

CABINET
23RD FEBRUARY 2023

Minutes of the meeting of the Cabinet of Flintshire County Council held virtually via Zoom on Thursday 23rd February 2023.

PRESENT: Councillor Ian Roberts (Chair)

Councillors: Sean Bibby, Chris Bithell, Dave Healey, Dave Hughes, Paul Johnson, Christine Jones and Billy Mullin.

IN ATTENDANCE:

Chief Executive, Chief Officer (Governance), Chief Officer (Planning, Environment and Economy), Chief Officer (Streetscene and Transportation), Chief Officer (Education and Youth), Chief Officer (Housing and Assets), Chief Officer (Social Services), Corporate Finance Manager, Corporate Manager – Capital Programme and Assets, Corporate Manager, People and Organisational Development, and Team Leader – Democratic Services.

OTHER MEMBERS IN ATTENDANCE:

Councillor Bernie Attridge.

120. DECLARATIONS OF INTEREST

None were declared.

121. MINUTES

The minutes of the meeting held on 17th January 2023 were submitted and confirmed as a correct record.

RESOLVED:

That the minutes of the meeting be approved as a correct record.

122. COUNCIL FUND REVENUE BUDGET 2023/24 – FINAL CLOSING STAGE

Councillor Roberts thanked Members and officers for all of their work on the budget which was a significant piece of work. He paid particular thanks to new Members of the Council who had been involved in Overview and Scrutiny Committee meetings, including special meetings where proposals had been considered. He looked forward to setting a balanced budget later in the day.

Councillor Johnson introduced the report and explained that the Council had received full reports on previous stages of the budget setting process for 2023/24.

Cabinet received an update on the key headlines and financial impacts of the Welsh Local Government Provisional Settlement at its meeting on 17th January, together with an update on the increased additional budget requirement of £32.978m.

The report provided (1) feedback from the series of specific Overview and Scrutiny Committees held in December 2022 (2) an update on the ongoing risks to the additional budget requirement and (3) an update on the work being undertaken on the range of budget solutions available to the Council to set a legal and balanced budget. That work had now been concluded and the outcome was set out in the report, with the report setting out recommendations for the Council to be able to reach a legal and balanced budget position for the 2023/24 financial year.

Also set out in the report was the Council Tax recommendation for setting local taxation levels for 2023/24. A formal resolution was being proposed to Council later that day as notification of the precepts of the Police and Crime Commissioner and all Town and Community Councils within Flintshire had been received. A full presentation would be made at County Council.

He added that the impact of pay awards that year showed the importance of retaining reserves.

The Chief Executive said that as soon as the budget for this year was closed, work would commence on the budget for the following year. Some of the initial figures were challenging and based on the economic climate there would be a need to adopt a prudent position for setting the budget today. It had been an extremely challenging year in terms of budget setting, based on things such as energy costs and pay awards.

The Corporate Finance Manager said a detailed presentation would be given at County Council later in the day on how the proposed budget has been made up. An update was available, which was that an amount of £127k could now be released to the Contingency Reserve from the Local Development Plan (LDP) Earmarked Reserve. That was following approval of the LDP and allowing for remaining commitments from the Reserve.

The following was also set out within the report:

- Table 1: Revised Additional Budget Requirement 2023/24
- Table 2: Proposed Budget Solutions 2023/24
- Table 3: Proposed Budget 2023/24
- Table 4: School Budget Adjustments
- Table 5: Social Care Budget Adjustments
- Table 6: Medium Term Forecast 2024/25 – 2025/26

RESOLVED:

- (a) That the revised additional budget requirement for 2023/24 be noted and approved;
- (b) That the final proposals for the cost reductions that will contribute to the budget be approved;
- (c) That Cabinet recommends to Council a legal and balanced budget based on the calculations as set out within the report;

- (d) That the open risks which remain to be managed in the 2023/24 financial year be noted;
- (e) That an annual increase in Council Tax for 2023/24 of 3.99% for Council Services and 0.96% for contributions to North Wales Fire and Rescue Service, Regional Coroners Service and the Regional Education Consortium (GwE) – an overall uplift of 4.95% be recommended;
- (f) That Cabinet invites the Council to pass the formal Council Tax resolution now that notification of the precepts of the Police and Crime Commissioner and all Town and Community Councils within Flintshire had been received; and
- (g) That the medium-term forecast be noted as a basis for the next revision of the Medium-Term Financial Strategy (MTFS).

