

Pecyn Dogfen Gyhoeddus

Gareth Owens LL.B Barrister/Bargyfreithiwr

Chief Officer (Governance)

Prif Swyddog (Llywodraethu)



Swyddog Cyswllt:

Sharon Thomas on 01352 702324

sharon.b.thomas@flintshire.gov.uk

At: Bob Aelod o'r Cyngor

14 Chwefror 2024

Annwyl Gynghorydd,

RHYBUDD O GYFARFOD HYBRID
CYNGOR SIR Y FFLINT
DYDD MAWRTH, 20FED CHWEFROR, 2024 1.00 PM

Yn gywir

Steven Goodrum

Rheolwr Gwasanaethau Democraidd

Sylwch: Gellir mynychu'r cyfarfod hwn naill ai wyneb yn wyneb yn Siambr Cyngor yr Arglwydd Barry Jones, Cyngor Sir y Fflint, Yr Wyddgrug, Sir y Fflint neu ar-lein.

Bydd y cyfarfod yn cael ei ffrydio'n fyw ar wefan y Cyngor. Bydd y ffrydio byw yn dod i ben pan fydd unrhyw eitemau cyfrinachol yn cael eu hystyried. Bydd recordiad o'r cyfarfod ar gael yn fuan ar ôl y cyfarfod ar <https://flintshire.publici.tv/core/portal/home>

Os oes gennych unrhyw ymholiadau, cysylltwch ag aelod o'r Tîm Gwasanaethau Democraidd ar 01352 702345.

R H A G L E N

1 YMDDIHEURIADAU AM ABSENOLDEB

Pwrpas: I dderbyn unrhyw ymddiheuriadau.

2 CWESTIYNAU GAN Y CYHOEDD (Tudalennau 5 - 6)

Pwrpas: Derbyn Cwestiynau Cyhoeddus ar gyfer yr eitem hon:
derbyniwyd un erbyn y dyddiad cau.

3 DATGAN CYSYLLTIAD

Pwrpas: I dderbyn unrhyw ddatganiad o gysylltiad a chynghori'r Aelodau yn unol a hynny.

4 COFNODION (Tudalennau 7 - 12)

Pwrpas: I gadarnhau cofnodion y cyfarfod a gynhaliwyd ar 23 Ionawr 2024 fel cofnod cywir.

5 CYHOEDDIADAU'R CADEIRYDD

Pwrpas: Derbyn unrhyw gyhoeddiad fel y'i dosbarthwyd.

6 DEISEBAU

Pwrpas: Mae hwn yn gyfle i Aelodau'r Cyngor gyflwyno deisebau ar ran pobl yn eu ward. Unwaith y byddant wedi dod i law, caiff deisebau eu pasio i'r Prif Swyddog priodol ar gyfer gweithredu ac ymateb iddynt.

PRIF EITEMAU BUSNES

7 CYLLIDEB REFENIW CRONFA'R CYNGOR 2024/25 - Y CAM CAU OLAF (Tudalennau 13 - 62)

Adroddiad Rheolwr Cyllid Corfforaethol, Prif Weithredwr

Pwrpas: I gosod cyllideb gyfreithiol a chytbwys ar gyfer 2024/25 ar argymhelliad y Cabinet.

8 GOSOD TRETH Y CYNGOR AR GYFER 2024/25 (Tudalennau 63 - 92)

Adroddiad Prif Swyddog (Llywodraethu)

Pwrpas: Gosod taliadau Treth y Cyngor ar gyfer 2024-25 fel rhan o strategaeth cyllideb ehangach y Cynghorau.

9 **STRATEGAETH RHEOLI'R TRYSORLYS 2024/25** (Tudalennau 93 - 132)

Adroddiad Rheolwr Cyllid Corfforaethol

Pwrpas: Cyflwyno i'r Aelodau Strategaeth Rheoli'r Trysorlys Drafft 2024/25.

10 **ISAFSWM DARPARIAETH REFENIW - POLISI 2024/25** (Tudalennau 133 - 146)

Adroddiad Rheolwr Cyllid Corfforaethol

Pwrpas: Mae gofyn i Awdurdodau Lleol bob blwyddyn roi rhywfaint o'u hadnoddau refeniw o'r neilltu fel darpariaeth i ad-dalu dyledion. Mae'r adroddiad yn cyflwyno polisi drafft y Cyngor ar Isafswm Darpariaeth Refeniw.

EITEMAU CYFFREDIN BUSNES

11 **DATGANIAD POLISIAU TAL AR GYFER 2024/25** (Tudalennau 147 - 204)

Adroddiad Prif Weithredwr, Uwch Reolwr, Adnoddau Dynol a Datblygu Sefydliadol -

Pwrpas: Mae'n ofynnol bod bob cyngor yn cyhoeddi eu Datganiad ar Bolisiau Tâl erbyn mis Ebrill bob blwyddyn. Y Datganiad ar Bolisiau Tâl a gyflwynir yn yr adroddiad hwn yw'r deuddegfed Datganiad blynyddol a gyhoeddwyd gan Gyngor Sir y Fflint.

ER GWYBODAETH

12 **CWESTIYNAU**

Pwrpas: Nodi'r atebion i unrhyw gwestiwn a gyflwynwyd yn unol â Rheol Sefydlog 9.4(A) y Cyngor Sir: doedd dim wedi dod i law erbyn y dyddiad cau.

13 **CWESTIYNAU GAN AELODAU AM GOFNODION PWYLLGORAU**

Pwrpas: Ystyried unrhyw faterion a godwyd gan yr Aelodau o Gofnodion cyfarfodydd y Cabinet, Pwyllgorau Craffu a Phwyllgorau eraill, ynghyd ag unrhyw gwestiynau a godwyd dan Adran 4.20 Cyfansoddiad y Cyngor. Os bydd angen, mae'n bosib cael gafael ar gopiâu o Gofnodion yr amrywiol gyfarfodydd a gynhaliwyd ers cyfarfod arferol diwethaf y Cyngor, sydd wedi'u cymeradwyo a'u cyhoeddi ar wefan yr Awdurdod, drwy fynd i'r Adran Pwyllgorau a Gwasanaethau'r Aelodau.

14 RHYBUDD O GYNNIG

Pwrpas: Derbyn unrhyw Rhybuddion o Gynnig: doedd dim wedi dod i law erbyn y dyddiad cau.

Sylwch, efallai y bydd egwyl o 10 munud os yw'r cyfarfod yn para'n hirach na dwy awr.

Eitem ar gyfer y Rhaglen 2

Public Question Time - County Council 20 February 2024

	Name of person asking question	Time and date question received	Question
1.	Matt Brown	09/02/2024 9.07am	Can the Administration explain why it decided to close all schools on Thursday, 8th February when every other neighbouring Local Authority, with the same Amber weather warning that includes Wrexham, Conway, Denbighshire, Cheshire West and Shropshire left the decision to close a school with the Headteacher and Governing body of that school?

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 4

FLINTSHIRE COUNTY COUNCIL 23 JANUARY 2024

Minutes of Flintshire County Council held as a hybrid meeting on Tuesday, 23 January 2024.

PRESENT: Councillor Gladys Healey (Chair)

Councillors: Mike Allport, Bernie Attridge, Marion Bateman, Sean Bibby, Gillian Brockley, Helen Brown, Mel Buckley, Teresa Carberry, Tina Claydon, David Coggins Cogan, Geoff Collett, Steve Copple, Bill Crease, Rob Davies, Ron Davies, Adele Davies-Cooke, Chris Dolphin, Rosetta Dolphin, Mared Eastwood, Carol Ellis, David Evans, Chrissy Gee, David Healey, Ian Hodge, Andy Hughes, Dave Hughes, Dennis Hutchinson, Alasdair Ibbotson, Paul Johnson, Christine Jones, Richard Jones, Simon Jones, Richard Lloyd, Dave Mackie, Gina Maddison, Roz Mansell, Allan Marshall, Hilary McGuill, Ryan McKeown, Debbie Owen, Ted Palmer, Andrew Parkhurst, Mike Peers, Michelle Perfect, Vicky Perfect, Carolyn Preece, David Richardson, Dan Rose, Kevin Rush, Dale Selvester, Jason Shallcross, Sam Swash, Linda Thew, Linda Thomas, Roy Wakelam, Arnold Woolley and Antony Wren

APOLOGIES: Councillors: Glyn Banks, Pam Banks, Chris Bithell, Paul Cunningham, Ray Hughes, Billy Mullin, Ian Roberts, and Ant Turton

ALSO PRESENT: Julia Hughes, Independent Member – Chair of Standards Committee (as an observer)

IN ATTENDANCE: Chief Executive, Chief Officer (Governance), Chief Officer (Community and Housing), Corporate Finance Manager, Strategic Finance Managers, Service Manager – Housing Assets, Regulatory Services Manager, Head of Democratic Services, Revenue and Procurement Manager, Democratic Services Team Leader – Electoral Services, Democratic Services Officers and Fr. P. Wheeler for prayers

Prior to the start of the meeting the Chair welcomed and introduced Julia Hughes, Chair and Independent Member of the Standards Committee, to the meeting as an observer.

63. DECLARATIONS OF INTEREST

Councillor Ted Palmer declared a personal interest on agenda item 6: Housing Revenue Account (HRA) 30 Year Financial Business Plan

64. MINUTES

The minutes of the meeting held on 6 December 2023 were received.

Matters arising

Page 10 - Notice of Motion, in response to a question from Councillor Andrew Parkhurst, the Democratic Services Manager confirmed that correspondence had been sent to the UK and Welsh Governments, in accordance with the resolution to the Motion, and copies would be sent to Members for information.

Councillor Parkhurst also referred to his Question on page 13 - Public Spaces Protection Order (PSPO) in respect of Mold Memorial Gardens, and asked about the timescales for responses to the questions raised and the cost of legal fees arising in connection with the matter. The Chief Officer (Governance) advised that a response to the questions would be sent this week and information on the legal fees would follow.

Councillor Bernie Attridge moved the minutes and this was duly seconded.

RESOLVED:

That the minutes of the meeting held on 6 December 2023 be approved as a correct Record.

65. CHAIR'S COMMUNICATIONS

The Chair referred to her communication which had been circulated prior to the meeting and listed the events attended from 7 December 2023 to 23 January 2024.

The Chair thanked the Vice-Chair and his consort for fulfilling the duties of her role during her absence due to the recent sad bereavement of her daughter. She also took the opportunity to extend her sincere thanks to Members, Officers, and staff, for their support to herself and her husband, Councillor David Healey, on their loss.

66. PETITIONS

The Chief Officer (Governance) advised that the following petition had been received and gave a brief outline of the Council's process for administering petitions:

Councillor David Coggins-Cogan presented a petition on behalf of the residents in his Ward requesting the adoption of an unadopted road.

67. HOUSING REVENUE ACCOUNT (HRA) 30 YEAR FINANCIAL BUSINESS PLAN

The Chief Officer (Housing and Communities) introduced a report to present, the Housing Revenue Account (HRA) Budget for 2024/25, the HRA Business Plan and the summary 30 year Financial Business Plan.

A joint presentation was given by the Chief Officer, Service Manager – Housing Assets, and Strategic Finance Manager which covered the following main points:

- Welsh Government net zero carbon target for social housing
 - FCC pilot to achieve net zero carbon for social housing
 - Net zero carbon social housing – business case estimate
 - other Welsh Housing Quality Standard (WHQS) 2023 Pressures
 - WHQS 2023 Investment
-
- HRA Business Plan – Revenue Pressures and Efficiencies
 - Rents 2024/25
 - Rents – impact of setting rents lower than the Welsh Government rent cap
 - affordability
 - consultation
 - service charges
 - operational cost benchmarking
 - prudential borrowing
 - reserves

Councillor Sean Bibby thanked Officers for their presentation and spoke in support of the Housing Revenue Account (HRA) 30 Year Financial Business Plan and the proposals. He moved the recommendations in the report which were seconded by Councillor Helen Brown.

Councillor Bernie Attridge also spoke in support of the recommendations in the report.

Councillor Richard Lloyd referred to Garage rents and service Charges (section 1.07 of the report) and commented on the proposal to increase the charge for garage plots by £0.05 per week which he felt was inadequate to cover the maintenance costs. The Service Manager – Housing Assets, provided clarification around the charges and proposals for maintenance of garage sites and explained that a review of the charges and stock condition was regularly undertaken. He agreed to speak to Councillor Lloyd on any specific concerns following the meeting.

Councillor Richard Jones referred to the last sentence on page 18 of the report and suggested that the wording be amended to read: “that the majority of the HRA funding is devised from HRA income”.

Councillor David Coggins-Cogan referred to section 1.06 of the report and raised questions on Housing Benefit. He also referred to section 1.07 and asked about the rate on lettings on garages. In conclusion Councillor Coggins-Cogan queried the statistical data provided in the report and sought clarification on the number of contract holders.

The Chair raised a question concerning lighting within communities.

The Cabinet Member and Officers responded to the points raised.

Having been moved and seconded, the following recommendations were put to the vote and carried.

RESOLVED:

- (a) That the HRA 30-year Financial Business Plan and budget for 2024/25 as set out in the report and attached appendices be approved; and
- (b) That consideration be given, in year, to utilise available reserves to top up the tenant hardship fund to a cap of £0.350m if required.

68. TREASURY MANAGEMENT MID-YEAR REPORT 2023/24

The Corporate Finance Manager presented the draft Treasury Management Mid-Year Review for 2023/24 which was appended to the report. He advised that, as required by the Council's Financial Procedure Rules, the Mid-Year Report was reviewed by the Governance and Audit Committee on 22 November and Cabinet on 19 December 2023 and no significant issues had been raised. The Corporate Finance Manager referred to the key points as summarised in the covering report.

Councillor Mike Peers referred to the reference to Lender Option Borrower Option (LOBO) as detailed on page 37, and cross-referenced to the information on page 47 (paragraphs 4.04 and 4.06) and sought clarification on whether the interest was fixed or variable and the arrangements around repayment or borrowing. The Corporate Finance Manager and Strategic Finance Manager responded to the questions and supplementary questions raised by Councillor Peers.

The recommendation in the report was moved by Councillor Bernie Attridge and seconded by Councillor Paul Johnson.

RESOLVED:

That the Treasury Management Mid-Year Report 2023/24 be approved.

69. REVIEW OF POLLING DISTRICTS, POLLING PLACES AND POLLING STATIONS

The Chief Executive presented the report to seek approval of the recommendations on the review of polling districts, polling places, and polling stations. He provided background information and advised that the report sets out the final proposals following the review.

Councillor David Healey moved the recommendation in the report. In response to a question from Councillor David Healey concerning arrangements for a polling station in the Caergwrle Ward, the Team Leader, Democratic Services, drew attention to appendix 2 (paragraph 1.03) of the report and confirmed that the Polling Place for Caergwrle would be The Boy's Brigade Hall, Castle Street, Caergwrle.

Councillor Bernie Attridge proposed a further recommendation be added to the report to ensure that full consultation was taken with the Local Member(s) when a determination was to be made to identify a polling station in their Ward. The Team Leader, Electoral Services, responded to the comments and confirmed that the consultation process was open to all Members and individual Local Members were consulted on the designation of a polling station in their Ward.

Councillor Simon Jones asked if free parking would be made available on Council owned car parks nearest to polling stations. The Chief Officer (Governance) agreed to raise the matter with the Chief Officer (Streetscene and Transportation).

RESOLVED:

- (a) That the outcome of the review and the consultation undertaken be noted; and
- (b) That the final proposals detailed in Appendix 2 regarding polling districts, polling places, and polling stations be approved.

70. RECRUITMENT OF A TOWN AND COMMUNITY COUNCIL REPRESENTATIVE TO THE STANDARDS COMMITTEE

The Chief Officer (Governance) introduced the report to endorse the process for appointing a replacement Town and Community Representative to the Standards Committee. He provided background information and advised that it was proposed to follow the same process as last time for appointment. All Town and Community Councils would be asked for nominees and each Council would be given a 1st and 2nd preference vote in order to conclude the process in a single round of voting.

Councillor Bernie Attridge moved the recommendation which was seconded by Councillor Teresa Carberry. Councillor Carberry and Councillor Attridge expressed their thanks to Councillor Ian Papworth for his work and commitment on the Standards Committee.

RESOLVED:

- (a) That the proposed appointment process be endorsed and
- (b) That Councillor Ian Papworth be thanked for his work on the Standards Committee.

71. PUBLIC QUESTION TIME

The Chief Officer (Governance) advised that none had been received by the deadline.

72. QUESTIONS

The Chair advised that the following question had been received from Councillor Sam Swash which had been included on the agenda for the meeting:

“When a Flintshire resident is required to use a certain type of vehicle, because of health issues or a disability, and that vehicle is prohibited from using Household Recycling Centres, what reasonable adjustment does the Council make for residents in such a position, and if no reasonable adjustment is being made, is the Council confident that it is not in breach of the Equality Act 2010”.

Councillor Dave Hughes, Cabinet Member for Streetscene and the Regional Transport Strategy, provided a written response to the question which was read out and circulated to Members during the meeting.

Councillor Sam Swash asked the following supplementary question : “will the Council provide a reasonable adjustment to enable a resident, as referred to in the question above, to access the Household Recycling Centre Service in compliance with the obligations of the Equality Act 2010”.

The Cabinet Member responded that he would arrange a meeting with the Regulatory Services Manager to discuss the issue raised.

RESOLVED:

That the questions and written and verbal responses be received and noted.

73. QUESTIONS FROM MEMBERS ON COMMITTEE MINUTES

The Chief Officer (Governance) advised that none had been received by the deadline.

74. NOTICE OF MOTION

The Chief Officer (Governance) advised that none had been received by the deadline.

75. MEMBERS OF THE PRESS IN ATTENDANCE

There were no members of the press in attendance.

(The meeting started at 1.00 pm and ended at 2.30 pm)

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Chair

Eitem ar gyfer y Rhaglen 7



FLINTSHIRE COUNTY COUNCIL

Date of Meeting	Tuesday, 20 th February 2024
Report Subject	Council Fund Revenue Budget 2024/25 – Final Closing Stage
Report Author	Corporate Finance Manager and Chief Executive

EXECUTIVE SUMMARY

The Council has received regular updates on the Council's challenging budget position for 2024/25 and the additional budget requirement for 2024/25 has continually been revised and progress on solutions to meet this has been reported.

Cabinet and Corporate Resources Overview and Scrutiny Committee received an update on the key headlines and financial impacts of the Welsh Local Government Provisional Settlement in January, together with an update on the increased additional budget requirement of £33.187m. At that stage there was a remaining 'budget gap' of £12.946m.

Two Member briefings were also held in January prior to additional cost reduction proposals being considered by specific overview and scrutiny committees in February. Work has continued to review the overall position in conjunction with a recent announcement from Welsh Government on an expected consequential from UK Government.

This work has now been concluded and the outcome is set out in the Cabinet report.

Cabinet considered the report at its meeting this morning which set out how the Council can achieve a legal and balanced budget.

The report is attached as Appendix A and confirmation of the Cabinet Resolution will be provided at the meeting.

RECOMMENDATIONS

1	That the Council approves the recommendations of Cabinet for balancing the budget for 2024/25.
2	That Council approves the level of Council Tax for 2024/25 as recommended by Cabinet.

REPORT DETAILS

1.00	EXPLAINING THE CURRENT POSITION – BALANCING THE BUDGET FOR 2024/25
1.01	The Council has received reports at all stages throughout the budget process for 2024/25.
1.02	Cabinet and Corporate Resource Overview and Scrutiny Committee received an update on the key headlines and financial impacts of the Welsh Local Government Provisional Settlement in January together with an update on an increased additional budget requirement of £33.187m for the 2024/25 financial year. At that stage there was a remaining ‘budget gap’ of £12.946m.
1.03	<p>Two Member briefings were also held in January prior to additional cost reduction proposals being considered by specific overview and scrutiny committees in February.</p> <p>Work has continued to review the overall position in conjunction with a recent announcement from Welsh Government on an expected consequential from UK Government.</p> <p>This work has now been concluded and the outcome is set out in the report to Cabinet</p>
1.04	Cabinet considered the report at its meeting this morning which included a recommendation for setting a legal and balanced budget. The report is attached as Appendix A.
1.05	Cabinet’s resolution for balancing the budget will be provided to Members at the meeting and a presentation on the budget will be made to Council.

2.00	RESOURCE IMPLICATIONS
2.01	As contained within the report to Cabinet of 20 February 2024 which is attached.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	As contained within the report to Cabinet of 20 February 2024 which is attached.

4.00	RISK MANAGEMENT
4.01	As contained within the report to Cabinet of 20 February 2024 which is attached.

5.00	APPENDICES
5.01	Appendix A – Cabinet Report 20 February 2024.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	As included in the Cabinet Report 20 February 2024.

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Neal Cockerton, Chief Executive Gary Ferguson, Corporate Finance Manager Telephone: 01352 702271 E-mail: gary.ferguson@flintshire.gov.uk</p>

8.00	GLOSSARY OF TERMS
8.01	As set out in the attached report.

Mae'r dudalen hon yn wag yn bwrpasol



CABINET

Date of Meeting	Tuesday 20 th February 2024
Report Subject	Council Fund Revenue Budget 2024/25 – Final Closing Stage
Cabinet Member	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
Report Author	Corporate Finance Manager and Chief Executive
Type of Report	Strategic

EXECUTIVE SUMMARY

From July 2023, Members have received regular updates on the Council's challenging budget position for the 2024/25 financial year and the additional budget requirement for 2024/25 has been continuously revised to consider the latest available information.

Cabinet and Corporate Resources Overview and Scrutiny Committee received an update on the key headlines and financial impacts of the Welsh Local Government Provisional Settlement in January, together with an update on the increased additional budget requirement of £33.187m. At that stage there was a remaining 'budget gap' of £12.946m.

Two Member briefings were also held in January prior to additional cost reduction proposals being considered by specific Overview and Scrutiny Committees in February. Work has continued to review the overall position in conjunction with a recent announcement from Welsh Government on an expected consequential from UK Government.

This work has now been concluded and the outcome is set out in the report.

The report sets out a proposal by Cabinet for the Council to be able to reach a legal and balanced budget position for the 2024/25 financial year. The report also includes another option following the receipt of a proposal by the Independent Group.

This report sets out the Council Tax recommendations for setting local taxation levels for 2024/25. We are also able to propose the formal resolution to Council when it meets later today as we have received notification of the precepts of the Police and Crime Commissioner and all Town and Community Councils within Flintshire.

Cabinet is invited to make final recommendations to Council to set a legal and balanced budget based on the detail as set out in this report.

A full presentation will be made at County Council.

The report includes the following tables:

- Table 1: Remaining Additional Budget Requirement 2024/25
- Table 2: Final Proposed Budget Solutions 2024/25
- Table 3: Proposed Budget 2024/25
- Table 4: School Budget Adjustments
- Table 5: Social Care Budget Adjustments
- Table 6: Medium Term Forecast 2025/26 – 2026/27

RECOMMENDATIONS

1	That Cabinet notes and approves the revised additional budget requirement for 2024/25.
2	That Cabinet approves the final proposals for the cost reductions that will contribute to the budget.
3	That Cabinet recommends to Council a legal and balanced budget based on the calculations and two options set out within this report.
4	That Cabinet notes the significant open risks which remain to be managed in the 2024/25 financial year.
5	That Cabinet recommends an overall annual increase in Council Tax for 2024/25 based on the two options provided.
6	That Cabinet invites Council to pass the formal Council Tax resolution now that we have had notification of the precepts of the Police and Crime Commissioner and all Town and Community Councils within Flintshire.
7	That Cabinet notes the medium-term forecast as a basis for the next revision of the Medium-Term Financial Strategy (MTFS).

REPORT DETAILS

1.00	EXPLAINING THE COUNCIL FUND REVENUE BUDGET 2024/25
1.01	<p>The Additional Budget Requirement</p> <p>From last July, Members have received regular updates on the Council's challenging budget position for the 2024/25 financial year and the additional budget requirement for 2024/25 has been continuously revised to consider the latest available information.</p> <p>Cabinet and Corporate Resource Overview and Scrutiny Committee received an update on the key headlines and financial impacts of the Welsh Local Government Provisional Settlement in January, together with an update on an increased additional budget requirement of £33.187m for the 2024/25 financial year. At that stage there was a remaining 'budget gap' of £12.946m.</p> <p>Two Member briefings were also held in January, prior to additional cost reduction proposals being considered by specific overview and scrutiny committees in February. Work has continued to review the overall position in conjunction with a recent announcement from Welsh Government on an expected consequential from UK Government.</p> <p>This work has now been concluded and the outcome is set out in the report.</p> <p>The report sets out a proposal by Cabinet for the Council to be able to reach a legal and balanced budget position for the 2024/25 financial year. The report also includes another option following the receipt of a proposal by the Independent Group.</p>
	Additional Budget Requirement - Changes since the January Report
1.02	<p>Homelessness demand</p> <p>The Council continues to experience high and increasing demand for temporary accommodation to meet its statutory obligations to accommodate families and persons that present themselves as homeless and this is expected to continue. The initial budget requirement included an additional amount of £2m, however, this is anticipated to fall significantly short based on current demand levels.</p> <p>The Council is continuing to explore a number of options to provide other solutions which will reduce costs, but it is difficult to predict how much impact these will have during the 2024/25 financial year due to volatility and the impacts of the wider economy. To assist with mitigating this significant financial risk, an additional amount of £0.500m has now been included in the budget.</p>
1.03	<p>Out of County Placements</p> <p>The Council is continuing to experience an increase in the numbers and complexity of children that require support from the Out of County Placement budget. The previous budget requirement included an additional amount of</p>

	£0.500m. However, the Month 9 revenue budget monitoring report (also on this agenda) shows a projected overspend of £1.6m so an additional £1m has been included in the budget to reflect current demand levels, bringing the total to £1.5m.																		
1.04	<p>The changes in the additional budget requirement are summarised below:</p> <p>Table 1: Remaining Additional Budget Requirement 2024/25</p> <table border="1"> <thead> <tr> <th></th> <th>£m</th> <th>Paragraph</th> </tr> </thead> <tbody> <tr> <td>Remaining Gap - January Report</td> <td>12.946</td> <td></td> </tr> <tr> <td>Additional Cost Pressures:</td> <td></td> <td></td> </tr> <tr> <td>Homelessness Demand</td> <td>0.500</td> <td>1.02</td> </tr> <tr> <td>Out of County Placements</td> <td>1.000</td> <td>1.03</td> </tr> <tr> <td>Revised Remaining Gap</td> <td>14.446</td> <td></td> </tr> </tbody> </table>		£m	Paragraph	Remaining Gap - January Report	12.946		Additional Cost Pressures:			Homelessness Demand	0.500	1.02	Out of County Placements	1.000	1.03	Revised Remaining Gap	14.446	
	£m	Paragraph																	
Remaining Gap - January Report	12.946																		
Additional Cost Pressures:																			
Homelessness Demand	0.500	1.02																	
Out of County Placements	1.000	1.03																	
Revised Remaining Gap	14.446																		
	Proposed Solutions to meet the Revised Additional Budget Requirement																		
1.05	<p>Aggregate External Finance (AEF)</p> <p>The Welsh Local Government Provisional Settlement was announced on 20 December and full details were included in the January Cabinet report.</p> <p>The provisional Aggregate External Funding (AEF) represents a cash uplift of £5.560m over the 2023/24 amount of £251.995m, which is an increase of 2.2%. (All Wales Average is an increase of 3.1% ranging from 2% to 4.7%).</p> <p>On 24 January, the UK Government announced it would increase funding to local authorities in England by £600m. As a result of this, Welsh Government are expected to receive a consequential sum of £25m.</p> <p>The Minister for Finance and Local Government has confirmed how Welsh Government will distribute this funding. The anticipated reduction of £10.6m in the Social Care Workforce Grant will now be reversed and the remaining £14.4m will be allocated to the Revenue Support Grant in the final settlement on 27 February.</p> <p>The basis of allocation to individual authorities is not yet known but is estimated at £0.675m based on our Standard Spending Assessment allocation and it is considered reasonable to now include this amount in our funding estimates.</p>																		
1.06	<p>Portfolio Cost Reductions</p> <p>Initial options for portfolio cost reductions were referred to a series of specific Overview and Scrutiny meetings which were held during the Autumn together with relevant cost pressures. These initial cost reduction proposals totalled £1.538m. This was subsequently reduced to £1.535m following removal of one of the proposals.</p>																		

	<p>Due to the scale of the financial challenge facing the Council for 2024/25 and the disappointing provisional settlement, all portfolios were tasked with finding further cost reductions of up to 7.5%.</p> <p>The additional options for cost reductions were considered at Overview and Scrutiny meetings held in February and following specific feedback the following amendments have been made:</p> <ul style="list-style-type: none"> - Removal of the bus subsidy cost reduction (£0.510m) - Removal of the Food Waste Charging proposal (£0.010m) - Removal of the waste collection frequency proposal (£0.274m) - Removal of cost reductions on Connects Centres (£0.100m) - Removal of Public Conveniences proposal (£0.078m) - Removal of Modern Apprentice proposal (£0.138m) <p>The revised total amount included from the additional portfolio cost reductions is £3.552m.</p>
1.07	<p>Schools – Cost Reductions</p> <p>Given the unprecedented scale of the financial challenge the Council has faced this year there has been a need for all portfolios to make cost reductions, and a reduction will also need to be applied to the delegated budgets of our schools.</p> <p>A 3% reduction on delegated school budgets (at 2023/24 level) will be required and this provides a contribution of £3.273m towards the budget requirement.</p> <p>(Para 1.21 provides further analysis of school budgets).</p>
1.08	<p>Social Care – Commissioning Costs</p> <p>Social Care budgets have been protected in recent years and commissioning costs have increased above average across North Wales for the current financial year.</p> <p>An increase at similar levels is not sustainable due to the Council only receiving an increase of 2.2% in its annual Welsh Government settlement.</p> <p>Therefore, the Council will need to provide a much more prudent uplift in 2024/25 which has been reflected in the estimates and will be subject to negotiation with care providers – this will reduce our cost base by £1.686m.</p>
1.09	<p>Additional Cost Reductions</p> <p>There have been two further cost reductions confirmed since the recent Overview and Scrutiny meetings which have also now been included in the budget.</p> <p>The final North Wales Fire and Rescue Levy provided a further reduction of £0.197m and was verbally referred to at the Corporate Resources Overview and Scrutiny Committee and there has been a further reduction of £0.010m following a further review of borrowing costs.</p>

1.10 Council Tax

The level of annual increase in Council Tax is a decision for Full Council.

Based on the final additional budget requirement of £14.446m an overall annual increase of **8%** is required on Council Tax for Council Services and **1.1%** for additional contributions to North Wales Fire and Rescue Service and the Regional Coroners Service.

This equates to an overall uplift of 9.1% and provides overall additional net yield of £9.072m in 2024/25.

This amounts to an annual increase of £138.44 per annum and brings the Council Tax on a Band D equivalent property to £1,659.77 (£2.66 per week equivalent).

Police Precept/Town and Community Councils

The Police Precept and Town and Community Council Precepts for 2024/25 have all been notified to the Council as the Council Tax collection authority and a separate report on the Council agenda later today sets out the formal resolutions.

1.11 Table 2: Final Proposed Budget Solutions

	£m
Revised Additional Budget Requirement (as in Table 1)	14.446
Add back previously reported:	
Council Tax Assumption in solutions	5.431
Adjusted Efficiency from September Options	0.003
Adjusted Efficiency at Final Stage	0.010
Amount Required to balance budget	19.890
Less:	
Contribution from Schools	(4.698)
New Portfolio Cost Reductions (Including removal of pressures)	(3.552)
Commissioning Fees	(1.686)
Reduced Borrowing Costs	(0.010)
Reduction in Fire Levy	(0.197)
Amount Remaining to balance budget	9.747
Council Tax (9.1%)	9.072
Additional Welsh Government AEF	0.675
Amount Remaining	0.000

1.12 **Summary and Conclusions**

A legal and balanced budget for 2024/25 can be recommended by Cabinet to Council based on (1) the calculations and assumptions set out above, and (2) the detailed proposed budget as set out below.

1.13 **Table 3: Proposed Budget 2024/25**

Funding	£m
Aggregate External Funding (AEF) / RSG NNDR	258.230
Council Tax	109.679
SSA/Budget Requirement	367.909
Use of Reserves (2024/25 Only)	0.172
Specific Grants (Appendix 6)	45.679
Total Funding	413.760
Expenditure	£m
Base Budget Rolled Forward	395.133
Previous Years Growth/Items Dropping Out (Appendix 1)	0.757
Inflation (Appendix 2)	14.963
Pressures & Investments (Appendix 3)	15.113
Cost Reductions	
Portfolio (Appendix 4)	(4.110)
Corporate Financing (Appendix 5)	(10.763)
Grants	
Less Specific Grants 2023/24	(43.012)
Plus Specific Grants 2024/25 (Estimated Appendix 6)	45.679
Total Expenditure	413.760
Balance	0.000

	Open Risks 2024/25
1.14	<p>Pay</p> <p>The proposed budget includes pay inflation for 2024/25 at 5% for both teaching and non-teaching staff which will still be unknown at the time of setting the budget. Should national pay agreements conclude at a higher level, this would mean the difference would need to be met from Council Reserves in 2024/25, which has been the case for the last two financial years.</p> <p>The outcome of the pay modelling review to address ongoing recruitment and retention challenges represents a further risk which will need to be considered as part of its agreement and prior to implementation.</p>
1.15	<p>Supreme Court Judgement – Harpur Trust and Brazel</p> <p>The potential financial impacts are still being determined in response to the Employment Appeal Tribunal (EAT) decision in the case of Harpur Trust v Brazel. The Supreme Court upheld the EAT judgment in the Brazel case in July 2022 which impacts on the calculation of holiday pay entitlements for staff who work for part of the year (i.e., term time). An approved carry forward from 2022/23 for £0.254m will provide some funding towards these costs.</p> <p>Changes to Holiday Pay from 1 April 2024</p> <p>As a result of the Harpur Trust v Brazel case referred to above, the UK government announced a host of changes to the current rules surrounding holiday pay. The headline changes which will take effect for holiday years commencing 1 April 2024 onwards, include:</p> <ul style="list-style-type: none"> · Re-introducing rolled-up holiday pay for irregular hours and part-year workers · Re-introducing the 12.07% of hours worked calculation method for irregular hours and part-years workers · Changes to the definitions of a week’s pay for holiday pay calculations <p>The impact of these changes are still being determined.</p>
1.16	<p>Homelessness</p> <p>This remains a significant open risk as set out in 1.02 above.</p>
1.17	<p>Out of County Placements</p> <p>This remains a significant open risk as set out in 1.03 above.</p>
1.18	<p>Waste Recycling – Infraction Charges</p> <p>The Council did not meet the statutory minimum target, (64%) in 2021/22, for the percentage of municipal waste which must be recycled, prepared for re-use and composted, as specified in Section 3 of the Waste (Wales) Measure 2010. Welsh Government can therefore take steps to impose a penalty on the Council by way of an infraction fine. A potential penalty of up to £0.663m</p>

	<p>has been confirmed so continues to present a significant financial risk to the Council.</p> <p>Discussions have taken place between Welsh Government and the Council as to the reasons for not achieving the target. The Council has subsequently been instructed by Welsh Government to engage with the Waste and Resources Action Programme (WRAP) and Local Partnerships to review our waste strategy and develop a new action plan. Depending on the outcome of the review, the Minister will take a decision at that point whether to levy the fine.</p> <p>Unfortunately, the statutory recycling targets have also not been achieved in 2022/23 (non-verified), which means that a further infraction fine could be levied of around £0.470m should Welsh Government choose to do so, and monitoring of the authority's recycling performance for 2023/24 to date shows that the rates of recycling and residual waste tonnages are not improving, which could lead to a further missed target in 2023/24 also. Current total known risk is £1.133m.</p>
1.19	<p>Budget Risk Reserve</p> <p>A combination of continued high inflation, service demand and a much lower than anticipated Welsh Government funding settlement has meant that there is an increased degree of risk in the budget proposals than in previous years.</p> <p>Historically, demand levels for both homelessness presentations and out of county placements have been difficult to predict. A balance needs to be struck between providing a reasonable level of additional recurring base budget provision (taking into account affordability) and ensuring that the Council has sufficient reserves set aside to meet the potentially significant additional costs should they materialise.</p> <p>Based on current demand levels the level of risk in 2024/25 is far greater than in previous years. Therefore, it is recommended that a 'budget risk' ring fenced reserve of £3m is created to mitigate any additional costs in-year whilst a more sustainable solution is established for 2025/26. This funding will need to be ringfenced within the Contingency Reserve.</p>
1.20	<p>Specific Grants</p> <p>We are still awaiting confirmation of some specific grants.</p> <p>The most significant is the Sustainable Waste Management Grant which is still to be confirmed on an all-Wales basis for 2024/25 onwards.</p> <p>Details of the specific grants we are aware of currently are included in Appendix 6.</p>
	<p>School and Social Care Budgets</p>
1.21	<p>Schools' Budget</p> <p>Ensuring our learners receive the highest standards of education in our schools has always, and continues to be, a priority for the Council. The</p>

Council has always sought to protect front line education services (schools' budget) as far as possible.

The school's budget is the largest budget within the Council and given the scale of the challenge in setting a balanced budget this year it has not possible to fully protect the schools budget from reductions.

However, the Council recognises the increasing demands, challenges, and risks that schools are currently facing.

The table below provides the details of an overall increase of 3.5% in funds for schools in 2024/25.

Table 4: School Budget Adjustments

Pressures / Cost Reductions	£m
Teachers Pay Awards (2023/24 & 2024/25)	5.295
Non-teaching Pay Awards (2023/24 & 2024/25)	2.751
NDR Transitional Rate Relief (Schools Element)	0.065
NDR Multiplier Increase 5% (Schools Element)	0.082
Free School Meals (Term Time)	0.615
Inclusion and Progression - Specialist Mobile Classroom Provision	0.167
Total Increase in Schools Budget	8.975
Less:	
Energy (Reduction in cost)	(0.600)
Demography (Reducing Pupil Numbers)	(0.675)
Schools share of the triennial actuarial review of the Clwyd Pension Fund	(0.432)
3% budget reduction	(3.273)
Total Net Uplift to School Budgets 2024/25	3.995

In addition to the above, the Council will not be able to make its contribution of £0.750m to assist schools in deficit in 2024/25. It is anticipated that this will be one off in 2024/25 although this will need to be revisited as part of work on the 2025/26 budget.

1.22 Social Care Budget

The 2024/25 budget includes a 7.44% increase for Social Care to meet the estimates of current demand and the additional costs of commissioned care.

The Social Care sector remains under significant pressure from increased demand and inflationary pressures with costs for commissioned care increasing. The need to support care providers to continue to operate safely and maintain market stability remains a challenge.

Recruitment and retention of care workers within the social care sector and particularly in homecare settings continues to present difficulties. Whilst the Real Living Wage has been adopted for all registered carers in Flintshire the sector does, in terms of hourly pay rates pay below comparable sectors such

as Supermarkets. Homecare is one of the most cost-effective types of social care and service shortages will result in increased pressure and demand on other, more expensive, types of care.

