for their views on the schedule and timings of council meetings, as well as the format of meetings.</p> |
| 1.05 | <p>A report providing a high-level summary of the results was presented to the Constitution & Democratic Services Committee on 12th January.</p> |
| 1.06 | <p>The survey responses highlighted a number of views and considerations that need to be carefully reviewed and considered against the interim policy.</p> <p>This will ensure that a final draft of a long term Multi-Location Meeting Policy can be produced for consideration by Council.</p> |
| 1.07 | <p>It is a complex matter to resolve, and one that requires careful planning and preparation in order that any changes to the policy works effectively from the start.</p> <p>Other authorities who previously decided to make all of their meetings 'hybrid', have experienced some negativity from attendees due to the poor quality and difficulty with hosting the meetings.</p> |
| 1.08 | <p>The Committee agreed to form a working group to consider the full impact and implications of any changes to the Interim Multi-Location Meeting Policy, taking account of the views expressed by Members through the responses to the survey.</p> |
| 1.09 | <p>Following consideration of the report, the Committee felt that the Planning Committee should be hosted in hybrid format as soon as possible and determined that this would be recommended to Council.</p> |
| 1.10 | <p>The next Planning Committee meetings are as follows:</p> <ul style="list-style-type: none"> • Wednesday 1st February • Wednesday 1st March • Wednesday 29th March <p>Given that arrangements are already underway for the next Planning Committee meeting on 1st February, it is proposed that the meeting scheduled for 1st March be hosted in hybrid format.</p> <p>This will ensure the working arrangements for the meeting will have been properly considered and tested in order for the meeting to be delivered successfully.</p> |

| 2.00 | RESOURCE IMPLICATIONS | | |
|--|---|---------------|---------------|
| 2.01 | Hybrid meetings (rather than wholly remote meetings) are more demanding of resource from the Democratic Services team who must be physically present to set-up the room, operate both the equipment in the room, as well as taking minutes. | | |
| Democratic Services Resource (assuming 2-hour meeting) | | Hybrid | Remote |
| Room set-up | | Yes | No |
| Officers operating IT equipment | | 2 | 1 |
| Facilitator | | 1 | 1 |
| Officers hosting meeting Travel time to County Hall | | 3 | 0 |
| Room set-up | | Yes | No |
| Room clear-up | | Yes | No |
| Officers hosting meeting Travel time from County Hall | | 3 | 0 |
| The overall length of time to host a hybrid meeting by Officers is significantly longer. | | | |
| Resource (assuming 2-hour meeting) | | Hybrid | Remote |
| Officers hosting meeting Travel time to County Hall | | 90 mins | 0 |
| Facilitator Travel time to County Hall | | 30 mins | 0 |
| Room set-up | | 60 mins | 0 |
| Hybrid test | | 90 mins | 0 |
| Meeting | | 360 mins | 240 mins |
| Room clear-up | | 60 mins | No |
| Officers hosting meeting Travel time from County Hall | | 90 mins | 0 |
| | | | |

| 3.00 | CONSULTATIONS REQUIRED / CARRIED OUT | | |
|------|--|--|--|
| 3.01 | Members were asked to complete a survey about the schedule and timing of meetings and to provide a view on the format of meetings. The responses were reported to the Constitution & Democratic Services Committee meeting on 12 January 2023. | | |

| 4.00 | RISK MANAGEMENT | | |
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| 4.01 | Holding meetings in the evening may cause problems to Members because of clashes with community and town council meetings and other community-based responsibilities as well as home life. | | |

| | |
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| 5.00 | APPENDICES |
| 5.01 | Appendix 1 – Constitution & Democratic Services Committee Report (12 January 2023) |

| | |
|-------------|--|
| 6.00 | LIST OF ACCESSIBLE BACKGROUND DOCUMENTS |
| 6.01 | <ul style="list-style-type: none"> • Report to Constitution & Democratic Services Committee meeting held 17th November 2021 regarding Multi- location and Future Meetings Policy • Minutes from Constitution & Democratic Services Committee meeting held 17th November 2021, agreed on 26th January 2022 <p>Contact Officer: Steven Goodrum, Head of Democratic Services</p> <p>Telephone: 01352 702320</p> <p>E-mail: Steven.Goodrum@flintshire.gov</p> |

