

# Pecyn Dogfen Gyhoeddus

**Gareth Owens LL.B Barrister/Bargyfreithiwr**  
Chief Officer (Governance)  
Prif Swyddog (Llywodraethu)



Swyddog Cyswllt:  
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At: Bob Aelod o'r Cyngor

Dydd Mercher, 22 Ionawr 2025

Annwyl Gynghorydd,

**RHYBUDD O GYFARFOD HYBRID**  
**CYNGOR SIR Y FFLINT**  
**DYDD MAWRTH, 28AIN IONAWR, 2025 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 CYFLWYNIADAU

- Pwrpas:**
1. Rhoi cyflwyniad i'n hathletwyr Paralympaidd lleol er mwyn cydnabod eu llwyddiannau yn ennill Medalau Aur yng Ngemau Paralympaidd Haf 2024 ym Mharis.
  2. Rhoi cyflwyniad i Gynghorwyr Sir presennol a chyn Gynghorwyr Sir sydd wedi cyflawni 25 mlynedd o wasanaeth yn olynol fel aelod etholedig yng Nghyngor Sir y Fflint.

### 2 YMDDIHEURIADAU AM ABSENOLDEB

**Pwrpas:** I dderbyn unrhyw ymddiheuriadau.

### 3 CWESTIYNAU GAN Y CYHOEDD (Tudalennau 5 - 6)

**Pwrpas:** Derbyn Cwestiynau Cyhoeddus ar gyfer yr eitem hon: mae un wedi cael ei dderbyn ac wedi ei atodi.

### 4 DATGAN CYSYLLTIAD

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

### 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 CYNLLUN BUSNES ARIANNOL 30 BLYNEDD Y CYFRIF REFENIW TAI (HRA) (Tudalennau 7 - 20)

Adroddiad Prif Swyddog (Tai ac Asedau) -

**Pwrpas:** Pwrpas yr adroddiad hwn yw cyflwyno, er argymhelliad y Cyngor, Cyllideb y Cyfrif Refeniw Tai ar gyfer 2025/26, Cynllun Busnes y Cyfrif Refeniw Tai a chrynodeb o'r Cynllun Busnes Ariannol 30 blynedd.

**8 ADOLYGIAD CANOL BLWYDDYN RHEOLI'R TRYSORLYS 2024/25**  
(Tudalennau 21 - 46)

Adroddiad Rheolwr Cyllid Corfforaethol -

**Pwrpas:** Cyflwyno drafft Adroddiad Canol Blwyddyn Rheoli'r Trysorlys ar gyfer 2024/25 i'r Aelodau.

**EITEMAU CYFFREDIN BUSNES**

**9 ADRODDIAD BLYNYDDOL Y PWYLLGOR LLYWODRAETHU AC ARCHWILIO** (Tudalennau 47 - 86)

Adroddiad Cadeirydd y Pwyllgor Llywodraethu ac Archwilio -

**Pwrpas:** Cymeradwyo Adroddiad Blynyddol y Pwyllgor Llywodraethu ac Archwilio 2023/24.

**10 RHYBUDD O GYNNIG** (Tudalennau 87 - 92)

**Pwrpas:** Mae'r eitem hon i dderbyn unrhyw Rybudd o Gynnig. Mae tri wedi cael eu derbyn a'u hatodi i'r rhaglen.

**11 DATGANIAD POLISIAU TAL AR GYFER 2025/26** (Tudalennau 93 - 138)

Adroddiad Rheolwr Corfforaethol, Pobl a Datblygu Cyfundrefnol, Prif Weithredwr -

**Pwrpas:** Cymeradwyo'r Datganiad Polisi Tâl draft 2025/26.

**ER GWYBODAETH**

**12 CWESTIYNAU** (Tudalennau 139 - 140)

**Pwrpas:** Nodi'r atebion i unrhyw gwestiwn a gyflwynwyd yn unol â Rheol Sefydlog 9.4(A) y Cyngor Sir: daeth pump 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 gopïau 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.

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

Mae'r dudalen hon yn wag yn bwrpasol

# Eitem ar gyfer y Rhaglen 3

## Public Question received from Colin Randerson

My question concerns: **Coalescence of Settlements Across Flintshire.**

Does Flintshire Council support further coalescence of settlements, particularly in the Deeside area? Examples already exist such as between:

- Queensferry, Shotton and Connah's Quay
- Ewloe, Hawarden, Mancot and Sandycroft
- Drury, Buckley and Mynydd Isa – plus potentially New Brighton

Can the council provide examples and application quantities from recent history where development sites which further coalesce settlements have been approved and compare this to how many have been rejected. What is the council's view on development which significantly merges settlements which may just be touching but where there is clear distinction in the character and geography of the existing settlements and communities?

Mae'r dudalen hon yn wag yn bwrpasol

# Eitem ar gyfer y Rhaglen 7



## FLINTSHIRE COUNTY COUNCIL

<b>Date of Meeting</b>	28th January 2025
<b>Report Subject</b>	Housing Revenue Account (HRA) 30 Year Financial Business Plan
<b>Cabinet Member</b>	Cabinet Member for Housing and Communities
<b>Report Author</b>	Chief Officer, Housing and Communities
<b>Type of Report</b>	Strategic

### EXECUTIVE SUMMARY

The purpose of this report is to present for consideration the draft Housing Revenue Account (HRA) 30-year Financial Business Plan and the proposed HRA Budget for 2025/26.

### RECOMMENDATIONS

1	To consider the HRA budget for 2025/26 as set out in the report.
2	To consider the proposed minimum rent increase of 2.7%.
3	To consider a garage rent increase of 2.7%.
4	To consider the increase in service charges to full cost recovery.
5	To consider the pressures and efficiencies set out in Appendix A.
6	To consider the proposed HRA Capital programme for 2025/26 as set out in Appendix B.

## REPORT DETAILS

1.00	<b>EXPLAINING THE HRA BUSINESS PLAN 2025/26 UPDATE</b>														
1.01	<p><b>Considerations</b></p> <p>The HRA is required to produce a 30-year business plan.</p> <p>The strategic context for this year's HRA budget setting includes the following:</p> <ul style="list-style-type: none"><li>• Ensure affordability for contract holders is at the core of our considerations.</li><li>• Continued drive to ensure all service costs are efficient and that value for money can be achieved.</li><li>• Ensure the treasury management strategy continues to meet the Housing Revenue Account's new and ongoing borrowing requirements.</li><li>• Setting a balanced budget with a minimum of 3% surplus revenue over expenditure.</li><li>• Maximisation of revenue efficiencies to minimise the borrowing required to meet Welsh Housing Quality Standards (WHQS).</li><li>• Delivery of new build Council housing and acquisitions of existing properties.</li><li>• Continued drive to ensure homes are Energy Efficient and explore Decarbonisation.</li><li>• Provision of adequate ongoing capital to maintain WHQS levels.</li></ul>														
1.02	<p><b>HRA Funding</b></p> <p>The HRA is a ring-fenced service and therefore it must be self-financing and not subsidised by the Council.</p> <div data-bbox="327 1299 1316 2072"><p style="text-align: center;">HRA Funding 2024/25</p><table border="1"><thead><tr><th>Category</th><th>Percentage</th></tr></thead><tbody><tr><td>Net Rental Income</td><td>73%</td></tr><tr><td>Borrowing</td><td>14%</td></tr><tr><td>Grants</td><td>11%</td></tr><tr><td>Other income</td><td>1%</td></tr><tr><td>Non Dwelling Rents</td><td>1%</td></tr><tr><td>Charges for Services</td><td>0%</td></tr></tbody></table></div>	Category	Percentage	Net Rental Income	73%	Borrowing	14%	Grants	11%	Other income	1%	Non Dwelling Rents	1%	Charges for Services	0%
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Charges for Services	0%														



	<p>The graph above indicates that the majority of the HRA funding (73%) comes from the rents charged to its customers and a further 25% of its funding comes from grants, in the form of the Major Repairs Allowance (MRA), Social Housing Grant (SHG), Transitional Accommodation Capital Funding (TACP) and borrowing. The remaining 2% comes from other sources such as non-dwelling rents and service charges.</p>
1.03	<p><b>HRA Pressures and Efficiencies</b></p> <p>Pressures and efficiencies have been identified and are detailed in Appendix A.</p> <p>An additional budget requirement of £0.377m has been identified for 2025/26. Of this, £0.179m relates to uncontrollable pressures such as pay and general inflationary increases and the remaining £0.198m are service pressures.</p> <p>We have also identified £1.062m of efficiencies to offset the pressures, which leaves a net saving of £0.685m in 2025/26.</p>
1.04	<p><b>Capital Programme</b></p> <p>The total proposed capital programme for 2025/26 is £28.683m, summarised in Appendix B.</p> <p><b>WHQS 2023</b></p> <p>A total of £18.989m has been allocated for ongoing WHQS works.</p> <p>WHQS.2023 works are continuing, the programme of works to deliver the new standard will run until 2033.</p> <p>WHQS.2 proposes to reduce the carbon emissions from social housing and in doing so contribute to the Welsh target of Net Zero Carbon.</p> <p>The standard focuses on affordable warmth with a target energy pathway of EPC 'C'. In support of the target Welsh Government have asked Landlords to advise on how they will meet net zero carbon by 2027. Welsh Government have asked Landlords to assess their stock and produce energy pathways for homes by 2027.</p> <p>The new standard will place significant additional capital pressures on the HRA over the coming years particularly due to the net zero carbon agenda and these additional pressures are not yet reflected in the future business plan.</p> <p>The 2025/26 capital budget increases the energy efficiency programme of works to £5.241m as part of a programme to assess the best way to achieve net carbon zero homes.</p> <p><b>Disabled Facilities Grants (DFGs)</b></p> <p>A total of £1.100m has been allocated for this mandatory service. This service is customer driven and can be volatile dependant on customer demands.</p>

## Regeneration

A £4.000m regeneration budget has been allocated in the Capital Programme for 2025/26. The aim is to utilise this allocation to remodel HRA stock where the current stock is no longer fit for purpose. There are several pipeline schemes for consideration including:

- Sheltered Housing Review
- Estate Remodelling
- Assist with reducing Homelessness – acquiring existing properties.

## SHARP

£4.594m has been built into 2025/26 for the development of Council housing. The capital programme is currently forecasting the addition of 50 units per annum, 10 buybacks and 40 new builds, for the next 5 years. The costs are based on the Standard Viability Model and assumes receipt of Social Housing Grant (SHG).