The recruitment and retention of experienced Social Workers is a significant challenge which is resulting in a higher turnover of staff and increasing long term vacancies which will result in an increased use of more expensive agency workers. Should social worker vacancies not be filled, then safeguarding risks will increase for some of the most vulnerable people within Flintshire.

The table below provides the details to the overall increase of 7.44% in funding to Social Care in 2024/25.

Table 5: Social Care Adjustments

Pressures / Cost Reductions	£m
Social Care Pay Awards (2023/24 & 2024/25)	2.668
Social Care Commissioning Costs	3.451
Out of County Placements	1.125
Transition to Adulthood	0.840
Childrens Services Group Homes	0.400
NEWCES Contribution Increase	0.030
Increased Homecare Capacity	0.100
Social Worker Pay Review	0.115
Newydd and EDT Inflationary Pressures	0.130
Less 2024/25 Portfolio Cost Reductions (including removal of pressures)	(1.040)
Social Care share of the triennial actuarial review of the Clwyd Pension Fund	(0.445)
Total Net Uplift to Social Care Budgets 2024/25	7.374

1.23 Reserves and Balances

Earmarked Reserves

The Council holds earmarked reserves which are set aside for specific purposes. Some are restricted in their use by, for example, the terms and conditions of grant where their source is government funding. An update on current projected levels of earmarked reserves shows that the amount is likely to reduce from £12.4m to £9.2m by the end of the 2024/25 financial year as these reserves are 'drawn down' (See Appendix 7).

The Council reviews its remaining earmarked reserves on an ongoing basis, and only those for which there is a strong business case will be retained with the remainder being released for use as part of the Medium-Term Financial Strategy.

1.24 Un-Earmarked Reserves

The Council holds a base level of reserves of £5.769m which is a relatively low level of base reserves and has not been increased for some time. The base level represents the Councils last line of defence in the event of a significant unforeseen financial issue arising.

The current base level equates to only 1.6% of the net revenue budget in 2023/24 which is much lower than most Councils and now too low for an Authority of this size.

The Month 9 revenue monitoring report (also on this agenda) advises that an amount of £3.212m is still remaining from the previously set aside COVID-19 Hardship Fund which was retained to safeguard against ongoing financial risks from the pandemic following the cessation of the Welsh Government Hardship Fund. As there have been no claims in the last quarter it is recommended that the full amount is transferred to Base Level Reserves, increasing the amount to £8.981m (2.44% of the proposed 2024/25 Net Budget).

Levels of unearmarked reserves over and above this figure are referred to as the Contingency Reserve. This reserve is projected to be at £5.108m at year end based on the Month 9 2023/24 revenue budget monitoring report – this will reduce to £2.108m when the Budget Risk Reserve of £3m is taken into account.

The budget proposals within the report also utilise £0.172m of unearmarked reserves to meet the costs of time-limited pressures and to temporarily bridge the gap of a part year cost reduction proposal.

Taking all the above into account would leave a projected contingency reserve remaining of £1.936m.

1.25 Budget Options

In addition to the proposals included within the report another option has also been submitted by the Independent Group. Whilst the majority of the information contained within the report is relevant to both options the summary below details the specific proposals.

Proposed Changes	£m
<i><u>Included in both options</u></i>	
Remove Bus Subsidy reduction	0.510
Remove Waste Frequency reduction	0.274
Remove Connects changes proposal	0.100
Remove Public Conveniences reduction	0.078
Remove Food Waste Charging proposal	0.010
<i><u>Not included in other option</u></i>	
Remove Black Bin Fee proposal	0.040
Remove Car Parking Charges proposal	0.038
Remove Compost Charging proposal	0.010
Remove Garden Waste Charging proposal	0.002
Transfer to Reserves	0.436
Overall Total	1.498

	<p>The above proposal requires the utilisation of the additional Welsh Government AEF of £0.675m and an overall Council Tax increase of 9% (7.9% for Council Services and 1.1% for regional contribution for Fire Levy and Coroners)</p> <p>The main difference between the two options is that there is a contribution to Reserves of £0.436m within this option to safeguard against risks, whereby the other option includes an additional £0.500m directly allocated to the homelessness budget.</p> <p>This option also still assumes the cost reduction of £0.138m for Modern Apprentices – adding this back in would require an increase in the Council Tax uplift to 9.1% together with a reduction to the transfer of reserves of £0.026m to £0.410m.</p> <p>It is considered that the above proposal does amount to a valid legal and balanced option although this will be worked through in detail in advance of the meeting.</p>
1.26	<p>Formal Advice of the Corporate Finance Manager</p> <p>Section 25 of the Local Government Act 2003 includes a specific duty on the Chief Finance Officer (for Flintshire this is the Corporate Finance Manager) to report to the Council when it is considering its budget and Council Tax setting on the robustness of the estimates and the adequacy of reserves. The Act requires the Council to have regard to this report in making its decisions on its budget.</p>
1.27	<p>The 2024/25 budget has again been set within the context of the Medium-Term Financial Strategy and during a year which has seen the continuation of relatively high inflation levels and interest rates. The Council has utilised its COVID-19 Hardship Reserve to deal with some of the legacy impacts of the pandemic although the calls on this time limited reserve have significantly diminished.</p>
1.28	<p>For the estimates contained within the budget, all figures are supported by a clear and robust methodology. The cost reduction proposals have all been risk assessed and reported to members as part of the overview and scrutiny process – inevitably the proposals contain a far higher degree of risk than in previous years. The cost pressures are supported by evidenced method statements.</p>
1.29	<p>The Council's Reserves and Balances Protocol sets out how the Council will determine, manage, and review the level of its Council Fund Balance and earmarked reserves, taking into account legislation and professional guidance. An outcome of this protocol was to report to both Cabinet and Corporate Resources Overview and Scrutiny Committee the level of earmarked reserves held on a quarterly basis. This has been continued throughout 2023/24 through the monthly budget monitoring report, with a detailed challenge of earmarked reserves undertaken throughout the summer which resulted in an amount of £0.898m being released from earmarked reserves back to the general contingency reserve. This process ensures that Members have a good understanding of all the reserves held by the Council.</p>

1.30	<p>I can confirm the reasonableness of the estimates contained in the proposed budget having regard to the Council's spending needs in 2024/25 and the financial context within which the budget is being set. It is clear that there continues to be some significant open risks within the 2024/25 budget proposals, particularly around service demand for homelessness and out of county placements. The increase in our Aggregate External Finance (AEF) for 2024/25 is very disappointing. There are no indicative allocations for 2025/26 and beyond although the fiscal outlook is looking even more challenging than the settlement for 2024/25.</p> <p>Therefore, it is important that, as far as it is able, the Council protects its current level of reserves to safeguard against these risks. Effective and disciplined in-year financial management is essential to ensure that budgets are managed effectively - with prompt action taken to mitigate any impacts should variances occur.</p>
1.31	<p>I recommend that Council should increase its Base Level of Reserves to a more reasonable level from £5.769m to £8.981m – this can be done by transferring the remaining amount in the COVID-19 Hardship Reserve which was always meant to be a temporary measure.</p> <p>Due to the high level of risk included in the budget proposals I also recommend that a separate budget risk reserve of £3m is set aside to safeguard the Council against any significant potential overspends should demand levels not reduce for areas such as homelessness and out of county placements.</p> <p>The projected remaining amount in the contingency reserve of £1.936m provides a further safeguard against other unforeseen expenditure.</p>
1.32	<p>The budget proposals require an appropriate use of £0.172m of unearmarked reserves to meet the costs of time limited cost pressures and to temporarily bridge the gap of a part year cost reduction.</p>
1.33	<p>Formal Advice of the Chief Executive</p> <p>My professional advice complements that of the Corporate Finance Manager, as set out above.</p>
1.34	<p>The draft budget as presented follows the Medium-Term Financial Strategy (MTFS) adopted by the Council. It has been developed according to the budget setting model which has been adopted by the Council, and our principles and values.</p>
1.35	<p>We have taken a prudent and balanced approach to our annual budget, as required by law and the principles of good governance, whilst protecting the public service duties and obligations of the Council. Our budget-setting process is an intricate one, with all decisions being carefully risk-assessed.</p>
1.36	<p>We have advised Council throughout that this is an extremely challenging budget set in a period of economic volatility, much of this is outside of our control. Portfolios have scrutinised their respective service areas closely and in the context of risk considered these and the wider impacts on the council and the communities it serves. The poor settlement by Welsh Government</p>

	<p>created increased challenge and risk within portfolios and required further work to identify additional cuts, these were reported back to scrutiny in February.</p> <p>There are no further cost reductions or cost efficiencies of scale beyond those reported in the budget-setting process. Our strategy for achieving a legal and balanced budget was heavily reliant on the sufficiency of Government funding for local government and public services; the provisional settlement at 2.2% is disappointing and will lead to an increased risk profile for the Council going forward.</p>
1.37	<p>Looking ahead the outlook remains uncertain with wider global events impacting on inflation and the cost of living. Although the Bank of England forecasts inflation falling throughout 2024, economic growth will remain weak, and the impacts of the war in Ukraine, Brexit and the pandemic will continue to work through the economic systems, as such the future financial position will continue to remain volatile and subject to many challenges through the coming financial years. This position at an all-Wales level is reinforced by future financial projections by the Wales Institute of Fiscal Studies (refer to para 1.40).</p>
1.38	<p>As noted, a number of significant ‘open risks’ remain to be managed and we will again need to adopt ongoing fiscal control in-year throughout 2024/25 particularly in relation to those more volatile services which are generally delivered to those who are in greatest need and most vulnerable within our communities. Our advice on risk management and how it affects setting a prudent budget needs to be carefully heard.</p>
1.39	<p>It is important that we continue to plan for the medium-term and work with Governments on a sustainable funding model for local government avoiding where possible an over-reliance on Council Tax as a form of local income. Positive work on a sustainable funding model does seem to be gaining traction with encouraging signs from within Welsh Government on the funding formula, this is to be welcomed but greater urgency is needed as well as ongoing work. A level of communication with Welsh Government is necessary to ensure the funding landscape for Flintshire is improved.</p> <p>If we are to effectively respond to anticipated future reduced financial settlements, it will require increased emphasis on service transformation and cost reduction. This work will be difficult and impact all services within the Council as many have already been extensively reshaped and reduced, what remains is already incredibly ‘lean’.</p>
1.40	<p>Medium Term Financial Forecast</p> <p>The financial forecast for the medium-term, for the financial years – 2025/26 – 2026/27, have been reviewed in readiness to update the MTFS. A high-level estimate on the major cost pressures predicted over the next two years following this budget is included in Table 6. The forecast includes (1) potential annual pay awards of 5%; (2) commissioning cost pressures within Social Services, and (3) other known cost pressures.</p> <p>The figures below show the minimum budget requirement.</p>

Table 6: Medium Term Forecast		
Cost Pressure Group	2025/26 (£m)	2026/27 (£m)
Pay Inflation	11.172	11.783
Non-Pay Inflation	2.442	2.223
Social Care Pressures	8.490	8.025
Other Pressures	6.147	0.733
Total	28.251	22.764

1.41	The 2024/25 Provisional Settlement excluded an indicative all-Wales revenue allocation for 2025/26. Forecasts from the Wales Institute of Fiscal Studies predict that settlements over the next two years could be less than 1% or cash flat. Therefore, it is essential that the Council prioritises work to address the major differential between its anticipated increases to operating costs compared with anticipated increases in income streams.
1.42	<p>Concluding Advice to Close the Budget</p> <p>Council is able to set a legal and balanced budget for 2024/25 based on the calculations and advice set out in this report and can fulfil its collective legal responsibility.</p> <p>Two options have been included within the report for consideration by Cabinet and Council and both sets of proposals would meet the requirement of being a legal and balanced budget as required by law.</p>
1.43	<p>The timetable for the closing stages of the annual budget setting process is as follows: -</p> <p>20 February 2024 Council Meeting: Final budget-setting decisions including final agreement on the level of Council Tax and the passing of the Council Tax Resolution.</p> <p>27 February 2024: Announcement of the Final Welsh Local Government Settlement.</p> <p>If there are any further minor changes it is recommended that a relevant contribution to / from reserves is included as an adjustment to the budget.</p>

2.00	RESOURCE IMPLICATIONS
2.01	<p>Revenue: the revenue implications for the 2024/25 budget are set out in the report.</p> <p>Capital: there are no new implications for the approved capital programme for either the current financial year or for future financial years.</p>

	Human Resources: Any implications for increased/reduced capacity within portfolios are as set out in the report. Any implications for schools would be a consideration for each individual school based on the funding received through the Schools Funding Formula.
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3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
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3.01	Ways of Working (Sustainable Development) Principles Impact	
	Long-term	Negative – the absence of longer-term funding settlements from Welsh Government means that sustainable support for service delivery is challenging for the longer term. Sustainable funding from Welsh Government that provides additional funding for Indexation, Service demands, and new legislation will provide a positive and sustainable position for the Council in the longer term.
	Prevention	As above
	Integration	Neutral Impact
	Collaboration	Services continue to explore opportunities for collaboration with other services and external partners to support positive impacts.
	Involvement	Communication with Members, residents and other stakeholders throughout the budget process.
	Well-Being Goals Impact	
	Prosperous Wales	Longer term funding settlements from Welsh Government that provide additional funding for indexation, service demands, and new legislation will aid sustainability and support a strong economy that encourages business investment in the region. The opposite will be true if settlements are inadequate.
	Resilient Wales	Continuation of services to support communities and social cohesion will have a positive impact. The opposite will be true if settlements are inadequate.
	Healthier Wales	An appropriate level of funding will ensure that communities are supported and will have a positive impact. The opposite will be true if settlements are inadequate.
	More equal Wales	A positive impact with greater parity of funding from Welsh Government for all

		Welsh Local Authorities. The opposite will be true if settlements are inadequate.
	Cohesive Wales	Appropriate level of funding will support services working alongside partners. The opposite will be true if settlements are inadequate.
	Vibrant Wales	As Healthier and Cohesive Wales above
	Globally responsible Wales	Neutral impact.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	<p>Overview and Scrutiny Committees – all cost pressures and cost reductions have been subject to relevant scrutiny and a summary of feedback has been considered in the preparation of final proposals and is include as Appendix 8.</p> <p>Chief Officer Team, the Finance Team, Cabinet Members, Group Leaders and Scrutiny Committees, School Forums. Workforce conferences have been held for employees.</p>

5.00	APPENDICES
5.01	<p>Appendix 1: Prior Year Decisions Appendix 2: Inflation Appendix 3: Pressures Appendix 4: Cost Reductions - Portfolios Appendix 5: Cost Reductions – Corporate Financing Appendix 6: Specific Grants 2024/25 Appendix 7: Balances & Reserves Appendix 8: Feedback from February 2024 Scrutiny Meetings</p>

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>The series of preparatory budget reports for the 2024/25 financial year. The series of presentations made to Cabinet and Council for the 2024/25 financial year.</p>

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Gary Ferguson, Corporate Finance Manager Telephone: 01352 702271 E-mail: gary.ferguson@flintshire.gov.uk</p>

8.00	GLOSSARY OF TERMS
8.01	<p>Medium Term Financial Strategy (MTFS): a written strategy which gives a forecast of the financial resources which will be available to a Council for a given period and sets out plans for how best to deploy those resources to meet its priorities, duties and obligations.</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>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>Revenue Support Grant: the annual amount of money the Council receives from Welsh Government to fund what it does alongside the Council Tax and other income the Council raises locally. Councils can decide how to use this grant across services although their freedom to allocate according to local choice can be limited by guidelines set by Government.</p> <p>Specific Grants: An award of funding from a grant provider (e.g. Welsh Government) which must be used for a pre-defined purpose.</p> <p>Welsh Local Government Association: the representative body for unitary councils, fire and rescue authorities and national parks authorities in Wales.</p> <p>Financial Year: the period of 12 months commencing on 1 April.</p> <p>Local Government Funding Formula: The system through which the annual funding needs of each council is assessed at a national level and under which each council's Aggregate External Finance (AEF) is set. The revenue support grant is distributed according to that formula.</p> <p>Aggregate External Finance (AEF): The support for local revenue spending from the Welsh Government and is made up of formula grant including the revenue support grant and the distributable part of non-domestic rates.</p> <p>Provisional Local Government Settlement: The Provisional Settlement is the draft budget for local government published by the Welsh Government for consultation. The Final Local Government Settlement is set following the consultation.</p> <p>Funding Floor: a guaranteed level of funding for councils who come under the all-Wales average change in the annual Settlement. A floor has been a feature of the Settlement for many years.</p>

BUDGET 2024/25 - COUNCIL FUND REVENUE
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Prior Years Growth / Items Dropping Out	£m
<u>Central & Corporate</u>	
Minimum Revenue Provision	0.206
Private Water Supplies	(0.052)
21C Schools Band B Borrowing Costs	0.603
TOTAL - PRIOR YEARS	0.757

BUDGET 2024/25 - COUNCIL FUND REVENUE
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Inflation	£m
<u>23/24 Pay Inflation</u>	
NJC Pay Award Estimate (Non Schools) - 23/24	1.694
NJC Pay Award Estimate (Schools) - 23/24	1.033
<u>24/25 Pay Inflation</u>	
NJC Pay Award Estimate (Non Schools)	4.767
NJC Pay Award Estimate (Schools)	1.718
Teachers Pay Award - Prior Year	1.152
Teachers Pay Award - April to August	1.671
Teachers Pay Award - Sept to March 24	2.472
<u>Service Contract Inflation</u>	
ADM's / CAT's Service Contract Inflation	0.365
<u>Other Inflation</u>	
CJC/Growth Deal Inflation	0.017
Business Systems Inflationary Rises	0.075
TOTAL - INFLATION	14.963

BUDGET 2024/25 - COUNCIL FUND REVENUE
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Pressures & Investments	£m
<u>Central & Corporate</u>	
North Wales Fire and Rescue - Levy increase	0.969
Audit Fees	0.040
Apprentice Tax Levy	0.070
Bank Charges	0.070
Capital Borrowing Costs 22/23	0.058
Coroners Service - Increase	0.058
Croes Atti Extension Borrowing Costs	0.129
SubTotal - Central & Corporate	1.394
<u>Education & Youth</u>	
Joint Archive Borrowing Costs	0.005
Inclusion & Progression - Specialist Mobile Classroom Provision	0.167
Sub Total - Education & Youth	0.172
<u>Governance</u>	
Independent Remuneration Panel for Wales (IRPW)	0.112
Schools Information Management System	0.123
Microsoft Power B1 Licences	0.032
IT Technician Cyber Security	0.037
Microsoft E5 Security Licences	0.137
NDR Transitional Relief	0.131
NDR Increase in Multiplier	0.131
Security, Information & Event Management (SIEM) Solution	0.162
Network Connected Device Compliance & Assurance Solution	0.042
IT Technician Schools	0.032
Sub Total - Governance	0.939
<u>Housing & Communities</u>	
Homelessness Demand	2.500
Council Tax Reduction Scheme (CTRS)	0.480
Sub Total - Housing & Communities	2.980
<u>Out of County Placements</u>	
Out of County Placements	1.500
SubTotal - Out of County Placements	1.500
<u>Planning, Environment & Economy</u>	
Additional Licensing Scheme for HMO's	0.144
Private Water Supplies	0.047
Sub Total - Planning, Environment & Economy	0.191
<u>Schools</u>	
Additional Capacity for Supporting Schools with Safeguarding	0.030
Free School Meals (Term Time)	0.615
EOTAS/Specialist Provision - Estyn Inspection	0.075
Schools H & S Monitoring Officer	0.050

Pressures & Investments	£m
Sub Total - Schools	0.770
<u>Social Services</u>	
Social Care Commissioning	3.451
NEWCES Contribution Increase	0.030
Newydd & Emergency Duty Team Uplift	0.130
Social Worker Pay Review	0.115
Transition to Adulthood	0.840
Children's Services Group Homes	0.200
Sub Total - Social Services	4.766
<u>Assets</u>	
ADM's / CAT's Other Pressures	0.056
ADM Additional Support (One off)	0.024
Sub Total - Assets	0.080
<u>Streetscene & Transportation</u>	
Mayrise Replacement	0.085
Recycling & Compliance Officers	0.133
Assistant Fleet Manager	0.055
ULEV Transition Officer	0.049
Fleet Contract Renewal	2.000
Sub Total - Streetscene & Transportation	2.321
TOTAL - PRESSURES & INVESTMENTS	15.113

BUDGET 2024/25 - COUNCIL FUND REVENUE
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Efficiencies - Portfolio	£m
<u>Assets</u>	
Strategic Funding	(0.028)
Rent Review - Commercial Assets	(0.021)
Valuation & Estates restructure	(0.010)
ADM's	(0.065)
Total - Assets	(0.124)
<u>Chief Executives</u>	
Executive Office - promotions	(0.010)
Sub Total - Chief Executives	(0.010)
<u>Education & Youth</u>	
GwE - Reduction in Contribution	(0.099)
Early Entitlement - Reduced numbers accessing Early Entitlement	(0.075)
Adult Community Learning - Income generation	(0.010)
Youth Services - Buildings Asset transfer of some buildings	(0.032)
Business Support Review	(0.032)
School Planning & Provision - Mobile Classrooms	(0.010)
School Planning & Provision - Transition Funding	(0.010)
Inclusion & Progression - Contribution towards PEP Caseworker	(0.020)
Sub Total - Education & Youth	(0.288)
<u>Governance</u>	
RSA Tags	(0.013)
Discretionary Rate Relief	(0.004)
Internal Audit - Removal of Vacant Posts	(0.104)
IT - Equipment reduction in requirements	(0.018)
IT - Mobile Phone contract	(0.094)
Contact Centre - Reduction in budget	(0.010)
Single Person Discount Review 24/25	(0.250)
Cash in Transit	(0.012)
Procurement - Reduction in contribution	(0.009)
HRA Recharging - Management Costs Apportionment	(0.027)
Granicus - GovDelivery	(0.025)
Registration Services	(0.040)
Graphic Design	(0.039)
Sub Total - Governance	(0.645)
<u>Housing & Communities</u>	
CTRS Efficiency from use of reserve	(0.254)
Sub Total - Housing & Communities	(0.254)

<u>People & Resources</u>	
Corporate Finance - Reduction in Staffing	(0.104)
Corporate Finance - Feasibility Study Budget	(0.050)
HROD - Reduction in TU facilities budget	(0.030)
Sub Total - People & Resources	(0.184)
<u>Planning, Environment & Economy</u>	
Increase in planning fee income	(0.295)
Ambition North Wales Contribution	(0.035)
Wales Rally GB	(0.030)
Sub Total - Planning, Environment & Economy	(0.360)
<u>Social Services</u>	
Newydd Cleaning Contracts	(0.100)
Reduce Regional Contribution	(0.025)
Extra BCUHB contribution to Marleyfield	(0.040)
Service Review	(0.075)
Vacancy Management	(0.100)
Increase to Income budget - Older People Commissioning	(0.050)
Disability Day Service	(0.040)
Appointeeship service charging	(0.050)
Additional Contributions for residential care from BCUHB	(0.010)
Efficiencies to Planned Contracts with Third Sector	(0.020)
Grant Maximisation	(0.100)
Reduced NEWCES contribution	(0.010)
Grant funding for Adult Social Services 2024/25 only	(0.100)
Disability services charging for college placements pending financial assessments	(0.020)
Sub Total - Social Services	(0.740)
<u>Streetscene & Transportation</u>	
Part time opening of HWRC's	(0.250)
Increase charge for garden waste collections	(0.002)
Review/reduce service standards - Grass cutting etc.	(0.025)
Review/reduce service standards - Cemetery maintenance	(0.025)
Introduce Night Working	(0.025)
Reduce cleansing standards and enforce zero balance for littering	(0.030)
Charge customers for compost material at HWRC sites	(0.010)
In-house services e.g. weed spraying, traffic management	(0.035)
Increased charging for Car Parking including changes to permit schemes	(0.038)
Full cost recovery for supporting community events	(0.010)
Admin fee for black bins for residual waste	(0.040)
Reduce non essential services on Bank Holidays (x5)	(0.077)
Charging for DIY Waste streams at HWRC's	(0.300)
Remove vacancies for Schools Crossing Patrols	(0.084)
Remove Officer vacancies across the Portfolio	(0.294)

Charge for Trade Waste at one HRC site	(0.200)
Increase fees for Bulky Waste	(0.010)
Reduce SmartClient for Technical Support	(0.025)
Winter Maintenance Review of Weather Stations for 2024/25	(0.025)
Sub Total - Streetscene & Transportation	(1.505)
TOTAL - EFFICIENCIES	(4.110)

BUDGET 2024/25 - COUNCIL FUND REVENUE	
Efficiencies - Corporate	£m
<u>Corporate Efficiencies</u>	
Actuarial Review	(4.000)
Corporate Loans and Investment Account	(1.000)
Fees & Charges review 2023	(0.310)
Fees and Charges Review 2024	(0.050)
Review of External Partners	(0.087)
Additional Income from Fastrack Project	(0.018)
Total - Corporate Efficiencies	(5.465)
<u>Schools Efficiencies</u>	
Utility Costs	(0.600)
School Demography	(0.675)
Reduce Delegated budget for Schools by 3%	(3.273)
Remove Schools Deficit Subsidy for 1 year	(0.750)
Total - Schools Efficiencies	(5.298)
TOTAL - EFFICIENCIES	(10.763)

BUDGET 2024/25 - COUNCIL FUND REVENUE

Specific Grants	Budget 2023/24 £	Budget 2024/25 £	Variance £	Conf (C) or Est (E)
Education & Youth - Non Delegated				
Promoting Positive Engagement (CCG)	196,152	193,106	(3,046)	C
YOT / Youth Justice Board (inc. JAC)	223,448	223,448	0	E
Welsh Network of Healthy School Schemes	101,380	101,380	0	E
Youth Support Grant (Youth Service Revenue Grant)	469,114	469,114	0	E
Free School Milk	245,891	245,891	0	E
Families First (CCG)	1,557,706	1,533,520	(24,186)	C
Pupil Development Grant	5,736,000	3,751,070	(1,984,930)	E
Additional Learning Needs Transformation	34,031	0	(34,031)	C
Adult Community Learning	260,000	273,111	13,111	C
Feminine Hygiene	124,137	143,786	19,649	E
Education Improvement Grant for Schools	6,514,861	0	(6,514,861)	C
Universal Primary Free School Meals ***	1,136,000	2,698,323	1,562,323	E
Recruit Recover Raise Standards - the Accelerated Learning Programme	1,667,000	0	(1,667,000)	C
Transition support for Minority Ethnic & Gypsy, Roma, Traveller learners	417,000	0	(417,000)	C
LAEG - School Standards	0	7,682,840	7,682,840	C
LAEG - Equity	0	940,857	940,857	C
LAEG - Reform	0	2,849,182	2,849,182	C
LAEG - Cymraeg	0	398,258	398,258	C
LAEG - Schools Essential Grant ****	0	660,550	660,550	E
Post 16 - Learner Recovery & Progression ****	0	128,971	128,971	C
Post 16 - Transition Funding ****	0	36,590	36,590	E
Sub Total - Education & Youth (Non Delegated)	18,682,720	22,329,997	3,647,277	
Education & Youth - Delegated				
6th Form Funding (Formally DCELLs)	4,598,000	4,819,841	221,841	C
Sub Total - Education & Youth (Delegated)	4,598,000	4,819,841	221,841	
Housing & Communities				
Housing Support Grant (formerly Supporting People)	7,845,551	7,828,610	(16,941)	C
No One Left Out Approach - Homelessness ***	381,898	381,898	0	E
Discretionary Homelessness Prevention	195,103	121,358	(73,745)	C
Strategic Co-ordinator Post - Homelessness	60,000	60,000	0	E
Sub Total - Housing & Communities	8,482,552	8,391,866	(90,686)	
Planning , Environment & Economy				
Substance Misuse	517,933	517,933	0	E
Domestic Abuse Co-ordinator Funding (VAWDASV)	167,674	177,000	9,326	E
Legacy Fund	52,924	0	(52,924)	E
Communities for Work Plus	812,928	671,410	(141,518)	E
Sub Total - Planning, Environment & Economy	1,551,459	1,366,343	(185,116)	
Social Services				
Social Care Workforce Development Programme	312,069	333,488	21,419	C
Flying Start (CCG)	4,615,694	4,662,647	46,953	C
St. David's Day (CCG)	40,758	40,125	(633)	C
Childcare & Play (CCG)	97,877	142,019	44,142	C
Children and Communities Grant Project Management / Early Help (CCG)	37,359	0	(37,359)	C
Out of Court Parenting Support (CCG)	0	34,457	34,457	C
Early Intervention Parenting Support & Interparental Conflict Grant (CCG)	0	102,725	102,725	C
Childcare Admin Offer	339,762	352,045	12,283	C
Funding to Support proposals relating to eliminating profit from the care of looked after Children	501,212	561,000	59,788	C
Support for the radical reform of the care of looked after children	85,878	85,878	0	C
Sub Total - Social Services	6,030,609	6,314,384	283,775	
Strategic Programmes				
Free Swimming **	60,750	0	(60,750)	
National Exercise Referral **	123,750	0	(123,750)	
Active Young People **	257,000	0	(257,000)	
Over 60's **	30,664	0	(30,664)	
Sub Total - Strategic Programmes	472,164	0	(472,164)	
Streetscene & Transportation				
Concessionary Travel	1,900,000	1,900,000	0	C
Sustainable Waste Management ***	737,209	0	0	TBC
Bus Service Support Grant	557,000	557,000	0	C
Sub Total - Streetscene & Transportation	3,194,209	2,457,000	0	
TOTAL - GRANTS	43,011,713	45,679,431	3,404,927	

*2024/25 Budget including estimated amounts not final

** Grants now paid directly to AURA

*** To be confirmed

**** Not included on 23/24 appendix

BUDGET 2024/25 - COUNCIL FUND REVENUE
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Summary of Council Fund Earmarked Reserves	Est Bal 01/04/24 £m	Est Bal 31/03/25 £m
<u>Service Balances</u>		
Corporate Services	0.496	0.158
Education & Youth	0.060	0.000
Housing & Communities	0.155	0.053
Planning & Environment	0.453	0.262
Social Services	0.155	0.073
Streetscene	0.000	0.000
Total - Service Balances	1.319	0.545
<u>Corporate Balances</u>		
Workforce Reserve	0.820	0.820
General Reserve - Investment in Organisational Change	0.930	0.505
Total Corporate Balances	1.750	1.325
<u>Specific Reserves</u>		
County Elections	0.075	0.075
Warm Homes Admin Fee	0.316	0.000
Waste Disposal	0.041	0.031
Design Fees	0.200	0.100
Winter Maintenance	0.000	0.250
Severe Weather	0.000	0.250
Car Parking	0.088	0.044
Insurance Funds	2.325	2.585
School HWB ICT Replacement	0.790	1.053
Flintshire Trainees	0.524	0.524
Rent Income Shortfall	0.106	0.000
Plas Derwen Wave 4	0.002	0.002
Supervision Fees	0.049	0.049
IT Infrastructure HWB	0.044	0.000
IT COVID Enquiry	0.132	0.000
Schools Intervention Reserve	0.163	0.099
Organisational Change/ADM	0.627	0.627
Solar Farms	0.062	0.062
Employment Claims	0.110	0.000
Community Benefit Fund NWRWTP	0.230	0.220
Grants & Contributions	1.856	1.402
Schools	1.607	0.000
Total Specific Reserves	9.346	7.372
Total Earmarked Reserves	12.415	9.242

Comments made at Overview & Scrutiny Committees whilst considering the Budget 2024-25 Report – February, 2024

Education, Youth & Culture OSC – 1st February, 2024	
<u>RECOMMENDATIONS</u>	
(a) That the Education and Youth Portfolio’s options to reduce budgets be noted; and	
(b) That the proposals for the delegated schools’ budget be noted.	
Education & Youth Portfolio Budget Reductions	
Cllr Andrew Parkhurst	<p>Believe that because of the financial difficulties the Welsh Government (WG) budget has presented Council with each Portfolio has been asked to identify 7.5% of savings in order that Members could then decide which of those potential savings could be accepted or rejected and that Members would have a choice and make an informed decision.</p> <p>There is a potential saving of £303,000 identified within the Education & Youth Portfolio excluding schools, but this does not equate to a 7.5% saving. Could officers please clarify this. Also, when looking at the 8 month outturn for this financial year, there have been £367,000 of savings. How has this been identified as this is more than the savings proposed for the 2024/25 budget.</p> <p>The Chief Officer (Education & Youth) advised that the total efficiencies identified did not equate to 7.5% of the overall budget for the Portfolio but explained that each Portfolio was asked to find up to 7.5% of efficiencies and that this was an aspiring target. Any further efficiencies above those identified would risk delivery of statutory services and risk the Council not being able to meet its statutory functions.</p> <p>In relation to the £367,000 identified in-year efficiencies, the Chief Officer advised that this had come from a moratorium on the reduction or stopping of spend in each Portfolio. One of the reasons for this efficiency was around the provision of 3 year olds and early years education with pupil numbers not coming through as anticipated, which reflected the fall in birth rates in recent times. The Corporate Finance Manager added that the Council does look for recurring reductions in budget as a sustainable way of reducing budget requirements for next year. The moratorium and temporary underspend were not reoccurring in nature but have been put in place to assist with the in-year overspend.</p>
Cllr Gladys Healey	<p>Is there financial provision for any refugees that may settle within the County?</p> <p>The Chief Officer said yes to the best of her knowledge. There had been a number of families who had settled in Flintshire and education provision had been made for them. This was a challenge for all Local Authorities as it would not be made aware significantly in advance when</p>

	<p>the Home Office would direct them to receive families and children to be located in Flintshire. There was a structured process in place to manage this and the Council worked closely with schools which had been demonstrated in recent times.</p>
Cllr Jason Shallcross	<p>Could a further explanation be given on the budget reductions for Youth Services around the asset transfer of some buildings. Believe the Council would incur a yearly cost for renting back space to use within the buildings in future.</p> <p>The Chief Officer explained that the challenge for Youth Services is that it has, under its control, a number of buildings which were not solely used for youth clubs, but by other organisations who pay rent under the Fees and Charges Policy. This was an expensive model. We are looking at appropriate community groups/parents to take over the buildings as an asset transfer and if an affective partnership is developed, the Youth Service can rent back what it needs to create the opportunity for efficiencies which would allow for additional funding of more youth workers out in the communities working with schools and young people to support them.</p> <p>The Chief Executive advised that of the 2 current asset transfers, the one at Penyffordd was quite advanced, so should happen sooner and reduce the risk to the Council in meeting the budget reduction, as shown in the report.</p>
Delegated School Budgets	
Cllr Gladys Healey	<p>A consequence of cutting schools budgets by 3% may result in redundancies. Would the Council be assisting financially with the cost of redundancies.</p> <p>The Leader of the Council advised that the cost of redundancies did not sit with the Council. The Council were there to advise and support schools who maybe in that difficult situation.</p>
Cllr Dave Mackie	<p>Cannot support a 3% reduction in school budgets and would suggest that a 3% reduction in the delivery of education to pupils would take the Council below an acceptable minimal level. Last year the school budgets were reduced by 3% and if the Council thought it acceptable to cut another 3% why not increase this figure last year.</p> <p>There was a lot of evidence that schools need to perform better, and they need improved budgets. If you look at the PETA results this was concerning as Wales were at the bottom across the UK and also information from WG showed that, in relation, to Mathematics, Reading and Science performance levels were below that of 2021.</p> <p>In relation to School Balances, reserves had reduced by £5m meaning that schools has spent their budget allocation and an additional £5m,</p>

	<p>this is not all schools but it shows that schools were already operating at an unacceptable lowest level.</p> <p>The Leader of the Council said that grouping all schools the same was disingenuous and unfair on headteachers, teachers and young people who were working hard to maintain education provision for young people to have the best possible standard of education. Members were aware of the problems this year with the budget, and he was currently working on a response with the Chief Executive and other finance officers to WG which would be robust and strong. Schools needed more budget; the Council needed more budget and WG needed more budget.</p> <p>Where did Cllr Mackie propose that the funding came from? Would he recommend an additional 3% to be added to Council Tax and ringfenced for schools. Nobody wants to be in this position, but schools had the option to apply for a licenced deficit which the Council did not. The Council had to set a balanced budget.</p>
<p>Cllr Andrew Parkhurst</p>	<p>Could you explain what the funding of £1.124m entitled 'Unallocated Schools Budget' related to.</p> <p>The following response was provided to the Committee following the meeting:-</p> <p>£0.983m – employee costs – this relates to historical Added Years pension contributions for schools based staff £0.141m - supplies and services costs which relate to all schools, for example the e-teach contract and copyright licences</p> <p>These budgets are fully committed.</p>

Community & Housing OSC – 7th February, 2024

RECOMMENDATION

That the Housing and Communities portfolio's options to reduce budgets be noted.

<p>Cllr Geoff Collett</p>	<p>Is it sensible to take money from reserves this year when Officers and Members know that next year's budget would be substantially worse. Are we not making things worse for the future.</p> <p>The Strategic Finance Manager said that options to address the issue of homelessness had been approved and it was being suggested that an amount of reserves be ringfenced to give time for some of those options to come to fruition and address the issue. This would be more of a concern if no solutions were in place.</p>
<p>Cllr Helen Brown (Chair)</p>	<p>How confident were you that the solutions identified to address homelessness would work.</p>

	<p>The Chief Officer (Housing and Communities) said that some of the options previously considered by the Committee could be costed, for example, the refurbishment of properties for house share. Confident that options will have an impact but have to consider the increasing demand that continues.</p> <p>The Housing & Prevention Service Manager advised that projections had been developed but that a lot of homeless presentations were people who were homeless on the day. All that could be done as a crisis management service was to respond to what happens day to day.</p>
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Social & Health Care OSC – 9th February, 2024

RECOMMENDATION

That the Social Services portfolio's options to reduce budgets be noted.

