

**FLINTSHIRE COUNTY COUNCIL**  
**18 FEBRUARY 2020**

Minutes of the meeting of Flintshire County Council held in the Council Chamber, County Hall, Mold on Tuesday, 18 February 2020

**PRESENT: Councillor Marion Bateman (Chair)**

Councillors: Janet Axworthy, Glyn Banks, Haydn Bateman, Sean Bibby, Chris Bithell, Derek Butler, Geoff Collett, David Cox, Paul Cunningham, Jean Davies, Rob Davies, Ron Davies, Chris Dolphin, Rosetta Dolphin, Ian Dunbar, Andy Dunbobbin, Mared Eastwood, Veronica Gay, George Hardcastle, David Healey, Gladys Healey, Patrick Heesom, Dave Hughes, Kevin Hughes, Ray Hughes, Dennis Hutchinson, Joe Johnson, Paul Johnson, Rita Johnson, Christine Jones, Richard Jones, Tudor Jones, Colin Legg, Brian Lloyd, Richard Lloyd, Mike Lowe, Dave Mackie, Hilary McGuill, Billy Mullin, Mike Peers, Michelle Perfect, Vicky Perfect, Neville Phillips, Ian Roberts, Tim Roberts, Kevin Rush, Tony Sharps, Paul Shotton, Ralph Small, Ian Smith, Carolyn Thomas, Martin White, Andy Williams, David Williams, David Wisinger and Arnold Woolley

**APOLOGIES:**

Councillors: Mike Allport, Bernie Attridge, Sian Braun, Helen Brown, Clive Carver, Adele Davies-Cooke, Carol Ellis, David Evans, Cindy Hinds, and Ted Palmer

**IN ATTENDANCE:**

Chief Executive; Chief Officer (Governance); Chief Officer (Planning, Environment and Economy); Chief Officer (Streetscene & Transportation); Chief Officer (Housing & Assets); Chief Officer (Social Services); Corporate Finance Manager, Revenues Manager, Strategic Finance Manager; Strategic Finance Manager – Technical Accountancy, Democratic Services Manager; and Democratic Services Officer

**103. DECLARATIONS OF INTEREST**

There were no declarations of interest.

**104. CHAIR'S COMMUNICATIONS**

In presenting her Communications, which had been circulated prior to the meeting, the Chair highlighted an additional event which had held on 6 February, which was the raising of the Rainbow Flag and said that Councillors Billy Mullin, Haydn Bateman, and Paul Shotton had attended. The Chair also drew attention to the Flintshire Foodbank which provided a valuable and needed service in the community and recommended Members to visit the facility based on the Council campus.

**105. PETITIONS**

None were received.

## **106. TRIBUTES TO THE LATE CONCILLOR KEN IBALL**

Prior to the start of the tributes to the late Councillor Ken Iball, the Chair also referred to the sad news of the recent death of Terry Hands and Councillor Huw Llewellyn-Jones. The Chair asked Members to stand for one minutes silence in tribute to them.

Councillor Neville Phillips led the tributes to Councillor Ken Iball from Members. He spoke of Councillor Iball's strong family connections in Buckley, and his sporting interests and achievements in football and cricket. Councillor Phillips referred to Councillor Iball's former employment as a local steel worker and publican, and said he had been a Justice of the Peace and Chairman of the Mold Youth Bench. He spoke of Councillor Iball's long career in community service and said that prior to being a Member of Flintshire County Council, he had served on a number of Councils, citing Sealand Community Council, Hawarden Rural Council, Clwyd County Council, and Alyn & Deeside District Council, as examples. He said that Councillor Iball had been appointed Mayor of Buckley; and in his role as Chair of the Board of Governors of Theatr Clwyd, had welcomed Her Majesty the Queen when she attended the opening ceremony for Theatr Clwyd.

Councillor Phillips said Councillor Iball was an active member of the Church of Wales and had attended St. Matthews Church, Buckley. He spoke of Councillor Iball's family and the support his late wife had given him in his career. He expressed his heartfelt condolences to the family for their sad loss.

Councillor Christine Jones said she had known Councillor Iball since childhood and spoke of his good character, humour, kindness and consideration for others. She said Councillor Iball was a true gentleman and a man of integrity, and she was indebted to him for his support to her when appointed as a new Councillor. She expressed deep condolences to his family and said he would be sadly missed.

Councillor Dennis Hutchinson spoke of his long-time association with Councillor Iball both as a work colleague and personal friend. He reiterated the comments made by Councillor Neville Phillips concerning Councillor Iball's interest and achievements in football and referred to his membership of the Sports Council for Wales and Theatr Clwyd. He emphasised that Councillor Iball had been appointed as Mayor of Buckley twice and was regarded as a stalwart of the local community and the County and was highly regarded by all. Councillor Hutchinson expressed his regret that he had passed and said his sincere condolences were with his family.