Capitalisation of the costs of the development team have now been included in the programme at 6% of the total development budget.

All schemes are required to meet financial hurdle rates set by the Council and should be able to pay back the original investment via rents within 50 years. Buybacks must payback within 40 years.

<b>Asset Investment Budget Breakdown</b>	<b>£m</b>
10 Buy back properties & 40 New Builds	4.594
<b>Total</b>	<b>4.594</b>

## Capital Funding

The £28.683m capital programme will be funded by:

<b>WHQS &amp; Asset Investment Funding</b>	<b>£m</b>
Revenue Contribution (CERA)	14.811
Major Repairs Allowance	4.978
Energy Efficiency income (FIT) & ORP Grant	0.300
Prudential Borrowing (Regeneration)	4.000
Prudential Borrowing (SHARP)	4.594
<b>Total</b>	<b>28.683</b>

## 1.05 Rent Setting

In December 2019, Welsh Government released the revised rent policy for a 5-year period beginning in April 2020/21, this policy has now been extended whilst a new rent policy is being developed.

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

their rationale for setting rents.

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

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

The policy states, however, that should CPI fall outside the range of 0% to 3%, the Minister with responsibility for housing will determine the appropriate change to rent levels to be applied for that year only. CPI as of September 2024 was 1.7%. Our modelling in the current business plan assumes a rent increase of 2.7%.

Setting rent lower than 2.7% will mean the HRA will need to find further efficiencies of circa £0.400m every year for each 1% rent reduction.

Whilst affordability for contract holders should always be an important consideration when setting rents, it is also important to note, setting the rents at WG rent cap levels will enable the Council to utilise these additional funds on WHQS.2 which will reduce social housing utilities costs and improve affordability for contract holders.

#### 1.06 **Rent Impact on Contract Holders**

We have identified that 64% of all contract holders are eligible for Housing Benefit (HB) or Universal Credit (UC) support toward their rent and service charges. The table below shows the impact on those in receipt of HB.

HB eligibility	Average % of rent paid by HB	Average impact on tenants p.w.
Full	100%	£0.00
Partial	34%	£2.47
None	0%	£3.72

Consultation with contract holders has been via a section in the Star Survey and a meeting has been held with the tenant's federation.

#### 1.07 **Garage Rents and Service Charges (including impact to contract holders)**

The proposed garage rent and garage plot increase is 2.7% for 2025/26, which equates to £0.31 per week for garage rent and takes the rent per week to £11.75 (based on 52 weeks). The proposed garage plot increase is £0.05 per week taking the garage plot rent to £1.85 per week.

The business plan anticipates income levels of £0.305m for garages and garage plots.

The rent and service charges policy were introduced in 2015 and expected all

Local Housing Associations (LHA's) to be achieving full cost recovery for service charges, if this had not yet been achieved a clear transition plan should be identified to achieve this.

To achieve full cost recovery, we would be required to increase service charges as follows:

Service Charge	Current charge per week	Full recovery cost per week	Increase per week	Impact per week with partial HB (ave. 34%)
Aerials	£1.55	£1.55	£0.00	£0.00
Laundry	£1.13	£1.20	£0.07	£0.05
Cleaning	£5.23	£5.75	£0.52	£0.34
Window Cleaning	£1.05	£1.05	£0.00	£0.00
Alarms	£3.18	£3.53	£0.35	£0.23
<b>Total</b>	<b>£12.14</b>	<b>£13.08</b>	<b>£0.94</b>	<b>£0.62</b>

Not all properties are subject to all service charges. Of all our contract holders, 2.4% are charged for five service charges and 2.5% are charged for four service charges and 9.6% for three.

The increase of the service charges would bring in additional income of £0.014m.

1.08 **Capital Financing**

The deed to terminate the voluntary agreement for the HRA borrowing cap was signed on the 2nd December 2019, it is therefore important that going forward, increased borrowing in the HRA is carefully managed and monitored to ensure that it is sustainable and affordable to the business plan.

Borrowing should only be used for investment expenditure and not day-to-day running costs or maintaining WHQS. The HRA is likely to be required to increase borrowing in the future to fund WHQS.2 as Welsh Government have indicated this will not be fully funded via grant, therefore we need to manage the risk of this future borrowing by keeping current borrowing at prudent levels.

Borrowing undertaken by the HRA is repaid under the Annuity Method which is calculated in line with the useful life of the asset. Our current borrowing levels are shown below:

<b>Total HRA borrowing undertaken to date</b>		<b>£</b>
Prior debt and HRA subsidy buyout		103,108,830
WHQS		21,871,366
SHARP		24,767,993
Regeneration		860,000
<b>Total HRA Borrowing</b>		<b>150,608,189</b>
Less repayments to date		(19,187,108)
<b>Net HRA Borrowing</b>		<b>131,421,081</b>
<b>New Borrowing for 2025/26</b>		<b>£</b>
SHARP		4,594,050
Regeneration		4,000,000
<b>Total New HRA Borrowing</b>		<b>8,594,050</b>
<b>Total Capital Financing at 2025/26</b>		<b>140,015,131</b>

**Interest Rates**

The HRA is part of the single debt pool for the Council. All borrowing for the Council is managed within one pool and the average borrowing rate for the Council is applied to all new borrowing in the HRA. The rate assumed in the business plan is 4.5% and interest payments for 2025/26 are estimated at £6.068m.

1.09

**Reserves**

There is a requirement to hold a minimum level of reserves of 3% of expenditure, however, it was agreed as part of the 2024/25 Business Plan, for Flintshire’s HRA to move to reserves to 7% due to the level of financial risk in the HRA rising as a result of increased borrowing levels for new build and increasing costs due to the volatility of the economy.

Reserves should not be used to fund recurring pressures to the Business Plan and levels should be reviewed annually in line with the HRA’s proposed borrowing commitments and budgetary risk factors.

In the current climate it would be prudent to maintain reserve levels at a minimum of 7% of expenditure (£2.922m) as we have ongoing risks to the Business Plan which would have to be funded from reserves if they materialised:

- Pay award could be higher than budgeted.
- Inflation could be higher than the provision in the Business Plan
- Arrears could increase due to the cost-of-living crisis.
- Interest rates increasing due to the economic climate.

<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	The HRA is a ring-fenced budget. This proposed HRA budget and Business Plan demonstrates that the council can achieve the ongoing WHQS, can meet service improvement plans and commitments and with prudential borrowing can continue its Council house building programme in 2025/26.

<b>3.00</b>	<b>IMPACT ASSESSMENT AND RISK MANAGEMENT</b>
3.01	All households will benefit from the Councils WHQS 2023 programme. The impact of the investment planning and efficiencies is being modelled for various customer groups to ensure that there is no disproportionate impact on any groups with protected characteristics.
3.02	The Business Plan assumes a confirmation of Major Repairs Allowance (MRA) for 2025/26 and beyond, however, Welsh Government have indicated that the purpose of the funding will be reviewed in the future.

**3.03 Ways of Working (Sustainable Development) Principles Impact**

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

**Well-being Goals Impact**

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

**4.00 CONSULTATIONS REQUIRED / CARRIED OUT**

4.01 As part of the 2023/24 rent settlement, the Council gave commitment to WG around engagement with contract holders. The Star Survey included questions on rent affordability to inform any decision making on rent setting.

<b>5.00</b>	<b>APPENDICES</b>
5.01	Appendix A – Draft Pressures and Efficiencies 2025/26.
5.02	Appendix B – Draft Capital Programme 2025/26.

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	None.

<b>7.00</b>	<b>CONTACT OFFICER DETAILS</b>
7.01	<p><b>Contact Officer:</b> Rachael Corbelli, Strategic Finance Manager  <b>Telephone:</b> 01352 703363  <b>E-mail:</b> <a href="mailto:rachael.corbelli@flintshire.gov.uk">rachael.corbelli@flintshire.gov.uk</a></p>

<b>8.00</b>	<b>GLOSSARY OF TERMS</b>
8.01	<p><b>Financial Year:</b> the period of 12 months commencing on 1 April 2025</p> <p><b>Revenue:</b> 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><b>Capital expenditure:</b> money spent by the organisation on acquiring or maintaining fixed assets, such as land, buildings, and equipment.</p> <p><b>Budget:</b> 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><b>Treasury Management:</b> the Council has adopted the Chartered Institute of Public Finance Accountants (CIPFA) Treasury Management in the Public Services: Code of Practice. Treasury Management is conducted in accordance with the Council’s Treasury Management Policy and Strategy Statement and Treasury Management Practices which are both reviewed annually. All borrowing and long-term financing is made in accordance with CIPFA’s Prudential Code.</p> <p><b>Major Repairs Allowance:</b> Welsh Government grant paid to local authorities in Wales who still manage and maintain their council housing.</p>



HRA - SUMMARY OF PRESSURES	£m	Notes
Repairs staff	0.053	Holding 1 post with no budget - risk accepted
Repairs Support Staff	0.070	1 Planner and 1 Admin currently using agency
Caretakers	0.075	Streetscene imposing measures on skip sites resulting in additional caretakers required
CBASS	0.027	Increase due to regrade of staff
Pay Model/Increase	0.152	Pay at 4% compared to 2% in last years BP
<b>Total</b>	<b>0.377</b>	

HRA - SUMMARY OF EFFICIENCIES	£m	Notes
Concierge Service	(0.107)	Are 6 posts required. 3 posts only
Travis Management Fee	(0.070)	No fee from 24.25 but will prices be increasing?
CERA	(0.400)	Capital Works carpark programme delayed by 5 years
Responsive Repairs Subcontractor Budget	(0.150)	Underspent for the last 3 years
Repairs Mod App	(0.028)	To be used to offset the extra admin
Reduction in Support Service recharge	(0.045)	(£24k) 23.24 and (£69k) 24.25
Reduction in BDP?	(0.125)	Based on historical spend
Electric prices reducing	(0.090)	Based on latest forecast prices
Community Centre Income	(0.012)	No income budget in
Decoration Vouchers	(0.030)	Not required
Tenant Group Funding	(0.005)	Not required
<b>Total</b>	<b>(1.062)</b>	

<b>Net pressure</b>	<b>(0.685)</b>
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Mae'r dudalen hon yn wag yn bwrpasol

HRA Capital Programme 2025/26

Appendix B

HRA Capital Programme	£'m
<b>WHQS</b>	
Internal Works	3.744
Envelope Works	6.808
Externals	0.970
Renewables / Alternative Technology	5.241
<b>Total WHQS</b>	<b>16.763</b>
<b>Non WHQS</b>	
Disabled Facility Grants (DFG) - Mandatory/ Minor Adaps	1.100
Major Works	-
Fire Risk Assessments Work	1.108
	<b>2.208</b>
<b>Fees</b>	
Capitalised salaries	<b>1.117</b>
<b>Regeneration of stock</b>	
Estate remodelling/ Support homeless strategy	4.000
<b>SHARP Programme</b>	
New Build Programme Spend	3.932
Acquisitions Programme Spend	0.662
<b>Total SHARP Programme</b>	<b>4.594</b>
<b>Total Capital Spend</b>	<b>28.683</b>

Mae'r dudalen hon yn wag yn bwrpasol

# Eitem ar gyfer y Rhaglen 8



## FLINTSHIRE COUNTY COUNCIL

<b>Date of Meeting</b>	Tuesday 28 <sup>th</sup> January 2025
<b>Report Subject</b>	Treasury Management Mid-Year Report 2024/25
<b>Report Author</b>	Corporate Finance Manager

### **EXECUTIVE SUMMARY**

This report presents the Treasury Management Mid-Year Report 2024/25 for Member approval.