<p>Cllr Dave Mackie</p>	<p>Thank you for all the work carried out and extra work done to address budget reductions.</p> <p>As stated in the report, around all Portfolios being asked to revisit their cost base to re look at potential ways of reducing budgets or removing cost pressures to contribute more to meeting the remaining gap, was the Social Services Portfolio set a target for further reducing budget?</p> <p>In relation to the proposed charge for appointee services, how much would be cost be per individual?</p> <p>Also, in relation to the proposed Disability services charging for college placements, what would be charges be?</p> <p>The Senior Manager Safeguarding and Commissioning explained that in relation to the proposed charge for appointee services, the Council had been looking at what other Local Authorities were doing across England and Wales and the proposal would be around £10/£20 per week. This was being investigated at the moment, and officers appreciated it was a sensitive topic so would require consultation with those affected and their families to make sure the charge was fair and equitable.</p> <p>In relation to charging for college placements, the Senior Manager Safeguarding and Commissioning advised that, from initial early work carried out, it was anticipated that this would potentially affect less than 5 people per year and would be for those new to the process and not those with existing college placements. Any proposed charges would be shared with families as part of the decision making process.</p>
<p>Cllr Carol Ellis</p>	<p>What would be affect be of the proposed reduction in Commissioning Care Fees?</p>

	<p>Concerned that the proposed Deferral of Children’s residential budget pressures could impact the Out of County Placements budget which currently did not meet demand.</p> <p>In relation to Domiciliary care, what affect would you anticipate the reduction in budget having on hospital discharges?</p> <p>When would you expect BCUHB to confirm an increased contribution to Marleyfield Older People’s Residential Care Home.</p> <p>The Chief Officer (Social Services) said that, in relation to the Care Commissioning budget, the Council had a proud record in supporting its care sector partners, with the Council last year providing the highest increase of care rates across North Wales. There would be an increase, but it would not be in the order it was last year. Negotiations were sensitive and on-going.</p> <p>The Senior Manager: Children understood the concern around Out of County Placements but advised that the budget proposal did not mean that the Council was stopping its expansion of children’s in-house residential provision. Due to challenges around recruitment, the home planned for 2024/25 would not be operational at the start of the year and therefore there would be a budget reduction for 2024/25 but this would be required as part of the 2025/26 budget. The Council continued to invest in services which would enable children to not need out of county provision in the first place, including working on a significant grant application to expand services to ensure children were safely supported without the need for out of county placements.</p> <p>The Senior Manager - Integrated Services and Lead Adults said that the Council had an excellent reputation in relation to the hospital discharge service, but demand continued to increase. It was explained that by changing ways of working, speaking to patients earlier and working differently it was possible to maintain standards and reduce the budget. Having earlier referrals enabled a thorough discharge plan to be put in place with the Reablement teams involved.</p> <p>In relation to BCUHB’s increased contribution to Marleyfield Older People’s Residential Care Home, the Senior Manager - Integrated Services and Lead Adults confirmed that this was their suggestion and therefore she was confident that this funding would be provided.</p>
<p>Cllr Hilary McGuill</p>	<p>Thank officers for working on putting together budget reductions which I hope do not affect frontline services.</p> <p>In relation to proposed efficiencies to planned contracts with the third sector, when would these be carried out and which third sector organisation would be affected?</p>

	<p>Feel more assured around the proposed reduction in Commissioning Care Fees, having listened to the response from the Chief Officer that the Council would remain on par with neighbouring Local Authorities.</p> <p>In relation to the Disability Services charging for college placements, the charge would be on par with what other parents contributed when their children go away to college, but the introduction of this charge needed to be handled sensitively.</p> <p>Whilst the increased contribution from BCUHB was welcomed, this was a significantly small amount in comparison to the money the Council was savings BCUHB on an annual basis.</p> <p>MST and Mockingbird have saved the Council thousands and pleased to see that this was now beginning to have a knock on effect financially for the Council. Like reassurance on whether the Council would be able to reap back financial contributions next year?</p> <p>If the reduced budget proposals were supported, how quickly could these decisions be reversed if they had a negative effect on front line services.</p> <p>The Senior Manager Safeguarding and Commissioning advised that as part of commissioning, the Council undertook a review of efficiencies of contracts and how well they were utilised. The efficiencies identified were small but by reengineering the way services were commissioned it enabled the ones with great value to those that access them to continue.</p> <p>In relation to the proposal to charge for college placements, the Senior Manager Safeguarding and Commissioning that all placements would be financially assessed to ensure that the costs families faced were evenly distributed and that the costs were not detrimental to those most in need.</p> <p>The Senior Manager: Children referred to the continued impact of MST and Mockingbird and explained how the benefits were being seen in Education and Schools with an increase in children and young people presenting with complex and challenging behaviour and needs. The success of the MST service had seen 91% of children continue to remain at home. The service was seen as cost avoidance rather than a saving but was really important.</p> <p>Information was provided on the 3 Mockingbird hubs which had been inspected by CRW fostering services which had identified the positive impact that this had on children in fostering care.</p>
<p>Cllr Gladys Healey</p>	<p>Thank you to all officers for the report.</p> <p>Mental health in children is increasing, would not like to see cuts to funding for mental health services for children.</p>

	<p>Agree with increasing in-house support to children who need out of county placement. Would not like to see further budget reductions in out of county placements.</p> <p>In relation to Domiciliary Care, have you looked at pay in Wrexham which is higher than in Flintshire.</p> <p>Agree with previous comments that the Council save BCUHB a great deal of money and the Council should be looking at how much they are saving them.</p> <p>The Senior Manager: Children explained how the early intensive timely support for children and parents/families with mental health problems was very important. He spoke about the Council's continued investment in its own services in relation to reducing the budget pressure around out of county placements.</p>
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Corporate Resources OSC – 8th February, 2024
Continued discussion from previous agenda item *Revenue Budget Monitoring 2023/24 (Month 9) and Capital Programme Monitoring 2023/24 (Month 9) relating to Section 1.10 of the report – Carry Forward Requests – Governance £0.210m.*

Cllr. Richard Jones	<p>Sought clarification on values £156K and £60K.</p> <p>The Chief Officer (Governance) advised that it was to extend the posts for 2 years. Attempting to give individuals a degree of uncertainty to prevent them looking elsewhere as on temporary contracts.</p>
Cllr. Alasdair Ibbotson	<p>Whilst agreeing with comments, these are difficult financial times – every penny needed for critical services.</p> <p>The website does need improvement – but to what extent does investing this money in the website lead to increase in income? Not apparent that this would enhance income – therefore only providing a limited return.</p> <p>To what extent is this a critical service? Has to weigh up whether this is more or less important than his own priority of bus service subsidies? Believes this is not as important – Move to recommend that C/f request is rejected.</p> <p>However, did suggest that there may be a way to avoid and redundancies as a result. Reserve of '<i>Investment in Organisational Change</i>' balance at end of year is forecast to be £930,138. Unlikely that reserves not related to Digital Strategy will be spent so could some of this be moved to maintain the Digital Strategy Reserve for 1 year.</p>
Cllr. Linda Thew	<p>Agree that money needs to be spent on website. Does not agree with streamlining processes to be dealt with at Connects. They cannot cope with the current processes so to add more does not seem right.</p>

Cllr. Bill Crease	If not for financial situation, then would support investing in improvements. However, on the one hand we are proposing investing in enhancements yet at the same time proposing to cut / close Connects centres in Connah's Quay and Holywell. Seems counterproductive.
Chief Officer (Governance) in response to the above:	<p>Difficult to argue that the posts help raise income. However, there are a number of things that are dependent on them:</p> <p>1 - £25K saving suggestion to use Facebook and lose GovDelivery software. This is reliant on the 2 Digital Officer posts. Without them, this would not be achievable.</p> <p>Transformation programme is intended to generate savings. Having capacity to digitalise services is essential for its success.</p> <p>These are temporary posts. Reserve money is not base-budget so it is only a one off amount that could be used as a temporary reprieve for other things over 12 months or until monies had been spent.</p> <p>The breakdown of costs per post could be provided to Cabinet for them to determine which, if any, they want to agree to keep.</p>
Cllr. Richard Jones	<p>Sought to clarify whether it was the whole amount of Carry Forward or just for Governance.</p> <p>Cllr. Ibbotson advised that he was only referring to the amount for Governance not Planning, Environment & Economy.</p> <p><i>The Committee recommends to Cabinet that the carry-forward figure for Governance is rejected and requests that Cabinet commissions a risk assessment of rejecting the Planning, Environment & Economy carry forward.</i></p>
<u>Council Fund Budget 2024/25</u>	
<u>Report RECOMMENDATIONS</u>	
<p>1 Review and comment on the Corporate Services options to reduce budgets.</p> <p>2 Review and comment on the Assets Service options to reduce budgets.</p> <p>3 Review and comment on the Governance Portfolio's options to reduce budgets.</p>	
Corporate Services – Budget Reductions	
Cllr. Richard Jones	<p>How many trainees does the figure relate to?</p> <p>Only 3 or 4 – not a large amount.</p>
Cllr. Andrew Parkhurst	Trade union support budget – how much is the budget and what are the statutory requirements for it.

	Budget total is £130K. Will need to check whether it is a statutory requirement. However, it does help to have positive working relationships with TU's, particularly around organisational change.
Cllr. Richard Jones	Is the £50K Fees and Charges Review amount in addition to the £310K that have already been included? The £310K is the full year figure from October 2023. The £50k relates to the review for 2024 and is an estimate of the part year figure from October 2024.
Assets Services – Budget Reductions	
Cllr. Richard Jones	If reductions are made for 3 rd sector funding, it could potentially put pressure back onto our own services.
Governance Portfolio – Budget Reductions	
Cllr. Alasdair Ibbotson	If c/f request removed and therefore we couldn't operate the Facebook page, and the full amount of the efficiency for GovDelivery was also accepted – what would be the service impact? Comms would be via Twitter and website only. Significant plank of comms would be lost.

In considering the recommendations, the following were agreed:

Recommendation 2 – Cllr. Richard Jones moved. Cllr. Bill Crease seconded. Voted unanimously to accept.

Recommendation 1 & 3 – Taken together with the following agreed wording which was moved by Cllr. Alasdair Ibbotson and seconded by Cllr. Richard Jones. At the vote it was accepted unanimously.

The Committee expresses provisional reservations and reluctance in accepting the proposed reduction of £138K in the Flintshire Trainee and additional £40K Connects – reduction in budget, but expresses a provisional willingness to accept the removal of Granicus GovDelivery Software even if the carry forward figure of £210K for 'Digital Strategy Reserve' from the previous item is not approved, pending the consideration of the effects and risks for each.

FEEDBACK FROM ENVIRONMENT & ECONOMY

OVERVIEW & SCRUTINY COMMITTEE BUDGET MEETING 6 February 2024

(Part 2 item)

Questions & Comments	Responses
Planning, Environment & Economy – Budget reductions	
Cllr Richard Lloyd asked regarding the current level of fees for planning applications.	The Chief Officer advised that the fees are currently applied on a sliding scale based on the size and type of the application.

Questions & Comments	Responses
<p>Cllr Mike Peers referred to the report presented to the Committee in October and suggested that another column should be put in future reports showing the October and February figures with a running total.</p> <p>Cllr Mike Peers asked if any vacancies had been removed within the portfolio.</p>	<p>The Finance Manager welcomed this positive suggestion.</p> <p>The Chief Officer referred to the additional capacity report that went to Cabinet in Sept 21 and agreed to circulate the link. (Completed 7/2/24).</p>
<p>Cllr Alan Marshall asked if there was potential for officers to suggest a positive outcome during a planning advice request so that fees could be collected.</p>	<p>The Chief Officer gave an assurance that officers approached pre-planning applications in a professional way and that this would not happen.</p>
<p>Cllr Alan Marshall noted that if planning applications are not approved within 6 months the fees are refunded to the applicants. He asked if there were enough staff to process applications.</p>	<p>The Chief Officer advised that he was confident there are enough staff within the team to ensure this would not happen and that extensions of time to determine applications would be agreed with the applicants whenever possible.</p>
Streetscene & Transportation – Proposals for budget reductions	
<p>Cllr Chris Dolphin expressed concern at the proposal to close all remaining public conveniences. He referred to Mold Market; the stall holders and visitors and asked where they would be accommodated. He also referred to Holywell market and the vision to increase footfall. In relation to Talacre he felt it was vital that public conveniences were provided in the summer holidays at the very least due to the influx of visitors to this premier tourist destination in Flintshire.</p>	<p>The Highway Network Manager referred to the problems with vandalism and repair costs and advised there was no statutory duty to provide public conveniences. He added that Community Asset Transfers have been offered to the communities affected.</p>
<p>Cllr Mike Peers referred to the cost pressure in the October report of 2.79 million. He referred to car parking charges, bus subsidy and the Flexi bus which appeared to be parked up in Buckley at times. He asked if the bus subsidy supported any main bus routes in Flintshire. He acknowledged vandalism of public toilets was also a problem for Town Councils citing Buckley as an example.</p>	<p>The Regulatory Services Manager advised that a review of footfall at car parks was currently underway. The aim was to keep charges in line with inflation as far as possible. The Transport Manager agreed to look at the data for the Buckley Flexi Bus. He added that potentially Arriva Wales Services would be impacted by the withdrawal of bus subsidies.</p>

Questions & Comments	Responses
<p>Cllr Dan Rose asked if Community Asset Transfer for public toilets would continue to be an option once facilities had been closed. He added it would have been useful to see the list of subsidised routes prior to the meeting.</p> <p>Regarding the flexi bus would welcome seeing the flexi bus data. He asked if flexi buses could be used on more rural routes.</p> <p>He asked how many car parks would be affected by the proposals and if there were any opportunities to benefit from paid adverts on the parking app.</p>	<p>The Highways Manager confirmed that CAT's would continue to be an option.</p> <p>The Transport Manager confirmed the data would be shared and that in principle flexi bus services could be used more on rural routes.</p> <p>The Regulatory Services Manager said that as many as 30 car parks could be affected. She would look into the possibility of paid adverts on the parking app.</p>
<p>Cllr Allan Marshall asked for clarification regarding Eligible and Non-Eligible pupils in relation to free school transport. He also referred to the impact on pupils going to schools that were not their nearest one. The potential effect on school transport budget was also an area of concern.</p>	<p>The Transport Manager provided a brief overview of eligible and non-eligible pupils in relation to the school transport policy, however, he agreed to speak to Cllr Marshall outside the meeting if further clarification was required.</p> <p>The Transport Manager explained that any eligible pupils affected by the reduction in local bus services would still need to be transported by the Council which would have an impact on the school transport budget, however, the extent of which would only be known once the procurement exercise and identification of services that are to remain has been concluded. He went on to explain that any non-eligible pupils that were affected by the changes would also require transport for a period of 12 months as required by the school transport policy.</p> <p>Figures in relation to current eligible and non-eligible school pupils could be provided, however, as explained, it would be impossible to determine how many pupils (either eligible or non-eligible) would be impacted, until such time as both the procurement exercise and determination of services going forward is concluded.</p>

Questions & Comments	Responses
<p>Cllr David Coggins-Cogan asked what did the 20p increase achieve. He also felt that more promotion should be given to increase the uptake of parking permits. He added that all car parks should be chargeable.</p> <p>The Chair agreed that all car parks should be treated equally.</p>	<p>The Regulatory Manager agreed to provide the breakdown following the meeting. She referred to a review of the permit scheme and agreed that further promotion of the permit scheme was required.</p>
<p>Cllr Coggins-Cogan felt there should be no cuts to bus subsidies as this could have devastating effects on communities. He added that public transport provided vital social network opportunities for residents and prevents isolation.</p> <p>He added that closing toilets was a public health and human dignity issue for many people suffering from health conditions.</p> <p>Cllr Coggins-Cogan felt that the Council needed to be honest with Flintshire residents with regard to the cuts.</p>	<p>The Transport Manager acknowledged Cllr Coggins-Cogans' concerns and understood the importance of local services to the residents of Flintshire.</p> <p>The Highways Manager referred to the outcome of the consultation of the outcome of the adoption of the Local Toilet Strategy which would be considered at the March meeting.</p>
<p>Cllr Dave Healey referred to the Ring & Ride scheme and was concerned that this could be in jeopardy. He added that it is a valued service that enables people to attend medical appointments.</p> <p>He added that whilst none of the cuts were palatable, the Council have got to take action in order to set a balanced budget. The alternative would be that Commissioners would come in to run the Council in the event of not being able to balance the budget.</p>	<p>The Transport Manager confirmed that the Ring & Ride service falls within the local bus budget and therefore, should the budget be reduced, then this would have a detrimental affect on the ability to run all services funded via this budget. The Transport Manager reiterated the requirement to prioritise services in accordance with available budget once known, for which the requirement for medical appointments would be given due consideration.</p>
<p>Cllr Ian Hodge asked if consideration had been given to geographical location in additional to available data.</p> <p>He asked whether it was the intention to designate one HRC site for trade waste.</p>	<p>The Streetscene Service Manager advised that no decision had been made and this would be a date driven exercise to identify changes, with consideration given to geographical and impact on domestic waste and potentially infraction charges.</p>

Questions & Comments	Responses
<p>Cllr Dan Rose referred to providing services in-house rather than contracting them out and welcomed the proposal.</p>	<p>The Streetscene Service Manager advised that there is a small team in house and that some equipment has been provided as a result of a biodiversity grant from Welsh Government. The team were in a position to take on this area of work.</p>
<p>Cllr Chris Dolphin referred to the Greenfield HRC site which he considered to be one of the premier sites in Wales. He hoped it would stay open. He added that Okenholt would be a suitable site for trade waste or closure, as he felt it was in the wrong place.</p>	
<p>Cllr Vicky Perfect replied that the site at Oakenholt was well used and must not close.</p>	
<p>Cllr Mike Peers felt it was inappropriate for the Committee to be identifying any HRC's for closure. This would need to be discussed properly with the appropriate within a report. He suggested that perhaps Tuesday/ Weds and Thurs would be the best for consideration and that staffing levels should also be considered going forward to maximise efficiency.</p> <p>He agreed with reducing essential services on bank holidays but queried why pot hole work may be required.</p>	<p>The Streetscene Service Manager advised that pot holes are RAG rated and on occasions need to be dealt with on the day. He added that a review of the HRC strategy had resulted in changes to the rota of staff and a reduction in agency staff and overtime.</p>
<p>Cllr Hodge emphasised the need for HRC sites to be reviewed on both a geographical and data driven basis. He added that fly tipping could increase.</p>	
<p>Cllr Mike Peers asked regarding school crossing patrols and the safety implications of the proposed cuts.</p>	<p>The Transport Manager advised that the 15 historical School Crossing Patrol vacancies had been vacant for a significant period of time (averaging between 1 and 5 years). He added that work was ongoing with the delivery of a permanent crossing facility infrastructure</p>

Questions & Comments	Responses
<p>Cllr Richard Lloyd also questioned the safety and the need for permanent crossing infrastructure in some locations.</p> <p>Cllr Coggins Cogan asked regarding how long vacancies had remained unfilled in the 'remove officer vacancies category'. He felt this category should be a red RAG status rather than amber.</p>	<p>programme where required following the undertaking of an independent review.</p> <p>The Regulatory Services Manager advised that Streetscene had introduced a new role of Environmental Improvement Coordinator two years ago which focused on the prevention of environmental crime. She added that the purpose of this was to educate Flintshire communities on the correct way to dispose of their waste thus reducing environmental crimes and therefore the demand of the enforcement team. She referred to the enforcement officer posts and advised that there would undoubtedly be an impact on service delivery.</p> <p>The Transport Manager advised that recruitment was continuing for permanent replacements for both the positions of Integrated Transport Manager and Transport Strategy Manager vacancies.</p>
<p>Cllr Mike Peers referred the 20 mile/hour speed restrictions which must have helped and questioned the need for school crossing patrols.</p>	<p>The Transport Manager agreed that whilst the reduction of speed limits on restricted roads has reduced average speeds, recent surveys highlight that recorded speeds are still well in excess of the new 20mph speed limit and hence, there remained a high level of non-compliance. The transport Manager went on to explain that whilst speed data is indeed important, there are a number of other factors taken into consideration when deciding upon whether a crossing facility is warranted.</p>
<p>Cllr Ian Hodge referred to the Safe Access to Schools work that had been undertaken which should be taken into consideration.</p>	
<p>The Chair commented on the reviews being undertaken by neighbouring authorities regarding replacement of black bins. He asked</p>	

Questions & Comments	Responses
how many bins had been replaced over the last 12 months.	The Regulatory Manager advised that almost 2,000 black bins had been replaced over the last 12 months.
The Chair asked regarding data relating to bulky waste collections.	The Regulatory Manager agreed to provide the data required.
The Chair referred to Monthly bin collections and communal collection points, flats, terraced houses etc and the challenges of 4 weekly collections.	
<p>Cllr Lloyd agreed regarding communal collection points.</p> <p>He added that bins are sometimes damaged when going into the vehicle. He welcomed the trade waste suggestion, but wondered how trade waste and DIY waste could be differentiated.</p>	The Streetscene Service Manager suggested Trade Waste & DIY Waste may be at a specific site. This would free up space at other sites, and there would be no need to differentiate between trade & DIY waste.
Cllr Coggins-Cogan felt that modernisation of systems regarding bookings needed to be considered and referred to Conwy CC & Denbighshire CC who both operate booking systems. He asked regarding the cost of a black bin to the authority.	The Regulatory Manager advised that the cost of a black bin was £20.
<p>Cllr Peers referred to black bins being swallowed by the lorries and also how wear and tear was taken into account. Regarding small amounts of DIY he asked how the Council would quantify the charge.</p> <p>Cllr Peers emphasised the need for appropriate scrutiny to take place in relation to restriction of residual waste collections to monthly due to the significant impact on residents and the lack of consultation. He urged the Officers to bring back a report to a future scrutiny committee and proposed that Number 9 should be removed from the list of budget savings. He also suggested that a pilot should have been undertaken to see if it worked.</p>	Cllr Johnson referred to the 4 week bin collection proposal and the budget workshops, with no comments being made at the workshops in relation to the 4 weekly bin collection. He added that the shortfall of 274k would have to be found from somewhere.
Cllr Dan Rose asked regarding the warranty period on bins.	The Regulatory Manager agreed to provide the information.

Questions & Comments	Responses
<p>Cllr Chris Dolphin referred to kerb side collections that were introduced in 2003 and that introducing 180l bins rather than 220l was a big mistake. He added that decision making is about due process; the committee had started looking at budget proposals at the October meeting; it wasn't discussed during November, December or January and appeared on the agenda for the first time within the papers for the meeting. Cllr Dolphin felt the proposal needed to be properly scrutinised with facts, detail and figures as it was a big and emotive subject.</p>	
<p>Cllr Peers proposed that Efficiency Proposal No 9 (Restrict Waste Collections) be removed.</p> <p>Cllr Roy Wakelam seconded the proposal which, when put to the vote, was carried.</p>	

Eitem ar gyfer y Rhaglen 8



FLINTSHIRE COUNTY COUNCIL

Date of Meeting	Tuesday, 20 th February 2024
Report Subject	Council Tax Setting for 2024/25
Report Author	Chief Officer (Governance)

EXECUTIVE SUMMARY

In response to an earlier report on the agenda councillors will have agreed the Council Fund Revenue Budget for 2024/25. Having determined the budget requirement, Council will also be able to set the Council Tax which is the subject of this report.

Council Tax includes three separate charges, otherwise known as precepts, which make up the total sum which is charged against each property. These are precepts set by:

- the County Council, and
- the Office of the Police and Crime Commissioner for North Wales, and
- the Town and Community Councils.

Council Tax is usually expressed at a standard Band D rate which results in Council Tax being charged at lower levels for those properties in Bands A to C, and at higher levels for those properties in Band E to I.

For 2024/25, the levels of Council Tax for approval for each property band and for Town and Community Council area, are dependent on the decisions of Council to set the overall Council Tax based on either:

- a 9.0% uplift in the County Council charges as set out in Appendix 1 to this report, or
- a 9.1% uplift in the County Council charges as set out in Appendix 2 to this report.

RECOMMENDATIONS

1	Set 2024/25 Council Tax, based on a 9.0% uplift in the County Council charges, as detailed in Appendix 1, or alternatively, set the 2024/25 Council Tax, based on a 9.1% uplift in the County Council charges, as detailed in Appendix 2.
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2	Note and endorse the continuation of the policy of not providing a discount in the level of 2024/25 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 75% above the standard rate of Council Tax for designated long-term empty dwellings and 100% for second homes from 1 st April 2024.
3	Approve designated officers to issue legal proceedings and appear on behalf of the Council in the Magistrates Court for unpaid taxes.

REPORT DETAILS

1.00	EXPLAINING THE COUNCIL TAX SETTING EXERCISE
1.01	The Council Tax charges for 2024/25 include precepts relating to the County Council, Police and Crime Commissioner for North Wales and all Town/Community Councils. Depending on the decisions taken by Council to set the County Council charge at either a 9.0% or 9.1% uplift, there are several statutory decisions that need to be taken and these are divided into the following sections in Appendix 1 and Appendix 2 respectively.
1.02	Section 1 – details the Council Tax Base for 2024/25, as previously approved by Cabinet, and shows the number of properties expressed as Band D equivalents (shown in total and by each Town/Community Council). The Tax Base also takes includes account appropriate adjustments for statutory discounts, exemptions, premiums and assumed losses in collection.
1.03	Section 2 –details the income and expenditure of the County Council and Town and Community Councils. It also sets out the amount of Council Tax to be charged across the various Valuation Bands in respect of the County Council precept and each Town/Community Council precept.
1.04	Section 3 – details the specific amount of Council Tax that is to be charged in each Valuation Band as a direct result of the precept set by the Police & Crime Commissioner for North Wales.
1.05	Section 4 – details the standard amount of Council Tax that taxpayers will be required to pay from April 2024, recognising that some households will pay less because of discounts or exemptions, and some will pay more in the event of the Council Tax Premium being payable.
1.06	Section 5 – re-affirms the continuation of the current policy in 2024/25 of not granting discounts on second homes and long-term empty properties which are defined by Regulations as three Prescribed Classes of Dwellings: <ul style="list-style-type: none"> • Class A – dwellings which are not a person’s sole and main residence, and which are substantially furnished with a restriction on occupancy for a period of at least 28 days consecutive days in any 12-month period (referred to as second homes)

	<ul style="list-style-type: none"> • Class B – dwellings which are not a person’s sole and main residence, and which are substantially furnished with no restriction on occupancy (also referred to as second homes) • Class C – dwellings which are not a person’s sole and main residence which are also unfurnished and unoccupied and have been so for a period of over 6 months in most cases. <p>The current policy of not offering a discount on second and long-term empty homes forms part of a wider strategy of encouraging owners to bring property back into full use. This is crucial to the implementation of the Council Tax Premium scheme where an additional charge, otherwise known as a Premium, will apply. In other words, is it essential to continue to adopt of policy of not awarding discounts on such properties in order to levy a Council Tax Premium.</p>																
1.07	<p>Section 6 – following a previous public consultation, and in view of the decision already made by full Council on 13th December 2022, unless there are exceptions to be applied, Council Tax for 2024/25 will be charged at a premium rate of 75% above the standard rate of Council Tax for those dwellings that are defined as ‘long term empty’ which have been empty for a continuous period of one year. A Council Tax premium of 100% will also apply to those dwellings defined as second homes.</p> <p>Since the Premium rates were uplifted from April 2023, the number of long term-empty properties and second homes subject to the premium have reduced, as more owners are bringing their properties into full use.</p> <table border="1" data-bbox="461 1126 1241 1574"> <thead> <tr> <th>2023/24</th> <th>Number of Long-term Empty Properties subject to 75% Premium</th> <th>Number of Second Homes Subject to 100% Premium</th> <th>Total Number of Properties subject to Premium</th> </tr> </thead> <tbody> <tr> <td>March 2023</td> <td>615</td> <td>179</td> <td>794</td> </tr> <tr> <td>January 2024</td> <td>595</td> <td>169</td> <td>764</td> </tr> <tr> <td>Variance</td> <td>-20</td> <td>-10</td> <td>-30</td> </tr> </tbody> </table>	2023/24	Number of Long-term Empty Properties subject to 75% Premium	Number of Second Homes Subject to 100% Premium	Total Number of Properties subject to Premium	March 2023	615	179	794	January 2024	595	169	764	Variance	-20	-10	-30
2023/24	Number of Long-term Empty Properties subject to 75% Premium	Number of Second Homes Subject to 100% Premium	Total Number of Properties subject to Premium														
March 2023	615	179	794														
January 2024	595	169	764														
Variance	-20	-10	-30														
1.08	Section 7 and 8 – approves designated officers to issue legal proceedings and appear on behalf of the Council in the Magistrates Court when prosecuting in cases of unpaid Council Tax and Business Rates.																
1.09	Section 9 – provides for the advertisement of the Council Tax for 2024/25 in the local press as required by Regulation.																

2.00	RESOURCE IMPLICATIONS
2.01	Setting the Council Tax is an annual process to determine the new charges for the next financial year as part of the overall budget strategy.

2.02	<p>Setting Council Tax at the levels set out in this report will result in the Council raising a precept of £109,578,818 if a decision is taken to uplift the County Council charges by 9.0%.</p> <p>Alternatively, if a decision is taken to uplift the County Council charges by 9.1%, it will result in the Council raising a precept of £109,679,261.</p>
2.03	<p>As part of the setting of Council Tax for 2024/25, the Council will also pay to the Police and Crime Commissioner for North Wales a total precept of £23,105,222. The precepts for each Town and Community Council vary but collectively a precept of £3,605,674 will be distributed between the Town and Community Councils, based on the individual precept requirements for each Town and Community Council.</p>

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	<p>There is a statutory duty to consult with non-domestic ratepayers on the Council's budget proposals, including proposals for capital expenditure, before the commencement of each financial year and a consultation exercise has been undertaken to fulfil the legal requirements.</p>
3.02	<p>The Councils budget agreement for 2024/25 now results in the setting of Council Taxes at an uplift of 9.0% or 9.1% in the County Council element of the charges as detailed in appendix 1 or 2 respectively. The budget proposals have already been discussed at member workshops, all Overview and Scrutiny Committees and finally at Corporate Resources Overview and Scrutiny Committee.</p>

4.00	RISK MANAGEMENT
4.01	<p>The Council also has a responsibility to issue Council Tax bills and to also collect the precepts on behalf of the Police & Crime Commission for North Wales and Town/Community Councils. Setting the Council Tax at full Council will therefore fulfil all statutory requirements to set and collect Council Taxes from April 2024.</p>
4.02	<p>There are several risks associated with the setting of council tax:</p> <ol style="list-style-type: none"> 1) The level of tax raised and the impact this will have on the council and residents. 2) The date on which the decision to set the level of tax is taken.
4.03	<p>Councillors will be highly cognisant of the risk around the level of council tax to be set. If it sets the level too low then the council will have insufficient funds to deliver its statutory obligations and priorities, resulting in the need for the council's chief financial officer to issue a notice effectively declaring the council "bankrupt". Conversely if it sets tax levels too high then there is the risk of financial hardship to residents. These issues will have been intensely debated throughout the budget setting process and, whilst councillors could in theory set a level of tax below that</p>

	which is needed, it would be inconsistent to set a level of council tax that is insufficient to meet its spending requirements.
4.04	The risk of hardship to residents is mitigated through a number of means <ol style="list-style-type: none"> 1) First and foremost by councillors and officers seeking to keep the council's spending requirements as low as possible through savings, efficiencies and cuts as part of the budget process. 2) Through the provision of benefits such as the Council Tax Reduction Scheme and signposting to discounts, reliefs and exemptions. 3) By sensitive collection by the Revenues service of sums due.
4.05	The statutory deadline for setting council tax is the 11 March, as required by section 30 of the LGFA 1992. However, this statutory deadline does not take into account the minimum notice period which must be given to those who are required to pay their first instalments on 1 April 2024. The Council must give at least 14 days' notice before the due date of the first instalment. Failure to give that notice means that bills would not be collectable until May. This would mean that many taxpayers would be unable to pay their liability over 12 months and would have only 11 months in which to do so, thereby creating the risk of financial hardship.
4.06	The Council is obliged to make payments to the Police and Crime Commissioner and Town and Community Councils on set dates whether it has collected sufficient taxes or not. Being unable to collect instalments due in April would impede the council's cash flow requiring it to take on short term borrowing in order to meet its obligations.

5.00	APPENDICES
5.01	Appendix 1 - contains all resolutions and decisions needed to set the 2024/25 Council Tax if a decision is taken to uplift the County Council charges by 9.0%
5.02	Appendix 2 – contains all resolutions and decisions needed to set the 2024/25 Council Tax if a decision is taken to uplift the County Council charges by 9.1%
5.03	Appendix 3 - provides statistical information of the 2024/25 Council Tax charges by Town and Community Council area, based on a 9.0% uplift in the County Council charges.
5.04	Appendix 4 - Appendix 3 - provides statistical information of the 2024/25 Council Tax charges by Town and Community Council area, based on a 9.1% uplift in the County Council charges.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<ul style="list-style-type: none"> • Local Government Finance Act 1992 • Local Government Act 1972 and 2003

	<ul style="list-style-type: none"> • Council Tax (Prescribed Classes of Dwellings) (Wales) Regulations • Housing (Wales) Act 2014 • Local Authorities (Calculation of Council tax base) (Wales) Regs 1995 <p>Contact Officer: David Barnes, Revenues & Procurement Manager Telephone: 01352 703652 E-mail: david.barnes@flintshire.gov.uk</p>
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7.00	GLOSSARY OF TERMS
7.01	<p>Council Tax Base: is a measure of the Council's 'taxable capacity' considering the number of properties subject to Council Tax after taking into account discount and exemption schemes.</p> <p>Council Tax Precepts: Council Tax is made up of three separate components or charges, these are often referred to as 'precepts'. The Police and Crime Commissioner get part of their funding from Council Tax to pay for Police services and local Town and Community Councils rely almost entirely on funding from Council Tax to fund the running of Town and Community Council services.</p> <p>Valuation Bands: The amount of Council Tax that is paid depends on the Valuation Band for each domestic property. The Valuation Office Agency (VOA) is responsible for valuing all properties in Wales and placing every property in one of nine property bands, ranging from Band A to Band I.</p> <p>Council Fund Revenue Budget: Prior to the start of each financial year the Council is required to set a budget for its day-to-day expenditure to pay for local service. This is called a Revenue Budget and is the amount of money the Council requires to provide its services during the year, considering grants it receives from Welsh Government.</p> <p>Revenue Support Grant: is paid to each Council to cover the cost of providing standard services less the council tax income at the standard level.</p>

APPENDIX 1
STATUTORY & OTHER NECESSARY COUNCIL TAX
RESOLUTIONS FOR 2024/25

1. That it be noted that at its meeting on 21st November 2023 the Council calculated interim amounts, subsequently modified as follows, for the year 2023/24 in accordance with the regulations made under Section 33(5) of the Local Government Finance Act 1992.

66,081 being the amount calculated in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Wales Regulations 1995, as its Council Tax base for the year, broken down into the following Town/Community areas :-

Argoed	2,543.48
Bagillt	1,471.65
Broughton & Bretton	2,752.50
Brynford	481.59
Buckley	6,775.24
Caerwys	640.09
Cilcain	754.61
Connahs Quay	6,229.16
Flint	5,062.87
Gwernaffield & Pantymwyn	1,025.88
Gwernymynydd	593.54
Halkyn	1,353.13
Hawarden	6,398.85
Higher Kinnerton	894.93
Holywell	3,427.02
Hope	1,836.54
Leeswood	861.65
Llanasa	2,037.05
Llanfynydd	884.86
Mold	4,518.45
Mostyn	738.22
Nannerch	281.80
Nercwys	306.80
Northop	1,587.78
Northop Hall	837.24
Penyffordd	2,293.99
Queensferry	708.85
Saltney	1,946.15
Sealand	1,554.24
Shotton	2,215.01
Trelawnyd & Gwaenysgor	427.18
Treuddyn	767.82
Whitford	1,182.63
Ysceifiog	690.20
TOTAL TAX BASE	66,081.00

Being the amounts calculated in accordance with regulation 6 of the Regulations as the amounts of its Council Tax base for the year for dwelling in those parts of its area to which special items relate.