Councillor Tony Sharps also paid tribute to Councillor Iball whom he had known for many years and spoke of his strength of character, experience, kindness and support.

The Chair read out a tribute from Councillor Carol Ellis who was unable to attend the meeting. Councillor Ellis said that Councillor Iball had welcomed and supported her when appointed as a new Councillor to Buckley Town Council. He was a gentleman who cared about his local community and had been a school governor on the Governing Body of Elfed High School. Councillor Ellis said that his work in the local community, contribution to Elfed High School, and active participation with St

Matthew's Church, Buckley, had been greatly appreciated. She expressed sympathy to his family.

Councillor Ian Roberts said he had served with Councillor Iball for many years as a Member of Flintshire County Council since 1996. He reiterated the sentiments expressed by previous Members that he was a kind and generous man, and added that he was also a 'fair' man who had served as a Committee Chair when Overview & Scrutiny Committees were being established. He expressed his condolences and said he held fond memories of working alongside him.

#### **107. TRIBUTES TO THE LATE TERRY HANDS CBE**

Councillor Ron Davies led the tributes to Terry Hands from Members. He spoke of his good working relationship with Terry whilst he was Chairman of Theatr Clwyd and said Terry had been respected in the Arts industry and became joint Artistic Director of the Royal Shakespeare Company, Stratford on Avon, in 1978. He continued that Terry had raised the profile of Theatr Clwyd to a level which was to become recognised, in all but name, as the national theatre of Wales. His death was reported throughout the world's media, and The New York Times had paid tribute to him. Councillor Davies said that the Board of Theatr Clwyd had agreed that a plaque would be placed at the Theatr to record his achievements. Councillor Davies expressed his condolences to Terry's family for their sad loss.

Councillor Derek Butler also paid tribute to Terry Hands and spoke of his achievements at Theatr Clwyd. He said he had worked with Terry for a number of years whilst he was Chairman of the Board of Governors of Theatr Clwyd and that he would be sadly missed.

The Chief Executive also paid tribute to Terry Hands and reflected that he was revered in the theatre industry. He spoke of his personal qualities and the lasting legacy of his work and achievements in Theatr Clwyd.

#### **108. TRIBUTES TO THE LATE COUNCILLOR HUW LLEWELLYN-JONES**

Councillor Haydn Bateman, Acting Chair, Clwyd Pension Fund, said it was with sadness that Members had learnt of the death of Councillor Huw Llewelyn Jones who had been the Denbighshire County Council representative on the Clwyd Pension Fund Committee for 20 years. Councillor Bateman said that in his political life Huw had been the Plaid Member for the Corwen ward from 2008 and had served both as Cabinet Member and Scrutiny Chair.

Councillor Bateman continued that Huw was remembered by colleagues as a great personality. The Leader of Denbighshire County Council had commented that "Denbighshire had lost a true gentleman and said Huw would always be remembered with warmth and affection". Councillor Bateman said that the members of the Clwyd Pension Fund Committee reiterated those sentiments.

## **109. COUNCIL FUND REVENUE BUDGET 2020/21 STAGE THREE – SETTING A LEGAL AND BALANCED BUDGET**

The Chief Executive introduced a report to receive the recommendations from Cabinet to Council to set a legal and balanced Council Fund Revenue Budget for 2020/21. He referred to the Budget Statement provided to Members which had been approved at the meeting of Cabinet held immediately prior to the meeting of the Council and set out the recommendations of Cabinet for balancing the budget for 2020/21.

The Chief Executive, Corporate Finance Manager, and Revenues Manager, delivered a presentation which covered the following key areas:

- setting a legal and balanced budget
- update on the financial forecast for 2020/21
- Budget solutions 2020/21
- reserves (unearmarked/earmarked)
- schools and social care budgets
- open risks
- Council Tax
- professional opinions and concluding remarks
- looking ahead and the Medium Term Financial Strategy (MTFS)

Councillor Ian Roberts thanked the Chief Executive and Officers for their presentation and work to set a balanced budget. He also thanked Members for their engagement and collaboration to request, as a united Council through the Welsh Local Government Association (WLGA), that the Welsh Government (WG) sought solutions to the uncertainty of funding for local government and emphasised the need for stability.