| | |
|-------------|--|
| 7.00 | GLOSSARY OF TERMS |
| 7.01 | <p>Remote attendance Meetings – where all participants and observers are connected by a software platform. No one is ‘physically’ present at the meeting.</p> <p>Multi-location Meetings – the term now widely used to describe both remote attendance meetings and hybrid meetings.</p> <p>Hybrid Meetings - where some people are physically present, but others contribute remotely.</p> |

CONSTITUTION & DEMOCRATIC SERVICES COMMITTEE

| | |
|------------------------|---|
| Date of Meeting | Thursday 12 th January 2023 |
| Report Subject | Timings of meetings and meeting format survey |
| Report Author | Democratic Services Manager |

EXECUTIVE SUMMARY

A survey of Members was undertaken in November and December 2022 to gauge views on both the schedule and timings of council meetings, and also the format of meetings.

The content of the survey was agreed at the Constitution & Democratic Services Committee meeting in November 2022. A copy of the survey is included as Appendix 1.

The survey sought the views of both elected and co-opted Members about

1. whether meeting arrangements should remain as they are currently, or whether to change timings to include evening meetings; and,
2. the preferred format of meetings: i.e. hybrid or remote.

33 survey responses were received.

In summary, from the responses, there does not seem to be a desire to alter the schedule or timing of meetings.

However, the responses received did indicate that Members' preference is for meetings to be offered as 'hybrid' format.

RECOMMENDATIONS

| | |
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| 1 | That the Committee agrees to recommend to Full Council that meeting arrangements in relation to the times when meetings are held remain as they are now. |
| 2 | That a working group, formed from Members of this Committee, meets to review and update the 'interim Multi-Location Meeting Policy', considering the views expressed by Members through the responses to the survey. |
| 3 | That the working group, formed from Members of this Committee, considers the full impact and implications of any changes to the interim Multi-Location Meeting Policy in considering the views expressed by Members through the responses to the survey. |
| 4 | That the working group (if agreed) reports back to this Committee in March with recommendations on 2 and 3. |

REPORT DETAILS

| | |
|-------------|---|
| 1.00 | EXPLAINING THE FINDINGS FROM THE TIMINGS OF MEETINGS AND MEETING FORMAT SURVEY |
| | <i>Timings of Meetings</i> |
| 1.01 | The current schedule and timings of council meetings was agreed at the Council's Annual Meeting on 24 th May 2022, and was based on the previous Council's meeting schedule. |
| 1.02 | It was recognised that the after the May 2022 elections, the 'new' Council should make its own decision about when meetings should be held. A survey of Members took place during November and December 2022. |
| 1.03 | Based on the responses to the survey, there does not appear to be a desire to change the current scheduling of meetings. |
| 1.04 | The majority of respondents felt that the current schedule worked well, and allowed Members to undertake other responsibilities and duties during the evenings, including those Members who are also Community and Town Councillors. |
| 1.05 | It is therefore suggested that the current schedule be used to plan for the next civic year of meetings, and reviewed again at the appropriate time should the Committee deem it necessary to do so. |
| | <i>Meeting Format</i> |
| 1.06 | <p>The Local Government & Elections (Wales) Act 2021 was given Royal Assent at the end of January 2022. Section 47 of the Act, and part 1 of schedule 4 of that Act provides the statutory basis for what is now being referred to as 'multi-location meetings'.</p> <p>Multi-location meetings are defined in the Act as a meeting of a relevant authority whose participants are not all in the same physical place.</p> <p>Entirely physical meetings are not permitted by the legislation: meetings must be livestreamed and allow attendance by remote means.</p> |
| 1.07 | <p>The Act requires the Council to develop and publish a Multi-Location Meeting Policy.</p> <p>An interim policy was agreed at the Constitution & Democratic Services Committee meeting in November 2021.</p> |
| 1.08 | <p>In summary, the interim policy (November 2021) suggested that:</p> <ul style="list-style-type: none"> • The Annual Meeting of Council, to be held as a hybrid, with Members attending remotely if they wish. • Ordinary Council meetings will be predominantly remote, unless there is a clear business need for a physical presence, in which case a hybrid meeting will be required. • Special Council meetings: will take place by remote attendance, unless there is a clear business need for a physical presence, in which case a hybrid meeting will be required. • Cabinet: remote attendance, unless there is a clear business need for |