The Treasury Management Mid-Year Report 2024/25 is attached as Appendix 1. As required by the Council's Financial Procedure Rules, this Mid-Year Report was reviewed by the Governance and Audit Committee on 25<sup>th</sup> November and Cabinet on 17<sup>th</sup> December 2024.

### **RECOMMENDATIONS**

1	That Council approves the Treasury Management Mid-Year Report 2024/25.
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## REPORT DETAILS

<b>1.0</b>	<b>EXPLAINING THE MID YEAR REPORT</b>
1.01	On 20 <sup>th</sup> February 2024, the Council approved the Treasury Management Strategy 2024/25, following the recommendation of the Cabinet and consideration by the Governance and Audit Committee.
1.02	<p>The Council delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to Cabinet, and for execution and administration of treasury management decisions to the Corporate Finance Manager, who acts in accordance with the Council's Treasury Management Policy Statement, Strategy and Practices.</p> <p>The Council has nominated Governance and Audit Committee to be responsible for ensuring effective scrutiny of treasury management strategy and policies.</p>
1.03	<p>The Treasury Management Mid-Year Report for 2024/25 is attached as Appendix 1. The Mid-Year Report reviews the activities and performance of the treasury management operations during the period 1<sup>st</sup> April to 30<sup>th</sup> September 2024.</p> <p>As required by the Council's Financial Procedure Rules, this Mid-Year Report was reviewed by the Governance and Audit Committee on 25<sup>th</sup> November and Cabinet on 17<sup>th</sup> December 2024. There were no significant issues raised that require bringing to the attention of Council.</p>
1.04	<p><u>Summary of Key Points</u></p> <p>UK headline consumer price inflation remained around the Bank of England (BoE) target in quarter 2, falling from an annual rate of 3.2% in March to 2.0% in May and then rebounding marginally to June, to 2.2% in July and August, as was expected, due to base effects from energy prices. Core and services price inflation remained higher at 3.6% and 5.6% respectively in August.</p> <p>The UK economy continued to expand between April and October 2024, albeit slowing from the 0.7% gain in the last quarter of the 2023/24 financial year to 0.5% (downwardly revised from 0.6%) in the first quarter of 2024/25.</p> <p>Arlingclose, the Council's treasury adviser, maintained its central view that Bank Rates would steadily fall from the 5.25% peak, with the first cut in August being followed by a series of further cuts, with November 2024 the most likely next cut, taking the Bank Rate down to around 3% by the end of 2025.</p>
1.05	<p>A total of £15.861m PWLB loans were taken out during the period. Of these, £0.861m have been on-lent to NEW Homes, the Council's wholly owned subsidiary, to fund the building of affordable homes in Flintshire.</p> <p>The Council continues to regularly review the position on its long-term borrowing requirement in conjunction with advice from Arlingclose.</p>

	<p>The borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio.</p> <p>Section 4 provides more information on borrowing and debt management during the period.</p>
1.06	The average investment balance for the period was £41.9m and the average rate of return was 5.15%, generating investment income of £1.09m. Section 5 of the report provides more information on the Council's investments.
1.07	The treasury function has operated fully within the limits detailed in the Treasury Management Strategy 2024/25.

<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	Financial implications are addressed in the report, no other resource implications directly as a result of this report.

<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
3.01	Arlingclose Ltd, being the Council's treasury management advisors.

<b>4.00</b>	<b>RISK MANAGEMENT</b>
4.01	Risk Management directly addressed within the report and appendices including identification of risks and measures to mitigate likelihood and impact of risks identified.

<b>5.00</b>	<b>APPENDICES</b>
5.01	1. Treasury Management Mid-Year Report 2024/25

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	<p><b>Contact Officer:</b> Chris Taylor - Strategic Finance Manager  <b>Telephone:</b> 01352 703309  <b>E-mail:</b> <a href="mailto:Christopher.taylor@flintshire.gov.uk">Christopher.taylor@flintshire.gov.uk</a></p>

<b>7.00</b>	<b>GLOSSARY OF TERMS</b>
7.01	<b>Authorised Limit:</b> A statutory limit that sets the maximum level of external debt for the Council.

**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.

**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".

**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.

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

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

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

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

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

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

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

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

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



**Debt Management Office (DMO):** The DMO is an Executive Agency of 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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Mae'r dudalen hon yn wag yn bwrpasol



# **FLINTSHIRE COUNTY COUNCIL**

**TREASURY MANAGEMENT**

**MID YEAR REPORT 2024/25**

## **1.00 PURPOSE OF REPORT**

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

## **2.00 BACKGROUND**

- 2.01 Treasury management comprises the management of the Council's cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
- 2.02 The Council's primary objectives for the investment of its surplus funds are to protect the principal sums invested from loss, and to ensure adequate liquidity so that funds are available for expenditure when needed. The generation of investment income to support the provision of local authority services is an important, but secondary, objective.
- 2.03 The Council's policy is to appoint external consultants to provide advice on its treasury management function. In September 2021 Arlingclose Ltd were reappointed as the Council's advisors for a period of 3 years, following a competitive tendering exercise. This period has been extended a further 2 years as per the contract terms to September 2026.
- 2.04 The Council has adopted the 2021 edition of the CIPFA Treasury Management in the Public Services: Code of Practice, which requires the Council to approve a treasury management strategy before the start of each financial year, a mid-year report, and an annual report after the end of each financial year.

This report includes the new requirement in the 2021 Code, mandatory from 1st April 2023, of quarterly reporting of the treasury management prudential indicators and non-treasury prudential indicators.

- 2.05 In addition, the Welsh Government (WG) issues guidance on local authority investments that requires the Council to approve an investment strategy before the start of each financial year.
- 2.06 This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the WG Guidance.
- 2.07 The Council approved the 2024/25 Treasury Management Strategy at its meeting on 20<sup>th</sup> February 2024.

### **3.00 ECONOMIC & INTEREST RATE REVIEW APRIL – OCTOBER 2024.**

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

**Economic background:** UK headline consumer price inflation remained around the Bank of England (BoE) target later in the period, falling from an annual rate of 3.2% in March to 2.0% in May and then rebounding marginally to June to 2.2% in July and August, as was expected, due to base effects from energy prices. Core and services price inflation remained higher at 3.6% and 5.6% respectively in August.

The UK economy continued to expand over the period, albeit slowing from the 0.7% gain in the first calendar quarter to 0.5% (downwardly revised from 0.6%) in the second. Of the monthly figures, the economy was estimated to have registered no growth in July.

Labour market data was slightly better from a policymaker perspective, showing an easing in the tightness of the job market, with inactivity rates and vacancies declining. However, a degree of uncertainty remains given ongoing issues around the data collected for the labour force survey by the Office for National Statistics. Figures for the three months to July showed the unemployment rate fell to 4.1% (3mth/year) from 4.4% in the previous three-month period while the employment rate rose to 74.8% from 74.3%.

Over the same period average regular earnings (excluding bonuses) was 5.1%, down from 5.4% in the earlier period, and total earnings (including bonuses) was 4.0% (this figure was impacted by one-off payments made to NHS staff and civil servants in June and July 2023). Adjusting for inflation, real regular pay rose by 2.2% in May to July and total pay by 1.1%.

With headline inflation lower, the BoE cut Bank Rate from 5.25% to 5.00% at the August Monetary Policy Committee (MPC) meeting. The decision was finely balanced, voted by a 5-4 majority with four members preferring to hold at 5.25%. At the September MPC meeting, committee members voted 8-1 for no change at 5.00%, with the lone dissenter preferring Bank Rate to be cut again to 4.75%. The meeting minutes and vote suggested a reasonably hawkish tilt to rates, with sticky inflation remaining a concern among policymakers.

The latest BoE Monetary Policy Report, published in August, showed policymakers expected GDP growth to continue expanding during 2024 before falling back and moderating from 2025 to 2027. Unemployment was forecast to stay around 4.5% while inflation was shown picking up in the latter part of 2024 as the previous years' energy price declines fell out of the figures before slipping below the 2% target in 2025 and remaining there until early 2027.

Arlingclose, the Council's treasury adviser, maintained its central view that Bank Rate would steadily fall from the 5.25% peak, with the first cut in August being followed by a series of further cuts, with November 2024 the likely next one, taking Bank Rate down to around 3% by the end of 2025.

The US Federal Reserve (the Fed) also cut interest rates during the period, reducing the Federal Funds Rate by 0.50% to a range of 4.75%-5.00% at its policy meeting in September. The forecasts released at the same time by the central bank suggested a further 1.00% of easing is expected by the end of the calendar year, followed by the same amount in 2025 and then a final 0.50% of cuts during 2026.

Having first reduced interest rates in June, the European Central Bank (ECB) held steady in July before cutting again in September, reducing its main refinancing rate to 3.65% and its deposit rate to 3.50%. Unlike the Fed, the ECB has not outlined a likely future path of rates, but inflation projections remain in line with the central bank's previous forecasts where it will remain above its 2% target until 2026 on an annual basis.

**Financial markets:** Sentiment in financial markets continued to mostly improve over the period, but the ongoing trend of bond yield volatility remained. The general upward trend in yields in the early part of the period was reversed in the later part, and yields ended the half-year not too far from where they started. However, the volatility in response to economic, financial and geopolitical issues meant it was a bumpy ride for bond investors during that time.