Councillor Roberts referred to the recent severe weather and took the opportunity to express thanks to the Chief Officer (Streetscene & Transportation) and the Streetscene services team for their preparatory work and commitment to deal with any matters of urgency arising. Referring to the setting of Council Tax he commented on the 0.25% increase in the levy of the North Wales Fire and Rescue Authority and, commenting on the range of services provided, said the Council had a duty to ensure resilience.

Councillor Roberts referred to the savings achieved in the Clwyd Pension Fund through the reduction in employer contributions (Triennial Review) for Flintshire and the re-calculation of the in-year position on employer annual pension contributions, and thanked all those involved.

In moving the Cabinet recommendations 1 to 8 to Council, as detailed in the Cabinet report which was appended to the report, Councillor Ian Roberts drew attention to recommendation 8: "That Cabinet calls on both Governments to commit to a three-year medium-term budget planning with local government settlements in Wales to be at a minimum level of 4% in each of those years, and for national pay awards and

reforms and pension reforms and revaluations to be funding in full at a national level at source”.

Councillor Roberts commented that the Council was mindful of the direct impact that Council Tax had on people and was pleased that the Council Tax as recommended by Cabinet was 4.5%. He said that whilst this would rise to 4.75% when the increase in the levy for the North Wales Fire and Rescue Authority was added it was still below the Council’s commitment to cap an annual rise in Council Tax to 5.0%. Councillor Roberts stated that the average increase in Council Tax for a Band D household - once the Police precept and the precept for Town and Community Councils had been included - would be 4.68%.

Councillor Roberts said that Council Tax was becoming unsustainable both in the medium and long term and should not be relied on by Governments to compensate for inadequate national funding settlements. He referred to a Notice of Motion put forward by Councillor David Healey at a previous meeting of the Council which called for reform of the Council Tax system. In conclusion Councillor Roberts reiterated his thanks to Officers and Members for their collaborative work to bring the Settlement forward.

Councillor Mike Peers seconded the proposal to accept recommendations 1 to 8 in the Cabinet report. He spoke in support of the hard work undertaken to set a balanced budget for 2020/21 and said there was a need to continue to review expenditure in the current financial year whilst considering the risks and quality of services provided by the Council. Councillor Peers continued that there was a need to ensure that the WG provided adequate funding to the Council and also fully funded public sector pay awards. He commented on the time and effort taken year on year to look for efficiencies to close a budget ‘gap’ due to inadequate funding from Governments.

Speaking in support of recommendations 1 to 8, Councillor Tony Sharps also said that Flintshire and all other councils in Wales needed certainty on future budgets from National and Welsh Governments. He expressed the view that there was a need to review the purpose of the WG and the way in which local governments were funded.

Councillor Richard Jones commented on the unacceptable burden that rises in Council Tax placed on local residents. He said the WG was shifting the responsibility of funding local government onto local Council Tax and referred to data and figures to explain the shift from WG funding through taxation onto local council taxation.

Councillor Billy Mullin paid tribute to Officers and Investment Managers of the Clwyd Pension Fund Committee for the overall improved position following the triennial review, and said the reduction of 4% in employer contributions was equal to a reduction of £2.646M of contributions to the Council which had been used towards closing the budget gap. Councillor Mullin said this also secured the membership of Clwyd Pension Funds under the Local Government Pension Scheme.

Councillor Kevin Hughes spoke in support of the budget and urged the Leader of the Council, Chief Executive, and Group Leaders to continue to lobby the WG to ensure an improved settlement for Wales.

Councillor Heesom supported the recommendations. He expressed concerns around the level of deficit in secondary schools budgets and suggested that this be debated in a workshop. The Chief Executive explained that a rolling programme of meetings was being undertaken with secondary schools in a licensed deficit position and there would be a clearer understanding in the coming months of the action to be taken for next year. Councillor Ian Roberts acknowledged the concerns raised by Councillor Heesom regarding school funding and gave an assurance the issue would be addressed as policies were further developed for schools.

Councillor Derek Butler reiterated the views expressed by Members regarding the burden of increases in Council Tax on local residents, the inequality of the current local tax system, the need for pay awards to be fully funded by national government, and the need for a three-year forecast for public expenditure plans.

Councillor Paul Shotton drew attention to the ongoing achievements gained by the Council and referred to improvements in care home provision, social services, new council housing, the 21<sup>st</sup> Century Schools programme, and the homeless facility at Glan yr Afon in Queensferry. He said there was a need for a fundamental review of the local government funding formula to be undertaken by WG and local government jointly.