2. That the following amounts be now calculated by the Council for the year 2024/25 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992 and Alteration of Requisite Calculations (Wales) Regulations 2013 :-
 - (a) Aggregate of the amounts which the Council estimates for the items set out in Section 32 (2) (a)-(d) (including Community Council precepts totalling £3,605,674) £497,570,243
 - (b) Aggregate of the amounts which the Council estimates for items set out in Section 32 (3) (a) and 32 (3) (c). £126,156,192
 - (c) Amount by which the aggregate at 2(a) above exceeds the aggregate at 2(b) above calculated in accordance with Section 32 (4) as the budget requirement for the year. £371,414,051
 - (d) Aggregate of the sums which the Council estimates will be payable for the year into its Council Fund in respect of redistributed Non-Domestic Rates, Revenue Support Grant or Additional Grant. £258,229,559
 - (e) The amount at 2(c) above less the amount at 2(d) above, all divided by the amount at section 1 above, calculated in accordance with Section 33 (1) as the basic amount of Council Tax for the year. £1,712.81
 - (f) Aggregate amount of all special items referred to in Section 34 (1). £3,605,674
 - (g) Amount at 2(e) above less the result given by dividing the amount at 2(f) above by the amount at section 1 above calculated by the Council, in accordance with Section 34 (2) of the Act, as the basic amount of Council Tax for the year for dwellings in those parts of the area to which no special items relate. £1,658.25
 - (h) The amounts given by adding to the amount at 2(g) above the amounts of special items relating to dwellings in those part of the Council's area mentioned below, divided in each case by the amount at 1(b) above, calculated in accordance with Section 34(3) as the basic amounts of its Council Tax for the year for dwellings in those parts of the area to which special items relate. £0.00

**FLINTSHIRE COUNTY COUNCIL CHARGES (BAND D) 2024/25
(Including Community/Town Councils)**

	£
Argoed	1,689.93
Bagillt	1,689.96
Broughton & Bretton	1,710.74
Brynford	1,732.69
Buckley	1,709.38
Caerwys	1,724.65
Cilcain	1,699.07
Connahs Quay	1,725.24
Flint	1,709.11
Gwernaffield & Pantymwyn	1,692.30
Gwernymynydd	1,691.19
Halkyn	1,695.20
Hawarden	1,710.57
Higher Kinnerton	1,698.80
Holywell	1,743.16
Hope	1,726.91
Leeswood	1,744.13
Llanasa	1,695.68
Llanfynydd	1,696.67
Mold	1,729.17
Mostyn	1,708.37
Nannerch	1,713.25
Nercwys	1,725.07
Northop	1,684.93
Northop Hall	1,700.98
Penyffordd	1,712.07
Queensferry	1,714.68
Saltney	1,702.40
Sealand	1,699.43
Shotton	1,739.51
Trelawnyd & Gwaenysgor	1,720.82
Treuddyn	1,709.25
Whitford	1,709.41
Ysceifiog	1,709.51

- (i) The amounts given by multiplying the amounts at 2(h) above by the number which in the proportion set out in Section 5(1) of the Act is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D calculated in accordance with Section 36(1) of the Act as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

Area	VALUATION BANDS								
	A £	B £	C £	D £	E £	F £	G £	H £	I £
Argoed	1126.62	1314.39	1502.16	1689.93	2065.47	2441.01	2816.55	3379.86	3943.17
Bagillt	1126.64	1314.41	1502.19	1689.96	2065.51	2441.05	2816.60	3379.92	3943.24
Broughton & Bretton	1140.49	1330.58	1520.66	1710.74	2090.90	2471.07	2851.23	3421.48	3991.73
Brynford	1155.13	1347.65	1540.17	1732.69	2117.73	2502.77	2887.82	3465.38	4042.94
Buckley	1139.59	1329.52	1519.45	1709.38	2089.24	2469.10	2848.97	3418.76	3988.55
Caerwys	1149.77	1341.39	1533.02	1724.65	2107.91	2491.16	2874.42	3449.30	4024.18
Cilcain	1132.71	1321.50	1510.28	1699.07	2076.64	2454.21	2831.78	3398.14	3964.50
Connahs Quay	1150.16	1341.85	1533.55	1725.24	2108.63	2492.01	2875.40	3450.48	4025.56
Flint	1139.41	1329.31	1519.21	1709.11	2088.91	2468.71	2848.52	3418.22	3987.92
Gwernaffield & Pantymwyn	1128.20	1316.23	1504.27	1692.30	2068.37	2444.43	2820.50	3384.60	3948.70
Gwernymynydd	1127.46	1315.37	1503.28	1691.19	2067.01	2442.83	2818.65	3382.38	3946.11
Halkyn	1130.13	1318.49	1506.84	1695.20	2071.91	2448.62	2825.33	3390.40	3955.47
Hawarden	1140.38	1330.44	1520.51	1710.57	2090.70	2470.82	2850.95	3421.14	3991.33
Higher Kinnerton	1132.53	1321.29	1510.04	1698.80	2076.31	2453.82	2831.33	3397.60	3963.87
Holywell	1162.11	1355.79	1549.48	1743.16	2130.53	2517.90	2905.27	3486.32	4067.37
Hope	1151.27	1343.15	1535.03	1726.91	2110.67	2494.43	2878.18	3453.82	4029.46
Leeswood	1162.75	1356.55	1550.34	1744.13	2131.71	2519.30	2906.88	3488.26	4069.64
Llanasa	1130.45	1318.86	1507.27	1695.68	2072.50	2449.32	2826.13	3391.36	3956.59
Llanfynydd	1131.11	1319.63	1508.15	1696.67	2073.71	2450.75	2827.78	3393.34	3958.90
Mold	1152.78	1344.91	1537.04	1729.17	2113.43	2497.69	2881.95	3458.34	4034.73
Mostyn	1138.91	1328.73	1518.55	1708.37	2088.01	2467.65	2847.28	3416.74	3986.20
Nannerch	1142.17	1332.53	1522.89	1713.25	2093.97	2474.69	2855.42	3426.50	3997.58
Nercwys	1150.05	1341.72	1533.40	1725.07	2108.42	2491.77	2875.12	3450.14	4025.16
Northop	1123.29	1310.50	1497.72	1684.93	2059.36	2433.79	2808.22	3369.86	3931.50
Northop Hall	1133.99	1322.98	1511.98	1700.98	2078.98	2456.97	2834.97	3401.96	3968.95
Penyffordd	1141.38	1331.61	1521.84	1712.07	2092.53	2472.99	2853.45	3424.14	3994.83
Queensferry	1143.12	1333.64	1524.16	1714.68	2095.72	2476.76	2857.80	3429.36	4000.92
Saltney	1134.93	1324.09	1513.24	1702.40	2080.71	2459.02	2837.33	3404.80	3972.27
Sealand	1132.95	1321.78	1510.60	1699.43	2077.08	2454.73	2832.38	3398.86	3965.34
Shotton	1159.67	1352.95	1546.23	1739.51	2126.07	2512.63	2899.18	3479.02	4058.86
Trelawnyd & Gwaenysgor	1147.21	1338.42	1529.62	1720.82	2103.22	2485.63	2868.03	3441.64	4015.25
Treuddyn	1139.50	1329.42	1519.33	1709.25	2089.08	2468.92	2848.75	3418.50	3988.25
Whitford	1139.61	1329.54	1519.48	1709.41	2089.28	2469.15	2849.02	3418.82	3988.62
Ysceifiog	1139.67	1329.62	1519.56	1709.51	2089.40	2469.29	2849.18	3419.02	3988.86

3. That it be noted that for the year 2024/25 the Police and Crime Panel for North Wales have stated the following amounts in precepts issued to the Council, amounting to a total precept of £23,105,222 in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below :-

Council Tax	Valuation Bands								
	A £	B £	C £	D £	E £	F £	G £	H £	I £
	233.10	271.95	310.80	349.65	427.35	505.05	582.75	699.30	815.85

4. Having calculated the aggregate in each case of the amounts at 2(i) and 3 above, the Council in accordance with Section 30(2) of the Local Government Finance Act 1992 hereby sets the following amounts as the amounts of Council Tax for the year 2024/25 for each of the categories of dwellings shown below:

Area	VALUATION BANDS								
	A £	B £	C £	D £	E £	F £	G £	H £	I £
Argoed	1359.72	1586.34	1812.96	2039.58	2492.82	2946.06	3399.30	4079.16	4759.02
Bagillt	1359.74	1586.36	1812.99	2039.61	2492.86	2946.10	3399.35	4079.22	4759.09
Broughton & Bretton	1373.59	1602.53	1831.46	2060.39	2518.25	2976.12	3433.98	4120.78	4807.58
Brynford	1388.23	1619.60	1850.97	2082.34	2545.08	3007.82	3470.57	4164.68	4858.79
Buckley	1372.69	1601.47	1830.25	2059.03	2516.59	2974.15	3431.72	4118.06	4804.40
Caerwys	1382.87	1613.34	1843.82	2074.30	2535.26	2996.21	3457.17	4148.60	4840.03
Cilcain	1365.81	1593.45	1821.08	2048.72	2503.99	2959.26	3414.53	4097.44	4780.35
Connahs Quay	1383.26	1613.80	1844.35	2074.89	2535.98	2997.06	3458.15	4149.78	4841.41
Flint	1372.51	1601.26	1830.01	2058.76	2516.26	2973.76	3431.27	4117.52	4803.77
Gwernaffield & Pantymwyn	1361.30	1588.18	1815.07	2041.95	2495.72	2949.48	3403.25	4083.90	4764.55
Gwernymynydd	1360.56	1587.32	1814.08	2040.84	2494.36	2947.88	3401.40	4081.68	4761.96
Halkyn	1363.23	1590.44	1817.64	2044.85	2499.26	2953.67	3408.08	4089.70	4771.32
Hawarden	1373.48	1602.39	1831.31	2060.22	2518.05	2975.87	3433.70	4120.44	4807.18
Higher Kinnerton	1365.63	1593.24	1820.84	2048.45	2503.66	2958.87	3414.08	4096.90	4779.72
Holywell	1395.21	1627.74	1860.28	2092.81	2557.88	3022.95	3488.02	4185.62	4883.22
Hope	1384.37	1615.10	1845.83	2076.56	2538.02	2999.48	3460.93	4153.12	4845.31
Leeswood	1395.85	1628.50	1861.14	2093.78	2559.06	3024.35	3489.63	4187.56	4885.49
Llanasa	1363.55	1590.81	1818.07	2045.33	2499.85	2954.37	3408.88	4090.66	4772.44
Llanfynydd	1364.21	1591.58	1818.95	2046.32	2501.06	2955.80	3410.53	4092.64	4774.75
Mold	1385.88	1616.86	1847.84	2078.82	2540.78	3002.74	3464.70	4157.64	4850.58
Mostyn	1372.01	1600.68	1829.35	2058.02	2515.36	2972.70	3430.03	4116.04	4802.05
Nannerch	1375.27	1604.48	1833.69	2062.90	2521.32	2979.74	3438.17	4125.80	4813.43
Nercwys	1383.15	1613.67	1844.20	2074.72	2535.77	2996.82	3457.87	4149.44	4841.01
Northop	1356.39	1582.45	1808.52	2034.58	2486.71	2938.84	3390.97	4069.16	4747.35
Northop Hall	1367.09	1594.93	1822.78	2050.63	2506.33	2962.02	3417.72	4101.26	4784.80
Penyffordd	1374.48	1603.56	1832.64	2061.72	2519.88	2978.04	3436.20	4123.44	4810.68
Queensferry	1376.22	1605.59	1834.96	2064.33	2523.07	2981.81	3440.55	4128.66	4816.77
Saltney	1368.03	1596.04	1824.04	2052.05	2508.06	2964.07	3420.08	4104.10	4788.12
Sealand	1366.05	1593.73	1821.40	2049.08	2504.43	2959.78	3415.13	4098.16	4781.19
Shotton	1392.77	1624.90	1857.03	2089.16	2553.42	3017.68	3481.93	4178.32	4874.71
Trelawnyd & Gwaenysgor	1380.31	1610.37	1840.42	2070.47	2530.57	2990.68	3450.78	4140.94	4831.10
Treuddyn	1372.60	1601.37	1830.13	2058.90	2516.43	2973.97	3431.50	4117.80	4804.10
Whitford	1372.71	1601.49	1830.28	2059.06	2516.63	2974.20	3431.77	4118.12	4804.47
Ysceifiog	1372.77	1601.57	1830.36	2059.16	2516.75	2974.34	3431.93	4118.32	4804.71

5. In line with the existing policy of the Council, that for 2024/25, in accordance with Section 12 of the Local Government Finance Act 1992 (as amended by Section 75 of the Local Government Act 2003 and the Council Tax (Prescribed Classes of Dwellings) (Wales) (Amendment) Regulations 2004, no discounts shall be granted to second homes subject to Council Tax which are unoccupied and furnished, (defined as Prescribed Classes A and B) and long term empty and unfurnished properties (defined as Prescribed Class C)
6. In accordance with section 12a and 12b of the Local Government Finance Act 1992, as inserted by section 139 of the Housing Act 2014, the Council Tax Premium scheme will continue to apply from 1st April 2024. Therefore, from 1st April 2024, unless there are exceptions to be applied in line with The Council Tax (Exceptions to Higher Amounts) (Wales) Regulations 2015, Council Tax shall be charged at a premium rate of 100% above the standard rate of Council Tax for those dwellings that are defined as 'second homes'. A Council Tax premium of 75% will also apply to those dwellings defined as 'long term empty' which have been empty for a continuous period of one year.
7. Authorisations - Council Tax
 - a) That the holders of the posts of Revenues & Procurement Manager, Team Manager for Council Tax and Business Rates Assessment, Team Manager for Collection and Enforcement, Lead Revenues Officer, Revenue Officers, Civil Enforcement Officers, be authorised under Section 223 of the Local Government Act 1972 to issue legal proceedings and to appear on behalf of the County Council at the hearing of any legal proceedings in the Magistrates Court by way of an application for the issue of a Liability Order in respect of unpaid Council Taxes and penalties under Part VI of the Council Tax (Administration and Enforcement) Regulations 1992; to require financial information to make an Attachment of Earnings Order; to levy the appropriate amount by taking control of goods and sale of goods; and to exercise all other enforcement powers of the County Council under the Council Tax (Administration and Enforcements) Regulations 1992 and any subsequent amendments of such Regulations.
8. Authorisations - National Non-Domestic Rates
 - a) That the holders of the posts of Revenues & Procurement Manager, Team Manager for Council Tax and Business Rates Assessment, Team Manager for Collection and Enforcement, Lead Revenues Officer, Revenue Officers, Civil Enforcement Officers be authorised under Section 223 of the Local Government Act 1972 to issue legal proceedings in the Magistrates Courts by way of application for the issue of a liability order in respect of unpaid rates; by way of an application for the issue of a warrant of commitment and to exercise all other powers of enforcement of the County Council under the Non-Domestic (Collection and Enforcement) (Local Lists) Regulations 1989 and any amendment thereto.
9. That notices of the making of the said Council Taxes for 2024/25, signed by the Council's Corporate Finance Manager/Section 151 officer, be given by advertisement in the local press under Section 38(2) of the Local Government Finance Act 1992.

APPENDIX 2
STATUTORY & OTHER NECESSARY COUNCIL TAX
RESOLUTIONS FOR 2024/25

1. That it be noted that at its meeting on 21st November 2023 the Council calculated interim amounts, subsequently modified as follows, for the year 2023/24 in accordance with the regulations made under Section 33(5) of the Local Government Finance Act 1992.

66,081 being the amount calculated in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Wales Regulations 1995, as its Council Tax base for the year, broken down into the following Town/Community areas:

Argoed	2,543.48
Bagillt	1,471.65
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Flint	5,062.87
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Gwernymynydd	593.54
Halkyn	1,353.13
Hawarden	6,398.85
Higher Kinnerton	894.93
Holywell	3,427.02
Hope	1,836.54
Leeswood	861.65
Llanasa	2,037.05
Llanfynydd	884.86
Mold	4,518.45
Mostyn	738.22
Nannerch	281.80
Nercwys	306.80
Northop	1,587.78
Northop Hall	837.24
Penyffordd	2,293.99
Queensferry	708.85
Saltney	1,946.15
Sealand	1,554.24
Shotton	2,215.01
Trelawnyd & Gwaenysgor	427.18
Treuddyn	767.82
Whitford	1,182.63
Ysceifiog	690.20
TOTAL TAX BASE	66,081.00

Being the amounts calculated in accordance with regulation 6 of the Regulations as the amounts of its Council Tax base for the year for dwelling in those parts of its area to which special items relate.

2. That the following amounts be now calculated by the Council for the year 2024/25 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992 and Alteration of Requisite Calculations (Wales) Regulations 2013:
 - (a) Aggregate of the amounts which the Council estimates for the items set out in Section 32 (2) (a)-(d) (including Community Council precepts totalling £3,605,674) £497,670,686
 - (b) Aggregate of the amounts which the Council estimates for items set out in Section 32 (3) (a) and 32 (3) (c). £126,156,192
 - (c) Amount by which the aggregate at 2(a) above exceeds the aggregate at 2(b) above calculated in accordance with Section 32 (4) as the budget requirement for the year. £371,514,494
 - (d) Aggregate of the sums which the Council estimates will be payable for the year into its Council Fund in respect of redistributed Non-Domestic Rates, Revenue Support Grant or Additional Grant. £258,229,559
 - (e) The amount at 2(c) above less the amount at 2(d) above, all divided by the amount at section 1 above, calculated in accordance with Section 33 (1) as the basic amount of Council Tax for the year. £1,714.33
 - (f) Aggregate amount of all special items referred to in Section 34 (1). £3,605,674
 - (g) Amount at 2(e) above less the result given by dividing the amount at 2(f) above by the amount at section 1 above calculated by the Council, in accordance with Section 34 (2) of the Act, as the basic amount of Council Tax for the year for dwellings in those parts of the area to which no special items relate. £1,659.77
 - (h) The amounts given by adding to the amount at 2(g) above the amounts of special items relating to dwellings in those part of the Council's area mentioned below, divided in each case by the amount at 1(b) above, calculated in accordance with Section 34(3) as the basic amounts of its Council Tax for the year for dwellings in those parts of the area to which special items relate. £0.00

**FLINTSHIRE COUNTY COUNCIL CHARGES (BAND D) 2024/25
(Including Community/Town Councils)**

	£
Argoed	1691.45
Bagillt	1691.48
Broughton & Bretton	1712.26
Brynford	1734.21
Buckley	1710.90
Caerwys	1726.17
Cilcain	1700.59
Connahs Quay	1726.76
Flint	1710.63
Gwernaffield & Pantymwyn	1693.82
Gwernymynydd	1692.71
Halkyn	1696.72
Hawarden	1712.09
Higher Kinnerton	1700.32
Holywell	1744.68
Hope	1728.43
Leeswood	1745.65
Llanasa	1697.20
Llanfynydd	1698.19
Mold	1730.69
Mostyn	1709.89
Nannerch	1714.77
Nercwys	1726.59
Northop	1686.45
Northop Hall	1702.50
Penyffordd	1713.59
Queensferry	1716.20
Saltney	1703.92
Sealand	1700.95
Shotton	1741.03
Trelawnyd & Gwaenysgor	1722.34
Treuddyn	1710.77
Whitford	1710.93
Ysceifiog	1711.03

- (i) The amounts given by multiplying the amounts at 2(h) above by the number which in the proportion set out in Section 5(1) of the Act is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D calculated in accordance with Section 36(1) of the Act as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

Area	VALUATION BANDS								
	A £	B £	C £	D £	E £	F £	G £	H £	I £
Argoed	1127.63	1315.57	1503.51	1691.45	2067.33	2443.21	2819.08	3382.90	3946.72
Bagillt	1127.65	1315.59	1503.54	1691.48	2067.37	2443.25	2819.13	3382.96	3946.79
Broughton & Bretton	1141.50	1331.76	1522.01	1712.26	2092.76	2473.27	2853.76	3424.52	3995.28
Brynford	1156.14	1348.83	1541.52	1734.21	2119.59	2504.97	2890.35	3468.42	4046.49
Buckley	1140.60	1330.70	1520.80	1710.90	2091.10	2471.30	2851.50	3421.80	3992.10
Caerwys	1150.78	1342.57	1534.37	1726.17	2109.77	2493.36	2876.95	3452.34	4027.73
Cilcain	1133.72	1322.68	1511.63	1700.59	2078.50	2456.41	2834.31	3401.18	3968.05
Connahs Quay	1151.17	1343.03	1534.90	1726.76	2110.49	2494.21	2877.93	3453.52	4029.11
Flint	1140.42	1330.49	1520.56	1710.63	2090.77	2470.91	2851.05	3421.26	3991.47
Gwernaffield & Pantymwyn	1129.21	1317.41	1505.62	1693.82	2070.23	2446.63	2823.03	3387.64	3952.25
Gwernymynydd	1128.47	1316.55	1504.63	1692.71	2068.87	2445.03	2821.18	3385.42	3949.66
Halkyn	1131.14	1319.67	1508.19	1696.72	2073.77	2450.82	2827.86	3393.44	3959.02
Hawarden	1141.39	1331.62	1521.86	1712.09	2092.56	2473.02	2853.48	3424.18	3994.88
Higher Kinnerton	1133.54	1322.47	1511.39	1700.32	2078.17	2456.02	2833.86	3400.64	3967.42
Holywell	1163.12	1356.97	1550.83	1744.68	2132.39	2520.10	2907.80	3489.36	4070.92
Hope	1152.28	1344.33	1536.38	1728.43	2112.53	2496.63	2880.71	3456.86	4033.01
Leeswood	1163.76	1357.73	1551.69	1745.65	2133.57	2521.50	2909.41	3491.30	4073.19
Llanasa	1131.46	1320.04	1508.62	1697.20	2074.36	2451.52	2828.66	3394.40	3960.14
Llanfynydd	1132.12	1320.81	1509.50	1698.19	2075.57	2452.95	2830.31	3396.38	3962.45
Mold	1153.79	1346.09	1538.39	1730.69	2115.29	2499.89	2884.48	3461.38	4038.28
Mostyn	1139.92	1329.91	1519.90	1709.89	2089.87	2469.85	2849.81	3419.78	3989.75
Nannerch	1143.18	1333.71	1524.24	1714.77	2095.83	2476.89	2857.95	3429.54	4001.13
Nercwys	1151.06	1342.90	1534.75	1726.59	2110.28	2493.97	2877.65	3453.18	4028.71
Northop	1124.30	1311.68	1499.07	1686.45	2061.22	2435.99	2810.75	3372.90	3935.05
Northop Hall	1135.00	1324.16	1513.33	1702.50	2080.84	2459.17	2837.50	3405.00	3972.50
Penyffordd	1142.39	1332.79	1523.19	1713.59	2094.39	2475.19	2855.98	3427.18	3998.38
Queensferry	1144.13	1334.82	1525.51	1716.20	2097.58	2478.96	2860.33	3432.40	4004.47
Saltney	1135.94	1325.27	1514.59	1703.92	2082.57	2461.22	2839.86	3407.84	3975.82
Sealand	1133.96	1322.96	1511.95	1700.95	2078.94	2456.93	2834.91	3401.90	3968.89
Shotton	1160.68	1354.13	1547.58	1741.03	2127.93	2514.83	2901.71	3482.06	4062.41
Trelawnyd & Gwaenysgor	1148.22	1339.60	1530.97	1722.34	2105.08	2487.83	2870.56	3444.68	4018.80
Treuddyn	1140.51	1330.60	1520.68	1710.77	2090.94	2471.12	2851.28	3421.54	3991.80
Whitford	1140.62	1330.72	1520.83	1710.93	2091.14	2471.35	2851.55	3421.86	3992.17
Ysceifiog	1140.68	1330.80	1520.91	1711.03	2091.26	2471.49	2851.71	3422.06	3992.41

3. That it be noted that for the year 2024/25 the Police and Crime Panel for North Wales have stated the following amounts in precepts issued to the Council, amounting to a total precept of £23,105,222 in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below :-

Council Tax	Valuation Bands								
	A £	B £	C £	D £	E £	F £	G £	H £	I £
	233.10	271.95	310.80	349.65	427.35	505.05	582.75	699.30	815.85

4. Having calculated the aggregate in each case of the amounts at 2(i) and 3 above, the Council in accordance with Section 30(2) of the Local Government Finance Act 1992 hereby sets the following amounts as the amounts of Council Tax for the year 2024/25 for each of the categories of dwellings shown below:

Area	VALUATION BANDS								
	A £	B £	C £	D £	E £	F £	G £	H £	I £
Argoed	1360.73	1587.52	1814.31	2041.10	2494.68	2948.26	3401.83	4082.20	4762.57
Bagillt	1360.75	1587.54	1814.34	2041.13	2494.72	2948.30	3401.88	4082.26	4762.64
Broughton & Bretton	1374.60	1603.71	1832.81	2061.91	2520.11	2978.32	3436.51	4123.82	4811.13
Brynford	1389.24	1620.78	1852.32	2083.86	2546.94	3010.02	3473.10	4167.72	4862.34
Buckley	1373.70	1602.65	1831.60	2060.55	2518.45	2976.35	3434.25	4121.10	4807.95
Caerwys	1383.88	1614.52	1845.17	2075.82	2537.12	2998.41	3459.70	4151.64	4843.58
Cilcain	1366.82	1594.63	1822.43	2050.24	2505.85	2961.46	3417.06	4100.48	4783.90
Connahs Quay	1384.27	1614.98	1845.70	2076.41	2537.84	2999.26	3460.68	4152.82	4844.96
Flint	1373.52	1602.44	1831.36	2060.28	2518.12	2975.96	3433.80	4120.56	4807.32
Gwernaffield & Pantymwyn	1362.31	1589.36	1816.42	2043.47	2497.58	2951.68	3405.78	4086.94	4768.10
Gwernymynydd	1361.57	1588.50	1815.43	2042.36	2496.22	2950.08	3403.93	4084.72	4765.51
Halkyn	1364.24	1591.62	1818.99	2046.37	2501.12	2955.87	3410.61	4092.74	4774.87
Hawarden	1374.49	1603.57	1832.66	2061.74	2519.91	2978.07	3436.23	4123.48	4810.73
Higher Kinnerton	1366.64	1594.42	1822.19	2049.97	2505.52	2961.07	3416.61	4099.94	4783.27
Holywell	1396.22	1628.92	1861.63	2094.33	2559.74	3025.15	3490.55	4188.66	4886.77
Hope	1385.38	1616.28	1847.18	2078.08	2539.88	3001.68	3463.46	4156.16	4848.86
Leeswood	1396.86	1629.68	1862.49	2095.30	2560.92	3026.55	3492.16	4190.60	4889.04
Llanasa	1364.56	1591.99	1819.42	2046.85	2501.71	2956.57	3411.41	4093.70	4775.99
Llanfynydd	1365.22	1592.76	1820.30	2047.84	2502.92	2958.00	3413.06	4095.68	4778.30
Mold	1386.89	1618.04	1849.19	2080.34	2542.64	3004.94	3467.23	4160.68	4854.13
Mostyn	1373.02	1601.86	1830.70	2059.54	2517.22	2974.90	3432.56	4119.08	4805.60
Nannerch	1376.28	1605.66	1835.04	2064.42	2523.18	2981.94	3440.70	4128.84	4816.98
Nercwys	1384.16	1614.85	1845.55	2076.24	2537.63	2999.02	3460.40	4152.48	4844.56
Northop	1357.40	1583.63	1809.87	2036.10	2488.57	2941.04	3393.50	4072.20	4750.90
Northop Hall	1368.10	1596.11	1824.13	2052.15	2508.19	2964.22	3420.25	4104.30	4788.35
Penyffordd	1375.49	1604.74	1833.99	2063.24	2521.74	2980.24	3438.73	4126.48	4814.23
Queensferry	1377.23	1606.77	1836.31	2065.85	2524.93	2984.01	3443.08	4131.70	4820.32
Saltney	1369.04	1597.22	1825.39	2053.57	2509.92	2966.27	3422.61	4107.14	4791.67
Sealand	1367.06	1594.91	1822.75	2050.60	2506.29	2961.98	3417.66	4101.20	4784.74
Shotton	1393.78	1626.08	1858.38	2090.68	2555.28	3019.88	3484.46	4181.36	4878.26
Trelawnyd & Gwaenysgor	1381.32	1611.55	1841.77	2071.99	2532.43	2992.88	3453.31	4143.98	4834.65
Treuddyn	1373.61	1602.55	1831.48	2060.42	2518.29	2976.17	3434.03	4120.84	4807.65
Whitford	1373.72	1602.67	1831.63	2060.58	2518.49	2976.40	3434.30	4121.16	4808.02
Ysceifiog	1373.78	1602.75	1831.71	2060.68	2518.61	2976.54	3434.46	4121.36	4808.26

5. In line with the existing policy of the Council, that for 2024/25, in accordance with Section 12 of the Local Government Finance Act 1992 (as amended by Section 75 of the Local Government Act 2003 and the Council Tax (Prescribed Classes of Dwellings) (Wales) (Amendment) Regulations 2004, no discounts shall be granted to second homes subject to Council Tax which are unoccupied and furnished, (defined as Prescribed Classes A and B) and long term empty and unfurnished properties (defined as Prescribed Class C)
6. In accordance with section 12a and 12b of the Local Government Finance Act 1992, as inserted by section 139 of the Housing Act 2014, the Council Tax Premium scheme will continue to apply from 1st April 2024. Therefore, from 1st April 2024, unless there are exceptions to be applied in line with The Council Tax (Exceptions to Higher Amounts) (Wales) Regulations 2015, Council Tax shall be charged at a premium rate of 100% above the standard rate of Council Tax for those dwellings that are defined as 'second homes'. A Council Tax premium of 75% will also apply to those dwellings defined as 'long term empty' which have been empty for a continuous period of one year.
7. Authorisations - Council Tax
 - a) That the holders of the posts of Revenues & Procurement Manager, Team Manager for Council Tax and Business Rates Assessment, Team Manager for Collection and Enforcement, Lead Revenues Officer, Revenue Officers, Civil Enforcement Officers, be authorised under Section 223 of the Local Government Act 1972 to issue legal proceedings and to appear on behalf of the County Council at the hearing of any legal proceedings in the Magistrates Court by way of an application for the issue of a Liability Order in respect of unpaid Council Taxes and penalties under Part VI of the Council Tax (Administration and Enforcement) Regulations 1992; to require financial information to make an Attachment of Earnings Order; to levy the appropriate amount by taking control of goods and sale of goods; and to exercise all other enforcement powers of the County Council under the Council Tax (Administration and Enforcements) Regulations 1992 and any subsequent amendments of such Regulations.
8. Authorisations - National Non-Domestic Rates
 - a) That the holders of the posts of Revenues & Procurement Manager, Team Manager for Council Tax and Business Rates Assessment, Team Manager for Collection and Enforcement, Lead Revenues Officer, Revenue Officers, Civil Enforcement Officers be authorised under Section 223 of the Local Government Act 1972 to issue legal proceedings in the Magistrates Courts by way of application for the issue of a liability order in respect of unpaid rates; by way of an application for the issue of a warrant of commitment and to exercise all other powers of enforcement of the County Council under the Non-Domestic (Collection and Enforcement) (Local Lists) Regulations 1989 and any amendment thereto.
9. That notices of the making of the said Council Taxes for 2024/25, signed by the Council's Corporate Finance Manager/Section 151 officer, be given by advertisement in the local press under Section 38(2) of the Local Government Finance Act 1992.

Appendix 3

2024/25 Council Tax Charges

Amounts in Town / Community Council order

Community Councils	BAND D			
	Community	Flintshire	Police	Total
	£	£	£	£
Argoed	31.68	1,658.25	349.65	2,039.58
Bagillt	31.71	1,658.25	349.65	2,039.61
Broughton & Bretton	52.49	1,658.25	349.65	2,060.39
Brynford	74.44	1,658.25	349.65	2,082.34
Buckley	51.13	1,658.25	349.65	2,059.03
Caerwys	66.40	1,658.25	349.65	2,074.30
Cilcain	40.82	1,658.25	349.65	2,048.72
Connahs Quay	66.99	1,658.25	349.65	2,074.89
Flint	50.86	1,658.25	349.65	2,058.76
Gwernaffield & Pantymwyn	34.05	1,658.25	349.65	2,041.95
Gwernymynydd	32.94	1,658.25	349.65	2,040.84
Halkyn	36.95	1,658.25	349.65	2,044.85
Hawarden	52.32	1,658.25	349.65	2,060.22
Higher Kinnerton	40.55	1,658.25	349.65	2,048.45
Holywell	84.91	1,658.25	349.65	2,092.81
Hope	68.66	1,658.25	349.65	2,076.56
Leeswood	85.88	1,658.25	349.65	2,093.78
Llanasa	37.43	1,658.25	349.65	2,045.33
Llanfynydd	38.42	1,658.25	349.65	2,046.32
Mold	70.92	1,658.25	349.65	2,078.82
Mostyn	50.12	1,658.25	349.65	2,058.02
Nannerch	55.00	1,658.25	349.65	2,062.90
Nercwys	66.82	1,658.25	349.65	2,074.72
Northop	26.68	1,658.25	349.65	2,034.58
Northop Hall	42.73	1,658.25	349.65	2,050.63
Penyffordd	53.82	1,658.25	349.65	2,061.72
Queensferry	56.43	1,658.25	349.65	2,064.33
Saltney	44.15	1,658.25	349.65	2,052.05
Sealand	41.18	1,658.25	349.65	2,049.08
Shotton	81.26	1,658.25	349.65	2,089.16
Trelawnyd & Gwaenysgor	62.57	1,658.25	349.65	2,070.47
Treuddyn	51.00	1,658.25	349.65	2,058.90
Whitford	51.16	1,658.25	349.65	2,059.06
Ysceifiog	51.26	1,658.25	349.65	2,059.16

Appendix 3

2024/25 Council Tax Charges

Lowest to Highest Amounts by Town/Community Council

Community Councils	BAND D			
	Community	Flintshire	Police	Total
	£	£	£	£
Northop	26.68	1,658.25	349.65	2,034.58
Argoed	31.68	1,658.25	349.65	2,039.58
Bagillt	31.71	1,658.25	349.65	2,039.61
Gwernymynydd	32.94	1,658.25	349.65	2,040.84
Gwernaffield & Pantymwyn	34.05	1,658.25	349.65	2,041.95
Halkyn	36.95	1,658.25	349.65	2,044.85
Llanasa	37.43	1,658.25	349.65	2,045.33
Llanfynydd	38.42	1,658.25	349.65	2,046.32
Higher Kinnerton	40.55	1,658.25	349.65	2,048.45
Cilcain	40.82	1,658.25	349.65	2,048.72
Sealand	41.18	1,658.25	349.65	2,049.08
Northop Hall	42.73	1,658.25	349.65	2,050.63
Saltney	44.15	1,658.25	349.65	2,052.05
Mostyn	50.12	1,658.25	349.65	2,058.02
Flint	50.86	1,658.25	349.65	2,058.76
Treuddyn	51.00	1,658.25	349.65	2,058.90
Buckley	51.13	1,658.25	349.65	2,059.03
Whitford	51.16	1,658.25	349.65	2,059.06
Ysceifiog	51.26	1,658.25	349.65	2,059.16
Hawarden	52.32	1,658.25	349.65	2,060.22
Broughton & Bretton	52.49	1,658.25	349.65	2,060.39
Penyffordd	53.82	1,658.25	349.65	2,061.72
Nannerch	55.00	1,658.25	349.65	2,062.90
Queensferry	56.43	1,658.25	349.65	2,064.33
Trelawnyd & Gwaenysgor	62.57	1,658.25	349.65	2,070.47
Caerwys	66.40	1,658.25	349.65	2,074.30
Nercwys	66.82	1,658.25	349.65	2,074.72
Connahs Quay	66.99	1,658.25	349.65	2,074.89
Hope	68.66	1,658.25	349.65	2,076.56
Mold	70.92	1,658.25	349.65	2,078.82
Brynford	74.44	1,658.25	349.65	2,082.34
Shotton	81.26	1,658.25	349.65	2,089.16
Holywell	84.91	1,658.25	349.65	2,092.81
Leeswood	85.88	1,658.25	349.65	2,093.78

Appendix 3

2024/25 Council Tax Charges

% Amounts in Town / Community Council order

Community Councils	BAND D		
	Community	Flintshire	Police
	%	%	%
Argoed	0.00	9.00	4.97
Bagillt	2.03	9.00	4.97
Broughton & Bretton	10.34	9.00	4.97
Brynford	15.20	9.00	4.97
Buckley	2.55	9.00	4.97
Caerwys	4.75	9.00	4.97
Cilcain	0.62	9.00	4.97
Connahs Quay	7.37	9.00	4.97
Flint	4.90	9.00	4.97
Gwernaffield & Pantymwyn	0.42	9.00	4.97
Gwernymynydd	4.90	9.00	4.97
Halkyn	0.76	9.00	4.97
Hawarden	10.01	9.00	4.97
Higher Kinnerton	0.57	9.00	4.97
Holywell	5.07	9.00	4.97
Hope	3.64	9.00	4.97
Leeswood	5.14	9.00	4.97
Llanasa	14.30	9.00	4.97
Llanfynydd	0.50	9.00	4.97
Mold	5.00	9.00	4.97
Mostyn	5.58	9.00	4.97
Nannerch	3.77	9.00	4.97
Nercwys	4.41	9.00	4.97
Northop	9.80	9.00	4.97
Northop Hall	9.51	9.00	4.97
Penyffordd	0.00	9.00	4.97
Queensferry	5.73	9.00	4.97
Saltney	2.75	9.00	4.97
Sealand	-3.15	9.00	4.97
Shotton	0.60	9.00	4.97
Trelawnyd & Gwaenysgor	1.20	9.00	4.97
Treuddyn	2.51	9.00	4.97
Whitford	2.16	9.00	4.97
Ysceifiog	14.57	9.00	4.97

Appendix 3

2024/25 Council Tax Charges Lowest to Highest % amounts

Community Councils	BAND D		
	Community	Flintshire	Police
	%	%	%
Sealand	-3.15	9.00	4.97
Argoed	0.00	9.00	4.97
Penyffordd	0.00	9.00	4.97
Gwernaffield & Pantymwyn	0.42	9.00	4.97
Llanfynydd	0.50	9.00	4.97
Higher Kinnerton	0.57	9.00	4.97
Shotton	0.60	9.00	4.97
Cilcain	0.62	9.00	4.97
Halkyn	0.76	9.00	4.97
Trelawnyd & Gwaenysgor	1.20	9.00	4.97
Bagillt	2.03	9.00	4.97
Whitford	2.16	9.00	4.97
Treuddyn	2.51	9.00	4.97
Buckley	2.55	9.00	4.97
Saltney	2.75	9.00	4.97
Hope	3.64	9.00	4.97
Nannerch	3.77	9.00	4.97
Nercwys	4.41	9.00	4.97
Caerwys	4.75	9.00	4.97
Flint	4.90	9.00	4.97
Gwernymynydd	4.90	9.00	4.97
Mold	5.00	9.00	4.97
Holywell	5.07	9.00	4.97
Leeswood	5.14	9.00	4.97
Mostyn	5.58	9.00	4.97
Queensferry	5.73	9.00	4.97
Connahs Quay	7.37	9.00	4.97
Northop Hall	9.51	9.00	4.97
Northop	9.80	9.00	4.97
Hawarden	10.01	9.00	4.97
Broughton & Bretton	10.34	9.00	4.97
Llanasa	14.30	9.00	4.97
Ysceifiog	14.57	9.00	4.97
Brynford	15.20	9.00	4.97

Mae'r dudalen hon yn wag yn bwrpasol

Appendix 4

2024/25 Council Tax Charges

Amounts in Town / Community Council order

Community Councils	BAND D			
	Community	Flintshire	Police	Total
	£	£	£	£
Argoed	31.68	1,659.77	349.65	2,041.10
Bagillt	31.71	1,659.77	349.65	2,041.13
Broughton & Bretton	52.49	1,659.77	349.65	2,061.91
Brynford	74.44	1,659.77	349.65	2,083.86
Buckley	51.13	1,659.77	349.65	2,060.55
Caerwys	66.40	1,659.77	349.65	2,075.82
Cilcain	40.82	1,659.77	349.65	2,050.24
Connahs Quay	66.99	1,659.77	349.65	2,076.41
Flint	50.86	1,659.77	349.65	2,060.28
Gwernaffield & Pantymwyn	34.05	1,659.77	349.65	2,043.47
Gwernymynydd	32.94	1,659.77	349.65	2,042.36
Halkyn	36.95	1,659.77	349.65	2,046.37
Hawarden	52.32	1,659.77	349.65	2,061.74
Higher Kinnerton	40.55	1,659.77	349.65	2,049.97
Holywell	84.91	1,659.77	349.65	2,094.33
Hope	68.66	1,659.77	349.65	2,078.08
Leeswood	85.88	1,659.77	349.65	2,095.30
Llanasa	37.43	1,659.77	349.65	2,046.85
Llanfynydd	38.42	1,659.77	349.65	2,047.84
Mold	70.92	1,659.77	349.65	2,080.34
Mostyn	50.12	1,659.77	349.65	2,059.54
Nannerch	55.00	1,659.77	349.65	2,064.42
Nercwys	66.82	1,659.77	349.65	2,076.24
Northop	26.68	1,659.77	349.65	2,036.10
Northop Hall	42.73	1,659.77	349.65	2,052.15
Penyffordd	53.82	1,659.77	349.65	2,063.24
Queensferry	56.43	1,659.77	349.65	2,065.85
Saltney	44.15	1,659.77	349.65	2,053.57
Sealand	41.18	1,659.77	349.65	2,050.60
Shotton	81.26	1,659.77	349.65	2,090.68
Trelawnyd & Gwaenysgor	62.57	1,659.77	349.65	2,071.99
Treuddyn	51.00	1,659.77	349.65	2,060.42
Whitford	51.16	1,659.77	349.65	2,060.58
Ysceifiog	51.26	1,659.77	349.65	2,060.68

Appendix 4

2024/25 Council Tax Charges

Lowest to Highest Amounts by Town/Community Council

Community Councils	BAND D			
	Community	Flintshire	Police	Total
	£	£	£	£
Northop	26.68	1,659.77	349.65	2,036.10
Argoed	31.68	1,659.77	349.65	2,041.10
Bagillt	31.71	1,659.77	349.65	2,041.13
Gwernymynydd	32.94	1,659.77	349.65	2,042.36
Gwernaffield & Pantymwyn	34.05	1,659.77	349.65	2,043.47
Halkyn	36.95	1,659.77	349.65	2,046.37
Llanasa	37.43	1,659.77	349.65	2,046.85
Llanfynydd	38.42	1,659.77	349.65	2,047.84
Higher Kinnerton	40.55	1,659.77	349.65	2,049.97
Cilcain	40.82	1,659.77	349.65	2,050.24
Sealand	41.18	1,659.77	349.65	2,050.60
Northop Hall	42.73	1,659.77	349.65	2,052.15
Saltney	44.15	1,659.77	349.65	2,053.57
Mostyn	50.12	1,659.77	349.65	2,059.54
Flint	50.86	1,659.77	349.65	2,060.28
Treuddyn	51.00	1,659.77	349.65	2,060.42
Buckley	51.13	1,659.77	349.65	2,060.55
Whitford	51.16	1,659.77	349.65	2,060.58
Ysceifiog	51.26	1,659.77	349.65	2,060.68
Hawarden	52.32	1,659.77	349.65	2,061.74
Broughton & Bretton	52.49	1,659.77	349.65	2,061.91
Penyffordd	53.82	1,659.77	349.65	2,063.24
Nannerch	55.00	1,659.77	349.65	2,064.42
Queensferry	56.43	1,659.77	349.65	2,065.85
Trelawnyd & Gwaenysgor	62.57	1,659.77	349.65	2,071.99
Caerwys	66.40	1,659.77	349.65	2,075.82
Nercwys	66.82	1,659.77	349.65	2,076.24
Connahs Quay	66.99	1,659.77	349.65	2,076.41
Hope	68.66	1,659.77	349.65	2,078.08
Mold	70.92	1,659.77	349.65	2,080.34
Brynford	74.44	1,659.77	349.65	2,083.86
Shotton	81.26	1,659.77	349.65	2,090.68
Holywell	84.91	1,659.77	349.65	2,094.33
Leeswood	85.88	1,659.77	349.65	2,095.30

Appendix 4

2024/25 Council Tax Charges

% Amounts in Town / Community Council order

Community Councils	BAND D		
	Community	Flintshire	Police
	%	%	%
Argoed	0.00	9.10	4.97
Bagillt	2.03	9.10	4.97
Broughton & Bretton	10.34	9.10	4.97
Brynford	15.20	9.10	4.97
Buckley	2.55	9.10	4.97
Caerwys	4.75	9.10	4.97
Cilcain	0.62	9.10	4.97
Connahs Quay	7.37	9.10	4.97
Flint	4.90	9.10	4.97
Gwernaffield & Pantymwyn	0.42	9.10	4.97
Gwernymynydd	4.90	9.10	4.97
Halkyn	0.76	9.10	4.97
Hawarden	10.01	9.10	4.97
Higher Kinnerton	0.57	9.10	4.97
Holywell	5.07	9.10	4.97
Hope	3.64	9.10	4.97
Leeswood	5.14	9.10	4.97
Llanasa	14.30	9.10	4.97
Llanfynydd	0.50	9.10	4.97
Mold	5.00	9.10	4.97
Mostyn	5.58	9.10	4.97
Nannerch	3.77	9.10	4.97
Nercwys	4.41	9.10	4.97
Northop	9.80	9.10	4.97
Northop Hall	9.51	9.10	4.97
Penyffordd	0.00	9.10	4.97
Queensferry	5.73	9.10	4.97
Saltney	2.75	9.10	4.97
Sealand	-3.15	9.10	4.97
Shotton	0.60	9.10	4.97
Trelawnyd & Gwaenysgor	1.20	9.10	4.97
Treuddyn	2.51	9.10	4.97
Whitford	2.16	9.10	4.97
Ysceifiog	14.57	9.10	4.97

Appendix 4

2024/25 Council Tax Charges Lowest to Highest % amounts

Community Councils	BAND D		
	Community	Flintshire	Police
	%	%	%
Sealand	-3.15	9.10	4.97
Argoed	0.00	9.10	4.97
Penyffordd	0.00	9.10	4.97
Gwernaffield & Pantymwyn	0.42	9.10	4.97
Llanfynydd	0.50	9.10	4.97
Higher Kinnerton	0.57	9.10	4.97
Shotton	0.60	9.10	4.97
Cilcain	0.62	9.10	4.97
Halkyn	0.76	9.10	4.97
Trelawnyd & Gwaenysgor	1.20	9.10	4.97
Bagillt	2.03	9.10	4.97
Whitford	2.16	9.10	4.97
Treuddyn	2.51	9.10	4.97
Buckley	2.55	9.10	4.97
Saltney	2.75	9.10	4.97
Hope	3.64	9.10	4.97
Nannerch	3.77	9.10	4.97
Nercwys	4.41	9.10	4.97
Caerwys	4.75	9.10	4.97
Flint	4.90	9.10	4.97
Gwernymynydd	4.90	9.10	4.97
Mold	5.00	9.10	4.97
Holywell	5.07	9.10	4.97
Leeswood	5.14	9.10	4.97
Mostyn	5.58	9.10	4.97
Queensferry	5.73	9.10	4.97
Connahs Quay	7.37	9.10	4.97
Northop Hall	9.51	9.10	4.97
Northop	9.80	9.10	4.97
Hawarden	10.01	9.10	4.97
Broughton & Bretton	10.34	9.10	4.97
Llanasa	14.30	9.10	4.97
Ysceifiog	14.57	9.10	4.97
Brynford	15.20	9.10	4.97

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 9



FLINTSHIRE COUNTY COUNCIL

Date of Meeting	Tuesday, 20 th February 2024
Report Subject	Treasury Management Strategy 2024/25
Report Author	Corporate Finance Manager

EXECUTIVE SUMMARY

The report presents for approval the Treasury Management Strategy 2024/25, which is included as Appendix 1.