Over the period, the 10-year UK benchmark gilt yield started at 3.94% and ended at 4.00% but hit a high of 4.41% in May and a low of 3.76% in mid-September. While the 20-year gilt started at 4.40% and ended at 4.51% but hit a high of 4.82% in May and a low of 4.27% in mid-September. The Sterling Overnight Rate (SONIA) averaged 5.12% over the period to 30th September.

**Credit review:** Arlingclose maintained its advised recommended maximum unsecured duration limit on all banks on its counterparty list at 100 days.

Having had its outlook increased by Fitch and ratings by S&P earlier in the period, Moody's upgraded Transport for London's rating to A2 from A3 in July.

Moody's also placed National Bank of Canada on Rating Watch for a possible upgrade, revising the outlook on Standard Chartered to Positive, the outlook to Negative on Toronto Dominion Bank, and downgrading the rating on Close Brothers to A1 from Aa3.

S&P upgraded the rating on National Bank of Canada to A+ from A, and together with Fitch, the two rating agencies assigned Lancashire County Council with a rating of AA- and A+ respectively.



Credit default swap prices were generally lower at the end of the period compared to the beginning for the vast majority of the names on UK and non-UK lists. Price volatility over the period was also generally more muted compared to previous periods.

Financial market volatility is expected to remain a feature, at least in the near term and, credit default swap levels will be monitored for signs of ongoing credit stress. As ever, the institutions and durations on the Council’s counterparty list recommended by Arlingclose remain under constant review.

### **Outlook for the remainder of 2024/25**

The MPC held Bank Rate at 5.00% in September. It will continue to cut rates to stimulate the UK economy but will initially be cautious given lingering domestic inflationary pressure. Arlingclose see another rate cut in 2024 (Q4), but more significant monetary easing in 2025, with Bank Rate falling to a low of around 3%.

The upside risks to inflation remain, which could limit the extent of monetary easing.

Long term gilt yields have fallen alongside US monetary policy expectations. Arlingclose’s central case id for yields to be volatile around a relatively narrow range, reflecting the likelihood for monetary policy loosening in the Eurozone, UK and US.

	Current	Dec 24	Mar 25	Jun 25	Sept 25	Dec 25	Mar 26	Jun 26	Sept 26	Dec 26	Mar 27	Jun 27	Sept 27
Upside Risk (%)	0.00	0.25	0.50	0.75	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Interest Rate (%)	5.00	4.75	4.25	3.75	3.25	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Downside Risk (%)	0.00	-0.25	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50

## **4.00 BORROWING**

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

related to the functions of the Council. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield unless these loans are for refinancing purposes.

The Council has not invested in assets primarily for financial return or that are not primarily related to the functions of the Council. It has no plans to do so in future.

## **BORROWING STRATEGY & ACTIVITY**

### 4.02 Borrowing Strategy

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

After substantial rises in interest rates since 2021 many central banks have now begun to reduce rates, albeit slowly. Gilt yields were volatile over the 6-month period and have reduced slightly between April and September 2024. Much of the downward pressure from lower inflation figures was counteracted by upward pressure from positive economic data. Data from the US continues to impact global bond markets including UK gilt yields.

The PWLB certainty rate for 10-year maturity loans was 4.80% at the beginning of the half year and 4.79% at the end. The lowest available 10-year maturity rate was 4.52% and the highest was 5.18%. Rates for 20-year maturity loans ranged from 5.01% to 5.57% during the half year, and 50-year maturity loans from 4.88% to 5.40%.

Whilst the cost of short-term borrowing from other local authorities spiked to around 7% in late March 2024, primarily due a dearth of LA-LA lending/borrowing activity during the month, as expected shorter-term rates reverted to a more normal range and were generally around 5.00% - 5.25%.

The PWLB HRA rate which is 0.4% below the certainty rate is available up to June 2025. This discounted rate is to support local authorities borrowing for the Housing Revenue Account and for refinancing existing HRA loans, providing a window of opportunity for HRA-related borrowing. The Council borrowed £5m using this lower rate in August 2024.

The Council submitted its application for access to PWLB lending 2024/25

(including access to HRA and certainty rates) in April 2024.

During the period April – September 2024, the following loans were taken out –

Start Date	Maturity Date	Amount	Rate	Loan Type
20 June 2024	20 June 2064	£0.118m	5.42%	Annuity
05 Aug 2024	05 Aug 2064	£0.743m	5.63%	Annuity
14 Aug 2024	14 Aug 2035	£5m	4.15%	EIP
23 Sept 2024	23 Sept 2034	£10m	4.32%	EIP

The annuity loans have been lent on to New Homes, the Council's wholly-owned subsidiary, to fund the building of affordable homes in Flintshire.

Existing loans of £0.696m were allowed to mature without replacement. This strategy enabled the Council to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk.

4.03 The long-term borrowing outstanding at 30<sup>th</sup> September 2024 totalled £315.63m.

4.04 Loans with the Public Works Loans Board are in the form of fixed rate (£292.58m). £18.95m is variable in the form of LOBOs (Lender's Option, Borrower's Option) and £4.1m are interest free loans from government. The Council's average long-term borrowing rate is currently 4.49%.

	Balance 01/04/2024 £m	Debt Maturing £m	New Debt £m	Balance 30/09/2024 £m
Long Term Borrowing	297.97	(2.30)	15.86	311.53
Government Loans	4.34	(0.24)	0.00	4.10
<b>TOTAL BORROWING</b>	<b>302.31</b>	<b>(2.54)</b>	<b>15.86</b>	<b>315.63</b>
Other Long Term Liabilities *	2.43	0.00	0.00	2.4313
<b>TOTAL EXTERNAL DEBT</b>	<b>304.74</b>	<b>(2.54)</b>	<b>15.86</b>	<b>318.067</b>
Increase/ (Decrease) in Borrowing £m				13.32

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

4.05 Short-term borrowing was undertaken as necessary. The total short-term borrowing as at 30<sup>th</sup> September 2024 was £10m, with an average rate of 4.63%

4.06 On 1st April 2024 the Council held £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 and terms or to repay the loan at no additional cost.

As market interest rates rose, it increased the probability of call options on the LOBOs being exercised by lenders. All of LOBO loans had semi-annual call option dates during the six-month period to September 2024, no LOBO loans were called.

The LOBO loans have call dates within the next 12 months. The Council has liaised with treasury management advisors Arlingclose over the likelihood of the options being exercised. If the option is exercised and an increased rate proposed, the Council plans to repay the loan at no additional cost as accepting the revised terms would mean the Council would still have refinancing risk in later years. If required, the Council will repay the LOBO loans with available cash or by borrowing from other local authorities or the PWLB.

#### 4.07 Debt Rescheduling

The continuing rise in gilt yields since early 2022 resulted in some of the Council's PWLB loans being in or close to a discount position if repaid early. However, as the prepaid loans would need to be replaced by new loans at higher interest rates, this was not a cost-effective option for the Council.

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

## 5.0 **INTERIM INVESTMENT AND PERFORMANCE REPORT**

5.01 The definition of investments in the Treasury Management Code now covers all the financial assets of the Council as well as other non-financial assets which the Council holds primarily for financial return. Investments that do not meet the definition of treasury management investments (i.e. management of surplus cash) are categorised as either for service purposes (made explicitly to further service objectives) and or for commercial purposes (made primarily for financial return).

Investment Guidance issued by the Welsh Government also includes within the definition of investments all such assets held partially or wholly for financial return.

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 A.

5.02 The maximum investments the Council had on deposit at any one time totalled £66.7m. The average investment balance for the period was £41.9m and the

average rate of return was 5.15%, generating investment income of £1.09m.

- 5.03 Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum 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.

As demonstrated by the liability benchmark in this report (paragraph 6.01), the Council expects to be a long-term borrower and new treasury investments are therefore primarily made 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 asset classes and boost investment income.

- 5.04 Up to 30<sup>th</sup> September, investments were made in the Debt Management Office Deposit Account, banks, other local authorities and money market funds.
- 5.05 The average of long-term borrowing was £302.92m generating interest payable of £6.784m, in line with budget forecasts to date.

	Investments		Long Term Borrowing		Short Term Borrowing	
	Interest received £k	Interest rate %	Interest paid £k	Interest rate %	Interest paid £k	Interest rate %
2024/25 Apr - Sept	1,089	5.15	6,784	4.49	580	4.63
2023/24 Apr - Sept	1,112	4.58	6,659	4.51	0	n/a
Difference	(23)		125		580	

Year-end projections are as follows:

	Investments		Long Term Borrowing		Short Term Borrowing	
	Interest received £k	Interest rate %	Interest paid £k	Interest rate %	Interest paid £k	Interest rate %
2024/25 est.	1,890	4.80	13,773	4.49	1,245	4.75
2023/24 act	2,180	4.87	13,461	4.49	425	5.46
Difference	(290)		312		820	

- 5.06 Credit Risk (security)

Counterparty credit quality was assessed and monitored with reference to credit ratings (the Council's minimum long-term counterparty rating for institutions defined as having "high credit quality" is A- across rating agencies Fitch, S&P and Moody's);

credit default swap prices, financial statements, information on potential government support and reports in the quality financial press.