123. MINIMUM REVENUE PROVISION – 2023/24 POLICY

Councillor Johnson introduced the report and explained that local authorities were required to set a Minimum Revenue Provision (MRP) policy each financial year. Local authorities were required to set aside some of their revenue resources as provision for the repayment of debt.

Regulations required an authority to make an amount of MRP which it considered to be 'prudent'. The Regulations themselves did not define 'prudent' provision. Welsh Government (WG) had provided guidance which made recommendations to local authorities on the interpretation of the term and authorities were required to prepare an annual statement of their policy on making minimum provision.

The Council, as part of the budget strategy, conducted detailed reviews of its MRP policy in 2016/17 and 2017/18 and amended the policy as a result. No changes were required to the policy for 2023/24.

RESOLVED:

- (a) That the following be approved and recommend to County Council for Council Fund (CF) outstanding debt that:-
 - Option 3 (Asset Life Method) be used for the calculation of the MRP in financial year 2023/24 for the balance of outstanding capital expenditure funded from supported borrowing fixed as at 31st March 2017. The calculation will be the 'annuity' method over 49 years.
 - Option 3 (Asset Life Method) be used for the calculation of the MRP in 2023/24 for all capital expenditure funded from supported borrowing from 1st April 2016 onwards. The calculation will be the 'annuity' method over an appropriate number of years, dependent on the period of time that the capital expenditure is likely to generate benefits.
 - Option 3 (Asset Life Method) be used for the calculation of the MRP in

2023/24 for all capital expenditure funded from unsupported (prudential) borrowing or credit arrangements. The calculation will be the 'annuity' method over an appropriate number of years, dependent on the period of time that the capital expenditure is likely to generate benefits.

(b) That the following be approved and recommend to the County Council for Housing Revenue Account (HRA) outstanding debt:-

- Option 3 (Asset Life Method) be used for the calculation of the HRA's MRP in 2023/24 for the balance of outstanding capital expenditure funded from debt fixed as at 31st March 2021. The calculation will be the 'annuity' method over 50 years.
- Option 3 (Asset Life Method) be used for the calculation of the HRA's MRP in 2023/24 for all capital expenditure funded from debt from 1st April 2021 onwards. The calculation will be the 'annuity' method over an appropriate number of years, dependent on the period of time that the capital expenditure is likely to generate benefits.

(c) That the following be approved and recommend to County Council that MRP on loans from the Council to NEW Homes to build affordable homes through the Strategic Housing and Regeneration Programme (SHARP) (which qualify as capital expenditure in accounting terms) be as follows:-

- No MRP is made during the construction period (of short duration) as the asset has not been brought into use and no benefit is being derived from its use.
- Once the assets are brought into use, capital (loan) repayments will be made by NEW Homes. The Council's MRP will be equal to the repayments made by NEW Homes. The repayments made by NEW Homes will be classed, in accounting terms, as capital receipts, which can only be used to fund capital expenditure or repay debt. The capital repayment / capital receipt will be set aside to repay debt, and is the Council's MRP policy for repaying the loan.

124. TREASURY MANAGEMENT STRATEGY 2023/24 – TREASURY MANAGEMENT POLICY STATEMENT, PRACTICES AND SCHEDULES 203 TO 2026

Councillor Johnson introduced the report which presented the draft Treasury Management Strategy 2023/24 for approval and recommendation to Council, in conjunction with:

- Draft Treasury Management Policy Statement 2023 to 2026
- Draft Treasury Management Practices and Schedules 2023 to 2026

The report had been considered in detail but the Governance and Audit Committee on 25th January 2023. The report was supplemented by treasury

management training which was provided for Members of the Council on 7th December 2022.