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| | <p>a physical presence, in which case a hybrid meeting will be required.</p> <ul style="list-style-type: none"> • Overview & Scrutiny Committees: remote attendance, unless there is a clear business need for a physical presence, in which case a hybrid meeting will be required. • Governance & Audit Committee: remote attendance, unless there is a clear business need for a physical presence, in which case a hybrid meeting will be required. • Constitution & Democratic Services Committee: remote attendance, unless there is a clear business need for a physical presence, in which case a hybrid meeting will be required. • Planning Committee: remote attendance, unless there is a clear business need for a physical presence, in which case a hybrid meeting will be required. • Licensing Committee: remote attendance, unless there is a clear business need for a physical presence, in which case a hybrid meeting will be required. • Standards: remote attendance, unless there is a clear business need for a physical presence, in which case a hybrid meeting will be required. • Licensing sub-committee: remote attendance, unless there is a clear business need for a physical presence, in which case a hybrid meeting will be required. |
| 1.09 | <p>At the meeting in 2021, the Committee decided that the interim policy would be in place until the new Council was consulted after the May 2022 elections.</p> <p>It was recognised that following the 2022 election that the new Council should make its own decision about when meetings should be held and what format they would prefer them to take.</p> <p>As noted above, survey of Members took place during November and December 2022 to better understand their views following a period of settling in to ensure that new Members could base any responses on their experience.</p> |
| 1.10 | <p>Since the election in May 2022, there has been some divergence away from elements of this interim-policy, including:</p> <ul style="list-style-type: none"> • The Annual Meeting in May was held in hybrid format. • Ordinary Council Meetings have all been held in hybrid format. • Overview & Scrutiny Committees have all been held in hybrid format. |
| 1.11 | <p>Making these changes without updating the policy means that a review is now overdue.</p> <p>The results of the survey will help to inform the review and can be used to draw up a permanent policy document.</p> |
| 1.12 | <p>Of those that responded to the survey, there is a clear preference expressed</p> |

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| | <p>for formal council meetings to be delivered as 'hybrid' format.</p> <p>There were two main reasons given for preferring hybrid format for meetings:</p> <ol style="list-style-type: none"> 1. Being able to have social interaction with other Members (“.. <i>it helps with the mental health of Members when meeting face-to-face</i>”); and, 2. Being able to speak directly to Officers presenting a report (“.. <i>it makes it easier to ask questions to the Officers</i>”). <p>Members also suggested that problems with their IT meant they were more comfortable attending meetings in person (hybrid).</p> <p>There were several arguments in favour of Planning Committee meetings better lending themselves to hybrid format as it was felt this would allow and encourage greater public participation.</p> <p>Others suggested those Committees which had Co-opted Members may work better if hybrid was an option.</p> |
| 1.13 | <p>Yet amongst the same respondents there is also recognition of the benefit of being able to access meetings remotely, including: “<i>They cut down time travelling and travelling costs..</i>” and “<i>..it is convenient and easier to attend for those of us who work..</i>”.</p> <p>Remote attendance can also help with Members work life balance, and make meetings more accessible for those current or future Members with caring responsibilities.</p> <p>Levels of attendance in person at meetings has varied since the elections. Full Council meetings show high levels of in person attendance whilst physical presence is low for most Overview and Scrutiny Committee meetings – see Appendix 2 for details of physical presence at meetings.</p> |
| 1.14 | <p>Clearly there are pros and cons to both remote and hybrid formats of meetings. Some of these relate to cost and resource; some to environmental factors. Personal preference/circumstance will also play a role and it would be surprising if everyone agreed on the same approach for every meeting.</p> |
| 1.15 | <p>Delivering 'hybrid' meetings rather than just remote requires higher levels of resourcing. It involves using a physical location such as County Hall. The comparable resource levels are illustrated in Section 2 below.</p> |
| 1.16 | <p>Hosting hybrid meetings will also result in higher carbon emissions due to those attending in-person likely travelling via car.</p> |
| 1.17 | <p>There is also the human side of things, with a majority of respondents indicating that they felt that having the option to attend a meeting in person (i.e. hybrid format) helped with mental well-being.</p> |
| 1.18 | <p>This is a complex matter to resolve.</p> <p>All of the results from the survey will need to be fully analysed and carefully considered.</p> <p>A 'cost-benefit' analysis should be part of this process, taking account the views of the respondents. The focus of which should not simply be about</p> |