#### 5.07 Liquidity

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

#### 5.08 Yield

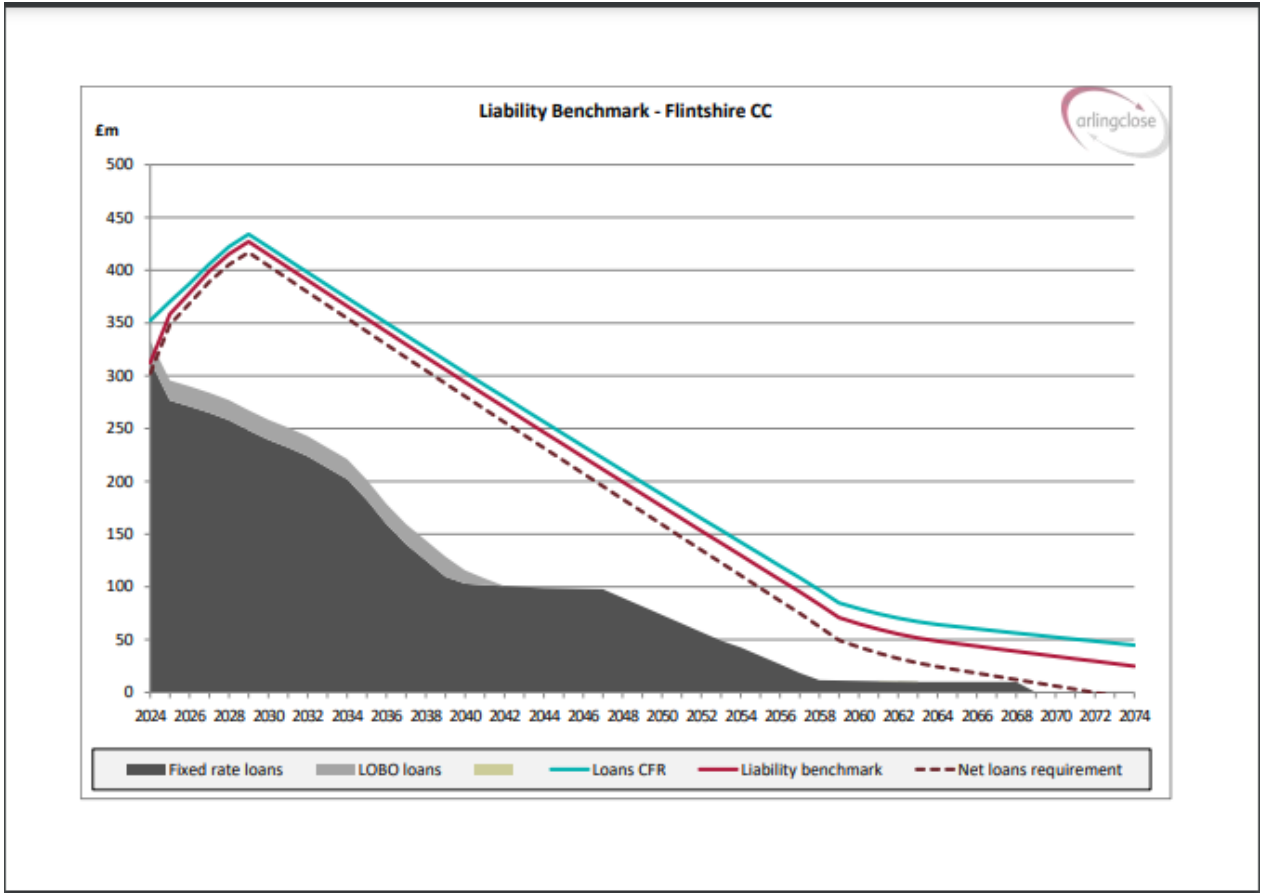
The Council sought to optimise returns commensurate with its objectives of security and liquidity. The Council's investment yield is outlined in paragraph 5.0.2.

### **6.00 TREASURY MANAGEMENT PRUDENTIAL INDICATORS**

As required by the 2021 CIPFA Treasury Management Code, the Council monitors and measures the following treasury management prudential indicators.

#### 6.01 Liability Benchmark

This indicator compares the Council's actual existing borrowing against a liability benchmark that has been calculated to show the lowest risk level of borrowing. 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. It 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.



6.02 Interest rate exposures

This indicator is set to control the Council’s exposure to interest rate risk.

<b>Interest rate risk indicator</b>	<b>30.06.24 £'000</b>	<b>30.09.24 £'000</b>
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	(48)	(60.0)
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	177	206.0

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.

6.03 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	Actual as at 30.09.24
Under 12 months	0%	20%	2.76%
12 months and within 24 months	0%	20%	3.39%
24 months and within five years	0%	30%	7.99%
Five years and within 10 years	0%	50%	17.76%
10 years and above	0%	100%	68.10%

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.

6.04 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 Limit	30.09.24 Actual
Limit on total principal invested beyond year end	£5m	£0m

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

6.05 Borrowing Limits

These limits are reported as part of the quarterly monitoring of the capital programme, however, they are repeated here for completeness.

	2024/25 Limit	30.09.24 Actual
Operational Boundary	£485m	£397m
Authorised Limit	£520m	£397m



## **7.00 OTHER ITEMS**

7.01 Other treasury management related activities that took place during April – September 2024 included:

- Statutory override: In April 2023 the Ministry for Housing, Communities and Local Government published the full outcome of the consultation on the extension of the statutory override on accounting for gains and losses on pooled investment funds. The override has been extended for 2 years until 31st March 2025 but no other changes have been made; whether the override will be extended beyond the new date is unknown but commentary to the consultation outcome suggests not.
- The Treasury Management Annual Report 2023/24 was reported to Governance and Audit Committee on 24<sup>th</sup> July 2024, Cabinet on 25<sup>th</sup> September 2024 and will be reported to Council on 21<sup>st</sup> November 2024.
- The Quarter 1 Treasury Management update was reported to the Governance and Audit Committee.

## **8.00 COMPLIANCE**

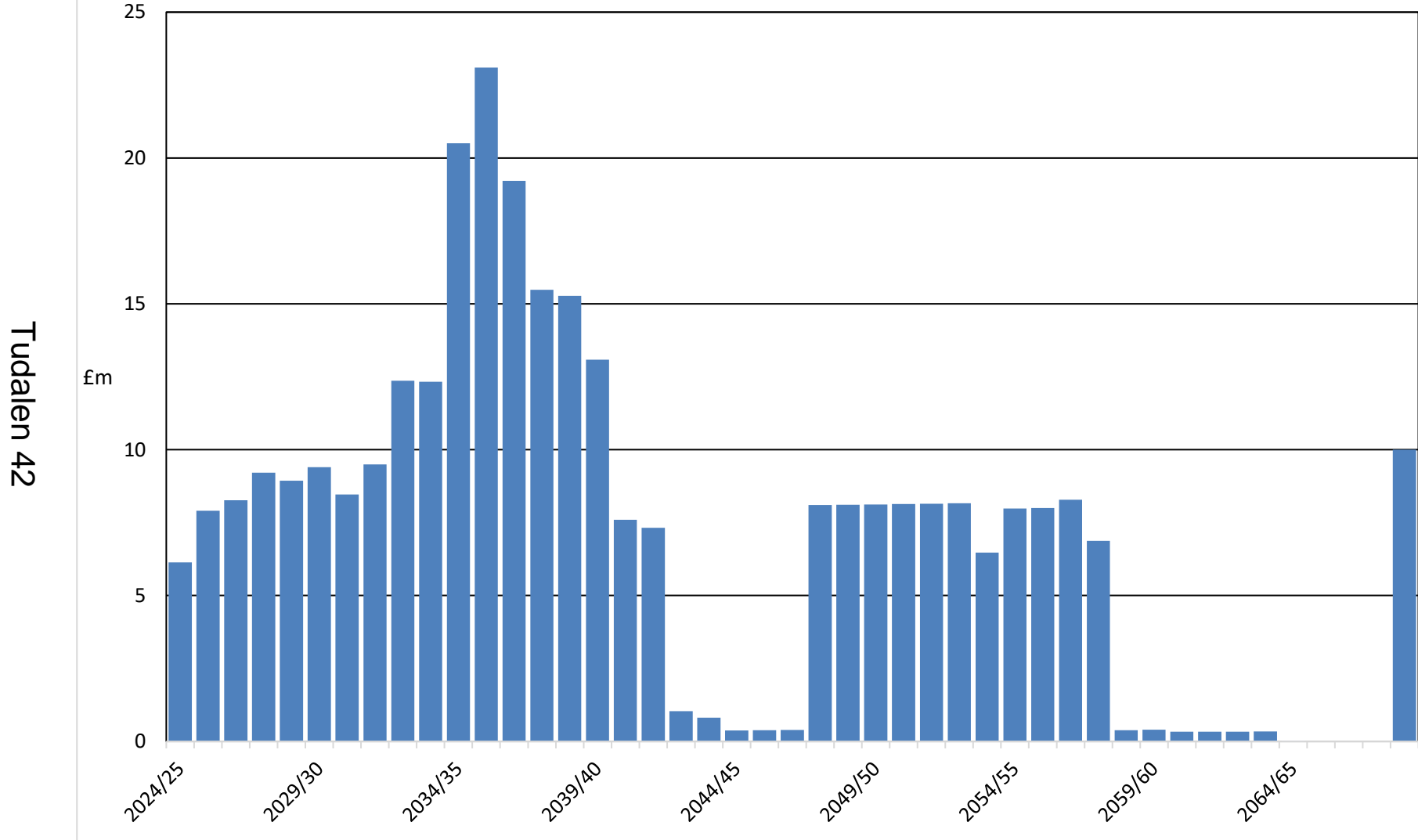
8.01 The Corporate Finance Manager reports that all treasury management activities undertaken during the quarter complied fully with the principles in the Treasury Management Code and the Council's approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in Section 6.00.

## **8.00 CONCLUSION**

8.01 In compliance with the requirements of the CIPFA Code of Practice this report provides Members with a summary report of the treasury management activity during the first half of 2024/25.

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

Debt Maturity Profile - September 2024



## APPENDIX A NON-TREASURY INVESTMENTS

- 1.01 The definition of investments in the Treasury Management Code now covers all the financial assets of the Council as well as other non-financial assets which the Council holds primarily for financial return. Investments that do not meet the definition of treasury management investments (i.e. management of surplus cash) are categorised as either for service purposes (made explicitly to further service objectives) and or for commercial purposes (made primarily for financial return).

Investment Guidance issued by the Welsh Government also includes within the definition of investments all such assets held partially or wholly for financial return.

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.

### 1.02 Wholly Owned Companies

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). Over a 5-year period 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.

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

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

#### 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.

### 1.03 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 regarding industrial units.

#### **Fair Value of Investment Properties**

	31.03.2024 £m	31.03.2023 £m	31.3.2022 £m	31.3.2021 £m	31.3.2020 £m
Fair Value Inv. Properties	29.3	29.1	27.6	25.2	25.0

#### Yield (net profit)

The profit generated by investment activity makes a small contribution to achieving a balanced revenue budget. The table 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.

### Proportionality of Investment Properties

	2023/24 Actual £m	2024/25 Budget £m	2025/26 Budget £m
Net Revenue Budget	352.121	368.106	368.106
Net Investment income	1.71	1.67	1.67
Proportion	0.49%	0.45%	0.45%

Mae'r dudalen hon yn wag yn bwrpasol

# Eitem ar gyfer y Rhaglen 9



## FLINTSHIRE COUNTY COUNCIL

<b>Date of Meeting</b>	Tuesday, 28 <sup>th</sup> January 2025
<b>Report Subject</b>	Governance and Audit Committee Annual Report
<b>Report Author</b>	Chair of the Governance and Audit Committee
<b>Cabinet Member</b>	Not Applicable
<b>Type of Report</b>	Assurance

### **EXECUTIVE SUMMARY**

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

The Governance and Audit Committee's Annual Report for 2023/24 (Appendix A) provides the Council with the necessary information to meet this requirement.