The Governance and Audit Committee considered and reviewed the Strategy at their meeting on 24th January 2024 and there were no specific matters required to be reported to Cabinet at their meeting this morning. The Cabinet report is attached as Appendix 2.

Following consideration by Cabinet a verbal update will be provided at the meeting on any specific comments or changes.

RECOMMENDATION

1	Members approve the Treasury Management Strategy 2024/25.
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REPORT DETAILS

1.00	BACKGROUND TO THE REPORT
1.01	<p>The Local Government Act 2003 requires all local authorities to have due regard to both the Chartered Institute of Public Finance and Accountancy's Treasury Management in Public Services: Code of Practice (The CIPFA Code of Practice) and Welsh Government guidance on Local Authority Investments.</p>
1.02	<p>In April 2023 the Council adopted the Chartered Institute of Public Finance and Accountancy's <i>Treasury Management in the Public Services: Code of Practice, 2021 Edition</i> (the CIPFA Code) which requires the Council to approve a Treasury Management Strategy before the start of each financial year.</p> <p>The CIPFA Code of Practice (2021 edition) requires: -</p> <ul style="list-style-type: none">• The Council to create and maintain a Treasury Management Policy Statement which states the Council's policies, objectives and approach to risk management of its treasury management activities.• The Council to create and maintain suitable Treasury Management Practices (TMPs) and accompanying schedules, stating how those policies and objectives will be achieved and prescribing how those activities will be managed and controlled.• The Council to create and maintain suitable investment management practices (IMPs) for investments that are not for treasury management purposes, within the TMP's.• The Council to receive reports on its treasury and investment management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.• Responsibility for treasury management to be clearly defined. The Council delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to the Cabinet, and for the execution and administration of treasury management decisions to the Corporate Finance Manager, who will act in accordance with the organisation's policy statement and TMPs and, CIPFA's <i>Standard of Professional Practice on Treasury Management</i>.• A body to be responsible for the scrutiny of Treasury Management Policy, Strategy and Practices. The Council has nominated the Governance and Audit Committee to be responsible for ensuring effective scrutiny of the treasury management function. The Governance and Audit Committee has previously agreed to include treasury management as a standing item on each quarterly agenda to receive an update.

1.03	The Welsh Government issues guidance on local authority investments that requires the Council to prepare an investment strategy before the start of each financial year. The guidance was updated in November 2019 and came into force from 1 st April 2020.
1.04	In preparation for approving the 2024/25 Treasury Management Strategy, training for all Members was held on 8 th December 2023. The workshop, presented by Arlingclose, the Council's treasury management advisors, covered: 1) the regulatory framework and the role of the elected Member in scrutinising the treasury management function; 2) an overview of the Council's treasury position and future; 3) a section on capital expenditure and financing, borrowing and debt restructuring; 4) a section on risk management and economic outlook, and 5) investment management.
1.05	As required by the Council's Financial Procedure Rules, the Strategy was reviewed by Governance and Audit Committee on 24 th January and was considered by Cabinet earlier today. Cabinet's recommendations will be reported at this meeting.

2.00	RESOURCE IMPLICATIONS
2.01	As per attached report (Appendix 2).

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	As per attached report (Appendix 2).

4.00	CONSULTATIONS REQUIRED AND UNDERTAKEN
4.01	As per attached report (Appendix 2).

5.00	APPENDICES
5.01	<ol style="list-style-type: none"> 1. Treasury Management Strategy 2024/25 2. Report to Cabinet 20th February, 2024

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	As per attached report (Appendix 2).



FLINTSHIRE COUNTY COUNCIL

**TREASURY MANAGEMENT
STRATEGY**

2024/25

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Treasury Management Strategy Report 2024/25

The Council is recommended to:

- Approve the Treasury Management Strategy for 2024/25
- Approve the Treasury Management Indicators for 2024/25

1.0 Introduction

In April 2023 the Council adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice, 2021 Edition* (the CIPFA Code) which requires the Council to approve a Treasury Management Strategy before the start of each financial year.

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. WG updated this guidance in November 2019.

This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and WG Guidance.

The successful identification, monitoring and control of risk are central to the Council's Treasury Management Strategy as the Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks, including the loss of invested funds and the revenue impact of changing interest rates.

In accordance with WG Guidance, the Council will be asked to approve a revised Treasury Management Strategy should the assumptions on which this report is based change significantly. Such circumstances would include, for example, a large, unexpected change in interest rates, in the Council's capital programme or in the level of its investment balance.

2.0 Economic Context (including interest rate forecast) – as provided by Arlingclose Ltd, December 2023

Economic background: The impact on the UK from higher interest rates and inflation, a weakening economic outlook, an uncertain political climate due to an upcoming general election, together with war in Ukraine and the Middle East, will be major influences on the Council's treasury management strategy for 2024/25.

The Bank of England (BoE) increased Bank Rate to 5.25% in August 2023, before maintaining this level for the rest of 2023. In December 2023, members of the BoE's Monetary Policy Committee voted 6-3 in favour of keeping Bank Rate at 5.25%. The three dissenters wanted to increase rates by another 0.25%.

The November quarterly Monetary Policy Report (MPR) forecast a prolonged period of weak Gross Domestic Product (GDP) growth with the potential for a mild contraction due to ongoing weak economic activity. The outlook for CPI inflation was deemed to be highly uncertain, with upside risks to CPI falling to the 2% target coming from potential energy price increases, strong domestic wage growth and persistence in price-setting.

Office for National Statistics (ONS) figures showed CPI inflation was 3.9% in November 2023, down from a 4.6% rate in the previous month and, in line with the recent trend, lower than expected. The core CPI inflation rate declined to 5.1% from the previous month's 5.7%, again lower than predictions. Looking ahead, using the interest rate path implied by financial markets the BoE expects CPI inflation to continue falling slowly, but taking until early 2025 to reach the 2% target before dropping below target during the second half 2025 and into 2026.

ONS figures showed the UK economy contracted by 0.1% between July and September 2023. The BoE forecasts GDP will likely stagnate through 2024. The BoE forecasts that higher interest rates will constrain GDP growth, which will remain weak over the entire forecast horizon.

The labour market appears to be loosening, but only very slowly. The unemployment rate rose slightly to 4.2% between June and August 2023, from 4.0% in the previous 3-month period, but the lack of consistency in the data between the two periods made comparisons difficult. Earnings growth has remained strong but has showed some signs of easing; regular pay (excluding bonuses) was up 7.3% over the period and total pay (including bonuses) up 7.2%. Adjusted for inflation, regular pay was 1.4% and total pay 1.3%. Looking forward, the MPR showed the unemployment rate is expected to be around 4.25% in the second half of calendar 2023, but then rising steadily over the forecast horizon to around 5% in late 2025/early 2026.

Having increased its key interest rate to a target range of 5.25-5.50% in August 2023, the US Federal Reserve appears now to have concluded the hiking cycle. It is likely this level represents the peak in US rates following a more dovish meeting outcome in December 2023. US GDP grew at an annualised rate of 4.9% between July and September 2023, ahead of expectations for a 4.3% expansion and the 2.1% reading for Q2. But the impact from higher rates has started to feed into economic activity and growth will weaken in 2024. Annual CPI inflation was 3.1% in November.

Eurozone inflation has declined steadily since the start of 2023, falling to an annual rate of 2.4% in November 2023. Economic growth has been weak and GDP contracted by 0.1% in the three months to September 2023. In line with other central banks, the European Central Bank has increased rates, taking its deposit facility, fixed rate tender, and marginal lending rates to 3.75%, 4.25% and 4.50% respectively.

Credit outlook: Credit Default Swap (CDS) prices were volatile during 2023, spiking in March on the back of banking sector contagion concerns following the major events of Silicon Valley Bank becoming insolvent and the takeover of

Credit Suisse by UBS. After then falling back in Q2 of calendar 2023, in the second half of the year, higher interest rates and inflation, the ongoing war in Ukraine, and now the Middle East, have led to CDS prices increasing steadily.

On an annual basis, CDS price volatility has so far been lower in 2023 compared to 2022, but this year has seen more of a divergence in prices between ringfenced (retail) and non-ringfenced (investment) banking entities once again.

Moody's revised its outlook on the UK sovereign to stable from negative to reflect its view of restored political predictability following the volatility after the 2022 mini-budget. Moody's also affirmed the Aa3 rating in recognition of the UK's economic resilience and strong institutional framework.

Following its rating action on the UK sovereign, Moody's revised the outlook on five UK banks to stable from negative and then followed this by the same action on five rated local authorities. However, within the same update the long-term ratings of those five local authorities were downgraded.

There remain competing tensions in the banking sector, on one side from higher interest rates boosting net income and profitability against another of a weakening economic outlook and likely recessions that increase the possibility of a deterioration in the quality of banks' assets.

However, the institutions on our adviser Arlingclose's counterparty list remain well-capitalised and their counterparty advice on both recommended institutions and maximum duration remain under constant review and will continue to reflect economic conditions and the credit outlook.

Interest rate forecast (December 2023): Although UK inflation and wage growth remain elevated, the Council's treasury management adviser Arlingclose forecasts that Bank Rate has peaked at 5.25%. The Bank of England's Monetary Policy Committee will start reducing rates in 2024 to stimulate the UK economy but will be reluctant to do so until it is sure there will be no lingering second-round effects. Arlingclose sees rate cuts from Q3 2024 to a low of around 3% by early-mid 2026.

Arlingclose expects long-term gilt yields to be broadly stable at current level (amid continued volatility), following the decline in yields towards the end of 2023, which reflects the expected lower medium-term path for Bank Rate. Yields will remain relatively higher than in the past, due to quantitative tightening and significant bond supply. As ever, there will undoubtedly be short-term volatility due to economic and political uncertainty and events.

Table 1: Interest rate forecast

	Bank Rate	3-month Money Market Rate	5-year Gilt Yield	20-year Gilt Yield	50-year Gilt Yield
Q1 2024	5.25	5.40	3.75	4.20	3.80
Q2 2024	5.25	5.40	3.75	4.20	3.85
Q3 2024	5.25	5.30	3.75	4.20	3.90
Q4 2024	5.00	5.15	3.70	4.20	3.90
Q1 2025	4.75	4.80	3.60	4.20	3.90
Q2 2025	4.25	4.30	3.50	4.20	3.90
Q3 2025	4.00	4.10	3.50	4.20	3.90
Q4 2025	3.75	3.80	3.40	4.20	3.90
Q1 2026	3.50	3.50	3.30	4.20	3.90
Q2 2026	3.25	3.25	3.30	4.20	3.95
Q3 2026	3.00	3.05	3.30	4.20	3.95

For the purpose of setting the budget, it has been assumed that new investments will be made at an average rate of 4.8%, and that new long-term loans will be borrowed at an average rate of 4.7%.

3.0 Current Treasury Portfolio

The Council's treasury portfolio as at 31st December 2023 was as follows:

Table 2: Current Treasury Portfolio

	Principal £m	Interest rate %
Investments:		
Call accounts	3.0	5.14
Money market funds	12.0	5.30
Short-term deposits	5.0	5.21
Long-term deposits	0.0	n/a
Total Investments	20.0	
Borrowing:		
Short-term loans	13.0	5.44
Long-term PWLB loans (fixed)	279.8	4.45
Long-term market loans (LOBOs)	18.9	4.53
Other Government loans	4.2	0.00
Total Borrowing	315.9	
Net Borrowing	295.9	

4.0 Local Context

Forecast changes in the sums in section 3 are shown in the balance sheet analysis in the table below.

Table 3: Balance Sheet Summary and Forecast

	31.3.23 Actual £m	31.3.24 Estimate £m	31.3.25 Estimate £m	31.3.26 Estimate £m	31.3.27 Estimate £m
Council Fund Capital Financing Requirement (Borrowing only)	219	229	243	252	264
Housing Revenue Account Capital Financing Requirement (Borrowing only)	134	133	139	142	144
Capital Financing Requirement (Borrowing only)	353	362	382	394	408
Less: Current ST borrowing	(12)	(302)	(294)	(288)	(282)
Less: Current LT borrowing	(295)				
Funding Required	46	60	88	106	126
Less: Usable reserves	(107)	(72)	(65)	(59)	(57)
Adj: Working capital	27	10	10	10	10
Investments / (New borrowing)	34	2	(33)	(57)	(79)

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while balance sheet resources are the underlying resources available for investment. The Council's current strategy is to maintain borrowing and investments below their under-lying levels, sometimes known as internal borrowing.

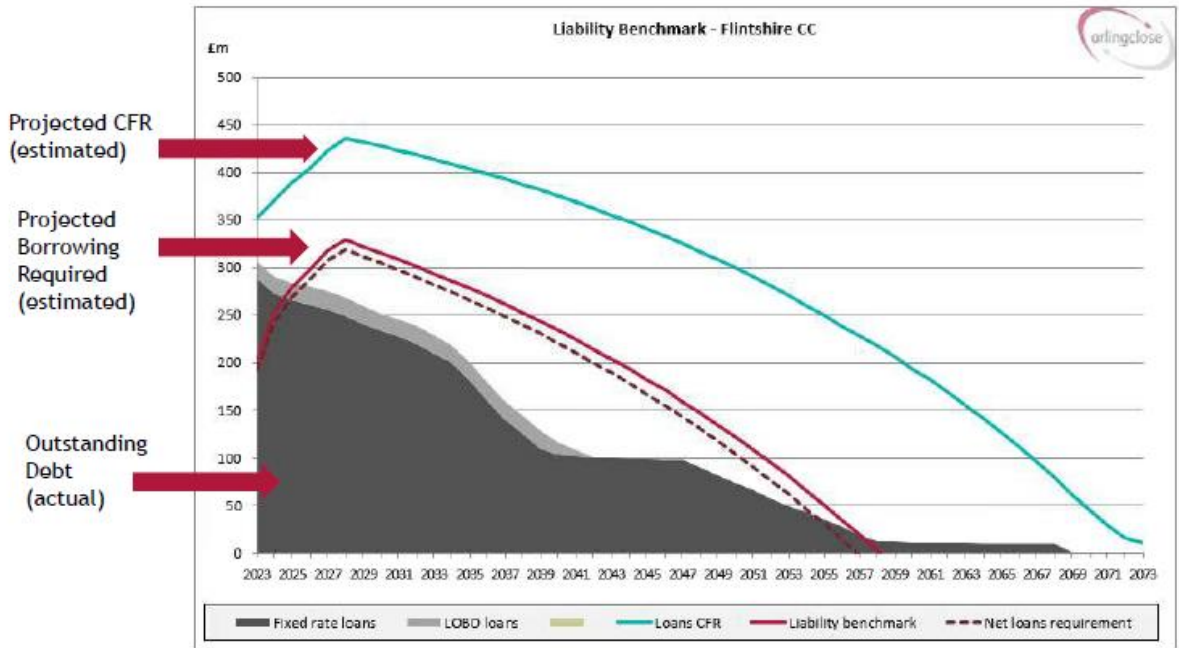
Table 3 shows the Council's CFR increases during 2024/25, this is linked with the capital programme (examples of schemes funded by borrowing include the Sustainable Communities for Learning schools programme, redevelopment of Croes Atti Residential Care Home and the HRA capital programme, which includes building new social housing). The level of reserves the Council has is expected to fall in 2023/24 as funding earmarked for specific purposes falls due for payment. The combination of the increase in capital expenditure and a reduction in reserves, results in a sustained requirement for new borrowing over the medium term.

Liability benchmark: To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes the same forecasts as table 3 above, but that cash and investment balances are kept to a minimum level to maintain sufficient liquidity but minimise credit risk.

The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future,

and so shape its strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

Table 4: Liability Benchmark - Flintshire County Council (December 2023)



The graph in Table 4 shows the Council’s anticipated liability benchmark over the next 50 years, being the net requirement for borrowing after considering resources available from reserves and working capital. The rise in the liability benchmark corresponds with the need to borrow to fund the increase in capital expenditure described above. The strategy in 2024/25, the same as in previous years, is to ensure that any new borrowing undertaken does not exceed the liability benchmark and cause the council to borrow more than it needs.

Budget implications

The budget for investment income in 2024/25 is £1.6m, based on an average investment portfolio of £33.6m at an average interest rate of 4.8%. The budget for interest on long-term loans in 2024/25 is £14.4m, based on long-term loans of £327m at an average interest rate of 4.51%. The budget for interest on short-term loans is £1.4m based on an average borrowing over recent years. Interest paid will be apportioned between the Council Fund and the HRA. If levels of investments, borrowing and interest rates differ from those forecast, performance against budget will be correspondingly different.

5.0 Borrowing Strategy

As at 31st December 2023, the Council held £302.9m of long-term loans, as part of its strategy for funding previous years' capital programmes. The balance sheet forecast in section 4 shows that the Council expects to need to undertake new borrowing during 2024/25.

The Council's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which the funds are required. The flexibility to renegotiate loans, should the Council's long-term plans change, is a secondary objective.

The Council's capital expenditure plans will continue to be monitored throughout 2024/25 to inform and confirm the Council's long-term borrowing need (figures in section 4 are an estimate). This is to ensure that the Council does not commit to long-term borrowing too early and borrow unnecessarily which will be costly. The use of short-term borrowing will assist with such. This will be balanced against securing low long term interest rates currently being forecast.

Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. Short-term interest rates are currently at a 15-year high but are expected to fall in the coming years and it is therefore likely to be more cost effective over the medium-term to either use internal resources, or to borrow short-term loans instead.

By doing so, the Council is able to reduce net borrowing costs (despite forgone investment income) and reduce overall treasury risk, credit risk as a result of bail-in legislation in particular. The benefit of internal and short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when the long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Council with this 'cost of carry' and breakeven analysis. Its output may determine whether the Council borrows additional sums at long-term fixed rates in 2024/25 with a view to keeping future interest costs low, even if this causes additional costs in the short-term.

The Council has previously raised the majority of its long-term borrowing from the PWLB but will consider long-term loans from other sources including banks, pensions and local authorities, and will investigate the possibility of issuing bonds and similar instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield; the Council intends to avoid this activity in order to retain its access to PWLB loans.

Alternatively, the Council may arrange forward starting loans, where the interest rate is fixed in advance, but the cash is received in later years. This would

enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

In addition, the Council may borrow for short periods of time to cover unexpected cash flow shortages.

Sources of borrowing

The approved sources of long-term and short-term borrowing will be:

- HM Treasury's PWLB lending facility (formerly the Public Works Loan Board)
- any institution approved for investments (see below)
- any other bank or building society authorised to operate in the UK
- any other UK public sector body
- UK public and private sector pension funds (except Clwyd Pension Fund)
- insurance companies
- capital market bond investors
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues
- UK Infrastructure Bank Ltd.

In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- leasing
- hire purchase
- Private Finance Initiative
- sale and leaseback
- WG Mutual Investment Model
- similar asset based finance

Municipal Bonds Agency:

UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It issues bonds on the capital markets and lends the proceeds to local authorities. This is a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to full Council.

LOBOs

The Council holds £18.95m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. All of these LOBOs have options during 2024/25, and with interest rates having risen recently, there is now a

good chance that lenders will exercise their options. If they do, the Council will take the option to repay LOBO loans to reduce refinancing risk in later years.

Short-term and Variable Rate loans

As at 31st December 2023, the Council held £13m short term (temporary) loans.

Any short-term loans leave the Council exposed to the risk of short-term interest rate rises and are therefore subject to the limit on the net exposure to variable interest rates in the treasury management indicators in section 7. Financial derivatives may be used to manage this interest rate risk (see section below).

Debt Rescheduling

The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk. The recent rise in interest rates means that more favourable debt rescheduling opportunities should arise than in previous years.

Planned borrowing strategy for 2024/25

The Corporate Finance Manager will:

- Manage the Council's debt maturity profile, i.e., to leave no one future year with a high level of repayments that could cause problems in re-borrowing with the limits stated in this Strategy Statement. Appendix A analyses the debt portfolio of the Council as at 31st December 2023.
- Effect any borrowing that may be required in 2024/25 at the cheapest cost commensurate with future risk based on interest rate forecasts.
- Monitor and review the level of variable interest rate loans in order to take greater advantage of interest rate movements, within the limits stated in this Strategy.
- Continue to monitor options for debt-restructuring and debt re-payment.

The Corporate Finance Manager will monitor the interest rate market and adopt a pragmatic approach to any changing circumstances, reporting any decisions and actions taken under delegated powers to Cabinet via the Governance and Audit Committee.

6.0 Treasury Investment Strategy

The Council holds surplus funds, representing income received in advance of expenditure, plus balances and reserves held. In the past 12 months, the Council's treasury average investment balance was £43.9m with similar or slightly lower levels expected to be maintained in the forthcoming year.

Non-treasury investments, including loans to subsidiaries and purchases of investment property, are not normally considered to be treasury investments, and these are therefore covered separately in Appendix B.

Both the CIPFA Code and the WG Guidance require the Council to invest its treasury 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. Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested. The Council aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing.

Strategy

As demonstrated by the liability benchmark above, the Council expects to be a long-term borrower and new treasury investments will therefore be made primarily to manage day-to-day cash flows using short-term low risk instruments. The existing portfolio of strategic pooled funds will be maintained to diversify risk into different sectors and boost investment income.

ESG policy:

Environmental, social and governance (ESG) considerations are increasingly a factor in global investors' decision making, but the framework for evaluating investment opportunities is still developing and therefore the Council's ESG policy does not currently include ESG scoring or other real-time ESG criteria at an individual investment level. When investing in banks and funds, the Council will prioritise banks that are signatories to the UN Principles for Responsible Banking and funds operated by managers that are signatories to the UN Principles for Responsible Investment, the Net Zero Asset Managers Alliance and/or the UK Stewardship Code.

Investment criteria and limits

The Council may invest its surplus funds with any of the counterparties in the following table, subject to the monetary and time limits shown.

Table 5: Treasury investment counterparties and limits

This table must be read in conjunction with the notes below.

Sector	Time limit	Counterparty limit	Sector limit
The UK Government	50 years	Unlimited	n/a
Local authorities & other government entities	25 years	£4m	Unlimited
Secured investments *	25 years	£3m	Unlimited
Banks (unsecured) *	13 months	£3m	Unlimited
Building societies (unsecured) *	13 months	£3m	Unlimited
Registered providers (unsecured) *	5 years	£2m	Unlimited
Money market funds *	n/a	£4m	Unlimited
Strategic pooled funds	n/a	£1m	£5m
Real estate investment trusts	n/a	£1m	£1m
Other investments *	5 years	£2m	£10m

*** Minimum credit rating:** Treasury investments in the sectors marked with an asterisk will only be made with entities whose lowest published long-term credit rating is no lower than A-. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors, including external advice, will be taken into account.

For entities without published credit ratings, investments may be made either (a) where external advice indicates the entity to be of similar credit quality; or (b) to a maximum of £100k per counterparty as part of a diversified pool.

Government: Loans to, and bonds and bills issued or guaranteed by, national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Government are deemed to be zero credit risk due to its ability to create additional currency and therefore may be made in unlimited amounts for up to 50 years.

Secured investments: Investments secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be a key factor in the investment decision. Covered bonds and reverse repurchase agreements with banks and building societies are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher

of the collateral credit rating and the counterparty credit rating will be used. The combined secured and unsecured investments with any one counterparty will not exceed the cash limit for secured investments.

Banks and building societies (unsecured): Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

Registered providers (unsecured): Loans to, and bonds issued or guaranteed by, registered providers of social housing or registered social landlords, formerly known as housing associations. These bodies are regulated by the Welsh Government. As providers of public services, they retain the likelihood of receiving government support if needed.

Money market funds: Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. Although no sector limit applies to money market funds, the Council will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.

Strategic pooled funds: Bond, equity and property funds that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.

Real estate investment trusts (REITs): Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term, but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties.

Other investments: This category covers treasury investments not listed above, for example unsecured corporate bonds and company loans. Non-bank companies cannot be bailed-in but can become insolvent placing the Council's investment at risk.

Operational bank accounts: The Council may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail-in, and balances will therefore be kept as low as possible. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than

made insolvent, increasing the chance of the Council maintaining operational continuity.

Risk assessment and credit ratings

Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. The credit rating agencies in current use are listed in the Treasury Management Practices document.

Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a rating is on review for possible downgrade (also known as "negative watch") so that it is likely to fall below the above criteria, then no further investments will be made in that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Reputational aspects: The Council is aware that investment with certain counterparties, while considered secure from a purely financial perspective, may leave it open to criticism, valid or otherwise, that may affect its public reputation, and this risk will therefore be taken into account when making investment decisions.

Other information on the security of investments

The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Council's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as in 2008, 2020 and 2022, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of "high credit quality" are available to invest the Council's cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office for example, or with other local

authorities. This will cause investment returns to fall but will protect the principal sum invested.

Specified investments

The WG Guidance defines specified investments as those:

- denominated in pound sterling,
- due to be repaid within 12 months of arrangement unless the counterparty is a local authority,
- not defined as capital expenditure by legislation, and
- invested with one of:
 - the UK Government,
 - a UK local authority, parish council or community council, or
 - a body or investment scheme of 'high credit quality'.

The Council defines 'high credit quality' organisations as those having a credit rating of A- or higher that are, domiciled in the UK, or a foreign country with a sovereign rating of AA+ or higher. For money market funds and other pooled funds 'high credit quality' is defined as those having a credit rating of A- or higher.

Non-Specified Investments

Any financial investment not meeting the definition of a specified investment is classed as non-specified. The Council does not intend to make any investments in foreign currencies. Given the wide definition of a loan, this category only applies to units in pooled funds and shares in companies. Limits on non-specified investments are shown in the table below. The Council confirms that its current non-specified investments remain within these limits.

Table 6: Non-Specified Investment Limits

	Cash Limit
Total invested in pooled funds without credit rating	£5m
Shares in real estate investment trusts	£1m
Shares in local organisations	£1m
Total non-specified investments	£7m

Foreign countries

Investments in foreign countries will be limited to a maximum of £5 million per foreign country. Investments in countries whose lowest sovereign rating is not AAA will be limited to one year's duration. No country limit will apply to investments in the UK, irrespective of the sovereign credit rating.

Liquidity management

The Council uses purpose-built cash flow forecasting software to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis, with receipts under-estimated and payments over-

estimated to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's medium term financial plan and cash flow forecast.

Business models

Under the new International Financial Reporting Standard (IFRS) 9, the accounting for certain investments depends on the Council's 'business model' for managing them. The Council aims to achieve value from its internally managed treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.

7.0 Treasury Management Prudential Indicators

The Council measures and manages its exposures to treasury management risks using the following indicators. The Council is asked to approve the following indicators:

Interest rate exposures

This indicator is set to control the Council's exposure to interest rate risk. Estimates of the one-year revenue impact of a 1% rise or fall in interest rates will be:

Interest rate risk indicator	2024/25 £m	2025/26 £m	2026/27 £m
Estimate of one-year revenue impact of a 1% rise in interest rates	(0.274)	(0.236)	(0.217)
Estimate of one-year revenue impact of a 1% fall in interest rates	0.421	0.426	0.407

The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at new market rates.

Fixed rate investments and borrowings are those where the rate of interest is fixed for at least 12 months, measured from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate.

Maturity structure of borrowing

This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing will be:

	Lower	Upper
Under 12 months	0%	20%
12 months and within 24 months	0%	20%
24 months and within five years	0%	30%
Five years and within 10 years	0%	50%
10 years and above	0%	100%

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

Long-term treasury management investments:

The purpose of this indicator is to control the Council’s exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management investments will be:

Price risk indicator	2024/25	2025/26	2026/27
Limit on total principal invested beyond year end	£5m	£5m	£5m

Any long-term investments carried forward from previous years will be included in each year’s limit.

Borrowing limits

The Council is being asked to approve these Prudential Indicators as part of the Capital Strategy report. However, they are repeated here for completeness.

	2024/25	2025/26	2026/27
Operational boundary – borrowing	£410m	£425m	£443m
Operational boundary – other long-term liabilities	<u>£75m</u>	<u>£74m</u>	<u>£72m</u>
Operational boundary – TOTAL	£485m	£499m	£515m
Authorised limit – borrowing	£485m	£499m	£515m
Authorised limit – other long-term liabilities	<u>£35m</u>	<u>£35m</u>	<u>£35m</u>
Authorised limit – TOTAL	£520m	£534m	£550m

8.0 Other Matters

The CIPFA Code requires the Council to include the following in its treasury management strategy.

Financial derivatives:

Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g., interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g., LOBO loans and callable deposits). The general power of competence in section 24 of the Local Government and Elections (Wales) Act 2021 removes much of the uncertainty over local authorities’ use of standalone financial derivatives (i.e., those that are not embedded into a loan or investment).

The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties,

will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria, assessed using the appropriate credit rating for derivative exposures. An allowance for credit risk calculated using the methodology in the Treasury Management Practices document will count against the counterparty credit limit and the relevant foreign country limit.

In line with the CIPFA Code, the Council will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.

Policy on Apportioning Interest to HRA

The Council has adopted a single pool of loans which funds the capital expenditure of both Council Fund and HRA activities. The interest payable and other costs/income arising from long term loans (e.g., premiums and discounts on early redemption) is apportioned between the revenue accounts using the average Capital Financing Requirement (which measures the underlying need to borrow to fund capital expenditure) during the year.

Given that the HRA has minimal level of reserves compared to the total level of reserves held by the Council, any interest received on investments will be credited to the Council Fund revenue account.

Markets in Financial Instruments Directive

The Council has opted up to professional client with its providers of financial services, including advisers, banks, and brokers, allowing it access to a range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Council's treasury management activities, the Corporate Finance Manager believes this to be the most appropriate status.

Welsh Government Guidance

The WG Investment Guidance requires the Council to note the following matters each year as part of the investment strategy:

Treasury Management Advisers: The Council's treasury management adviser, Arlingclose continues to provide advice and information on the Council's investment and borrowing activities, although responsibility for final decision making remains with the Council and its officers. The services received include:

- advice and guidance on relevant policies, strategies and reports,
- advice on investment decisions,
- notification of credit ratings and changes,
- other information on credit quality,

- advice on debt management decisions,
- accounting advice,
- reports on treasury performance,
- forecasts of interest rates, and
- training courses.

The quality of this service is controlled by Financial Procedure Rules and Contract Procedure Rules.

Capacity and skills training

The needs of the Council's treasury management team for training in treasury management are assessed as part of the employee appraisal process, and additionally when the responsibilities of individual members of the treasury team change.

Employees regularly attend training courses, seminars and conferences provided by Arlingclose and CIPFA. Relevant employees are also encouraged to study professional qualifications from CIPFA and other appropriate organisations.

Training for elected Members is provided by Arlingclose on an annual basis and by the treasury management team on an ongoing basis.

Training ensures that those elected members and statutory officers involved in the investments decision-making process have appropriate capacity, skills and information to enable them to: 1. take informed decisions as to whether to enter into a specific investment; 2. assess individual investments in the context of the strategic objectives and risk profile of the Council; and 3. understand how the quantum of these decisions have changed the overall risk exposure of the Council.

The Council ensures that those negotiating deals are aware of the core principles of the prudential framework and of the regulatory regime within which local authorities operate.

Investment of Money Borrowed in Advance of Need

Welsh Government guidance states that local authorities must not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed.

The Council will not borrow more than or in advance of their needs to profit from the investment but may, from time to time, borrow in advance of need, where this is expected to provide the best long-term value for money for example in a climate of rising interest rates. Since amounts borrowed will be invested until spent, the Council is aware that it will be exposed to the risk of loss of the borrowed sums, and the risk that investment and borrowing interest rates may change in the intervening period. These risks will be managed as part of the Council's overall management of its treasury risks.

The total amount borrowed will not exceed the authorised borrowing limit of £520 million. The maximum period between borrowing and expenditure is expected to be two years, although the Council is not required to link particular loans with particular items of expenditure.

Climate change

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 net zero carbon Council by 2030. The Council has developed a Climate Change Strategy and action plan which sets the initial route map to support this wider decarbonisation actions across the County. The Council will continue to reviewing with Arlingclose what options are available for investments that support a low carbon economy.