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| | <p>financial costs, but also take account of any environmental considerations.</p> <p>There may also be the implications for Democratic Services who are tasked with hosting and facilitating meetings. It is a very small service that serves all of the formal meetings, but also has other duties to fulfil.</p> |
| 1.19 | <p>A working group made up of Members from this committee could be formed to properly consider all options that would then feed into the drafting of a permanent Multi-Location Meeting Policy that could be recommended to Council for adoption.</p> |

| 2.00 | RESOURCE IMPLICATIONS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|----------|------------------------------------|--------|--------|---------------------------------|---|---|-------------|---|---|---|---|---|-------------|-----|----|---------------|-----|----|---|---|---|------------------------------------|--------|--------|---|---------|---|--|---------|---|-------------|---------|---|-------------|---------|---|---------|----------|----------|---------------|---------|----|---|---|---|
| 2.01 | <p>The holding of evening meetings would increase costs as it would be necessary to keep County Hall, or other buildings where formal meetings are held open later than the current 7pm close.</p> <p>Hybrid meetings (rather than wholly remote meetings) are also more demanding of resource from the Democratic Services team who must operate both the Zoom meeting and the webcasting equipment as well as taking minutes.</p> <table border="1"> <thead> <tr> <th>Resource (assuming 2 hour meeting)</th> <th>Hybrid</th> <th>Remote</th> </tr> </thead> <tbody> <tr> <td>Officers operating IT equipment</td> <td>2</td> <td>1</td> </tr> <tr> <td>Facilitator</td> <td>1</td> <td>1</td> </tr> <tr> <td>Officers hosting meeting Travel time to County Hall</td> <td>3</td> <td>0</td> </tr> <tr> <td>Room set-up</td> <td>Yes</td> <td>No</td> </tr> <tr> <td>Room clear-up</td> <td>Yes</td> <td>No</td> </tr> <tr> <td>Officers hosting meeting Travel time from County Hall</td> <td>3</td> <td>0</td> </tr> </tbody> </table> <p>The overall length of time to host a hybrid meeting by Officers is significantly longer.</p> <table border="1"> <thead> <tr> <th>Resource (assuming 2 hour meeting)</th> <th>Hybrid</th> <th>Remote</th> </tr> </thead> <tbody> <tr> <td>Officers hosting meeting Travel time to County Hall</td> <td>60 mins</td> <td>0</td> </tr> <tr> <td>Facilitator Travel time to County Hall</td> <td>30 mins</td> <td>0</td> </tr> <tr> <td>Room set-up</td> <td>60 mins</td> <td>0</td> </tr> <tr> <td>Hybrid test</td> <td>90 mins</td> <td>0</td> </tr> <tr> <td>Meeting</td> <td>360 mins</td> <td>240 mins</td> </tr> <tr> <td>Room clear-up</td> <td>60 mins</td> <td>No</td> </tr> <tr> <td>Officers hosting meeting Travel time from County Hall</td> <td>3</td> <td>0</td> </tr> </tbody> </table> | | Resource (assuming 2 hour meeting) | Hybrid | Remote | Officers operating IT equipment | 2 | 1 | Facilitator | 1 | 1 | Officers hosting meeting Travel time to County Hall | 3 | 0 | Room set-up | Yes | No | Room clear-up | Yes | No | Officers hosting meeting Travel time from County Hall | 3 | 0 | Resource (assuming 2 hour meeting) | Hybrid | Remote | Officers hosting meeting Travel time to County Hall | 60 mins | 0 | Facilitator Travel time to County Hall | 30 mins | 0 | Room set-up | 60 mins | 0 | Hybrid test | 90 mins | 0 | Meeting | 360 mins | 240 mins | Room clear-up | 60 mins | No | Officers hosting meeting Travel time from County Hall | 3 | 0 |
| Resource (assuming 2 hour meeting) | Hybrid | Remote | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Officers operating IT equipment | 2 | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Facilitator | 1 | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Officers hosting meeting Travel time to County Hall | 3 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Room set-up | Yes | No | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Room clear-up | Yes | No | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Officers hosting meeting Travel time from County Hall | 3 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Resource (assuming 2 hour meeting) | Hybrid | Remote | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Officers hosting meeting Travel time to County Hall | 60 mins | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Facilitator Travel time to County Hall | 30 mins | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Room set-up | 60 mins | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Hybrid test | 90 mins | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Meeting | 360 mins | 240 mins | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Room clear-up | 60 mins | No | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Officers hosting meeting Travel time from County Hall | 3 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| 3.00 | CONSULTATIONS REQUIRED / CARRIED OUT |
| 3.01 | Members were asked to complete a survey about the schedule and timing of meetings and to provide a view on the format of meetings. The responses form the basis of this report. A copy is included as Appendix 1. |