### **RECOMMENDATIONS**

1	Council is requested to consider and approved the Governance and Audit Committee's annual report for 2023/24.
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### **REPORT DETAILS**

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

	<ol style="list-style-type: none"> <li>1) Supporting the Council’s accountability to the public and stakeholders;</li> <li>2) Supporting accountability within the Council; and</li> <li>3) Holding the Governance and Audit Committee to account.</li> </ol>
1.02	<p>The Governance and Audit Committee’s Annual Report (Appendix A) is designed to provide assurance to the Council in holding the Committee to account. In particular:</p> <ol style="list-style-type: none"> <li><b>1) Supporting the Council’s accountability to the public and stakeholders</b> <ul style="list-style-type: none"> <li>– For the last twelve months each Governance and Audit Committee meeting has been held remotely and webcast with all Committee papers available on the Council’s website.</li> </ul> </li> <li><b>2) Supporting accountability within the Council</b> <ul style="list-style-type: none"> <li>– Through the review of those reports received by Governance and Audit Committee, the Committee holds to account those responsible for the implementation of management actions and their supporting action plans. In addition to this, the Committee oversees the process for evaluating and improving governance, risk, financial management and control.</li> </ul> </li> <li><b>3) Holding the Governance and Audit Committee to account</b> <ul style="list-style-type: none"> <li>– The Committee has fulfilled its agreed Terms of Reference and adopted the recommended best practice;</li> <li>– Members of the Governance and Audit Committee have assessed their own development needs and taken the opportunity to attend briefing and training sessions;</li> <li>– The Committee has assessed its own effectiveness in February 2024, developed an action plan and monitors progress; and</li> <li>– The Committee demonstrates they have a positive impact on the improvement of governance, risk, financial management and control within the Council.</li> </ul> </li> </ol>
1.03	<p>The annual report provides the Council with an overview of the:</p> <ul style="list-style-type: none"> <li>• Work undertaken by the Committee and its effectiveness against the main areas of the Committee’s Terms of Reference;</li> <li>• Internal Audit opinion for 2023/24;</li> <li>• Committee’s membership and attendance;</li> <li>• Training and Development; and</li> <li>• Future Priorities.</li> </ul>
1.04	<p>On 25<sup>th</sup> November 2024, the Governance and Audit Committee’s received and reviewed the Annual Report. Positive feedback was given in respect of the detailed commentary on where the Committee had added value to processes. It was suggested that wording on the Committee’s role on financial sustainability be considered for the next Annual Report.</p> <p>The recommendation was supported and the Annual Report for 2023/24 be endorsed prior to its submission to Council for approval.</p>



2.01	None as a result of this report.

<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
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3.01	The draft annual report for the Governance and Audit Committee has been shared with the Chief Executive, Chief Officer Governance, Democratic Services Manager and Chair of the Audit Committee.
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<b>4.00</b>	<b>RISK MANAGEMENT</b>
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4.01	The Governance and Audit Committee is integral to promoting an effective risk management framework within the Council.
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<b>5.00</b>	<b>APPENDICES</b>
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5.01	Appendix A – Governance and Audit Committee Annual Report.
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<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
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6.01	<p>None.</p> <p><b>Contact Officer:</b> Lisa Brownbill - Internal Audit, Performance and Risk Manager</p> <p><b>Telephone:</b> 01352 702231</p> <p><b>E-mail:</b> <a href="mailto:Lisa.brownbill@flintshire.gov.uk">Lisa.brownbill@flintshire.gov.uk</a></p>
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<b>7.00</b>	<b>GLOSSARY OF TERMS</b>
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7.01	<p><b>Corporate Governance:</b> the system by which local authorities direct and control their functions and relate to their communities. It is founded on the basic principles of openness and inclusivity, integrity and accountability together with the overarching concept of leadership. It is an inter-related system that brings together the underlying set of legislative requirements, governance principles and management processes.</p> <p><b>Risk Management:</b> the process of identifying risks, evaluating their potential consequences and managing them. The aim is to reduce the frequency of risk events occurring (wherever this is possible) and minimise the severity of their consequences if they occur. Threats are managed by a process of controlling, transferring or retaining the risk. Opportunities are managed by identifying strategies to maximise the opportunity or reward for the organisation.</p> <p><b>Internal Control:</b> Appropriate procedures and processes are in place to mitigate any risk which may prevent the organisation from achieving its objectives and service delivery.</p>
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<p><b>Financial Management:</b> the planning, organising, directing and control of the financial activities of the Council to ensure sufficient resources are available to delivery its intended outcomes.</p>
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# Governance and Audit Committee Annual Report



2023/24

## Content

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Date	Approved By	Version
25/11/2024	Governance and Audit Committee	Draft
28/01/2025	Flintshire County Council (planned)	Final

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## Foreword by Brian Harvey, Current Chair of the Governance and Audit Committee (Vice Chair as at 31<sup>st</sup> March 2024)

I am pleased to present the Annual Report of the Governance and Audit Committee which outlines the Committee's work and activities for the year ending 31<sup>st</sup> March 2024. Whilst I was not Chair of the Committee during 2023/24, I was the Vice Chair.

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

The Committee has continued to receive valued professional reports, support and advice from Accountancy, Treasury Management, Risk Management, Corporate Business and Communications, Internal Audit and External Audit (Audit Wales). Additionally, we have invited Chief Officers and Service Managers to attend Governance and Audit Committee to respond to concerns raised by members or through various reports, such as those presented by Internal and External Audit. In addition to formal meetings of the Committee, members have participated in a small number of workshops which have informed the work of the Committee. The Chair and Vice Chair attended training courses run by the Welsh Local Government Association.

The Committee has continued to be active again this year in ensuring that management actions following Internal Audit reviews are followed up and have been questioning relevant Officers where progress in taking action has been slow. Delays occurred have largely been due to the limited capacity / resources within the services. As the Council remains in a very challenging financial and operational environment it continues to be important that risk management and internal control arrangements are effective. The Committee will continue with this approach in 2024/25 so as to provide the required assurance to the Council. Apart from the above, there are no other major areas of concern to bring to the attention of Council.



**Brian Harvey**  
Chair of Governance and Audit Committee

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

I would like to thank members and officers who have supported the work of this Committee by presenting, discussing, challenging, and debating solutions to the governance, risk, financial, and control environment of the Council. The Committee has been well attended throughout the year and where apologies have been given a trained substitute member has attended on the members' behalf. Finally, I would like to confirm that there are no areas of concern for the Committee to note or report back on which is reassuring for the Council.

## 1 Introduction

The Governance and Audit Committee is a key part in the Council's Governance Framework. It provides independent governance assurance over the adequacy of the Council's governance and risk management frameworks, the internal control environment, and the integrity of the financial reporting. By overseeing internal and external audit and other regulators, the Committee makes an important contribution by ensuring effective assurance arrangements are in place.

How the Governance and Audit Committee fulfils this role is detailed within the Committee Terms of Reference (March 2021). It states that the Governance and Audit Committee's role and functions will be to:

- A** Review the effectiveness of the Authority's systems of corporate governance, internal control, complaints, performance (self-assessment and peer review) and risk management, and to make reports and recommendations to the County Council on the adequacy and effectiveness of these arrangements.
- B** Oversee the reporting of the statutory financial statements to ensure the balance, transparency, and integrity of published financial information, as well as the review of the financial statements prepared by the authority and recommended to County Council; and  
  
Review and scrutinise the County Council's financial affairs, and to make reports and recommendations on them. The role of the Committee is to assure the budgetary control systems of the Council rather than the scrutiny of the use and value for money of expenditure which is the role of the respective Overview and Scrutiny Committees.
- C** Monitor the performance and effectiveness of the internal and external audit functions within the wider regulatory context.
- D** Report to the Council annually, summarising the Committee's activities and recommendations.

The full Terms of Reference for Governance and Audit Committee are detailed at Appendix A.

In supporting the Governance and Audit Committee deliver its terms of reference, there is a strong contribution from the independent members, the external advisors and regulators and the Internal Audit Service.

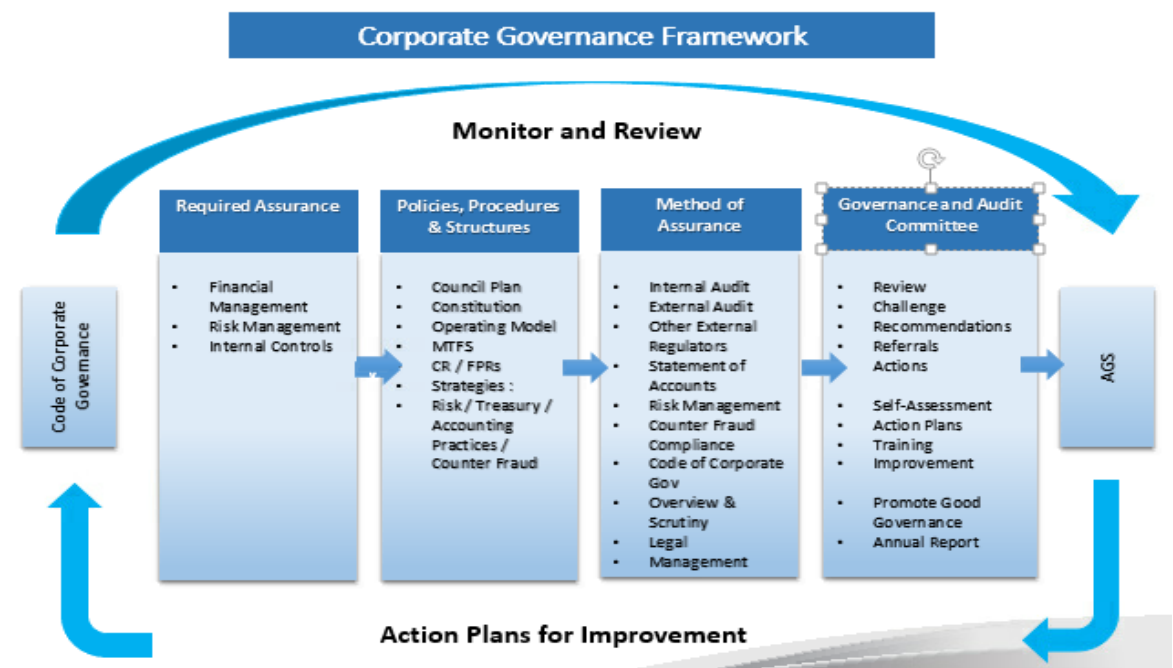
## 2. Work of the Governance and Audit Committee and its Effectiveness

The Committee has worked within its Terms of Reference, which includes the requirement to monitor and review governance, risk management, financial management and internal controls within the Council to ensure there is an appropriate and effective framework in place. This process is demonstrated in Graphic 1 below.