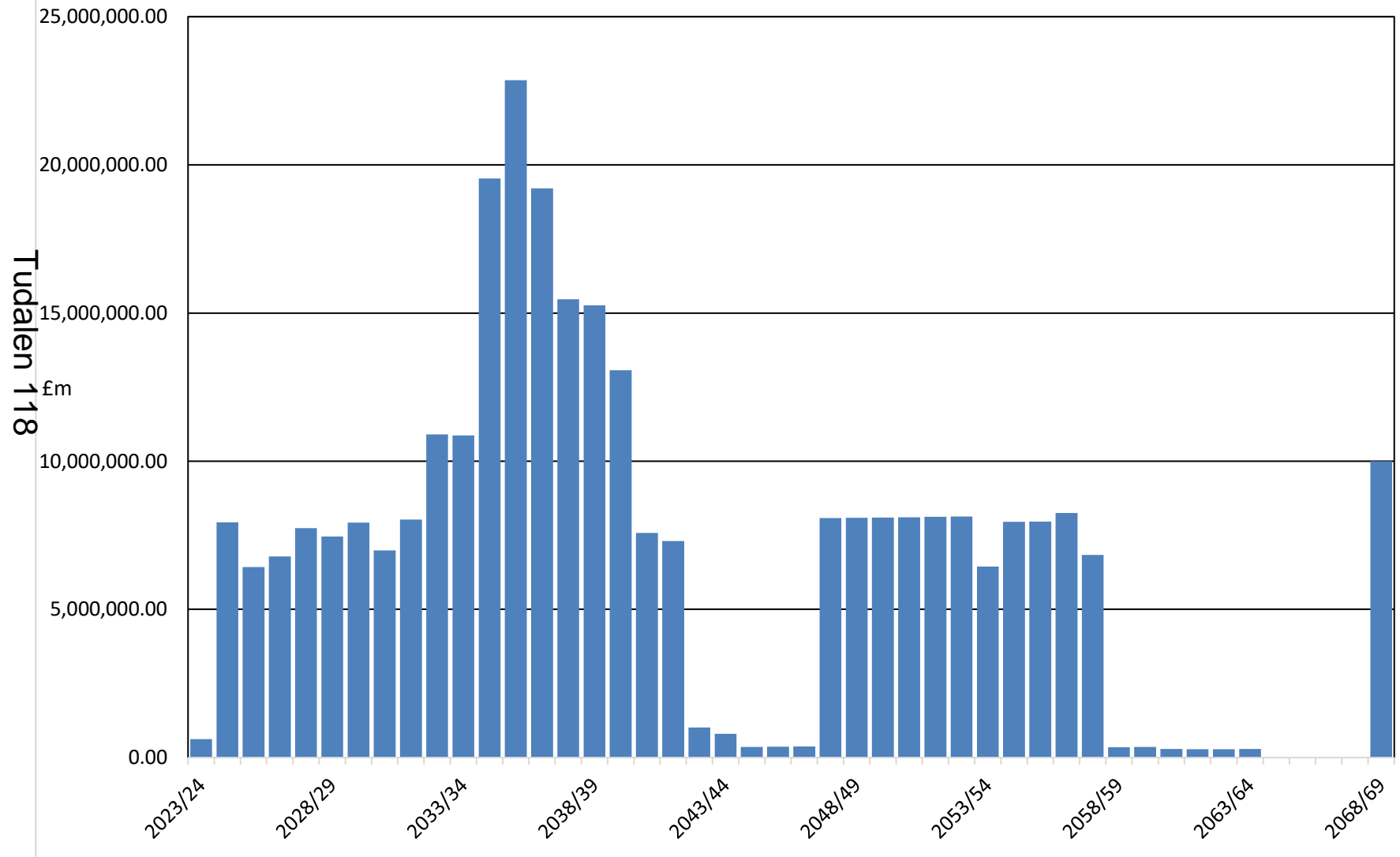
Other Options Considered

The WG Investment Guidance and the CIPFA Code of Practice do not prescribe any particular treasury management strategy for local authorities to adopt. The Corporate Finance Manager believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed in the following table.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter periods.	Interest income will be lower	Reduced risk of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer periods.	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs will be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs will be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs will be less certain

APPENDIX A – DEBT MATURITY PROFILE

Debt Maturity Profile - December 2023



APPENDIX B: Additional requirements of Welsh Government Investment Guidance – Non-Treasury Investments

The Welsh Government (WG) published revised Investment Guidance in November 2019 which places additional reporting requirements upon local authorities and covers investments that are not part of treasury management. In this appendix the Council sets out the information required to comply with the WG guidance for non-treasury investments.

The Council has given loans to wholly owned companies for service purposes and has historical non-financial investments in property defined as Investment Properties within the Council's Statement of Accounts. The Council considers both to be non-treasury investments.

Loans to Wholly Owned Subsidiaries

The WG guidance defines a loan as a written or oral agreement where the Council temporarily transfers cash to a third party, joint venture, subsidiary or associate who agrees a return according to the terms and conditions of receiving the loan, except where the third party is another local authority.

Contribution

The Council's investments in the form of loans to wholly owned companies contribute to its service delivery objectives and/or to promote wellbeing as follows:

The Council has embarked on an ambitious house building programme as part of its Strategic Housing and Regeneration Programme (SHARP). This plan aims to deliver 500 new homes will be built at a range of sites across the county, a mixture of new council houses and affordable homes, alongside commissioning a range of linked regeneration initiatives and community benefits.

Affordable homes are being developed through the Council's wholly owned subsidiary North East Wales Homes Limited (NEW Homes) in partnership with the Council. Affordable homes for rent are built or purchased by NEW Homes funded by loans from the Council. New affordable homes for rent have been built in Flint, Penyffordd (Holywell), Dobshell, Bryn-y-Baal, Northop and Saltney.

Controls and Limits

The Council considers that its financial exposure to loans to wholly owned companies is proportionate and has set the limits in table B1. The Council's loan book is currently within these self-assessed limits.

NEW Homes was established on 3rd April 2014 to own, lease and manage properties with the aim of increasing the quantity and quality of affordable housing across the county.

NEW Homes is a company limited by shares, wholly owned by the Council (1 at £1 par value), established under section 95 of the Local Government Act 2003. The

Council has a high level of control over NEW Homes as the single shareholder, approving:

- the issue of share capital
- the distribution of trading surplus
- the annual business plan
- any asset disposals
- any borrowing against assets
- appointment of directors to the board

Table B1: Loan limits

Borrower	Cash Limit
Wholly owned companies	£40m
Treasury management investments meeting the definition of a loan	Unlimited

The Council, as required, has considered allowing for an ‘expected credit loss’ model for loans and receivables as set out in IFRS 9: *Financial Instruments*, as adopted by proper practices, to measure the credit risk of its loan portfolio. When calculated, the expected credit loss was very small. Given the high level of control the Council has over NEW Homes and the security arrangements, the Council decided against setting up a provision for expected credit loss from the loans to NEW Homes.

Appropriate consideration is given to state aid rules and competition law. The Council sought specific legal and finance advice to ensure existing and future loans are compliant with State Aid regulations. The rates applied are below what NEW Homes would receive on the open market, and therefore are granted to NEW Homes under the Services of General Economic Interest Decision (a State Aid exemption). Arrangements are in place to monitor and ensure that the amount of aid granted through the loan does not exceed the net cost of providing the Service of General Economic Interest. A deed of entrustment is in place to clearly set out the requirements of both parties.

Liquidity

The Council has borrowed from the PWLB to on-lend at a small margin to NEW Homes on the same terms and conditions, therefore the impact on the Council’s Treasury Management activities is limited.

The length of the loans has been determined by assessing the cash flow of each housing development scheme to ensure over the long-term affordable rents are sufficient to repay borrowing, interest, management costs, cyclical maintenance costs and reasonable allowances for voids and bad debts. Most schemes require an annuity loan commitment of 45 years, the maximum the Council would commit to is 50 years.

Agreements are in place ensuring that the Council has security on all NEW Homes properties which includes properties built using the loan funding and also other properties that NEW Homes owns outright (acquired from developers as part of Section 106 Planning Act agreements to provide affordable housing). In the event of a default, the Council could either sell the properties to repay its borrowing or include them within the Housing Revenue Account and continue to rent at social housing rent levels.

Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice and can take a considerable period to sell in certain market conditions. The Council accepts that the invested funds have been invested in NEW Homes for the length of the loans – approx. 45 years – and cannot readily be accessed for other purposes.

Yield (net profit)

The loans generate a small income for the Council as there is a margin of approx. 0.25% charged to NEW Homes on the Council’s borrowing rate from the PWLB. The income makes a very small contribution to achieving a balanced revenue budget.

Investment Properties

The Welsh Government guidance includes an investment category covering non-financial assets held primarily or partially to generate a profit, primarily investment property. Proper accounting practice defines an investment property as those that are held solely to earn rent and / or for capital appreciation.

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.

Contribution

The Council’s investments, in the form of investment properties, contribute to its service delivery objectives and/or to promote wellbeing by providing a net financial surplus that is reinvested into local public services.

Security

The Welsh Government guidance requires that security is determined by comparing each asset’s purchase price to its fair value using the model in International Accounting Standard 40: *Investment Property*, as adapted by proper practices.

As the Council’s investment portfolio is of a historic nature, built up over many years, property purchase prices are not readily available to compare with current fair values. The table below shows the fair values of the current portfolio over the last 5 years demonstrating that the historic capital invested has remained stable over the past 5 years.

Table B2: Fair Value of Investment Properties

	31.3.2023 £m	31.3.2022 £m	31.3.2021 £m	31.3.2020 £m	31.3.2019 £m	31.3.2018 £m
Fair Value Inv. Properties	28.8	27.6	25.2	25.0	25.2	25.2

Liquidity

The Council's investment properties are historical investment decisions and therefore will have limited impact on the Council's liquidity. No recent investment has taken place in investment properties, and therefore there is no recent borrowing associated.

Yield (net profit)

The profit generated by investment activity makes a small contribution to achieving a balanced revenue budget. Table B3 below details the extent to which funding expenditure to meet the service delivery objectives and or promote wellbeing in the Council is dependent on achieving the expected yield over the life cycle of the Medium-Term Financial Plan.

Table B3: Proportionality of Investment Properties

	2022/23 Actual £m	2023/24 Budget £m	2024/25 Budget - Estimated £m
Net Revenue Budget	326.683	352.121	357.681
Net Investment income	1.67	1.65	1.65
Proportion	0.51%	0.47%	0.46%



CABINET

Date of Meeting	Tuesday 20 th February 2024
Report Subject	Treasury Management Strategy 2024/25
Cabinet Member	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
Report Author	Corporate Finance Manager
Type of Report	Strategic

EXECUTIVE SUMMARY

The report presents the draft Treasury Management Strategy 2024/25 for recommendation to Council. The report was considered in detail by Governance and Audit Committee on 24th January 2024 and there are no specific matters to bring to the attention of Cabinet.

The Treasury Management Strategy for 2024/25 is attached as Appendix 1 for review and a summary of the key points are included in the report.

This report is supplemented by treasury management training that was provided for Members of the Council on 8th December 2023.

RECOMMENDATIONS

1	That Cabinet recommends the Treasury Management Strategy 2024/25 to County Council for approval.
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REPORT DETAILS

1.00	EXPLAINING THE STRATEGY
	<u>BACKGROUND</u>
1.01	<p>The Local Government Act 2003 requires all local authorities to have due regard to both the Chartered Institute of Public Finance and Accountancy's Treasury Management in Public Services: Code of Practice (The CIPFA Code of Practice) and Welsh Government guidance on Local Authority Investments.</p>
1.02	<p>In April 2023 the Council adopted the Chartered Institute of Public Finance and Accountancy's <i>Treasury Management in the Public Services: Code of Practice, 2021 Edition</i> (the CIPFA Code) which requires the Council to approve a Treasury Management Strategy before the start of each financial year.</p> <p>The CIPFA Code of Practice (2021 edition) requires: -</p> <ul style="list-style-type: none">• The Council to create and maintain a Treasury Management Policy Statement which states the Council's policies, objectives and approach to risk management of its treasury management activities.• The Council to create and maintain suitable Treasury Management Practices (TMPs) and accompanying schedules, stating how those policies and objectives will be achieved and prescribing how those activities will be managed and controlled.• The Council to create and maintain suitable investment management practices (IMPs) for investments that are not for treasury management purposes, within the TMP's.• The Council to receive reports on its treasury and investment management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.• Responsibility for treasury management to be clearly defined. The Council delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to the Cabinet, and for the execution and administration of treasury management decisions to the Corporate Finance Manager, who will act in accordance with the organisation's policy statement and TMPs and, CIPFA's <i>Standard of Professional Practice on Treasury Management</i>.• A body to be responsible for the scrutiny of Treasury Management Policy, Strategy and Practices. The Council has nominated the Governance and Audit Committee to be responsible for ensuring effective scrutiny of the treasury management function. The Governance and Audit Committee has previously agreed to include treasury management as a standing item on each quarterly agenda to receive an update.

1.03	The Welsh Government issues guidance on local authority investments that requires the Council to prepare an investment strategy before the start of each financial year. The guidance was updated in November 2019 and came into force from 1 st April 2020.
1.04	In preparation for approving the 2024/25 Treasury Management Strategy, training for all Members was held on 8 th December 2023. The workshop, presented by Arlingclose, the Council's treasury management advisors, covered: 1) the regulatory framework and the role of the elected Member in scrutinising the treasury management function; 2) an overview of the Council's treasury position and future; 3) a section on capital expenditure and financing, borrowing and debt restructuring; 4) a section on risk management and economic outlook, and 5) investment management.
	<u>CONSIDERATIONS</u>
	2024/25 Treasury Management Policy Statement, Strategy and Practices
1.05	The Treasury Management Policy Statement was approved by Council in February 2023 and covers the 3-year period from 2023/24 to 2025/26. This document defines the Council's Treasury Management activities, sets out the Council's criteria to measure the effectiveness of Treasury Management activities and includes the Council's high-level policies for borrowing and investments. Once approved, it was agreed that the document only be reported to Members during its lifetime in the event of any significant changes. There is no change to this document.
1.06	<p>Similarly, the Treasury Management Practices (TMPs) and accompanying schedules to cover the 3-year period from 2023/24 to 2025/26 were approved by Council in February 2023 and it was agreed that these operational documents will only be reported to Members during their lifetime in the event of any significant changes.</p> <p>The TMPs and schedules state how treasury management policies and objectives will be achieved and give specific details of the systems and routines employed and the records to be maintained, including:</p> <ul style="list-style-type: none"> • TMP 1 Treasury risk management • TMP 2 Performance measurement • TMP 3 Decision-making and analysis • TMP 4 Approved instruments, methods and techniques • TMP 5 Organisation, clarity and segregation of responsibilities, and dealing arrangements • TMP 6 Reporting requirements and management information arrangements • TMP 7 Budgeting, accounting and audit arrangements • TMP 8 Cash and cash flow management • TMP 9 Money laundering • TMP 10 Staff training and qualifications • TMP 11 Use of external service providers • TMP 12 Corporate governance

	Treasury Management Strategy 2024/25
1.07	<p>The 2024/25 Treasury Management Strategy is attached at Appendix 1 for review and discussion. The Strategy is updated and reported annually to Members in accordance with the CIPFA Code of Practice and Welsh Government guidance.</p> <p>The Treasury Management Strategy details the approach the Council will take for investing and borrowing over the next year, including the budgetary implications of the planned investment and borrowing strategy, and a number of treasury management indicators that the CIPFA Code requires.</p>
1.08	<p>The main body of the 2024/25 Strategy has not changed significantly from that of the 2023/24 Strategy. Matters that merit the attention of Members are summarised below:</p> <ul style="list-style-type: none"> • Section 2 – Economic context, provided by Arlingclose, highlights the impact on the UK from higher interest rates and inflation, a weakening economic outlook, an uncertain political climate due to an upcoming general election, together with war in Ukraine and the Middle East. The Bank of England (BoE) increased Bank Rate to 5.25% in August 2023, before maintaining this level for the rest of 2023. In December 2023, members of the BoE’s Monetary Policy Committee voted 6-3 in favour of keeping Bank Rate at 5.25%. Arlingclose forecasts that Bank Rate has peaked at 5.25%. • Section 4 – Local context. This section summarises the Council’s anticipated treasury position in 2024/25. Activity in 2024/25 is expected to focus more on borrowing and less on investing as the Council’s requirement to borrow is forecast to grow due to a planned increase in capital expenditure. • Section 5 - Borrowing strategy. This section is largely a continuation of the 2023/24 strategy. The Council continues to forecast a significant long-term borrowing requirement. The required amounts need to be confirmed before a commitment to long term borrowing is made and the use of short-term borrowing will be used to assist during this period. • Section 6 – Treasury Investment Strategy. Again, this section is largely a continuation of the Council’s 2023/24 strategy, the aim being 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.
1.09	<p>The Governance and Audit Committee reviewed the draft Treasury Management Strategy at its meeting on 24th January 2024. Questions raised at the Committee were all answered to members satisfaction. There were no issues raised by the Committee for Cabinet.</p>

2.00	RESOURCE IMPLICATIONS
2.01	Financial implications are set out within this report and supporting appendices; there are no other resource implications directly as a result of this report.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT														
3.01	Risk Management directly addressed within the report and appendices including identification of risks and measures to mitigate likelihood and impact of risks identified.														
3.02	Ways of Working (Sustainable Development) Principles Impact <table border="1" data-bbox="320 701 1386 1046"> <tr> <td>Long-term</td> <td>Positive. The Treasury Management Strategy considers the long-term impact of investing and borrowing decisions.</td> </tr> <tr> <td>Prevention</td> <td>No change</td> </tr> <tr> <td>Integration</td> <td>No change</td> </tr> <tr> <td>Collaboration</td> <td>No change</td> </tr> <tr> <td>Involvement</td> <td>No change</td> </tr> </table>	Long-term	Positive. The Treasury Management Strategy considers the long-term impact of investing and borrowing decisions.	Prevention	No change	Integration	No change	Collaboration	No change	Involvement	No change				
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3.03	Well-being Goals Impact <table border="1" data-bbox="320 1193 1386 1462"> <tr> <td>Prosperous Wales</td> <td>No impact</td> </tr> <tr> <td>Resilient Wales</td> <td>No impact</td> </tr> <tr> <td>Healthier Wales</td> <td>No impact</td> </tr> <tr> <td>More equal Wales</td> <td>No impact</td> </tr> <tr> <td>Cohesive Wales</td> <td>No impact</td> </tr> <tr> <td>Vibrant Wales</td> <td>No impact</td> </tr> <tr> <td>Globally responsible Wales</td> <td>No impact</td> </tr> </table>	Prosperous Wales	No impact	Resilient Wales	No impact	Healthier Wales	No impact	More equal Wales	No impact	Cohesive Wales	No impact	Vibrant Wales	No impact	Globally responsible Wales	No impact
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4.00	CONSULTATIONS REQUIRED / CARRIED OUT
4.01	Arlingclose Ltd, being the Council's treasury management advisors.

5.00	APPENDICES
5.01	1. Draft Treasury Management Strategy 2024/25

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 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.</p> <p>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.</p> <p>Capital Expenditure: Expenditure on the acquisition, creation or enhancement of capital assets.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>Corporate Bonds: Corporate bonds are bonds issued by companies. The term is often used to cover all bonds other than those issued by</p>

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 His 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.

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.

MiFID II (Markets in Financial Instruments Directive): EU legislation that regulates firms who provide services to clients linked to 'financial instruments'. As a result of MiFID II, from 3rd January 2018 local authorities will be treated as retail clients but can "opt up" to professional client status, providing that they meet certain qualitative and quantitative criteria.

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): A committee of the Bank of England, which meets to decide the Bank Rate. Its primary target is to keep CPI 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): QE is a form of monetary policy where a Central Bank creates new money electronically to buy financial assets, like government bonds. This cash injection lowers the cost of borrowing and boosts asset prices to support spending.

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.

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 10



FLINTSHIRE COUNTY COUNCIL

Date of Meeting	Tuesday, 20 th February 2024
Report Subject	Minimum Revenue Provision - 2024/25 Policy
Report Author	Corporate Finance Manager

EXECUTIVE SUMMARY

This report seeks Council approval in setting the annual policy for the Minimum Revenue Provision for the prudent repayment of debt.

Cabinet will consider the report, included at Appendix 1, at their meeting this morning and their recommendations will be reported at the meeting.

RECOMMENDATIONS

1	<p>Members approve for Council Fund (CF):-</p> <ul style="list-style-type: none">• Option 3 (Asset Life Method) be used for the calculation of the MRP in financial year 2024/25 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 2024/25 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 2024/25 for all capital expenditure funded from unsupported (prudential) borrowing or credit arrangements, including MIM. 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.
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2	<p>Members approve for Housing Revenue Account (HRA):-</p> <ul style="list-style-type: none"> Option 3 (Asset Life Method) be used for the calculation of the HRA's MRP in 2024/25 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 2024/25 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.
3	<p>Members approve 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:-</p> <ul style="list-style-type: none"> 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.

REPORT DETAILS

1.00	EXPLAINING THE MINIMUM REVENUE PROVISION
1.01	<p>Local Authorities are required each year, under the Local Authorities (Capital Finance and Accounting) (Wales) (Amendment) Regulations 2008 ('the 2008 Regulations'), to set aside some of their revenue resources as provision for the repayment of debt.</p> <p>Regulation 22 of the 2008 Regulations requires an authority to each year make an amount of Minimum Revenue Provision (MRP) which it considers to be 'prudent', though the regulation itself does not define 'prudent provision'.</p> <p>Welsh Government (WG) has provided guidance which makes recommendations to authorities on the interpretation of the term, this guidance was last updated in 2018.</p> <p>Authorities are required to prepare an annual statement of their policy on making MRP.</p> <p>Further detail is provided in the attached report to Cabinet (Appendix 1).</p>

2.00	RESOURCE IMPLICATIONS
2.01	As per the attached report (Appendix 1).

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	As per the attached report (Appendix 1).

4.00	RISK MANAGEMENT
4.01	As per the attached report (Appendix 1).

5.00	APPENDICES
5.01	Appendix 1 - Report to Cabinet 20 th February, 2024 - Minimum Revenue Provision - 2024/25 Policy.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Contact Officer: Chris Taylor – Strategic Finance Manager Telephone: (01352) 703309 E-mail: christopher.taylor@flintshire.gov.uk

7.00	GLOSSARY OF TERMS
7.01	As per the attached report (Appendix 1).

Mae'r dudalen hon yn wag yn bwrpasol



CABINET

Date of Meeting	Tuesday 20 th February 2024
Report Subject	Minimum Revenue Provision – 2024/25 Policy
Cabinet Member	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
Report Author	Corporate Finance Manager
Type of Report	Strategic

EXECUTIVE SUMMARY

Local authorities are required to set a Minimum Revenue Provision (MRP) policy each financial year.

Each year, local authorities are required to set aside some of their revenue resources as provision for the repayment of debt.

Regulations require an authority to make an amount of MRP which it considers to be 'prudent'. The Regulations themselves do not define 'prudent' provision. Welsh Government (WG) has provided guidance which makes recommendations to local authorities on the interpretation of the term and authorities are 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 are required to the Policy for 2024/25.

The Policy is presented to Members in conjunction with the 2024/25 budget setting report (separate item on the agenda).

RECOMMENDATIONS

1	<p>Members approve and recommend to County Council for Council Fund (CF) outstanding debt that:-</p> <ul style="list-style-type: none">• Option 3 (Asset Life Method) be used for the calculation of the MRP in financial year 2024/25 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 2024/25 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 2024/25 for all capital expenditure funded from unsupported (prudential) borrowing or credit arrangements, including MIM. The calculation will be the 'annuity' method over an appropriate number of years, dependent on the period of time that the capital expenditure is likely to generate benefits.
2	<p>That Members approve and recommend to the County Council for Housing Revenue Account (HRA) outstanding debt:-</p> <ul style="list-style-type: none">• Option 3 (Asset Life Method) be used for the calculation of the HRA's MRP in 2024/25 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 2024/25 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.
3	<p>Members approve and recommend to County Council that MRP on loans from the Council to NEW Homes to build affordable homes through the Strategic Housing and Regeneration Programme (SHARP) (which qualify as capital expenditure in accounting terms) be as follows:-</p> <ul style="list-style-type: none">• 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.

REPORT DETAILS

1.00	EXPLAINING THE MINIMUM REVENUE PROVISION
	Background to Capital Expenditure and Financing
1.01	<p>Capital expenditure is defined as expenditure to acquire, enhance or prolong the useful life of non-current assets, those which have a useful life of more than one year e.g. buildings or infrastructure improvements.</p> <p>Capital expenditure is funded from a combination of capital receipts, revenue contributions, specific or general grants and debt in the form of borrowing or other long term financing arrangements such as leasing.</p> <p>Borrowing can be either:</p> <ul style="list-style-type: none"> • Supported borrowing - funding is provided by Welsh Government through the Revenue Support Grant to cover the revenue debt financing costs of interest and repayment costs; or • Unsupported borrowing (commonly referred to as prudential borrowing) – Councils have the freedom to determine the level of borrowing considered affordable in revenue debt financing costs with no support from Welsh Government.
1.02	<p>The annual charge to the revenue account for repaying debt is known as the Minimum Revenue Provision (MRP).</p> <p>Local authorities are required each year, under the Local Authorities (Capital Finance and Accounting) (Wales) (Amendment) Regulations 2008, to set aside some of their revenue resources as provision for the repayment of debt.</p> <p>Regulation 22 of the 2008 Regulations requires an authority to make an amount of MRP each year which it considers to be 'prudent', though the Regulations themselves do not define 'prudent' provision.</p> <p>Regulation 21(B) of the 2008 Regulations requires local authorities to have regard to guidance issued by Government.</p>
1.03	<p>The Welsh Government has issued guidance for the setting of MRP policy. It states that the broad aim of prudent provision is to ensure that the debt is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits.</p> <p>The WG guidance provides 4 options for making 'prudent provision' outlined below, but states that:</p> <p><i>'This does not rule out or otherwise preclude a local authority from using alternative approaches differing from those exemplified should it decide that it is more appropriate.'</i></p>
1.04	<p>In a letter to all local authorities the Auditor General for Wales concurred that it is for each authority to determine what a 'prudent' policy is.</p>

	Options for prudent provision within WG guidance
1.05	<p>Option 1 - Regulatory Method</p> <p>For capital expenditure funded from supported borrowing which is supported through funding in the Revenue Support Grant (RSG), authorities may continue to use the formula specified in the Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003 (the regulations which preceded the 2008 Regulations).</p> <p>Under this method the outstanding capital expenditure (known as the Capital Financing Requirement CFR) funded from supported borrowing less Adjustment A is written down annually by 4% on a reducing balance basis. Adjustment A is a commutation adjustment, a fixed value determined by changes to statutory regulations referred to above (which all Welsh Council's will have).</p> <p>The method implies that borrowing will be repaid over a 25 year period (in that $100\% / 4\% = 25$), however as the calculation applies the 4% to the reducing balance it takes much more than 25 years to fully repay the borrowing.</p> <p>The method is commensurate with the methodology used in the Revenue Support Grant to allocate revenue funding from WG to finance debt, as it also uses the 4% reducing balance method on notional outstanding debt.</p>
1.06	<p>Option 2 - Capital Financing Requirement Method</p> <p>The same as Option 1 without adjusting for Adjustment A, which results in a higher charge.</p>
1.07	<p>Option 3 - Asset Life Method</p> <p>Provision is made over the estimated life of the asset for which debt is undertaken.</p> <p>This can be calculated using the 'straight line' method or the 'annuity' method. To illustrate the difference, as an example, an asset which is purchased at a cost of £4m which has an estimated useful life of 50 years:</p> <ul style="list-style-type: none"> • Straight line method - equal annual MRP charge $\text{£}4\text{m} / 50 \text{ years} = \text{£}0.080\text{m}$ • Annuity or inflation method – annual MRP charge that takes the time value of money in the form of inflation into consideration Year 1 = £0.047m Year 2 = £0.048m Year 3 = £0.049m Year 4 = £0.050m Year 5 = £0.051m Year 50 = £0.125m

1.08	<p>Option 4 - Depreciation Method</p> <p>Alternatively, provision is made in accordance with the standard rules for depreciation accounting. The method is similar to option 3 above</p>
1.09	<p>WG guidance requires that either option 3 or 4 be used for all capital expenditure which is to be financed by unsupported borrowing or other long term liabilities. Options 1 and 2 are not permitted for this use.</p>
	<p>Housing Revenue Account (HRA)</p>
1.10	<p>Following the introduction of self-financing for the HRA and the voluntary exit from the negative subsidy system on 31st March 2015, from 1st April 2015 the options to calculate the HRA MRP are now similar to the Council Fund as set out above, with the following modifications:</p> <ul style="list-style-type: none"> • Options 1 and 2 - the percentage is 4% for the Council Fund and 2% for the HRA; and • Options 1 and 2 can be used in relation to debt incurred before 1st April 2021. After that date only Options 3 and 4 may be used. <p>The MRP Policy for 2024/25 reflects the changes required to the HRA MRP method, as indicated in the HRA manual. Option 3 (the asset life annuity method) will be used in relation to debt incurred both before and after 1st April 2021. In relation to debt incurred before 1st April 2021 the MRP will be over 50 years, in relation to debt incurred after 1st April 2021 the MRP will be over an appropriate number of years, dependent on the period of time that the capital expenditure is likely to generate benefits. This ensures new borrowing is written down over the life of the asset that it is financing, which is more in line with proper accounting practice.</p>
1.11	<p>The Council approves loans to its wholly owned subsidiary NEW Homes for the purpose of building affordable homes. The loans qualify as capital expenditure and therefore need to be part of the MRP policy. At its meeting on 14th June 2016 the Council approved the MRP calculation for loans to NEW Homes as outlined in recommendation 3 above.</p>
	<p>Practical Considerations</p>
1.12	<p>The useful life of an asset will vary depending on the class of asset concerned; a vehicle or ICT equipment may be financed over 5 years, whereas a new school over 50 years. Judgements about the useful life will need to be made on an individual basis as expenditure is incurred.</p>
1.13	<p>Large capital projects may take a number of years to complete, for example the Sustainable Communities for Learning building programme. In this instance the MRP is incurred in the year after the asset has become operational, rather than during the construction phase.</p>
1.14	<p>It is important to note that the capital financing position on outstanding capital expenditure (the Capital Financing Requirement) and the Council's level of external borrowing are not the same.</p>

	<p>Regulations stipulate that the Council can only borrow for capital purposes. However, in day to day cash management, no distinction can be made between revenue cash and capital cash. External debt arises as a consequence of all the financial transactions of the Council and not simply those arising from capital spending. Nevertheless, checks are in place to ensure the Council does not borrow in the medium to long term for revenue purposes, as referred to in the Capital Strategy report approved by Council in December 2023.</p> <p>In practice, the Council is under borrowed, this arises when the level of external borrowing is below the capital financing position on outstanding capital expenditure. The Council, through its treasury management processes, makes use of available cash arising from reserves etc. to fund capital expenditure and has ‘internally’ borrowed to an extent. By doing so, the Council is able to reduce net borrowing costs (despite forgone investment income) and reduce overall treasury risk.</p> <p>Such activities are considered best practice and are undertaken in accordance with the Council's Treasury Management Policy Statement, Strategy, Schedules and Practices.</p>
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2.00	RESOURCE IMPLICATIONS
2.01	The 2024/25 Council Fund and HRA budgets provide for the MRP charges in accordance with the calculations set out in the report.
2.02	There are no other resource implications as a direct result of this report.

3.00	IMPACT ASSESSMENTS AND RISK MANAGEMENT
3.01	<p>An MRP policy has long term effects that cannot be readily undone and therefore has associated risks for future generations in terms of Council Tax and Housing Rents levels.</p> <p>The Well-being of Future Generations (Wales) Act 2015, puts in place a requirement to:</p> <p><i>“act in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs”.</i></p> <p>It also requires that authorities take account of, amongst other things:</p> <p><i>“the importance of balancing short term needs with the need to safeguard the ability to meet long term needs”.</i></p> <p>The MRP policy ensures that costs are spread equally in real terms amongst the tax and rent payers benefiting from the capital expenditure. This is not considered as compromising the ability of future generations to meet their</p>

	own needs, merely that future generations pay for assets from which they benefit from using equally to current tax payers.	
3.02	Ways of Working (Sustainable Development) Principles Impact	
	Long-term	Positive - balancing short-term and long-term needs. The MRP policy ensures that costs are spread equally in real terms amongst the tax and rent payers benefiting from the capital expenditure.
	Prevention	No impact
	Integration	No impact
	Collaboration	No impact
	Involvement	No impact
	Well-being Goals Impact	
	Prosperous Wales	No impact
	Resilient Wales	No impact
	Healthier Wales	No impact
	More equal Wales	No impact
	Cohesive Wales	No impact
	Vibrant Wales	No impact
	Globally responsible Wales	Financial decisions that enable future generations to thrive. Positive – the MRP policy ensures that costs are spread equally in real terms amongst the tax and rent payers benefiting from the capital expenditure.

4.00	CONSULTATIONS REQUIRED / CARRIED OUT	
4.01	In changing the Council's MRP policy during 2017/18 and 2016/17 detailed discussions took place with the Council's Treasury Management advisors, senior internal officers and key Cabinet Members. Audit Wales was also consulted as external auditors.	
4.02	The revised MRP policy was considered by Council as part of setting the 2018/19 budget in March 2018.	

5.00	APPENDICES
5.01	None

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Council Fund Budget 2018/19 report to Council 1 st March 2018

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Chris Taylor – Strategic Finance Manager Telephone: (01352) 703309 E-mail: christopher.taylor@flintshire.gov.uk</p>

8.00	GLOSSARY OF TERMS
8.01	<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 Financing Requirement (CFR): A measure of the capital expenditure incurred historically by an authority that has yet to be financed from capital receipts, capital grants or revenue financing.</p> <p>Council Fund (CF): The fund to which all the Council’s revenue and capital expenditure is charged.</p> <p>Housing Revenue Account (HRA): The fund to which all the Council’s revenue and capital expenditure relating to its housing stock is charged.</p> <p>Minimum Revenue Provision (MRP): A charge made to the Council Fund to repay borrowing taken out for capital expenditure. Authorities must determine their own prudent MRP charge each year, taking into consideration statutory guidance issued by the Government.</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>Revenue Expenditure: All expenditure incurred by an authority that cannot be classified as capital expenditure</p> <p>Revenue Support Grant (RSG): Is paid to each authority to cover the cost of providing standard services less the Council Tax income at the standard level.</p>

Unhypothecated Supported Borrowing (USB), commonly referred to as Supported Borrowing: Each year Welsh Government provide Council's with a Supported Borrowing allocation. Council's borrow to fund capital expenditure equivalent to that annual allocation, Welsh Government then include funding to cover the revenue costs associated with the borrowing for future years within the Revenue Support Grant. The Council decides how this funding is spent.

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.

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 11



FLINTSHIRE COUNTY COUNCIL

Date of Meeting	Tuesday, 20 th February 2024
Report Subject	Pay Policy Statement for 2024/25
Report Author	Chief Executive and Corporate Manager, People and Organisational Development

EXECUTIVE SUMMARY

All local authorities are required to publish review and approve a Pay Policy Statement each financial year.

Once approved it is to be published by 31st March each year.

The Pay Policy presented within this report is the twelfth annual statement published by the Council.

RECOMMENDATIONS

1	That County Council approves the appended draft Pay Policy Statement for 2024/25.
2	That County Council delegate authority to the Corporate Manager, People and Organisational Development to update the Pay Policy Statement 2024/25 during the year to reflect any changes required by legislation, Government policy or national negotiations so that it remains accurate and current.

REPORT DETAILS

1.00	EXPLAINING THE PAY POLICY STATEMENT
1.01	<p>Annual Pay Policy Statement for each financial year. This must be approved by Council and be in place by 31st March each year.</p> <p>A Pay Policy Statement should include:</p> <ul style="list-style-type: none"> • the local authority’s policy on the level and elements of remuneration for each chief officer; • the policy on the remuneration of its lowest-paid employees - together with its definition of lowest-paid employees and the reasons for adopting that definition; • the policy on the relationship between the remuneration of its chief officers and other officers; and • the policy on other specific aspects of chief officers’ remuneration such as recruitment, pay increases, the use of performance related pay and bonuses, termination payments, and pay transparency.
1.02	<p>The purpose of the pay policy statement is to promote transparency on public sector pay, particularly in relation to remuneration of senior officers. Comparisons are also made with the remuneration of the lowest paid employees and with average salaries.</p> <p>The Act defines remuneration widely, to include not just pay but also allowances, benefits in kind, increases in/enhancements of pension entitlements, and termination payments.</p>
1.03	<p>The Council’s current Pay Policy Statement was approved by Council on 1 March 2023.</p>
1.04	<p>The draft Pay Policy Statement for 2024/25 appended to this report reflects the Council’s current agreements and arrangements regarding pay.</p>
1.05	<p>This year’s statement is consistent with previous statements. Whilst there is no change to the principles or approach to remuneration, a number of sections have been removed, updated or added including the following:</p> <ul style="list-style-type: none"> • The Introduction • Accountability and Decision making • Fees for Election Duties • National Negotiating Bodies and Pay Awards
1.06	<p>National Pay Awards</p> <p>Annual cost of living and other pay awards are negotiated nationally. Agreement was reached on 1 May 2023 for Chief Officers and 1 November 2023 Chief Executives for an increase of 3.5% to the basic salaries of those in scope with effect from 1 April 2023.</p>
	<p>Equal Pay Audit</p>

1.07	In addition to the obligations placed on the Council by the Localism Act 2011 in relation to its pay policy, the Council has obligations under the Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011 to report on the gender pay gap.
1.08	The gender pay gap is the difference between men's pay and women's pay as a percentage of men's pay.
1.09	The Council fulfils its obligations under the Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011 through an Equal Pay Audit which it undertakes annually. The Equal Pay Audit involves the specific comparison of the pay of male and female colleagues, investigating the causes of any pay gaps by gender, ethnicity, disability or working pattern and planning to close any gaps that cannot be justified on grounds other than one of those characteristics.
1.10	The Equal Pay Audit appended to this report shows an overall gender pay gap across all grades and terms and conditions of 12.76% based on a data extract taken on 31 March 2023, shows an improvement when compared to 2022 (13.71%).

2.00	RESOURCE IMPLICATIONS
2.01	None as the Pay Policy Statement appended to this report is a description of existing pay arrangements.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	None required.

4.00	RISK MANAGEMENT
4.01	None as the Pay Policy Statement appended to this report is a description of existing arrangements.

5.00	APPENDICES
5.01	Appendix A – Pay Policy Statement 2024/25 Appendix B – Pay Tables Appendix C – Local Government Pension Scheme (LGPS) Discretionary Pension Statement Appendix D – Equal Pay Audit 2023

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>Contact Officer: Sharon Carney, Corporate Manager, People and Organisational Development</p> <p>Telephone: 01352 702139</p> <p>E-mail: Sharon.carney@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	As detailed in the attached Pay Policy Statement for 2024/25.



Pay Policy Statement

2024-2025

(Including LGPS Employer's
Discretionary Policy)

Pay Policy Statement



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1. Introduction from the Leader of the Council and the Chief Executive

Welcome to Flintshire County Council's twelfth annual Pay Policy Statement. This statement sets out the Council's approach to setting pay for employees including senior officers and covers the period 1st April 2024 to 31st March 2025.

We recognise the importance people place on the delivery of high-quality Council services and are committed to being open, transparent, and accountable when it comes to sharing information on the salaries we pay to our employees.

We are committed to diversity and inclusion, closing all pay gaps, celebrating and recognising the contribution of all our people in a fair and transparent way. In determining the pay of its employees, the Council will comply with all relevant employment legislation related to pay and remuneration.

As one of the largest employers in the county, the salaries we pay have a positive impact on the quality of life within our communities and on the local economy as a whole, through our staff choosing to spend locally in the Welsh local economy.

Council employees also benefit from a comprehensive range of financial and non-financial benefits. These include membership of the Local Government Pension Scheme (LGPS), access to salary sacrifice arrangements, discounts at hundreds of retailers across the United Kingdom, exceptional learning and development opportunities and employee wellbeing initiatives/support.

This Pay Policy Statement details our approach to pay, ensuring we can attract, retain, and motivate the best employees, with the right level of skills, who are committed and share our vision.



Councillor Ian Roberts
Leader of the Council



Neal Cockerton
Chief Executive

2. Purpose

Under Section 112 of the Local Government Act 1972 the Council has the power “to appoint officers on such reasonable terms and conditions as the Council thinks fit”.

This Pay Policy Statement (the statement) sets out the Council’s approach to pay policy in accordance with the requirements of the Localism Act 2011 (the Act). Under section 38 (1) of the Act 2011 English and Welsh local authorities are to produce and publish a pay policy statement for each financial year covering:

- The authority’s policies for the remuneration of chief officers;
- The arrangements for the publication of and access to information on the remuneration of chief officers;
- The authority’s policies towards the remuneration of its lowest paid employees;
and
- The relationship between the remuneration of its chief officers and other employees.

The Council has published information on senior pay for a number of years on its website and in its Statement of Accounts. It has also responded openly and in full to Freedom of Information Act requests for such details.