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| 4.00 | RISK MANAGEMENT |
| 4.01 | Holding meetings in the evening may cause problems to Members because of clashes with community and town council meetings and other community-based responsibilities as well as home life. |

| | |
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| 5.00 | APPENDICES |
| 5.01 | Appendix 1 – Survey Meeting Times and Format |

| | |
|-------------|--|
| 6.00 | LIST OF ACCESSIBLE BACKGROUND DOCUMENTS |
| 6.01 | <ul style="list-style-type: none"> • Report to Constitution & Democratic Services Committee meeting held 17th November 2021 regarding Multi- location and Future Meetings Policy • Minutes from Constitution & Democratic Services Committee meeting held 17th November 2021, agreed on 26th January 2022 <p>Contact Officer: Steven Goodrum, Head of Democratic Services Telephone: 01352 702320 E-mail: Steven.Goodrum@flintshire.gov</p> |

| | |
|-------------|--|
| 7.00 | GLOSSARY OF TERMS |
| 7.01 | <p>Remote attendance Meetings – where all participants and observers are connected by a software platform. No one is ‘physically’ present at the meeting.</p> <p>Multi-location Meetings – the term now widely used to describe both remote attendance meetings and hybrid meetings.</p> <p>Hybrid Meetings - where some people are physically present, but others contribute remotely.</p> |

Agenda Item 14

This motion is to request that Flintshire County Council adopts the Motor Neurone Disease (MND) Charter, which sets out the care and support that people living with MND and their carers deserve and should expect.

The MND Charter is made up of 5 points:

1. The right to an early diagnosis and information.
2. The right to access quality care and treatments.
3. The right to be treated as individuals and with dignity and respect.
4. The right to maximise their quality of life.
5. Carers of people with MND have the right to be valued, respected, listened to and well supported.

By adopting the MND Charter, this Council agrees to promote the Charter and make it available to all Councillors, Council staff, partner organisations and health and social care professionals who deliver services for the Council.

We will raise awareness of MND and what good care looks like for those living with this devastating disease, as stated in the Charter, and do everything we can as the Council to positively influence the quality of life for local people with MND and their carers living in our community.

Proposer: Councillor Richard Lloyd
Seconded: Councillor Jason Shallcross

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