The Governance and Audit Committee provides the Council with an independent opinion of the effectiveness of the Governance arrangements within the Council including those of the internal and external audit function.

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

**Graphic 1 – Corporate Governance Framework**



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**Table 1 – Terms of Reference A**

<b>TOR A: To review the effectiveness of the Authority’s systems of corporate governance, internal control, complaints, performance (self-assessment and peer review) and risk management</b>		
<b>Committee Date</b>	<b>Report Received</b>	<b>Committees Resolution</b>
14/06/2023	Audit Wales review of Commissioning Older People's Care Home Placements by North Wales Councils and Betsi Cadwaladr University Health Board	That Members note the completed and ongoing actions in response to the Audit Wales report.
14/06/2023	Estyn Inspection of Adult Community Learning (ACL) within the North East Wales Adult Community Learning Partnership	That the Committee notes the findings of the Estyn Inspection and is assured by the positive outcomes for adult community learning provision in Flintshire.
14/06/2023	Draft Annual Governance Statement 2022/23	That the Annual Governance Statement 2022/23 be attached to the Statement of Accounts and recommended to Council for adoption.
14/06/2023	Annual audit summary for Flintshire County Council	That the Committee is assured by the content and observations of the Auditor General for Wales’ Annual Audit Summary Report for 2022.
14/06/2023	Risk Management Update	That having been assured that risks have been managed throughout the year, the Committee accepts the report and agrees that the level of information Required is as suggested by the Internal Audit, Performance & Risk Manager.
14/06/2023	Internal Audit Charter	That the updated Internal Audit Charter be approved.
14/06/2023	Internal Audit Annual Report 2022/23	That the report and Internal Audit annual opinion be noted.
14/06/2023	Internal Audit Progress Report	<ul style="list-style-type: none"> <li>• That the report be accepted; and</li> <li>• That the officer responsible for Highways be invited to attend in July 2023 to update the Committee on progress with Amber Red overdue actions identified within the report.</li> </ul>
27/09/2023	School Reserve Balances Year Ending 31 March 2023	That the level of school reserves as at 31 March 2023 and overview of schools’ Current financial position be noted.
27/09/2023	Audit Wales - Flintshire County Council Detailed Audit Plan 2023	That the Audit Wales, Flintshire County Council - Detailed Audit Plan 2023 be approved.
27/09/2023	Corporate Self-Assessment 2022/23	<ul style="list-style-type: none"> <li>• That the findings of the Corporate Self-Assessment 2022/23 be accepted and approved; and</li> </ul>

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		<ul style="list-style-type: none"> <li>That the opportunities for improvement identified in the Corporate Self-Assessment 2022/23 be approved.</li> </ul>
27/09/2023	Internal Audit Progress Report	<ul style="list-style-type: none"> <li>That the report be accepted;</li> <li>That the Housing service share a report on progress with outstanding actions from the audit on Maes Gwern Contractual Arrangements; and</li> <li>That an item on the current status of overdue actions under Housing &amp; Communities and Streetscene &amp; Transportation be shared at the next meeting.</li> </ul>
22/11/2023	Asset Disposal and Capital Receipts Generated 2022/23	That the report is noted.
22/11/2023	Public Services Ombudsman for Wales Annual Letter 2022/23 and Complaints made against Flintshire County Council during the First Half of 2023/24	<ul style="list-style-type: none"> <li>That the Committee notes the improving annual performance of the Council in respect of complaints made to the Public Services Ombudsman for Wales during 2022-23;</li> <li>That the Committee notes the half year performance of the Council (2023-24) in respect of complaints made to services in line with the concerns and complaints procedure;</li> <li>That the Committee supports the priorities outlined in paragraph 1.24 to continuously improve complaints handling; and</li> <li>That the Committee notes the lessons learned from the developing complaints procedure.</li> </ul>
22/11/2023	Annual Governance Statement 2022/23 Mid-Year Progress Report	That the Annual Governance Statement 2022/23 Mid-Year Progress update be accepted.
22/11/2023	Audit Outstanding Actions	<ul style="list-style-type: none"> <li>That the report and appendix be accepted; and</li> <li>That a further report be scheduled for January 2024 to update the Committee on progress with outstanding audit actions.</li> </ul>
22/11/2023	Report on the investigation to anonymous allegations Received – under exclusion of the press and public	That the report be accepted.
24/01/2024	Audit Outstanding Actions	That the report and appendix be accepted, and that further updates be reflected as part of the Internal Audit Progress Report.
24/01/2024	Audit Wales report - Social Enterprise	That the Committee supports the proposed response to Audit Wales and the supporting documents.
24/01/2024	Risk Management Update	<ul style="list-style-type: none"> <li>That the Committee approves the revised Risk Management Framework (January 2024); and</li> <li>That the Committee accepts the Council’s Strategic Risk Overview Report.</li> </ul>
24/01/2024	Code of Corporate Governance	<ul style="list-style-type: none"> <li>That the updated Code of Corporate Governance be endorsed for adoption as part of the Council’s Constitution;</li> </ul>

24/01/2024	Internal Audit Progress Report	<ul style="list-style-type: none"> <li>That the report be accepted; and</li> <li>That a report be received at the next meeting relating to the position on the DBS service and urgent actions required to address the problems identified.</li> </ul>
10/04/2024	Audit Wales report: Homelessness Services – Flintshire County council	<ul style="list-style-type: none"> <li>That the Audit Wales report into Homelessness Services at Flintshire County Council be noted; and</li> <li>That the Council’s responses to the recommendations of Audit Wales for future monitoring and oversight purposes be noted.</li> </ul>
10/04/2024	Audit Wales assurance and risk assessment review report 2021-22	That the Committee is assured by the content and observations of the Auditor General for Wales’ Assurance and Risk Assessment Review report.
10/04/2024	Disclosure and barring service (DBS) update	<ul style="list-style-type: none"> <li>That the verbal update be noted; and</li> <li>That the risk identified on DBS checks be reflected on the corporate risk register.</li> </ul>
10/04/2024	External Regulation Assurance 2023/24	That the Committee is assured by the Council’s response to external regulatory reports.
10/04/2024	Internal Audit Strategic Plan	That having considered the areas covered, including those prioritised for the first year, and the level of audit resources given the level of assurance required, the Committee approves the Flintshire Internal Audit Strategic Plan for 2024-2027, subject to the date correction in section 1.1.
10/04/2024	Internal Audit Progress Report	That the report be accepted.
22/11/2023	Updated against anonymous allegations - under exclusion of the press and public (Verbal Update)	No resolution made

**Table 2 – Terms of Reference B**

<b>TOR B:</b>	<b>To Oversee the reporting of the statutory financial statement’s process and review and scrutinise the County Council’s financial affairs</b>	
<b>Committee Date</b>	<b>Report Received</b>	<b>Committees Resolution</b>
26/07/2023	Certification of Grants and Returns 2021/22	That the content of the Grant Claim Certification report for 2021/22 be noted.
26/07/2023	Draft Statement of Accounts 2022/23	<ul style="list-style-type: none"> <li>That the draft Statement of Accounts 2022/23 (which includes the Annual Governance Statement)</li> </ul>

		<p>be noted; and</p> <ul style="list-style-type: none"> <li>• That Members note the opportunity to discuss any aspect of the Statement of Accounts with officers or Audit Wales from July to August, prior to the final audited version being brought back to the Committee for final approval on 22 November 2023.</li> </ul>
26/07/2023	Supplementary Financial Information to Draft Statement of Accounts 2022/23	That the report be noted.
26/07/2023	Treasury Management Annual Report 2022/23 and Treasury Management Quarter 1 Update 2023/24	<ul style="list-style-type: none"> <li>• That the draft Treasury Management Annual Report 2022/23 be noted, with no matters to be drawn to the attention of Cabinet in September; and</li> <li>• That the Treasury Management 2023/24 first quarter update be noted.</li> </ul>
27/09/2023	School Reserves Balances Year End 31 March 2023	That the level of school reserves as at 31 March 2023 and overview of schools' current financial position be noted.
22/11/2023	Treasury Management Mid-Year Review and Quarter 2 Update 2023/24	That the Committee notes the draft Treasury Management Mid-Year Report 2023/24 and confirms there are no matters to be drawn to the attention of Cabinet at its meeting in December.
22/11/2023	Asset Disposal and Capital Receipts Generated 2022/23	That the report is noted.
10/04/2024	Statement of Accounts 2022/23	<ul style="list-style-type: none"> <li>• That the Audit Wales report - Audit of the Financial Statements 2022/23 - Flintshire County Council be noted;</li> <li>• That the final version of the Statement of Accounts 2022/23 be approved, following consideration of the Audit Wales report; and</li> <li>• That the Letter of Representation be approved.</li> </ul>
24/01/2024	Treasury Management Strategy 2024/25 and Quarter 3 Update 2023/24	<ul style="list-style-type: none"> <li>• That having reviewed the draft Treasury Management Strategy 2024/25, the Committee has no specific issues to be reported to Cabinet on 20 February 2024; and</li> <li>• That the Treasury Management 2023/24 quarterly update be noted.</li> </ul>
10/04/2024	Quarter 4 Treasury Management Update 2023/24	That the Treasury Management 2023/24 quarterly update be endorsed.