Compared to other organisations in all sectors across the UK, we are a large and complex organisation providing a diverse range of public services. Many of these services are vital to the wellbeing of individuals and groups of residents in our local community. These can be delivered in very challenging circumstances, which means the Council must take account of the levels of need and ensure the availability of resources to meet them.

We compete with other local employers to recruit and retain managers capable of meeting the challenges of delivering our services to the required standards. This has an important bearing on the levels of remuneration we offer. At the same time, we are obligated to secure the best value for money for our residents and taxpayers in taking decisions on our pay levels. Therefore, the arrangements for the evaluation of posts across the workforce, and pay and terms and consideration of employment, are complex and require careful planning, maintenance, and control.

3. Legislation and Other Matters Relevant to Remuneration

In determining the remuneration of all its employees, the Council will comply with all relevant employment legislation. The Council is also bound by collective agreements and contractual arrangements which cannot be unilaterally altered.

Relevant legislation includes the Employment Rights Act 1996, Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Employment) Regulations 2006, as amended, and the Local Government (Democracy) (Wales) Act

Regarding the Equal Pay requirements contained within the Equality Act, the Council will ensure there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified using equality proofed Job Evaluation systems and processes which directly relate salaries to the requirements, demands and responsibilities of the role.

4. Scope of the Pay Policy Statement

The Localism Act 2011 requires authorities to publish their pay policy on all aspects of Chief Officer Remuneration (including on ceasing to hold office), and to explain the relationship between remuneration for Chief Officers and other workforce groups including the 'lowest paid'.

In the interests of transparency, the Council has chosen to take a broader approach and produces a policy covering all employee groups except for School Teachers (as the remuneration for this latter group is set by the Welsh Government and therefore not in local authority control)).

Nothing within the provisions of the Localism Act 2011 detract from the Council's autonomy in making decisions on pay that are appropriate to local circumstances and which deliver achieve business objectives and value for money. The Council will follow its own policy in setting remuneration levels for all workforce groups within its scope.

This Pay Policy Statement does not apply to Members of the Council as they are not employees and are governed by separate legislation and the requirements of the Independent Remuneration Panel for Wales.

5. Broad Principles of our Pay and Reward Strategy

1) Transparency, accountability, and value for money

The Council is committed to an open and transparent approach to pay policy which will enable anyone to access, understand and assess information on remuneration levels across all groups of Council employees. The following is available on the Council's website at www.flintshire.gov.uk.

Remuneration data

- Employee pay scales

- Individual remuneration details for senior employees whose remuneration is over £60,000 per annum, and the number of employees whose remuneration exceeds £60,000 as required under the Accounts and Audit (Wales) (Amendment) Regulations 2010.

Policy documents

- [Additional Payments](#)
- [Policy Statement on Redundancy and Severance Payments \(including additional pension payments\)](#)

All relevant policies are reviewed periodically to ensure they are current and meet the principles of fairness, equality, accountability, and value for money.

II) Development of Pay and Reward Strategy

The primary aim of a reward strategy is to attract, retain and motivate suitably skilled employees so that the organisation can perform to its best. The biggest challenge for the Council in the current financial climate is to maximise productivity and efficiency within current resources. Pay policy is a matter of striking a balance between setting remuneration levels at appropriate levels to ensure a sufficient 'supply' of appropriately skilled, experienced, and qualified individuals to fill the Council's wide range of posts and ensuring that the burden of cost does not become greater than can be justified.

It should be recognised that in competitive recruitment 'market' remuneration levels need to attract a suitably wide pool of talent (which will ideally include people from across the public sector and from outside as well as within Wales), and the retention of suitably skilled and qualified individuals once in post. It should also be recognised that the Council will often be seeking to recruit in competition with other public and private sector employers.

The Council is a major employer in the area. The availability of good quality employment on reasonable terms and conditions and fair rates of pay has a beneficial impact on the quality of life in the community as well as on the local economy.

In designing, developing, and reviewing the Pay and Reward strategy the Council will seek to balance these factors to achieve performance outcomes for the organisation and the communities it serves, whilst managing and controlling total pay costs.

III) The Council's Pay and Grading Structure

Section 112 of the Local Government Act 1972 provides that a local authority shall appoint such Officers for the proper discharge of its functions on such reasonable terms and conditions, including conditions as to remuneration as the local authority thinks fit.

The remuneration of many employees of the Council is in accordance with the locally agreed pay scale with spinal column points based on the nationally agreed pay spine (the NJC pay scale).

The Council uses a range of methods to evaluate pay and has multiple pay scales dependent on the terms and conditions of employment.

For roles that are not nationally prescribed and are not Chief Officer posts, the Council uses the Greater London Provincial Committee (GLPC), which is part of the Single Status Collective Agreement, and role profiles for support workers employed by School Governing Bodies.

Pay Progression

Except for Chief Officers whose pay progression is based on performance, all employees receive annual increments until the maximum spinal point in the grade is reached, subject to six months in that grade (whether attained by appointment, promotion, or re-grading).

Ordinarily, employees, including senior employees, are appointed to the minimum point of the pay grade for the job. In certain circumstances it may be appropriate to appoint to a higher point in the pay grade. This may arise when, for example, the preferred candidate for the job is or has been in receipt of a salary at a higher level than the grade minimum. Payment at a higher level would be subject to approval by their respective Chief Officer.

Bonus Payments and Performance Related Pay

The Council does not apply any bonus payments. The Council operates an appraisal system as part of its performance management strategy and except for Chief Officers (see above) this is not linked to pay.

Equalities

The Council is committed to equality of opportunity for all. All members of staff will be treated fairly based on ability, performance, and contribution irrespective of their employment or contractual status and personal circumstances, i.e., part time, fixed term. The Council monitors equalities data and this policy shall be applied fairly, consistently, and equitably for all employees irrespective of race, gender, disability, age, offending past, caring or dependency status, religion or belief, sexual orientation, marital or civil partnership status, pregnancy or maternity or gender identity and it is incumbent on those managing this policy to ensure that this is the case.

Chief Officer Job Evaluation

For Chief Officers, the Council uses the nationally recognised Hay Job Evaluation Scheme. The scheme is an analytical one that takes into consideration three key elements of a post:

- Know How – the levels of knowledge, skill and experience (gained through work experience, education and training) which are required to perform the job successfully.
- Problem Solving – the complexity of thinking required to perform the job when applying Know How.
- Accountability – the impact the job has on the organisation and the constraints the job holder has on acting independently.

The Council undertook reviews of Chief Officer's roles and associated pay arrangements in 2014. Therefore, current arrangements are modern for the business needs of the Council.

IV) Additional Payments

There may be occasions when an employee is asked to carry out additional duties to those of their substantive post for a period. In such circumstances an additional payment may be made in line with the Council's Additional Payments policy. The policy provides a framework to ensure the continued fairness, equitability and affordability of the pay and grading structure and differentiates between the following scenarios:

Honoraria

Subject to certain conditions, employees who are temporarily required to undertake some or all the duties of a higher graded post are eligible to be paid an honorarium. Details of the scheme can be found in the Council's Additional Payments Policy.

Market Supplements

From time to time, it may be necessary to take account of the external pay levels in the employment market to attract and retain employees with particular experience, skills and capacity and apply a time limited, market supplement. Where necessary, the Council will ensure the requirement is objectively justified by reference to a clear and transparent evidence of relevant market comparators, using data sources available from the local government sector and outside, as appropriate. The Council uses market supplements sparingly as a practice.

V Salary Protection

The Council will take reasonable steps to protect an employee's basic pay where it is reduced because of:

- Organisational change
- Redeployment where the individual is at risk of or under notice of redundancy and is redeployed or assimilated into either a lower graded post or a post which attracts a lower total remuneration package than their previous post

The Council protects the remuneration of employees for a maximum of twelve months from the date of the change to basic pay, subject to a maximum of one grade difference or equivalent between the old post and the new post.

6. Accountability and Decision Making

In accordance with the statutory requirements and the Constitution of the Council, policies relating to the recruitment, pay, terms and conditions of employees of the Council, except teachers, are the responsibility of the Council.

7. Chief Officer Remuneration

i) Definitions of Chief Officer

For the purposes of this statement, 'Chief Officers' are as defined within S43 of the Localism Act. The relevant occupied posts within the Council are as follows:

- Chief Executive (including Head of Paid Service)
- Chief Officer, Governance
- Chief Officer, Education and Youth
- Chief Officer, Housing and Community
- Chief Officer, Social Services
- Chief Officer, Streetscene and Transportation
- Chief Officer, Planning, Environment and Economy

These officers are responsible for working alongside and advising elected members on the strategic direction of the Council, carrying out the stated aims of the Council, ensuring the efficiency and effectiveness of all services provided by the Council and its partners, and providing overall day to day operational management of services.

A new single grade and pay range for the new Chief Officer group was introduced in June 2014. All roles in the structure are positioned in the same single incremental range, given that all roles are broadly the same size, other than the Chief Executive. Placing the new Chief Officer roles on the same grade also removes any hierarchy at senior management level and reflects the single, collective tier.

All roles have access to the same four increments. The pay range has a clear rationale, building on the options developed with the independent advice from Hay Group and being mindful of both affordability and the relativity to management roles in the grades below. The range overlaps with the increments which existed for the former Heads of Service

but falls below the former Director pay. It also represents a consistent policy of paying between the lower quartile and the median. Progression through the range is based on performance. The approach is affordable and fair and has ensured that the Council can meet its financial targets for the reduction of senior management costs.

ii) Policy on the Remuneration of Chief Officers

The Terms and Conditions of employment applicable to Chief Officers are as determined by the JNC (Joint Negotiating Council) for Chief Officers of Local Authorities (or JNC for Chief Executives of Local Authorities) as amended/ supplemented or superseded by decisions on conditions of service made by the Council from time to time and contained within the Council's Employment Policies and Procedures.

iii) Recruitment of Chief Officers

The Council's policy and procedures for the recruitment of Chief Officers is set out within Article 15, 15.01 sub section (b) of the Constitution.

The Council's Management Structure is as approved by Council. The Job Descriptions and Person Specifications for each Chief Officer post are approved prior to advertisement by the Council's appointment panel which comprises seven elected members. The determination of the remuneration to be offered to any newly appointed Chief Officer will take account of such factors as the requirements of the job, the relative size of the organization, local and national market rates, and the relationship with other posts within the grading structure. It is the responsibility of the Chief Executive to make and maintain arrangements for the professional management of the Council to meet both its legal duties and its business needs.

There is a requirement under the Welsh Government Regulations that all vacant posts with a salary of over £100,000 are publicly advertised. The only exception to this new rule is where the appointment is for 12 months or less. It is also possible to divide up the duties from one deleted Chief Officer post between other existing post holders.

iv) Chief Officer Salaries

Details of the Chief Officers basic salary as of 1 April 2023 are set out below:

Grade	Annual Salary April 2023
Chief Executive Point 01	£140,309
Chief Executive Point 02	£144,317
Chief Executive Point 03	£148,326
Chief Executive Point 04	£152,326
Chief Officer Point 1	£ 94,307
Chief Officer Point 2	£ 97,812

Chief Officer Point 3	£101,318
Chief Officer Point 4	£105,992

v) Fees for Election Duties

The Council has a statutory duty to appoint a Returning Officer for specified Elections and Referenda. The Chief Executive undertakes this role and is paid for discharging these functions in accordance with prescribed fees. The Returning Officer duties are not part of the Chief Executive's substantive role.

The appointment of Electoral Registration Officer is required by S8 Representation of the People Act 1983, and the appointment of Returning officer by S35 Representation of the People Act, 1983. The fee for parliamentary, European Union, Welsh Government, Police and Crime Commissioner Elections and all referenda are set by legislation.

Fees for these externally sponsored elections are funded through grant awarded by the Welsh Government or the UK Government. Local authorities have the discretion to set the fee for local elections and this Council has does so contractually.

Council employees may be engaged on election duties of varying types. The fees paid to Council employees for undertaking these duties vary according to the type of election they participate in and the nature of the duties they undertake.

vi) Additions to Salary of Chief Officers

The Council does pay all reasonable travel and subsistence expenses on production of receipts and in accordance with JNC conditions and other local conditions. Part III changes which formed part of the Single Status Agreement have removed other previous entitlements. A number of senior employees choose not to claim in full expenses to which they are contractually entitled as a 'conscious' voluntary decision given the current financial constraints.

Annual leave and bank holiday entitlements are determined by the terms and conditions of the different employee groups.

vii) Performance Related Pay and Bonuses

The Council does not apply any bonuses or performance related pay to its Chief Officers pay. However, the annual increment (if not already at top of scale) is only awarded once the Annual Appraisal has been passed as satisfactory (page 7 refers).

All Chief Officers have annual and mid-year appraisals, and the Chief Executive has an annual appraisal facilitated by an external party as per national guidance and the post holder's contractual rights.

viii) Payments on Termination

The Council's policies for redundancy payments and retirement are set out respectively within its Discretionary Compensation Scheme and Early Retirement Policy.

Under the Local Government (Early Termination of Employment) Discretionary Compensation) (England and Wales) Regulations 2006, the Council applies its discretion under Regulation 5 in the case of both voluntary and compulsory redundancy to base any payments on an employee's actual week's pay.

Under Regulation 6, the Council makes redundancy payments (compulsory and voluntary) to employees based upon the statutory redundancy payments scale which are calculated by multiplying a number of weeks based on their age and length of service (subject to a maximum of 20 years' service) by their actual weekly rate of pay, as follows:

- 0.5 week's pay for each year of employment in which the employee was aged 21 and below
- 1 week's pay for each year of employment in which the employee was aged 22 to 40 inclusive.
- 1.5 week's pay for each year of employment during which the employee was aged 41 or over.

For employees under the age 55 (or aged 55 and over and are *not* members of the Local Government Pension Scheme (LGPS) apply a multiplier of 1.5 times the redundancy payment as calculated above.

Any severance packages with a value more than £100,000 will be reported to Full Council for a decision. This policy applies to severance packages whether it is made pursuant to a settlement agreement. However, it does not apply in relation to the cost of early access to, and/or enhancement of a retirement pension, where the employee's employment is terminated on grounds of ill health.

Since April 2020 employers are liable to pay Class 1A national insurance contributions on termination payments above £30,000 that are subject to income tax by the employee. The Council will fully comply with this requirement.

ix) Publication of Chief Officer and Other Senior Post Salaries

Upon approval by the full Council, this statement will be published on the Council's Website. In addition, for posts where the full-time equivalent salary is over £60,000 per annum the Council's Annual Statement of Accounts will include a note setting out by post the total amount of:

- salary, fees or allowances paid to or receivable by the person in the current and previous year;

- any bonuses so paid or receivable by the person in the current and previous year;
- any sums payable by way of expenses allowance that are chargeable to UK income tax;
- any compensation for loss of employment and any other payments connected with termination; and
- any benefits received that do not fall within the above.

x) Pay Increases – Chief Officers

The Council employs Chief Officers under JNC terms and conditions which are incorporated into their contracts. The JNC for Chief Officers negotiates on national (UK) annual cost of living pay increases for this group, and any award of the same is determined on this basis. Chief Officers employed on JNC terms and conditions are contractually entitled to any national JNC determined pay rises and this Council will therefore pay these as and when determined in accordance with current contractual arrangements.

xi) Other Employee Benefits

The Council is responsible for supporting the health, safety, and wellbeing of its employees to ensure that they can perform at their best. As part of this approach and in common with other large employers the Council provides a small number of non-pay benefits such as eye test reimbursement for users of display screen equipment at work, leisure, and retail discounts through our eRewards and Vectis card scheme and participation in the Cycle to Work scheme.

An in-house team of medical experts within our Occupational Health service, give advice in support of positive mental and physical health. In addition, all employees have access to our Employee Assistance Programme (EAP) via Vivup which provides emotional and practical support for issues at home or in work. These services are available online and via a free phone number 24 hours a day, 365 days of the year.

The Employee Benefits offered, are part of the council's commitment to workforce reward and recognition and support the council's recruitment and retention strategy. The schemes do not form part of the council's contractual terms and conditions of employment.

8. Independent Remuneration Panel for Wales (IRMPW)

Section 143A of the Local Government (Wales) Measure 2011 refers to the Independent Remuneration Panel in Wales ("the IRP") and sets out their functions in relation to salaries of heads of paid service. The IRP may make recommendations about any policy in this Pay Policy Statement which relates to the salary of the Council's head of paid service and any proposed change to the salary of the Council's Head of Paid Service. The Council, will, as required, consult the IRP in relation to any change to the salary of the head of paid

service which is not commensurate with a change of the salaries of the Council's other staff, and will have regard to any recommendation received from the IRP when deciding whether or not to proceed with making the change.

The Council is required to identify in this pay policy statement whether any such referral has been made to the IRP, and if so, the nature of the referral, the IRP's decision and the Council's response. No referral was made to the IRP during 2023/2024.

The Local Government (Wales) Act 2015 extends the power of the IRP, under section 143A of the Local Government (Wales) Measure 2011 to cover salaries payable to chief officers (using the Localism Act definition) as well as the head of paid service.

9. Remuneration of the Lowest Paid Employees

The lowest paid persons employed under a contract of employment with the Council are defined as those employed on full time 37 hours equivalent salaries in accordance with the minimum spinal column point currently in use within the Council's grading structure post single status. As of 1st April 2023, this is **£22,366** per annum. The Council has adopted this definition as it is recommended in relevant guidance as the most easily understood.

The Council employs apprentices (and other such trainees) who are not included within the definition of 'lowest paid employees' and are paid less than the minimum spinal column point for other employees during their apprenticeship. The purpose of paying a lower salary is to reflect the nature and/or duration/frequency of their employment and to maximize the number of apprenticeships offered. There is an exception to this agreement in relation to Graduate Trainees who we have agreed should not earn less than our lowest evaluated rate of pay. w

10. Pay Relativities within the Authority

The statutory guidance under the Localism Act recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers, as included within the Hutton 'Review of Fair Pay in the Public Sector' (2010).

The Hutton report was asked by Government to explore the case for a fixed limit on dispersion of pay through a requirement that no public sector manager can earn more than 20 times the lowest paid person in the organisation. The report concluded that the relationship to median earnings was a more relevant measure, and the Governments Code of Recommended Practice on Data Transparency recommends the publication of the ratio between the highest paid salary and the median average salary of the whole of the Authority's workforce.

The median salary figure for the organisation is the middle value of all employees' salaries listed in numerical order. The median salary for Flintshire County Council based on a payroll extract as of 5th January 2024 is **£24,711**.

The multiples of pay for Flintshire County Council are as follows:

1. The multiple between the lowest paid (full time equivalent) employee (£22,366) and the Chief Executive (£144,317) is 1.6:45
2. The multiple between the lowest paid employee (£22,366) and mean average Chief Officer (£103,849) is 1.4:64
3. The multiple between the median (average) full time equivalent employee (£24,711) and the Chief Executive (£144,317) is 1.5:84

11. National Negotiating Bodies and Pay Awards

The National Joint Council negotiates the pay, terms, and conditions of employees in local authorities. It agrees an annual cost of living uplift to the national pay spine, on which each individual council decides where to place its employees. Each council considers a number of factors such as job size and local market conditions when deciding an employee's salary. There are no nationally determined jobs or pay grades in local government, unlike in other parts of the public sector.

As with other Welsh councils, this Council continues to comply with all national pay bargaining arrangements in respect of the establishment and revision of the national pay spine, for example through any agreed annual pay increases negotiated with joint trade unions at a United Kingdom level.

On the 1st May 2023, a national pay agreement was reached in relation to Chief Officers which provided for the basic salaries of all officers in scope of the JNC for Chief Officers of local authorities to be increased by 3.5% with effect from 1 April 2023.

On the 1st November 2023, a national pay agreement was reached in relation to Chief Executives which provided for the basic salaries of all officers in scope of the JNC for Chief Executives of local authorities to be increased by 3.5% with effect from 1 April 2023.

Employees are only entitled to receive payment for increases awarded as part of the national negotiating process if they are in employment on the date that any collective agreement is achieved.

12. National Living Wage (NLW)

In April 2016 a new (statutory) National Living Wage was introduced by the National Government which provides a supplement to the National Minimum Wage for those aged 25 and over. From 1st April 2024 the hourly rate will increase from £10.42 to £11.44 (which represents an increase of 9.8%) and will apply to aged 23 and over.

The lowest rate of hourly rate of pay for a Council employee is currently £11.59 (SCP02) (pay award pending) which is £0.15 per hour higher than the National Living Wage from April 2024.

13. Real Living Wage (RLW)

The Real Living Wage is independently calculated each year by the Resolution Foundation and overseen by the Living Wage Commission. By paying the Real Living Wage employers are voluntarily ensuring that their employees can earn a wage which is enough to live on as determined by the Living Wage Foundation. The Real Living Wage increased by 10% to £12.00 per hour in November 2023.

Becoming a living wage employer, is an aspiration of Welsh Government and the Councils Cabinet, however, if implemented it will introduce further compression of grades which if left unaddressed will have a negative impact on recruitment/retention. Accordingly, it will be necessary to undertake our own detailed pay modelling. A new pay model must pass the tests of being legal, equitable, workable, sustainable, acceptable, affordable, and once concluded, it will be necessary to bring back an amended Pay Policy Statement to full Council.

14. Pension Benefits

All Council employees (apart from teachers) are entitled to join the local government pension scheme (LGPS) which is offered by the Local Government Employers. If employees are eligible, they will automatically become a member of the scheme (to join they must have a contract for at least 3 months duration and be under the age of 75). Employees can decide to opt out of the scheme. The benefits and contributions payable under the Fund are set out in the LGPS regulations. The rate of contribution is set by Actuaries advising the Clwyd Pension Fund and reviewed on a triennial basis to ensure the scheme is appropriately funded.

There are two sections to the LGPS - MAIN and 50/50. The main section is calculated using 1/49th of an individual's annual pensionable pay (CARE pay). The 50/50 section is a new option (since 01/04/2014). Employees who join this scheme, pay half contributions but build up half the normal pension. This is calculated using 1/98th of annual pensionable pay (CARE pay) instead of the 1/49th in the MAIN scheme.

The employee contribution bandings* for 2024/2025 are shown below

Band	Main Rate	50/50 Rate	2024/2025 actual pay
1	5.50%	2.75%	up to £17,600
2	5.80%	2.90%	£17,601 - £27,600
3	6.50%	3.25%	£27,601 - £44,900
4	6.80%	3.40%	£44,901 - £56,800
5	8.50%	4.25%	£56,501 - £79,700
6	9.90%	4.95%	£79,701 - £112,900
7	10.50%	5.25%	£112,901 - £133,100
8	11.40%	5.70%	£133,101 - £199,700
9	12.50%	6.25%	£199,701 +

**The pay band ranges are increased each April in line with the cost of living*

The Council has prepared a written statement of policy in relation to its exercise of certain discretionary functions, available under the LGPS regulations. The Council's Local Government Pension Scheme (LGPS) Discretionary Pension Statement is detailed in Appendix 2.

Teachers are entitled to join the Teachers' Pensions scheme. As the Teachers Pensions scheme is operated externally further information can be found on www.teacherspensions.co.uk

15. Re-engagement of Chief Officers

No Chief Officer who was previously made redundant or granted early retirement from the Council will be later re-employed or re-engaged either as an employee (Contract of Service), as a Consultant (Contract for Service) or through an external contractor commission to work on behalf of the Council.

This is aligned to the principles applied within the Voluntary Redundancy Policy which provides that employees who voluntarily leave the Council's employment under the Scheme should not be re-engaged in any capacity within a period of 24 months from the end of their employment, save for exceptional circumstances and only if approved by the Chief Executive as Head of Paid Service.

16. Non-Guaranteed Working Hours

In December 2016 the Welsh Government issued principles and guidance on the appropriate use of non-guaranteed hours arrangements in the devolved public services in Wales. These principles and guidance were developed by the Public Services Staff Commission in social partnership with the Welsh Government's Partnership Council and its sector groups.

The Council is committed to the principles determined by Welsh Government which apply to those employees who are employed on a relief, casual or sessional basis. These employees are used in services within the Council where there is either a need to bring in an additional workforce to cover peaks in workload or where the workload is on a one-off basis.

17. Talent Management

The Council's approach to talent management is through the employee performance review (appraisal) process, which as well as placing an emphasis on performance, encourages the identification of learning objectives in the development of employee skills.

18. Partnership with Trade Unions

The Council will endeavour to maintain the constructive partnership approach it has developed with the recognised Trade Unions and will continue to work closely with them on pay issues. Collective bargaining will be followed as appropriate for any proposed changes to pay and / or allowances.

19. Future Legislation

The Council will comply with changes to legislation in relation to remuneration and exist payments requirements should legislation change.

20. Monitoring, Evaluation and Review

This Policy outlines the current position in respect of pay and reward within the Council and it will be reviewed to ensure that it meets the principles of fairness, equality, accountability, and value for money for the citizens of Flintshire County Council.

The Policy will be reviewed at least annually and reported to Full Council for approval in accordance with statutory requirements.

Mae'r dudalen hon yn wag yn bwrpasol

Flintshire County Council combined pay scales 2023



Chief Executive

Grade	New Salary April 2023	Monthly Salary	Hourly Rate
CEO Point 01	£140,309.00	£11,692.42	£72.73
CEO Point 02	£144,317.00	£12,026.42	£74.80
CEO Point 03	£148,326.00	£12,360.50	£76.88
CEO Point 04	£152,334.00	£12,694.50	£78.96

Chief officers

Grade	New Salary 1 April 2023	Monthly Salary	Hourly Rate
New Chief Officer Point 1	£94,307.00	£7,858.92	£48.88
New Chief Officer Point 2	£97,812.00	£8,151.00	£50.70
New Chief Officer Point 3	£101,318.00	£8,443.17	£52.52
New Chief Officer Point 4	£105,992.00	£8,832.67	£54.94

Flintshire County Council Green Book Pay Model 1 April 2023

	JE Range	Grade	SCP	Salary 1 April 2023	Monthly Salary	Hourly Rate
Officer Range	<305	G01 (old A & B)	01	Deleted		
			02	£22,366.00	£1,863.83	£11.59
			03	£22,737.00	£1,894.75	£11.79
			04	£23,114.00	£1,926.17	£11.98
	306-369	G02 (old C & D)	05	£23,500.00	£1,958.33	£12.18
			06	£23,893.00	£1,991.08	£12.38
			07	£24,294.00	£2,024.50	£12.59
			08	£24,711.00	£2,059.25	£12.81
	370-395	G03 (old E)	09	£25,119.00	£2,093.25	£13.02
			10	£25,545.00	£2,128.75	£13.24
			11	£25,979.00	£2,164.92	£13.47
			12	£26,421.00	£2,201.75	£13.69
	396-440	G04 (old F)	15	£27,803.00	£2,316.92	£14.41
			17	£28,770.00	£2,397.50	£14.91
			19	£29,777.00	£2,481.42	£15.43
			20	£30,296.00	£2,524.67	£15.70
Senior Officer Range	441-480	G05 (old G)	24	£33,024.00	£2,752.00	£17.12
			25	£33,945.00	£2,828.75	£17.59
			26	£34,834.00	£2,902.83	£18.06
			27	£35,745.00	£2,978.75	£18.53
	481-525	G06 (old H)	28	£36,648.00	£3,054.00	£19.00
			29	£37,336.00	£3,111.33	£19.35
			30	£38,223.00	£3,185.25	£19.81
			31	£39,186.00	£3,265.50	£20.31
Manager Range	526-560	G07 (old I)	32	£40,221.00	£3,351.75	£20.85
			33	£41,418.00	£3,451.50	£21.47
			34	£42,403.00	£3,533.58	£21.98
			35	£43,421.00	£3,618.42	£22.51
	561-595	G08 (old J)	36	£44,428.00	£3,702.33	£23.03
			37	£45,441.00	£3,786.75	£23.55
			38	£46,464.00	£3,872.00	£24.08
			39	£47,420.00	£3,951.67	£24.58
	596-635	G09 (old K)	40	£48,474.00	£4,039.50	£25.13
			41	£49,498.00	£4,124.83	£25.66
			42	£50,512.00	£4,209.33	£26.18
			43	£51,515.00	£4,292.92	£26.70

Senior Manager Range	636-685	G10 (old L)	45	£53,866.00	£4,488.83	£27.92
			46	£55,243.00	£4,603.59	£28.63
			47	£56,656.00	£4,721.34	£29.37
			48	£58,110.00	£4,842.50	£30.12
	686-729	G11 (old N & M)	50	£61,126.00	£5,093.83	£31.68
			51	£62,696.00	£5,224.67	£32.50
			52	£64,307.00	£5,358.91	£33.33
			53	£65,959.00	£5,496.59	£34.19
			58	£74,894.00	£6,241.17	£38.82
	>730	G12 (New Grade)	59	£76,827.00	£6,402.25	£39.82
			60	£78,810.00	£6,567.50	£40.85
			61	£80,844.00	£6,737.00	£41.90
			172			

Leadership and Head Teacher Pay Scales September 2023



SCP	Salary 1 September 2022	New Salary 1 September 2023	Monthly Salary
Point L01	£45,725.00	£48,012.00	£4,001.00
Point L02	£46,869.00	£49,213.00	£4,101.08
Point L03	£48,039.00	£50,441.00	£4,203.42
Point L04	£49,235.00	£51,697.00	£4,308.08
Point L05	£50,461.00	£52,985.00	£4,415.42
Point L06	£51,729.00	£54,316.00	£4,526.33
Point L07	£53,120.00	£55,776.00	£4,648.00
Point L08	£54,346.00	£57,064.00	£4,755.33
Point L09	£55,702.00	£58,488.00	£4,874.00
Point L10	£57,133.00	£59,990.00	£4,999.17
Point L11	£58,616.00	£61,547.00	£5,128.92
Point L12	£59,967.00	£62,966.00	£5,247.17
Point L13	£61,466.00	£64,540.00	£5,378.33
Point L14	£62,998.00	£66,148.00	£5,512.33
Point L15	£64,565.00	£67,794.00	£5,649.50
Point L16	£66,283.00	£69,598.00	£5,799.83
Point L17	£67,804.00	£71,195.00	£5,932.92
Point L18*	£68,821.00	£72,263.00	£6,021.92
Point L18	£69,509.00	£72,985.00	£6,082.08
Point L19	£71,234.00	£74,796.00	£6,233.00
Point L20	£72,999.00	£76,649.00	£6,387.42
Point L21*	£74,065.00	£77,769.00	£6,480.75
Point L21	£74,806.00	£78,547.00	£6,545.58
Point L22	£76,663.00	£80,497.00	£6,708.08
Point L23	£78,561.00	£82,490.00	£6,874.17
Point L24*	£79,713.00	£83,699.00	£6,974.92

SCP	Salary 1 September 2022	New Salary 1 September 2023	Monthly Salary
Point L24	£80,510.00	£84,536.00	£7,044.67
Point L25	£82,510.00	£86,636.00	£7,219.67
Point L26	£84,552.00	£88,780.00	£7,398.33
Point L27*	£85,789.00	£90,079.00	£7,506.58
Point L27	£86,647.00	£90,980.00	£7,581.67
Point L28	£88,796.00	£93,236.00	£7,769.67
Point L29	£90,995.00	£95,545.00	£7,962.08
Point L30	£93,260.00	£97,923.00	£8,160.25
Point L31*	£94,616.00	£99,347.00	£8,278.92
Point L31	£95,564.00	£100,343.00	£8,361.92
Point L32	£97,939.00	£102,836.00	£8,569.67
Point L33	£100,371.00	£105,390.00	£8,782.50
Point L34	£102,853.00	£107,996.00	£8,999.67
Point L35*	£104,366.00	£109,585.00	£9,132.08
Point L35	£105,410.00	£110,681.00	£9,223.42
Point L36	£108,019.00	£113,420.00	£9,451.67
Point L37	£110,704.00	£116,240.00	£9,686.67
Point L38	£113,444.00	£119,117.00	£9,926.42
Point L39*	£115,058.00	£120,811.00	£10,067.58
Point L39	£116,209.00	£122,020.00	£10,168.33
Point L40	£119,108.00	£125,064.00	£10,422.00
Point L41	£122,084.00	£128,189.00	£10,682.42
Point L42	£125,142.00	£131,400.00	£10,950.00
Point L43	£127,000.00	£133,350.00	£11,112.50

Please also see the pay ranges for head teachers at the top of a head teacher pay range

Head Teachers Groups and Pay Ranges

Group	Range of SCPs	Salary Range
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1	L06 - L18*	£54,316.00 - £72,263.00*
2	L08 - L21*	£57,064.00 - £77,769.00*
3	L11 - L24*	£61,547.00 - £83,699.00 *
4	L14 - L27*	£66,148.00 - £90,079.00*
5	L18 - L31*	£72,985.00 - £99,347.00*
6	L21 - L35*	£78,547.00 - £109,585.00*
7	L24 - L39*	£84,536.00 - £120,811.00*
8	L28 - L43	£93,236.00 - £133,350.00

* The School Teachers' Review Body (STRB) recommended that no pay uplift be applied to the maximum values on the Leadership Group Pay Range or to maximum values on any of the eight head teacher group pay ranges in 2015.

This restriction was applied to the maximum of each the eight head teacher group pay ranges only. It does not apply where a head/deputy/assistant head teacher is not earning the maximum on a head teacher group pay range, but is placed on one of the corresponding points on the LGPR - L18, L21, L24, L27, L31, L35 or L39, which have all increased by 1% in each year between 2014 and 2017, by 1.5% in 2018, by 2.75% in 2019 and 2020, 1.75% in 2021, 5% in 2022 and 5% in 2023.

Qualified Teachers Pay Scales September 2023

SCP	Salary 1 September 2022	New Salary 1 September 2023	Monthly Salary
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W00 Point 02	£29,278.00	£30,742.00	£2,561.83
W00 Point 03	£31,630.00	£33,212.00	£2,767.67
W00 Point 04	£34,067.00	£35,771.00	£2,980.92
W00 Point 05	£36,749.00	£38,587.00	£3,215.58
W00 Point 06	£40,443.00	£42,466.00	£3,538.83

Upper Pay Scale

SCP	Salary 1 September 2022	New Salary 1 September 2023	Monthly Salary
P00 Point 07	£41,927.00	£44,024.00	£3,668.67
P00 Point 08	£43,481.00	£45,656.00	£3,804.67
P00 Point 09	£45,085.00	£47,340.00	£3,945.00

Additional Learning Needs (ALN) Allowance

Minimum:	£2,585.00	Maximum:	£5,098.00
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Teaching and Learning Responsibility (TLR) Payments

TLR1	Minimum	£9,436.00	Maximum	£15,965.00
TLR2	Minimum	£3,271.00	Maximum	£7,986.00
TLR3	Minimum	£650.00	Maximum	£3,225.00

Unqualified Teachers Pay Scales September 2023

SCP	Salary 1 September 2022	New Salary 1 September 2023	Monthly Salary
U04 Point 01	£19,689.00	£20,674.00	£1,722.83
U04 Point 02	£21,979.00	£23,078.00	£1,923.17
U04 Point 03	£24,268.00	£25,482.00	£2,123.50
U04 Point 04	£26,557.00	£27,885.00	£2,323.75
U04 Point 05	£28,849.00	£30,292.00	£2,524.33
U04 Point 06	£31,139.00	£32,696.00	£2,724.67

School Non-Teaching Profiles April 2023

Profile	Grade	SCP Range	Salary Range	
			From	To
1.1 Learning Support 1	G01	2 to 4	£22,366	£23,114
1.2 Learning Support 2	G01	2 to 4	£22,366	£23,114
1.3 Learning Support 3	G02	5 to 8	£23,500	£24,711
1.4 Learning Support 4 (Specialist Area Only)	G04	15 to 20	£27,803	£30,296
1.4 Learning Support 4 (Supervision)	G04	15 to 20	£27,803	£30,296
2.1 Pastoral Support 1	G01	2 to 4	£22,366	£23,114
2.2 Pastoral Support 2	G01	2 to 4	£22,366	£23,114
2.3 Pastoral Support 3	G02	5 to 8	£23,500	£24,711
2.4 Pastoral Support 4	G05	24 to 27	£33,024	£35,745
2.4 Pastoral Support 4 (Without Supervision)	G04	15 to 20	£27,803	£30,296
2.5 Breakfast Club Assistant	G01	2 to 4	£22,366	£23,114
2.6 Breakfast Club Supervisor	G02	5 to 8	£23,500	£24,711
2.7 Mid Day Supervisory Assistant	G01	2 to 4	£22,366	£23,114
2.8 Senior Mid Day Supervisory Assistant	G02	5 to 8	£23,500	£24,711
3.1 Technician 1	G01	2 to 4	£22,366	£23,114
3.2 Technician 2 - ICT 1	G02	5 to 8	£23,500	£24,711
3.3 Technician 2a (Design & Technology)	G02	5 to 8	£23,500	£24,711
3.4 Technician 3 - ICT 2	G04	15 to 20	£27,803	£30,296
3.5 Technician 4 Science	G05	24 to 27	£33,024	£35,745
3.5 Technician 4 Science (Supervising)	G05	24 to 27	£33,024	£35,745

3.6 Technician 4 - ICT 3 (Non Supervising)	G05	24 to 27	£33,024	£35,745
3.6 Technician 4 - ICT 3 (Supervising)	G05	24 to 27	£33,024	£35,745
4.1 Administration 1	G01	2 to 4	£22,366	£23,114
4.2 Administration 2	G01	2 to 4	£22,366	£23,114
4.3 Administration 3 (Exams)	G02	5 to 8	£23,500	£24,711
4.3 Administration 3a (Secretary)	G02	5 to 8	£23,500	£24,711
4.4 Administration 4 (Non Supervisory)	G04	15 to 20	£27,803	£30,296
4.4 Administration 4 (Supervisory)	G04	15 to 20	£27,803	£30,296
4.4 Administration 4 (Supervisory 6-15 Staff)	G05	24 to 27	£33,024	£35,745
4.5 Administration 4+ (Business Manager)	G08	36 to 39	£44,428	£47,420
4.6 Cleaner	G01	2 to 4	£22,366	£23,114
4.7 Cleaning Supervisor	G02	5 to 8	£23,500	£24,711
4.8 Caretaker	G01	2 to 4	£22,366	£23,114
4.8a Caretaker With Supervision	G03	9 to 12	£25,119	£26,421
4.9 Caretaker / Site Supervisor	G05	24 to 27	£33,024	£35,745

Soulbury Pay Scales 1 September 2023

Trainee Educational Psychologists

Spinal Column Point	Salary 1 September 2023	Monthly Salary	Hourly Rate
02	£29,872.00	£2,489.33	£15.48
03	£31,770.00	£2,647.50	£16.47
04	£33,673.00	£2,806.08	£17.45
05	£35,572.00	£2,964.33	£18.44
06	£37,473.00	£3,122.75	£19.42

Assistant Educational Psychologists

Spinal Column Point	Salary 1 September 2023	Monthly Salary	Hourly Rate
02	£35,228.00	£2,935.67	£18.26
03	£36,531.00	£3,044.25	£18.93
04	£37,828.00	£3,152.33	£19.61
05	£39,341.00	£3,278.42	£20.39

Spinal Column Point	Salary 1 September 2023	Monthly Salary	Hourly Rate
01	£42,422.00	£3,535.17	£21.99
02	£44,474.00	£3,706.17	£23.05
03	£46,525.00	£3,877.08	£24.12
04	£48,575.00	£4,047.92	£25.18
05	£50,627.00	£4,218.92	£26.24
06	£52,678.00	£4,389.83	£27.30
07	£54,609.00	£4,550.75	£28.31
08	£56,540.00	£4,711.67	£29.31
09	£58,348.00	£4,862.33	£30.24
10	£60,160.00	£5,013.33	£31.18
11	£61,848.00	£5,154.00	£32.06
12*	£62,540.00	£5,211.66	£32.41
13*	£63,836.00	£5,319.66	£33.08
14*	£65,120.00	£5,426.66	£33.75

*Extension to scale to accommodate structured professional assessment points

Senior and Professional Educational Psychologists

*Normal point for principal

Spinal Column Point	Salary 1 September 2023	Monthly Salary	Hourly Rate
01	£52,678.00	£4,389.83	£27.30
02	£54,609.00	£4,550.75	£28.31
03	£56,540.00	£4,711.67	£29.31
04	£58,348.00	£4,862.33	£30.24
05	£60,160.00	£5,013.33	£31.18
06*	£61,848.00	£5,154.00	£32.06
07	£62,540.00	£5,211.67	£32.42
08	£63,836.00	£5,319.67	£33.09
09	£65,120.00	£5,426.67	£33.75
10	£66,425.00	£5,535.42	£34.43
11	£67,706.00	£5,642.17	£35.09
12	£69,010.00	£5,750.83	£35.77
13	£70,337.00	£5,861.42	£36.46
14**	£71,621.00	£5,968.42	£37.12
15**	£72,966.00	£6,080.50	£37.82
16**	£74,297.00	£6,191.42	£38.51
17**	£75,637.00	£6,303.08	£39.20
18**	£76,976.00	£6,414.66	£39.89
19**	£80,055.00	£6,671.25	£41.49
20**	£83,257.00	£6,938.08	£43.15
21**	£86,587.00	£7,215.58	£44.88

minimum the

educational psychologist undertaking the full range of duties at this level.