Councillor David Healey supported the proposal and congratulated Officers on their achievement in setting a balanced budget against the most severe financial challenges in a decade. He drew attention to the opinion of the Wales Audit Office which was that 'The Council takes a high-risk approach to its financial strategy and is not prepared to compromise the range, quality, or safety of services'. Councillor Healey praised the work of the cross-party working group for their work in lobbying for an improved settlement. On the issue of Council Tax, Councillor Healey said there was a universal feeling amongst local residents that the current system was not fair as it did not relate to the amount of income received in a household. He suggested that the WG should consider a radical alternative to the current council tax system so that a different process could be implemented in Wales.

Councillor Ian Dunbar referred to the 0.25% charge on Council Tax in Flintshire for the North Wales Fire and Rescue Authority, and asked if the same levy was applied across other local authorities in Wales. The Chief Executive explained that the annual levy was set by the North Wales Fire and Rescue Authority and was proportionate to the population across the region. He confirmed that other authorities would also be applying their respective increase.

Councillor Glyn Banks spoke of the importance in protecting front-line services and the achievement in setting a balanced budget. He commented on the need for a funding 'floor' to be continued on principle and precedent and funded directly by the WG over and above the Settlement quantum. It was proposed that the funding floor be set at 4%.

Councillor Ian Roberts proposed that the following further recommendation be added to the recommendations that had been put forward by Cabinet to Council: 'That Council formally requests the Welsh Government to set a funding 'floor' at 4.0% as part of the Final Local Government Settlement 2020/21. A 'floor' is justified by precedent and need. A variation in the annual increases within the Settlement of 3.0% - 5.4% across Wales was unjustifiable with Flintshire again being penalised by the funding formula'. Councillor Roberts said this would provide the Council with additional resources which could be put into balances.

The following recommendations were proposed by Councillor Ian Roberts and seconded by Councillor Mike Peers.

- (1) That Council notes and accepts the revised budget forecast for 2020/21 (The forecast sets out the budget requirement for the financial year and the remaining budget gap to be closed at stage three);
- (2) That Council notes (1) that the revised forecast was based on a risk management strategy and (2) the 'open risks' which remain to be managed in the course of 2020/21;
- (3) That Council notes the analysis of the Provisional Local Government Budget Settlement, and the contribution the additional national funding will make to closing the remaining budget gap;
- (4) That Council approves the proposals from the completed work on corporate financing options to contribute to closing the remaining budget gap.
- (5) That Council approves a legal and balanced budget based on the calculations within the report and taking into full account (1) the contribution the additional national funding could make and (2) the proposals from the completed work on corporate financing options
- (6) That Council recommends the level of Council Tax for 2020/21 at 5% or below.
- (7) That Council notes the medium-term forecast as a basis for the next revision of the Medium Term Financial Strategy (MTFS).
- (8) That the Council calls upon both Governments to commit to three-year medium-term budget planning with local government settlements in Wales to be at a minimum level of 4% in each of those years, and for national pay awards and reforms and pension reforms and revaluations to be funded in full at a national level at source.
- (9) That Council formally requests the Welsh Government to set a funding 'floor' at 4.0% as part of the Final Local Government Settlement 2020/21. A 'floor' is justified by precedent and need. A variation in the annual increases within the Settlement of 3.0% - 5.4% across Wales was unjustifiable with Flintshire again being penalised by the funding formula.

When put to the vote the recommendations were carried.

**RESOLVED:**

- (a) That the recommendations of Cabinet, as detailed above, for balancing the budget for 2020/21 be approved; and
- (b) That the level of Council Tax for 2020/21 as recommended by Cabinet be approved.

**110. COUNCIL TAX SETTING 2020/21**

The Chief Executive advised that Council was asked to consider the formal resolutions to set Council Tax for 2020/21 following approval of the budget and the recommended Council Tax level.

The Revenue Support Manager drew attention to the data provided in Table 4 of the information tabled at the meeting which detailed the amounts of Council Tax for 2020/21 for each of the categories of dwellings shown. He provided background information and advised that should Council approve setting Council Tax at 4.75% the total Council Tax yield collected from April 2020 would be £108.4M. He explained that this consisted of the County Council's total precept of £86.6M; the North Wales Police & Crime Commissioner's total precept of £18.76M; and a collective precept of just over £3M across Town and Community Councils.

In accordance with other procedural matters, Members were asked to endorse the continuation of the practice for designated officers to lead on legal proceedings on behalf of the Council in the Magistrates Court for unpaid taxes; to Authorise the Corporate Finance Manager to advertise in the local press the list of approved Council Tax charges for 2020/21; and endorse the continuation of the Council Tax Premium scheme.

The Revenues Manager reported that Flintshire had a total of 69,503 residents which paid council tax. He explained that a leaflet would be distributed with each Council Tax statement to raise awareness that residents had an option to pay the Council Tax charge in 12 monthly instalments instead of the statutory 10 month scheme.