RESOLVED:

The that following be approved for recommendation to Council:

- Draft Treasury Management Strategy 2023/24
- Draft Treasury Management Policy Statement 2023 to 2026
- Draft Treasury Management Practices and Schedules 2023 to 2026

125. CLIMATE CHANGE STRATEGY

Councillor Healey introduced the report and explained that in 2019, Welsh Government (WG) called for the Public Sector to become net zero carbon by 2030. Following that declaration, Cabinet resolved in December 2019 to a Climate Change Strategy which would set key aims and actions for creating a net zero carbon Council by 2030.

The report summarised the progress made in 2021/22 across the key themes within the strategy: Buildings, Mobility & Transport, Procurement, Land Use and Behaviour.

The total carbon emissions for 2021/22 saw a 1% increase on the 2018/19 baseline. All carbon emission sources had seen decreases beyond the percentage targets, aside from Procurement which saw a 24% increase. Emissions from this source were directly linked to spend value and therefore the current methodology was adversely affecting the Council's total carbon footprint.

Fleet transition to low carbon alternatives and provision of available EV charging infrastructure for Council fleet was progressing slowly. There was also a need to embed climate change and carbon reduction throughout the Council, and increased visibility and provision of training could achieve that.

Further developing efficient energy management within Council buildings would enable continued reductions from that theme. Those areas needed particular focus and revenue support over the coming year to accelerate decarbonisation and stay on track towards 2030 net zero carbon goal.

The Chief Officer (Planning, Environment and Economy) said the report had been submitted to the recently formed Climate Change Committee where the findings of the report, and the recommendations, were supported. It had also been reported to Environment and Economy Overview and Scrutiny Committee where it was also supported. A portfolio would be identified to run a pilot on procurement.

In response to a question from Councillor Bithell on procurement, the Chief Officer (Planning, Environment and Economy) explained that for any public sector body the procurement impact would always be 60/70%. Natural Resources Wales have reported an extensive reduction so contact had been made with

them to find out details of how that had been achieved. It was a challenge that needed to be addressed by all public bodies in Wales.

The Chief Officer (Governance) added that it had recently been agreed with Denbighshire County Council that they would appoint a Carbon Reduction Officer who would work in a similar way to the Social Value Officer, to work with the portfolio pilot to establish how service specifications could be drawn out on things such as building homes and transport.

Councillor Johnson said he was a member of the Joint Management Board for Procurement and it was raised at the last meeting. Both Denbighshire and Flintshire were fully committed to it.

RESOLVED:

- (a) That the report be received and the contents noted;
- (b) That the improvement of internal communications to raise awareness of the Council's positive progress in moving to achieve its climate change ambitions be supported;
- (c) That the introduction of embedding carbon measures into procurement processes within a pilot portfolio of the Council be supported;
- (d) That the case for an Invest to Save post and resources to introduce Building Management Systems within more of the Councils building assets to improve the management of energy use be supported; and
- (e) That the embedding of climate change principles throughout the Council, through delivery of Carbon Literacy training to elected Members, Senior Managers and other key decision makers be supported.

126. REVENUE BUDGET MONITORING 2022/23 (MONTH 9)

Councillor Johnson introduced the report which provided the latest revenue budget monitoring position for 2022/23 for the Council Fund and the Housing Revenue Account.

The report projected how the budget would stand at the close of the financial year, without new actions to reduce cost pressures and/or improve the financial return on efficiency planning and cost control was:

Council Fund

- An operating deficit of £0.117m (excluding the impact of the pay award which had been met by reserves), which was a favourable movement of £0.235m from the deficit figure reported at Month 8
- A projected contingency reserve available balance as at 31st March 2023 of £6.464m

Housing Revenue Account

- Net in-year revenue expenditure forecast to be £3.208m higher than budget
- A projected closing balance as at 31st March 2023 of £3.266m

Hardship funding from Welsh Government helped secure over £16m of direct financial help the previous year and payments totalling £4.8m in 2022/23 had continued to be claimed for Self-isolation and Statutory Sick Pay Enhancement, along with Free School Meals direct payments and Winter Fuel Payments within their eligible periods.