**Extension to range to accommodate discretionary scale points and structured professional assessments

- Three additional SCPs after point 18 with effect from 1 September 2023.

Educational Improvement Professionals (Soulbury)

Spinal Column Point	Salary 1 September 2023	Monthly Salary	Hourly Rate
01	£40,540.00	£3,378.33	£21.01
02	£41,920.00	£3,493.33	£21.73
03	£43,224.00	£3,602.00	£22.40
04	£44,545.00	£3,712.08	£23.09
05	£45,857.00	£3,821.42	£23.77
06	£47,170.00	£3,930.83	£24.45
07	£48,550.00	£4,045.83	£25.16
08*	£49,878.00	£4,156.50	£25.85
09	£51,425.00	£4,285.42	£26.65
10	£52,805.00	£4,400.42	£27.37
11	£54,166.00	£4,513.83	£28.08
12	£55,484.00	£4,623.67	£28.76
13**	£56,976.00	£4,748.00	£29.53
14	£58,308.00	£4,859.00	£30.22
15	£59,777.00	£4,981.42	£30.98
16	£61,106.00	£5,092.17	£31.67
17	£62,440.00	£5,203.33	£32.36
18	£63,748.00	£5,312.33	£33.04
19	£65,097.00	£5,424.75	£33.74
20***	£65,794.00	£5,482.83	£34.10
21	£67,133.00	£5,594.42	£34.80
22	£68,301.00	£5,691.75	£35.40
23	£69,586.00	£5,798.83	£36.07
24	£70,739.00	£5,894.92	£36.67
25	£71,971.00	£5,997.58	£37.30
26	£73,173.00	£6,097.75	£37.93
27	£74,403.00	£6,200.25	£38.57
28	£75,650.00	£6,304.17	£39.21
29	£76,899.00	£6,408.25	£39.86
30	£78,146.00	£6,512.17	£40.51
31	£79,382.00	£6,615.17	£41.14
32	£80,637.00	£6,719.75	£41.79
33	£81,894.00	£6,824.50	£42.44
34	£83,180.00	£6,931.66	£43.11
35	£84,465.00	£7,038.75	£43.78
36	£85,784.00	£7,148.66	£44.46
37	£87,083.00	£7,256.91	£45.13
38	£88,396.00	£7,366.33	£45.81
39	£89,691.00	£7,474.25	£46.48
40	£90,985.00	£7,582.08	£47.15
41	£92,285.00	£7,690.41	£47.83
42	£93,585.00	£7,798.75	£48.50
43	£94,883.00	£7,906.91	£49.18
44	£96,189.00	£8,015.75	£49.85
45	£97,490.00	£8,124.16	£50.53
46	£98,794.00	£8,232.83	£51.20
47	£99,102.00	£8,341.83	£51.88
48	£101,399.00	£8,449.91	£52.55



49	£102,700.00	£8,558.33	£53.23
50	£104,004.00	£8,667.00	£53.90
51****	£108,164.00	£9,013.66	£56.06
52****	£112,491.00	£9,374.25	£58.30

NHS Pay Award 1 April 2023

Band	New Salary April 2023	Monthly Salary	Hourly Rate
Band 1 – Point 1	£22,720.00	£1,893.33	£11.77
Band 2 – Entry Step Point	£22,720.00	£1,893.33	£11.77
Band 2 – Top Step Point	£22,720.00	£1,893.33	£11.77
Band 3 – Entry Step Point	£23,159.00	£1,929.91	£12.00
Band 3 – Top Step Point	£24,701.00	£2,058.41	£12.80
Band 4 – Entry Step Point	£25,524.00	£2,127.00	£13.22
Band 4 – Top Step Point	£28,010.00	£2,334.16	£14.51
Band 5 – Entry Step Point	£28,834.00	£2,402.83	£14.94
Band 5 – Intermediate Step Point	£31,099.00	£2,591.58	£16.11
Band 5 – Top Step Point	£35,099.00	£2,924.91	£18.19
Band 6 – Entry Step Point	£35,922.00	£2,993.50	£18.61
Band 6 – Intermediate Step Point	£37,911.00	£3,159.25	£19.65
Band 6 – Top Step Point	£43,257.00	£3,604.75	£22.42
Band 7 – Entry Step Point	£44,398.00	£3,699.83	£23.01
Band 7 – Intermediate Step Point	£46,686.00	£3,890.50	£24.19
Band 7 – Top Step Point	£50,807.00	£4,233.91	£26.33
Band 8a – Entry Step Point	£51,706.00	£4,308.83	£26.80
Band 8a – Top Step Point	£58,210.00	£4,850.83	£30.17
Band 8b – Entry Step Point	£59,857.00	£4,988.08	£31.02
Band 8b – Top Step Point	£69,553.00	£5,796.08	£36.05

Band	New Salary April 2023	Monthly Salary	Hourly Rate
Band 8c – Entry Step Point	£71,473.00	£5,956.08	£37.04
Band 8c – Top Step Point	£82,335.00	£6,861.25	£42.67
Band 8d – Entry Step Point	£84,825.00	£7,068.75	£43.96
Band 8d – Top Step Point	£97,822.00	£8,151.83	£50.70
Band 9 – Entry Step Point	£101,390.00	£8,449.16	£52.55
Band 9 – Top Step Point	£116,673.00	£9,722.75	£60.47

Mae'r dudalen hon yn wag yn bwrpasol

Local Government Pension Scheme (LGPS) Discretionary Pension Statement

Date 1st April 2024 – 31st March 2025

Version 1

Document type: Policy

PART A

The regulations of the LGPS require every employer to

- (i) issue a written policy statement on how it will exercise the various discretions provided by the scheme,
- (ii) keep it under review and
- (iii) revise it as necessary.

This document meets these requirements stating the regulation requirement and the organisation decision on these.

These discretions are subject to change, either in line with any change in regulations or by due consideration by Flintshire County Council. These provisions do not confer any contractual rights.

The LGPS Employer Discretions Policy is the Council's written policy statement detailing all mandatory employer discretions the LGPS recommend employers also publish.

Some of these discretions are also referred to in relevant HR policies, for example the Flexible Retirement and Early Retirement policies.

This statement will be published on the Councils website at www.flintshire.gov.uk

The Regulations referred to are:

- R:** The Local Government Pension Scheme Regulations 2013 (as amended)
- TP:** The LGPS (Transitional Provision and Savings) Regulations 2014
- A:** The Local Government Pension Scheme (**Administration**) Regulations 2008 (as amended)
- B:** The Local Government Pension Scheme (**Benefits, Membership and Contributions**) Regulations 2007 (as amended)
- T:** The Local Government Pension Scheme (**Transitional Provisions**) Regulations 2008
- L:** The Local Government Pension Scheme Regulations 1997 (as amended)

2013 Regulations and Transitional 2014 Regulations

Employer Discretion		Regulation	FCC Policy
Shared Cost APC's	Whether, how much, and in what circumstances to contribute to a shared cost APC scheme	R16(2)(e) & R16(4)(d)	Due to potential cost burden Flintshire County Council will not contribute towards the cost of the employee purchasing additional pension.
Extension to Shared Cost APC's	Whether to extend 30 day deadline for member to elect for a shared cost APC upon return from a period of absence from work with permission with no pensionable pay (otherwise than because of illness or injury, relevant child-related leave or reserved forces service leave)	R16(16)	It is not the policy of Flintshire County Council to extend the 30 day deadline.
Shared AVC's	Whether, how much, and in what circumstances to contribute to shared cost Additional Voluntary Contributions (AVC's) arrangements	R17(1) & definition of SCAVC in RSch 1	Under Regulation 17 of the LGPS Regulations 2013, Flintshire County Council will exercise the discretion to allow LGPS members to contribute to a shared cost salary sacrifice additional voluntary contribution scheme.
Right to Return of contributions in cases of fraud or grave misconduct.	No right to return of contributions where a member left their employment due to offence of a fraudulent character or grave misconduct in connection with that employment, unless Employer directs a total or partial refund is to be made	R19 (2)	It is not the policy of Flintshire County Council to refund contributions to the member.
Flexible Retirement	Whether all or some benefits can be paid if an employee reduces their hours or grade (flexible retirement)	R30(6) & TP11(2)	The Council have a policy on Flexible Retirement which requires a minimum reduction of 20% in hours/salary with no backfill arrangements. An employee, aged 55 and over may request flexible retirement and each case will be considered on its own merits following full consideration of

			<p>any compelling compassionate reasons and all financial and service delivery implications via a retirement panel.</p> <p>This does not preclude younger employees, under 55 years of age requesting flexible working but without the payment of their retirement benefits.</p> <p>Please refer to the full Flexible Retirement Policy</p> <p>The Council may review its policy at any time.</p>
	Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement	R30(8)	It is not the policy of Flintshire County Council to waive, in whole or in part any actuarial reduction resulting from Flexible Retirement unless the actuarial reduction (arising from the pension strain) is of a de minimis amount and the request meets all other policy criteria.
Early Retirement Waive Actuarial Reduction	Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age other than on the grounds of flexible retirement (where the member only has post 31 March 2014 membership)	R30(8)	<p>The Council have a policy on Early Retirement. Any employee from their 55th birthday can voluntarily retire and access their benefits with an actuarial reduction.</p> <p>An employee may request that Flintshire County Council waive in full or in part their reduction on compelling compassionate grounds only. Each case will be considered on its own merits following full consideration of all financial and service delivery implications via a retirement panel.</p> <p>The Council may review its policy at any time</p>
85 Year Rule	Whether to 'switch on' the 85 year rule for a member voluntarily drawing benefits	TPSch 2, para 1(2) & 1(1c)	Employees can request that the Council 'switch on' the 85 year rule, if they are eligible.

	on or after age 55 and before age 60 (other than on the grounds of flexible retirement)		<p>To be eligible, the employee's LGPS Service (all service) and their age must equal 85 years or more, and they must have joined the pension scheme before 1st October 2006.</p> <p>Deferred members from the age of 55 can access their deferred pension benefits early without employers consent, however the pension income will reduce after the actuarial reduction is applied.</p> <p>The Council may review its policy at any time.</p>
Waiving Actuarial Reduction	<p>Whether to waive any actuarial reduction for a member voluntarily drawing benefits before normal pension age other than on the grounds of flexible retirement (where the member has both pre 1 April 2014 and post 31 March 2014 membership):</p> <p>a) on compassionate grounds (pre 1 April 2014 membership) and in whole or in part on any grounds (post 31 March 2014 membership) if the member was not in the Scheme before 1 October 2006,</p> <p>b) on compassionate grounds (pre 1 April 2014 membership) and in whole or in part on any grounds (post 31 March 2014 membership) if the member was in the Scheme before 1 October 2006, will not be 60 by 31 March 2016 and will not attain 60 between 1 April 2016 and 31 March 2020 inclusive,</p>	TP3(1), TPSch 2, para (2)1, B30(5) & B30A(5)	<p>If it is agreed to apply the '85 year rule', Flintshire County Council may waive the actuarial reduction in full or in part following careful consideration of the financial implications and affordability.</p> <p>Each case will be considered on its own merits including any compelling compassionate reasons and following full consideration of all financial and service delivery implications via a retirement panel.</p> <p>The Council may review its policy at any time.</p>

	<p>c) on compassionate grounds (pre 1 April 2016 membership) and in whole or in part on any grounds (post 31 March 2016 membership) if the member was in the Scheme before 1 October 2006 and will be 60 by 31 March 2016,</p> <p>d) on compassionate grounds (pre 1 April 2020 membership) and in whole or in part on any grounds (post 31 March 2020 membership) if the member was in the Scheme before 1 October 2006, will not be 60 by 31 March 2016 and will attain 60 between 1 April 2016 and 31 March 2020 inclusive</p>		
Grant Additional Pension	Whether to grant additional pension to an active member or within 6 months of ceasing to be an active member by reason of redundancy or business efficiency (by up to £6,500 p.a. on 1 April 2014 - this figure is inflation proofed annually)	R31	It is not the policy of Flintshire County Council to award additional pension
Transferring in non LGPS pension rights	Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS	R100(6)	It is not the policy of Flintshire County Council to consider extending the time limit for a transfer in of previous pension rights to proceed after twelve months.
Employee Contribution Rate	Determine rate of employees' contributions and review the pension contribution band to which an employee has been allocated following a material change which affects the member's pensionable pa	R9(1) & R9(3)	The tiered contribution rate for each employee will be based on the pensionable pay elements. Basic salary is assessed at the full time equivalent rate, in each post an employee holds at 1 April. The contribution rate will be re-assessed annually on implementation/application (regardless of when the award is made) of the annual pay award. Re-assessment will take place at any point in the year where there is a material change for example:-

			Promotion, demotion, incremental progression.
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2018 Amended Regulations

Employer Discretion		Regulation	FCC Policy
Deferred Benefits	Whether to grant applications for the early payment of pension benefits on or after age 50 and before age 55.	R31(2) of the LGPS Regulations 1997].	It is not the policy of the Council to allow deferred benefit applications on or after age 50 and before age 55.

2008 Scheme (Administration) Regulations and 2007 Regulations

Employer Discretion		Regulation	FCC Policy
Deferred Benefits	Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30 (member)	B30(5), TPSch 2, para 2(1)	Ordinarily The Council will not waive any actuarial reduction for deferred members on compassionate grounds.
	Whether to 'switch on' the 85 year rule for a pensioner member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60	TPSch 2, para 1(2) & 1(1c)	The Council will not "switch on" the 85 year rule.

1997 and 1995 Scheme Regulations

Employer Discretion		Regulation	FCC Policy
Deferred Benefits	Whether to grant applications for the early payment of deferred pension benefits on or after age 50 and before NRD on compassionate grounds.	TP3 (5A) (vi)TL4, L106(1) & D11(2c)	It is not the policy of the Council to allow deferred benefit applications on or after age 50 and before age 55.

The policy in respect of each employer discretion is set out above, however, the council may give further consideration where there are exceptional circumstances and clear merit, or where the cost is not considered to be significant or material.

Equal Pay Audit

Gender and Diversity Pay
Gap Reporting



2023

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1.0 Introduction

Flintshire County Council supports the principle of equal pay for equal work of equal value and recognises that there should be a pay and grading structure which is free from bias and based on objective criteria.

This is the sixth equal pay audit that Flintshire County Council has undertaken since the implementation of the Single Status Agreement in 2014, and it is part of our commitment to be a fair and equitable employer; an employer that ensures its employees are not subjected to unfair discrimination.

2.0 What is an Equal Pay Audit?

An Equal Pay Audit involves the specific comparison of the pay of male and female colleagues, investigating the causes of any pay gaps by gender, ethnicity, disability or working pattern and planning to close any gaps that cannot be justified on grounds other than one of those characteristics.

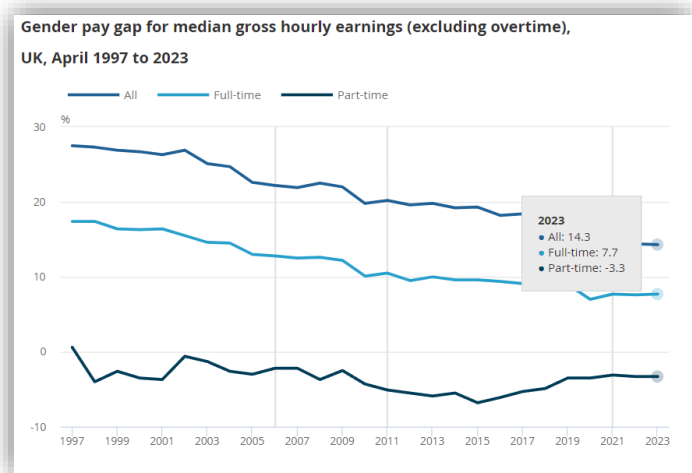
There are several benefits of conducting an equal pay audit:

- Identifying, explaining and, where justifiable, eliminating pay inequalities.
- Supporting rational, fair and transparent pay arrangements.
- Demonstrating to employees a commitment to equality.
- Demonstrating the Council's values to external stakeholders.
- Helping to meet the public sector equality duty.

3.0 The Gender Pay Gap

The Gender pay Gap is different to equal pay. Equal pay is the equal payment of men and women for undertaking the same work. Within Flintshire County Council, men and women are paid equally for doing equivalent roles, as decided by our job evaluation scheme.

The current gender pay gap in the UK, based on median hourly earnings, excluding overtime for full time workers is 7.7%.



This data is from the ONS Annual Survey of Hours and Earnings (2021).

4.0 Methodology and Data Collection

The Equality and Human Rights Commission guidelines for undertaking equal pay audits has been followed and the data has been analysed using the definitions and methodologies advocated in national guidelines.

The data was extracted from the Council's HR and Payroll system "iTrent" on **31st March 2023**.

Analysis of this data has been undertaken to consider the following:

- Workforce composition including male, female, ethnicity and disability.
- Average male/female pay gap across pay grades.
- Distribution of males/females across pay grades.
- Distribution of full and part time workers across pay grades.
- Gender profile of full and part workers.

The gender pay gap is calculated using the mean and median salaries of female employees expressed as a percentage of the mean and median salaries of male employees doing work of equal value. 'Salary' is the full-time equivalent salary.

5.0 Workforce Composition

From the data extract taken on **31st March 2023**, the Council has 6990 occupied positions. This sees an increase of 141 from 6849 on the 31st March 2022.

Workforce composition	1 role	2 roles	3 roles	4 roles	5 roles	Total
Female	4109	1032	234	40		5415
Male	1413	142	15		5	1575
Total	5522	1174	249	40	5	6990
Actual headcount	5522	587	83	10	1	6203

Total Workforce Demographic



The table shows the distribution of individuals who hold more than one post within the Authority and identifies an actual headcount of 6203 employees.

6.0 Gender Pay Gap Analysis

The table below provides a breakdown of all employees across the full range of terms and conditions, gender numbers and the average salaries for each group.

Pay scale group	Female	Average salary	Male	Average salary.	Total	Average salary	Pay gap
Chief Officers/Chief Executive	3	£96,009	4	£110,696	7	£104,402	13.27%
Head Teachers	116	£64,094	79	£67,841	195	£65,612	5.52%
Soulbury/Y&C Officers/Ed. Psychos	21	£51,613	4	£54,081	25	£52,008	4.56%
Occupational Health Nurses (New)	3	£43,593			3	£43,593	0.00%
Teachers - Basic Scale	997	£41,551	276	£41,580	1273	£41,557	0.07%
Teachers - Unqualified (Assimilated)	11	£29,057	5	£27,933	16	£28,706	-4.03%
Youth Workers	35	£28,214	14	£28,007	49	£28,155	-0.74%
NJC Pay Table 2019	4221	£24,918	1170	£28,972	5391	£25,798	13.99%
National Trainees	8	£18,328	23	£18,328	31	£18,328	0.00%
Grand Total	5415	£28,993	1575	£33,235	6990	£29,949	12.76%

Summary

- Average (mean) salary for women is £28,993 increased from £26,929 in 2022.
- Average (mean) salary for men is £33,235 increased from £31,208.67 in 2022.
- The **Mean** Gender Pay Gap is 12.76% reducing from of 13.71% in 2022.
- **Median** salary for men £28,371 increasing from £26,900 in 2022.
- **Median** salary for females £22,786 increasing from **£20,861** in 2022.
- **Median** gender pay gap is 19.69% reducing from 22.45% in 2022.

6.1 Quartile distribution

Quartile	Female	Average salary	Male	Average salary.	Total	Total Average	distribution	Pay gap	Women	Men
Lower quartile	1596	£20,811	152	£20,327	£1,748	£20,769	25%	-2.38%	91.3%	8.7%
Lower middle quartile	1408	£22,285	339	£22,508	£1,747	£22,328	25%	0.99%	80.6%	19.4%
Upper middle quartile	1160	£30,161	588	£29,958	£1,748	£30,093	25%	-0.68%	66.4%	33.6%
Upper Quartile	1251	£45,897	496	£48,408	£1,747	£46,610	25%	5.19%	71.6%	28.4%
Grand Total	5415	£28,993	£1,575	£33,235	£6,990	£29,949		12.8%	77.5%	22.5%

The quartile distribution show how the gender pay gap is reflected in the vertical distribution of average salaries. Here you can see a small, but positive bias towards women in both the lower quartile and the upper middle quartile.

6.2 Types of Occupational Segregation

Occupational segregation by gender, refers to the unequal distribution of women and men across different types and levels of work. This can perpetuate gender inequality in the workplace and contribute to the gender pay gap.

Horizontal segregation occurs where there are clusters of one gender in a role. For example, caring roles are typically carried out by females and construction roles are typically carried out by males.

Vertical segregation occurs when the jobs that are predominantly carried out by one gender results in an uneven distribution of employees in the pay and grading structure, that is not representative of the overall gender workforce profile.

Research to date has uncovered a range of important issues that contribute or are related to the gender pay gap. A significant review of the gender pay gap by UK Government Equalities Office concludes that the most important factor influencing the gender pay gap is the effects of interruptions to employment and the lack of 'good' part time work. These findings are supported by numerous studies.

Despite significant initiatives in local government and the health sector, there has been little progress in closing the gender pay gap in the public sector, which currently stands at 15.4%¹. Part of the lack of progress in the gender pay gap in the public sector is explained by the lack of representation of females in senior management roles in the sector. Women represent 53% of all employees in the civil service but occupy only 33% of senior management roles.

Table 4: Mean Gender Pay Gap

Gender Pay Gap UK	
All employees	15.4%
Full Time	7.9%
Part Time	-2.7%
Public Sector	18%
Private Sector	19.6%
Non-profit body or mutual association	20.8%

¹ Source ONS Annual Survey of Hours and Earnings 2021

Women are more likely to be in health and social work and education sectors than men, who are more likely to be in manufacturing, construction, and transport (horizontal segregation). Traditionally, health, social work and education tends to be delivered by the public sector. Accordingly, women are significantly more likely to work for a public sector employer. According to the EHRC, 40% of women work in the public sector compared to only 15% of men. This is quite significant for Flintshire County Council, with the gender distribution of the workforce being 77% female.

7.0 Full and Part time Staff

Table 5: Distribution of Male and Female by Basis

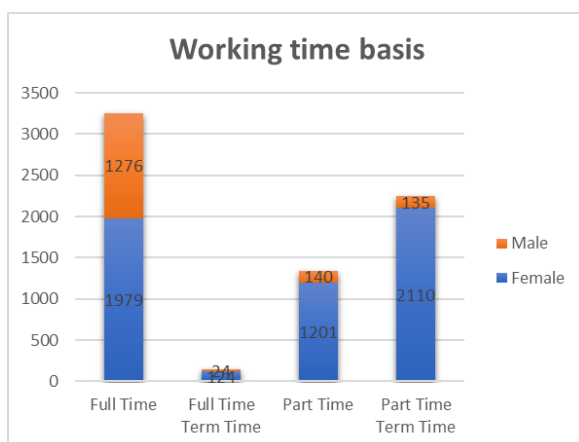
Full vs part time working	Female	Average salary	Male	Average salary.	Total	Average salary..	Pay gap	Women	Men
Full Time	1979	£36,345	1276	£35,041	3255	£35,834	-3.72%	61%	39%
Full Time Term Time	124	£27,415	24	£30,034	148	£27,840	8.72%	84%	16%
Part Time	1201	£29,489	140	£28,169	1341	£29,351	-4.68%	90%	10%
Part Time Term Time	2110	£21,910	135	£21,985	2245	£21,915	0.34%	94%	6%
Grand Total	5415	£28,993	1575	£33,235	6990	£29,949	12.76%	77%	23%

- The distribution of both full time and part time females employees see a positive average pay variance of 3.72% & 4.68% respectively.
- However, school based employees working either full time term time, part time term time still see pay gaps of 8.72% and 0.34% respectively.



As a proportion of females in our workforce:

- 37% work full time.
- 22% work part time.
- 2% work full time term time.
- 39% work part time term time



As a proportion of our workforce:

- Men represent 10% of part time working employees.
- And 6% of part time term time employees.

The proportion of females in part time work and the quality of part time work available in the UK are closely associated with its relatively high gender pay gap in comparison to international standards. Around 1 in 5 jobs in the UK is part time but 4 in 10 females work in part time employment. These proportions have remained constant since the early 1990's.

8.0 Gender Pay Gap Analysis – Green Book terms and conditions – NJC Pay Tables

The majority of our employees are working under Green Book terms and conditions (NJC pay table) and their roles have been evaluated using the GLPC method of Job Evaluation (5415 records).

Comparing the last two years of data we can see that of the 4221 female employees, 2468 have seen a small positive incremental change to the gender pay gap.

NJC pay progression comparison

Grade	Female employees	Average pay 2022			Average pay 2023			Annual change
		Female Average Salary	Male Average Salary	Pay gap 2022	Female Average salary.	Male Average salary.	Pay gap 2023	
G01	1737	£18,977	£18,907	-0.37%	£20,856	£20,702	-0.74%	↓ 0.37%
G02	1193	£20,475	£20,490	0.08%	£22,369	£22,400	0.14%	↑ -0.06%
G03	136	£22,210	£22,244	0.15%	£24,083	£24,157	0.30%	↑ -0.15%
G04	485	£25,817	£25,696	-0.47%	£27,533	£27,458	-0.28%	↑ -0.19%
G05	229	£31,164	£31,053	-0.36%	£32,914	£32,998	0.26%	↑ -0.62%
G06	216	£34,792	£34,606	-0.54%	£36,612	£36,478	-0.37%	↑ -0.17%
G07	81	£38,998	£39,440	1.12%	£40,336	£41,041	1.72%	↑ -0.60%
G08	83	£42,731	£42,933	0.47%	£44,357	£44,703	0.77%	↑ -0.30%
G09	33	£46,749	£46,877	0.27%	£47,841	£48,476	1.31%	↑ -1.04%
G10	16	£52,816	£52,782	-0.07%	£54,994	£54,864	-0.24%	↓ 0.17%
G11	9	£59,995	£59,738	-0.43%	£61,763	£62,299	0.86%	↑ -1.29%
G12	3	£73,941	£73,337	-0.82%	£75,915	£75,915	0.00%	↑ -0.82%
Grand Total	4221	£22,965	£27,168	15.47%	£24,918	£28,972	13.99%	

- Average female (mean) salary has increased from £22,964 in 2023 to 24,918.
- Gender pay gap has decrease from 15.47% to 13.99%.

The improving position is likely to be attributable to internal promotions and incremental progression for female new starters over the past 12 months.

8.0 Disability Analysis

Disability analysis of all employees

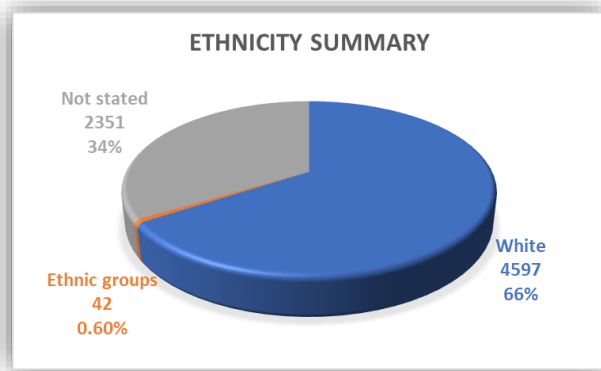
Disability	Female	Average salary	Male	Average salary..	Total	Average salary.	Pay gap	Women	Men
No	3418	£29,139	936	£34,293	4354	£30,247	15.03%	79%	21%
Not Known	1850	£28,790	599	£31,846	2449	£29,537	9.60%	76%	24%
Yes	147	£28,150	40	£29,297	187	£28,395	3.92%	79%	21%
Grand Total	5415	£28,993	1575	£33,235	6990	£29,949	12.76%	77%	23%

Out of the 6990 records 187 (**2.6%**) have disclosed a disability, 4354 (**62.02%**) have declared themselves as not disabled. The data has remained stable in the last 12 months, seeing only marginal improvements of 0.3% in those declaring a disability.

From those employees who declared a disability:

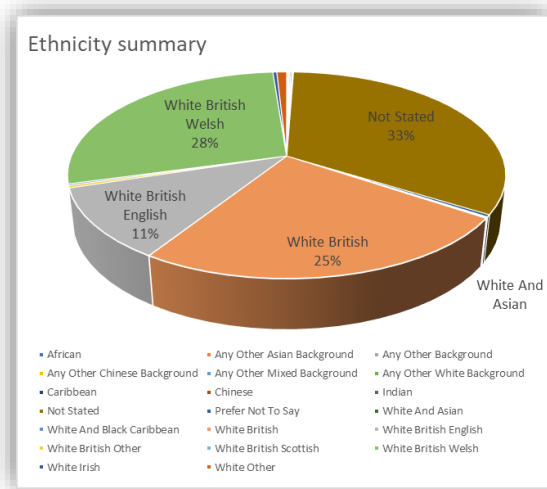
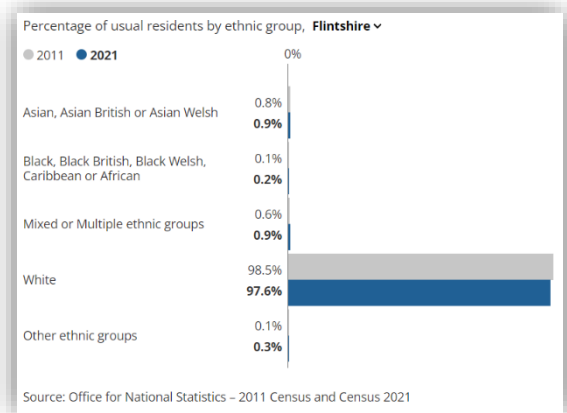
- We see a pay gap of £28,395 vs £30,247, £4,996 or 14.5%.

9.0 Ethnicity Analysis



There are considerable number of staff who have chosen not to disclose their ethnicity (34%). This has slightly improved from 2022, where the figure was (32.84%) but this makes it difficult to undertake a robust analysis of our demographic ethnicity.

However, if we compare with the 2021 ONS census, we can see a comparable percentage of ethnicity with the Flintshire County residents to that of the Authorities employees if we combine our “not stated” population with those defined as “white”.

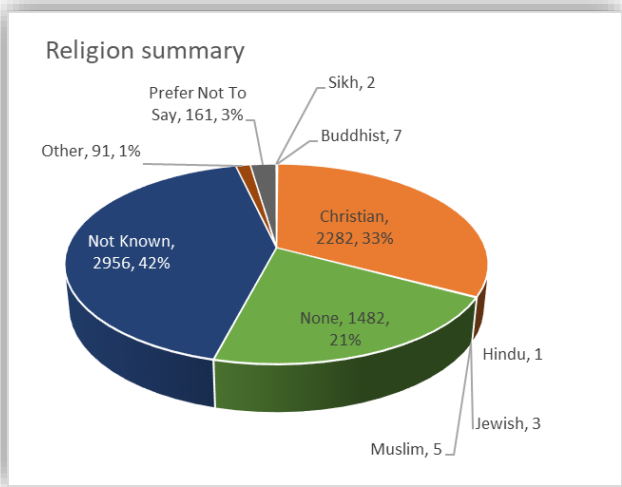


Whilst this is not a wholly accurate analytical method, it provides a feasible representation of the organisations demography and that when compared to its locality, that balanced recruitment activities are being undertaken.

10.0 Religion

Religion	Female	Average sal:Male	Average salaTotal	Total Average	Pay gap	Women	Men		
Buddhist	5	£26,371	2	£26,074	7	£26,286	-1.14%	71%	29%
Christian	1873	£29,263	409	£35,111	2282	£30,311	16.66%	82%	18%
Hindu			1	£43,481	1	£43,481	100.00%	0%	100%
Jewish	3	£20,441			3	£20,441	N/A	100%	0%
Muslim	5	£29,153			5	£29,153	N/A	100%	0%
None	1085	£27,913	397	£31,766	1482	£28,945	12.13%	73%	27%
Not Known	2250	£29,448	706	£32,978	2956	£30,291	10.70%	76%	24%
Other	74	£25,596	17	£33,788	91	£27,126	24.25%	81%	19%
Prefer Not To Say	118	£28,541	43	£33,054	161	£29,746	13.65%	73%	27%
Sikh	2	£21,189			2	£21,189	N/A	100%	0%
Grand Total	5415	£28,993	1575	£33,235	6990	£29,949	12.76%	77%	23%

The proportion of the total population of employees who have declared their religion or belief as Christian is **33%** and **1%** have declared another religion or belief (such as Buddhist, Hindu, Jewish, Muslim, Sikh or other), with 21% declaring no religion. For **42%** religion or belief is unknown.



11.0 Working to close the gap.

We have already made considerable progress to tackle some of the challenges, for example:

- Introduction of a new pay and grading structure in April 2019 including the introduction of Senior Management grades to reduce the pay gap between the Chief Officers and other employees.
- Ongoing maintenance of job evaluation scores to stop grade drift and ensure a consistency of approach in the application of the job evaluation scheme.
- Comprehensive work/life balance policies to encourage a more flexible workforce.

Flintshire County Council is committed to reducing the gender pay gap and is committed to continue addressing the following areas:

11.1 Gender monitoring

The Council will continue to have effective gender monitoring with our data being refreshed and republished annually and this data will remain on our website for comparison purposes.

11.2 Focus on marketing Family Friendly policies and procedures.

We continue to monitor our family friendly policies and actively encourage employees to utilise the schemes that are on offer. These can include simple steps such as encouraging male employees to consider taking shared parental leave and marketing the family friendly schemes that the Council offers. The introduction of a new hybrid working policy is also aimed to support employees balance home life and work life.

11.3 Review the provision of flexible and alternative ways of working.

Since the Covid-19 pandemic working practices have seen fundamental changes with the widespread introduction of home working, and in more recent months, hybrid working practices as working practices re balance in the post pandemic working environment.

The proliferation of hybrid working practices across the respective portfolios, underpinned by modern communication technology, has enabled the continued delivery of essential services, whilst offering greater flexibility in patterns of work, helping employees balance work, family commitments and caring responsibilities.

Flintshire County Council will continue to review and evolve its working practices and support employees flexible working needs, as far as practicably possible, whilst maintaining its service delivery requirements.

11.4 Minimise any negative impacts from pay and grading structures.

The organisation is still committed to reviewing its pay and grading structure in 2023/2024 to ensure as an organisation its pay and grading structure is modern, equitable and fit for purpose.

11.5 Policy to practice Training.

Policy to practice training for all line managers continues with updated content to ensure topicality & legal compliance and how their role can support equality and diversity within the workplace.

11.6 Apprenticeships

We are working hard to advance equality of opportunity for young people. We continue to expand the variety of apprenticeships offered ensuring young people are developing skills in areas of growth and demand which enhances employability. Recent additions have been within digital marketing with a focus on improving and expanding our social media presence, marketing our apprentice scheme to a wider audience of young people as well as working on marketing general vacancies across the Council.

12.0 The bigger picture

The gender pay gap measurement can never tell the whole story of our organisation as an employer committed to equality and equal treatment of our staff.

- We have an equality proofed pay and grading system that undergoes an annual Equal Pay Audit.
- We recognise and work in partnership with the recognised trade unions to negotiate pay and conditions, ensuring parity of pay on behalf of those who work for us.
- We do not pay bonuses or performance related pay.
- We support women having children by offering enhanced maternity leave and flexible working policies.

We provide a wide range of flexible working opportunities to support, develop and retain employees at work. We will continue to promote these initiatives going forward and hopefully encourage more females to take on more senior roles within the Council.

We are an accredited Disability Confident Employer (level 2) and are committed to achieving level 3 (Disability Confident Leader)





We have been awarded the Ministry of Defence (MOD) Employers Recognition Scheme (ERS) Gold award for our commitment to defence and the armed forces community.

13.0 Conclusion and actions

Between 2017 and 2023 we have seen year on year incremental improvements to the gender pay gap, both at macro level, and at the lower end of the pay scale groups.

The small incremental values are attributed to the structured control of the pay and grading model and the impact of proactive gender both internal & external recruitment.

Table 10 Gender pay gap by year

Gender Pay Gap	2017	2018	2019	2020	2021	2022	2023
Overall	16.96%	13.65%	13.40%	13.11%	13.75%	13.71%	12.76%
NJC/Green Book	18.60%	16.22%	15.45%	15.00%	15.37%	15.47%	13.99%

There are no significant pay gaps where work of equal value is being done. The pay gap therefore is a result of significantly more females employed in lower graded jobs and more males in higher graded jobs.

- The Council will undertake the following actions to assist in further reducing the overall pay gap:
- The Council will review its recruitment procedures and training on recruitment and selection with a view to ensuring that there is nothing in the process that may cause gender bias. Training for managers on ‘unconscious bias’ is already taking place.
- A review of recent appointments and starting salaries will take place to ensure that the starting salaries procedure is being fairly and consistently applied. If any areas of concern are identified further training will be provided for managers in those areas.
- Recruitment metrics will be put in place which will include data on gender, ethnicity, and disability so that the outcomes of resourcing initiatives can be measured.
- The Council will promote its flexible working and family friendly initiatives to raise employee awareness.

The audit provides assurance that the County Councils job evaluation scheme and the processes within which it operates are robust and meet equality requirements.