The Chair and Chief Executive thanked the Revenues Manager and his team for their work. The Chief Executive drew attention to the achievement that the Council had the highest performing Council Tax collection rate across Wales, as recognised by the Welsh Audit Office.

In response to a query from Councillor Mike Peers, the Revenues Manager agreed to distribute further details to Members on the increase in Council Tax charges for each Town and Community Council in Flintshire.

Councillor Ian Roberts moved the following recommendations which were seconded by Councillor Carolyn Thomas.

- (1) That Council Tax for 2020/21 be set based on the list of charges as set out in the List of Council Tax Statutory Resolutions and Charges (as circulated at full Council);
- (2) That Council notes and endorses the continuation of the policy of not providing a discount in the level of Council Tax charges for second homes and long term empty homes, and where exceptions do not apply, to charge the Council Tax Premium rate of 50% above the standard rate of Council Tax for second homes and long term empty dwellings;
- (3) That approval be given for designated officers to issue legal proceedings and appear on behalf of the Council in the Magistrates Court for unpaid taxes; and
- (4) That the Corporate Finance Manager be authorised to advertise in the local press the list of approved Council Tax charges for 2020/21

On being put to the vote the recommendations were carried.

**RESOLVED:**

That the above recommendations be approved.

**111. TREASURY MANAGEMENT STRATEGY 2020/21**

The Corporate Finance Manager introduced the report to approve the Treasury Management Strategy 2020/21 which was appended to the report. He advised that the Audit Committee had reviewed the Strategy at a meeting held on 29 January 2020 and feedback was reported to Cabinet at a meeting held immediately prior to County Council. The queries raised by the Audit Committee and the Officers' responses were as detailed in paragraph 1.15 of the Cabinet report dated 18 February 2020. Following consideration Cabinet had recommended the Strategy to Council for approval.

The Corporate Finance Manager reported that in the main the Strategy had not changed from the previous year. He explained that the WG had updated its guidance on Local Authority investments in November 2019 which would come into force from 1 April 2020. The majority of changes had been incorporated into the Strategy and work would be completed during the year.

Councillor Chris Dolphin thanked the Chief Executive, and Corporate Finance Manager and his team for their work. He referred to the queries raised by the Audit Committee on the draft Strategy at the meeting held on 29 January, and said Officers had responded to the positive satisfaction of the Committee. Councillor Dolphin moved the recommendation in the report and this was seconded by Councillor Glyn Banks.

**RESOLVED:**

That the Treasury Management Strategy 2020/21 be approved.

## **112. MINIMUM REVENUE PROVISION POLICY 2020/21**

The Corporate Finance Manager introduced the report to seek approval for setting the Council's annual policy for the Minimum Revenue Provision for the prudent repayment of debt for the financial year 2020/21. He provided background information and advised that the Council, as part of the budget strategy, conducted a detailed review of its MRP policy in 2016/17 and 2017/18 and had amended the policy as a result. The Corporate Finance Manager advised that local authorities were legally required to set a policy for each financial year and it was recommended that the 2020/21 MRP policy remained the same as that of 2019/20

Councillor Glyn Banks moved the recommendations in the report and this was seconded by Councillor Billy Mullin.

Councillor Richard Jones referred to the concerns he had raised at a previous meeting around the MRP and said he felt it was unfair to pass the burden of higher repayments onto future generations. He suggested that the Council revert back to the 'straight-line' graph to alleviate pressure in the future and asked Officers if he could be told the cost to do that. The Chief Executive agreed that this could be taken into account during consideration of the Medium Term Financial Strategy.

### **RESOLVED:**

- (a) That the following be approved for Council Fund (CF)
- Option 3 (Asset Life Method) be used for the calculation of the MRP in financial year 2020/21 for the balance of outstanding capital expenditure funded from supported borrowing fixed as at 31 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 2020/21 for all capital expenditure funded from supported borrowing from 1 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 2020/21 for all capital expenditure funded from unsupported (prudential) borrowing or credit arrangements.
- (b) That the following be approved for Housing Revenue Account (HRA)
- Option 2 (Capital Financing Requirement Method) be used for the calculation of the HRA's MRP in 2020/21 for all capital expenditure funded by debt.
- (c) 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 approved as follows:

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

**113. PUBLIC QUESTION TIME**

None were received.

**114. QUESTIONS**

None were received.

**115. NOTICE OF MOTION**

None was received.

**116. MEMBERS OF THE PRESS AND PUBLIC IN ATTENDANCE**

There was one member of the press and no members of the public in attendance.

(The meeting started at 2.00 pm and ended at 4.13 pm)

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**Chair**