RESOLVED:

- (a) That the report and estimated financial impact on the 2022/23 budget be noted;
- (b) That the carry forward request included in the report be supported; and
- (c) That the funding from Contingency Reserve outlined in the report be supported.

127. CAPITAL PROGRAMME MONITORING 2022/23 (MONTH 9)

Councillor Johnson introduced the report which summarised the changes made to the Capital Programme 2022/23 since it was set in December 2021 to the end of Month 9 (December 2022), along with expenditure to date and projected outturn.

The Capital Programme had seen a net decrease in budget of (£20.414m) during the period which comprised of:

- Net budget decrease in the programme of (£13.750m) – Council Fund (CF) (£13.283m), Housing Revenue Account (HRA) (£0.467m)
- Carry Forward to 2023/24 approved at month 6 of (£4.562m) and additional Free School Meals grant (£1.767m) (all CF)
- Identified savings at Month 9 of (£0.335m) (CF)

Actual expenditure was £35.294m.

Capital receipts received in the third quarter of 2022/23, along with savings identified totalled £0.882m. That gave a revised projected surplus in the Capital Programme at month 9 of £4.258m (from a month 6 funding position surplus of £3.376) for the 2022/23 Capital Programme, prior to the realisation of additional capital receipts and/or other funding sources.

Investment in county towns – cost of materials having an impact.

RESOLVED:

- (a) That the overall report be approved;
- (b) That the carry forward adjustments be approved; and

- (c) That the additional allocations be approved.

128. JOINT CORPORATE PROCUREMENT UNIT – ANNUAL REPORT FOR 2021/22

Councillor Johnson introduced the report and explained that the Council continued to operate a joint procurement service with Denbighshire County Council, with Denbighshire acting as the lead authority.

As part of the service level agreement, the joint procurement service produced a joint annual report on its regulated procurement activities.

The report was presented to Cabinet for the purpose of providing an annual update on procurement performance for 2021/22.

The report also provided Cabinet with an update on 'FastTrack', an initiative launched in 2021/22, which gave suppliers the option to be paid as soon as their invoice was authorised and ahead of their payment terms, in exchange for a small, pre-agreed rebate. The rebate was applied as the invoice was paid and was proportionate to how many days the payment was accelerated by. The Free Pay initiative also provided small businesses and suppliers with accelerated payments for free.

The Chief Officer (Governance) said there was an increasing percentage of contracts containing community benefits which was pleasing and provided a good model for internal collaboration that would be needed in relation to carbon reduction. He emphasised the importance of Free Pay and FastTrack for small local businesses.

RESOLVED:

- (a) That the Procurement Annual Report for 2021/22 be endorsed; and
- (b) That the progress with the FastTrack and Free Pay initiatives be noted.

129. WEPRE PARK MANAGEMENT PLAN

Councillor Healey introduced the report and said Wepre Park was one of Flintshire's finest parks and contained some of the most beautiful, culturally rich parkland in the region.

The park was important to thousands of visitors each year. The Management Plan set out the strategic direction and associated action plan for the next five years.

The Chief Officer (Planning, Environment and Economy) said the report had been submitted to Environment and Economy Overview and Scrutiny Committee where it was supported. Work has been undertaken with local Members and Friends of Wepre Park, the details of which were appended to the report.

RESOLVED:

That the new five-year management plan for Wepre park be endorsed.

130. OPEN SPACES AND HIGHWAY MEMORIAL POLICY

Councillor Healey introduced the report and explained that due to the increasing demand for memorials in an open space, countryside or highway setting, it was necessary to draw up a policy to ensure memorials were in keeping with the character of the local settings and its many and varied uses and users.

The report detailed the proposed policy and principles to ensure a consistent and sensitive approach to the provision of memorial requests.

The Chief Officer (Planning, Environment and Economy) reiterated the importance of a sensitive approach being taken on something that was seeing an increase in demand. The Policy has been expanded to include highways.

The report had been submitted to Environment and Economy Overview and Scrutiny Committee where it was supported.

In response to a question from Councillor Bithell, the Chief Officer (Planning, Environment and Economy) confirmed that a Notice of Motion was submitted to County Council some years ago, which was supported, but it only related to Council land. Publicity on the policy would be required so that the public knew what was required of them and also give the Council a defensible position if structures were put up without any approval being sought.

RESOLVED:

That the policy be approved.

131. AGE FRIENDLY COMMUNITY DEVELOPMENT

Councillor Jones introduced the report which provided an update on the development of age friendly communities in Flintshire and sought support for the submission of an application for membership of the World Health Organisation (WHO) Global Network of Age Friendly Cities and Communities.

Membership would provide a number of positive impacts. It would demonstrate Flintshire's commitment to supporting, valuing and celebrating its ageing population. It would also provide an opportunity to share best practice ideas and resources with other members.

Flintshire was one of a small number of counties that were currently developing plans to make an application. Cardiff recently attained membership, the first in Wales.

In Flintshire there was a long standing commitment to developing age friendly communities. The Flintshire Public Services Board prioritised in the

Wellbeing Plan for Flintshire, the continued development of age friendly public services and communities.

Significant progress had been made over a number of years to build age and dementia friendly communities in Flintshire. That included the establishment of community cafes, action groups, information sharing, intergenerational projects and digital inclusion initiatives. That work had set a firm foundation for further development and collaboration, aligned to the structure WHO network membership process.

Councillor Roberts thanked the Cabinet Member and the officers for their work on this initiative.

RESOLVED:

- (a) That the progress being made to develop age friendly communities in Flintshire be noted;
- (b) That the proposal for Flintshire to submit an application for membership of the WHO Global Network of Age Friendly Cities and Communities be approved; and
- (c) That a commitment be provided for the continued support of all Council services to collaborate with the Social Services team to make Flintshire a great place to live for the ageing population.

132. REPORT BACK FROM THE CALL IN OF DECISION NO.4056 – WASTE STRATEGY REVIEW

The Chief Officer (Streetscene and Transportation) introduced the item and said that the authority was still at risk of a significant fine if the recycling targets were not met. Work was being undertaken to try to understand the reasons why the targets were not being met. In response to that, Councillor Roberts suggested that the report should be deferred until Cabinet in March which would also allow time for a meeting to take place with the Minister. That was supported.

RESOLVED:

That the item be deferred until the Cabinet meeting in March.

133. EXERCISE OF DELEGATED POWERS

An information item on the actions taken under delegated powers was submitted. The actions were as set out below:-

Education and Youth

- **Queensferry Campus Site. Transfer of Land to Valuation & Estates**
To declare sections of land at the Queensferry Learning Campus surplus to Education requirements, and to transfer to Valuation and Estates Team for the purpose of progressing the Community Asset Transfer of Ty Calon

Community Centre and the associated land identified. This will enable Deeside Community Trust to access funding independent of the Local Authority constraints as previously agreed with COT.

- **Revenues**

Financial Procedure Rules requires the Corporate Finance Manager and the Cabinet Member for Governance and Corporate Services including Health and Safety and Human Resources to write off debts between £5k and £25k. An outstanding Business Rates debt from April 2014 to October 2016, amounting to £16,843.50 is now deemed irrecoverable and 'statute barred' and a write off is necessary.

134. MEMBERS OF THE PRESS AND PUBLIC IN ATTENDANCE

There were no members of the public in attendance.

(The meeting commenced at 10.00 a.m. and ended at 11.15 a.m.)

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Chair