**Table 3 – Terms of Reference C**

<b>TOR C: To monitor the performance and effectiveness of the internal and external audit functions</b>		
<b>Committee Date</b>	<b>Report Received</b>	<b>Committees Resolution</b>
14/06/2023	Internal Audit Charter	That the updated Internal Audit Charter be approved.
14/06/2023	Internal Audit Annual Report	That the report and Internal Audit annual opinion be noted.
14/06/2023	Internal Audit Progress Report	That the report is accepted.
27/09/2023	Audit Wales 2023 Audit Plan	That the Audit Wales Flintshire County Council – Detailed Audit Plan 2023 be approved.
27/09/2023	Internal Audit Progress Report	That the report is accepted.
22/11/2023	Audit Actions Outstanding	<ul style="list-style-type: none"> <li>That the report and appendix be accepted; and</li> <li>That a further report be scheduled for January 2024 to update the Committee on progress with outstanding audit actions.</li> </ul>
24/01/2024	Audit Actions Outstanding (Update)	That the report and appendix be accepted, and that further updates be reflected as part of the Internal Audit Progress Report.
24/01/2024	Internal Audit Progress Report	<ul style="list-style-type: none"> <li>That the report is accepted; and</li> <li>That a report be received at the next meeting relating to the position on the DBS service and urgent actions required to address the problems identified.</li> </ul>
10/04/2024	Public Sector Internal Audit Standards	That the report be noted.
10/04/2024	Internal Audit Strategic Plan 2024-27	That having considered the areas covered, including those prioritised for the first year, and the level of audit resources given the level of assurance required, the Committee approves the Flintshire Internal Audit Strategic Plan for 2024-2027, subject to the date correction in section 1.1.
10/04/2024	Internal Audit Progress Report	That the report be accepted.
10/04/2024	Private meeting between members, Internal Audit Manager and Audit Wales	N/A

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**Table 4 – Terms of Reference D**

<b>TOR D:</b>	<b>To report to the Council annually, summarising the Committee’s activities and Recommendations (<i>demonstrating the Committees’ effectiveness</i>)</b>	
<b>Date of Committee</b>	<b>Report Received</b>	<b>Committees Resolution</b>
22/11/2023	Governance and Audit Committee Annual Report	That, subject to the inclusion of a sentence to be agreed with the Chair, the Annual Report for 2022/23 be endorsed prior to its submission to Council for approval on 6 December 2023.
14/06/2023	Governance and Audit Committee Self-Assessment – Action Plan	That the report be accepted
10/04/2024	Governance and Audit Committee Self-Assessment	<ul style="list-style-type: none"> <li>• That half yearly updates on the action plan be scheduled in the Forward Work Programme;</li> <li>• That the Chair and Vice-Chair be invited to meetings with the Overview &amp; Scrutiny Chairs; and</li> <li>• That an informal pre-meeting takes place prior to the next meeting in June.</li> </ul>

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Any actions raised by Governance and Audit Committee after reviewing and considering these reports are detailed at Appendix B. The level of review and requests for additional information has continued to significantly increase on previous year (63 actions in 2023/24; 38 actions in 202/23 and 15 actions in 2021/22) demonstrating the increased level of discussion taking place. Where actions remain open (4 out of 63), these are either ongoing or not due at the point of this report.

In many cases following review by the Committee, the Committee accepted the recommendations made in supporting reports. However, this frequently followed extensive exploration of an issue, detailed questioning and agreed actions. As Appendix B shows the increase in actions from the previous year (63 compared to 38); examples of this included ensuring clear arrangements for follow through after Red/Amber Internal Audit reports; requesting follow updates on Red reports, and external regulatory reports and challenging where actions overdue with key officers. The Chair and Vice Chair also attend a Chief Officers Team meeting to discuss how overdue actions can be progressed.

The Committee’s Forward Work programme for 2024/25 is detailed at Appendix C.

### 3 Internal Audit Opinion

The Internal Audit Service to Flintshire County Council is required to provide the Council (through the Governance and Audit Committee) with an opinion on the overall adequacy and effectiveness of the organisation’s framework of governance, risk management and control. In giving that opinion, it should be noted that assurance can never be absolute. The most that the Internal Audit Service can provide to the Council is a reasonable assurance that there are no major weaknesses in risk management, governance, and control processes.

The matters reported in the Internal Audit Annual Report are those which came to our attention during our Internal Audit work and are not necessarily a comprehensive statement.

There have been no limitations made on the scope of Internal Audit coverage during the year.

**For the year ending 31 March 2024, based on the work the Internal Audit Service has undertaken my opinion is that Flintshire County Council has, overall, an adequate and effective framework of governance, risk management and internal control.**

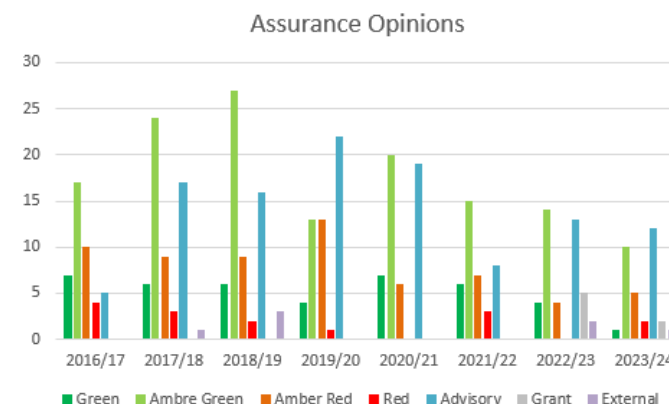
During 2023/24 two ‘Red / Limited assurance’ opinions were issued where an urgent system revision was required. The table provides a comparison of the level of individual audit assurances provided.

Whilst the overall assurance opinion remains, it has been noted that there is a reduction in the number of management actions implemented during the financial year to address control weaknesses and risks. This has also been noted in the Governance and Audit Committee’s Annual Report for 2022/23. This is largely due to the available resources.

It is important to note that the number of audits completed has reduced to reflect the available resources.

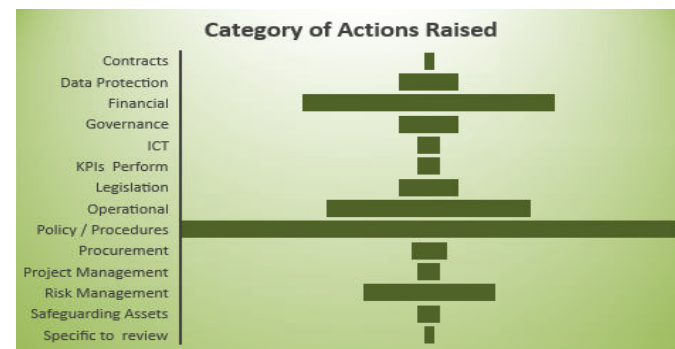
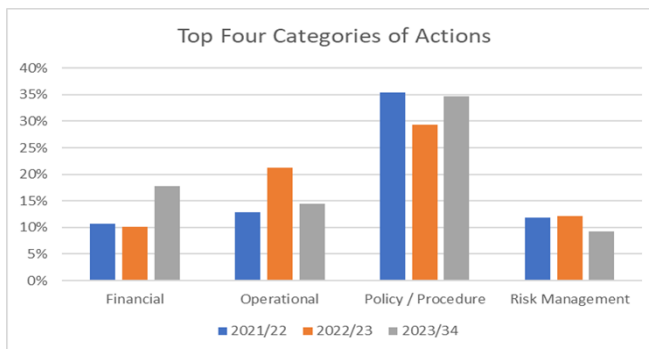
Overall 61% of assurance opinions issued during 2023/24 were either Green or Amber Green providing the Committee assurance that of the audits undertaken this year in the main there are effective arrangements in place for governance, risk management and internal control.

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An analysis of the category of actions raised during 2023/24 shows the top four relate to policy / procedures, financial, operational matters, and risk management.

From the graph at the side comparing the last three years, during 2023/34 there has been an increase in financial actions raised whilst there has been a decrease in the number of actions relating to risk management and operational matters and a slight decrease in actions relation to policy procedures. The final chart provides an overview of all categories of actions raised during 2023/24.



In order for the Internal Audit team to be in position to undertake such work and deliver this audit opinion, it has an unfettered high profile role within the Council, and has developed and holds an excellent trusted working relationship with portfolios. The breadth of the work has grown in recent years seeing a significant increase in requests for advisory, consultancy and commissioned work.

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### Governance and Audit Committee Membership and Attendance

For the period of this report, and to comply with Local Government and Elections (Wales) Act 2021 the Council had determined that the membership of its Governance and Audit Committee will consist, from May 2022, of six elected Members and three Independent Lay Members. The Independent Lay Members are usually appointed for a period of five years and Council Members are reappointed annually. The first lay member was appointed in 2017, the second in September 2019 and third in May 2022. To provide some continuity and compliance with the Act it was agreed by Council in May 2023 to further extend the lay members term from May 2023 to 31 May 2026.

The Committee is serviced by Council Officers, principally the Chief Executive, the Chief Officer, Governance (Council’s Monitoring Officer), the Corporate Finance Manager (Section 151 Officer) and the Internal Audit, Performance and Risk Manager. Representatives from Corporate Finance, Performance and Risk, and Audit Wales also attend Audit Committee.

The Governance and Audit Committee met on six separate occasions during 2023/24. For each meeting, the Committee were quorate and there were sufficient Elected Members to generate an informed discussion on the matters raised. The attendance by members of 94.4%, whilst slightly less than previous years, demonstrates their commitment to the Governance and Audit Committee.

**Table 5 – Governance and Audit Committee Meeting 2023/24**

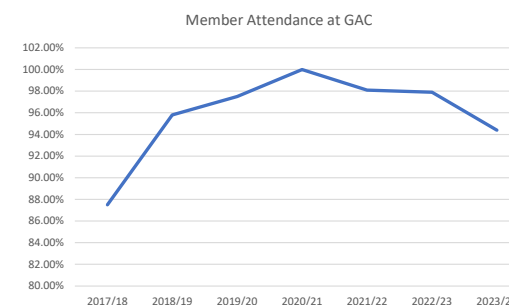
Members Attendance / Committee Date	14/06/23	26/07/23	27/09/23	22/11/23	24/01/24	10/04/24*	Meetings Attended
A Rainford (Lay Member and Chair)	✓	✓	✓	✓	✓	✓	6
B Harvey (Lay Member and Vice Chair)	✓	✓	✓	✓	✓	✓	6
S Ellis (Lay Member)	✓	✓	✓	✓	✓	✓	6
Cllr B Attridge	✓	✓	✓	✓	✓	✗	5
Cllr G Banks	✓	Apologies	✓	✓	✓	✓	5
Cllr A Marshall	✓	✓	✓	✓	✓	✓	6
Cllr A Parkhurst	✓	✓	✓	✓	✓	✓	6
Cllr L Thomas	✓	✓	✓	✓	Apologies	✓	5
Cllr T Palmer	✓	✗	✗	✓	✓	✓	4
Cllr R McKeown (Sub)	N/A	✓	N/A	N/A	N/A	N/A	1
Cllr G Collett (Sub)	N/A	N/A	N/A	N/A	✓	N/A	1
<b>Total for Committee</b>	<b>9</b>	<b>8</b>	<b>8</b>	<b>9</b>	<b>9</b>	<b>8</b>	
Other Council Members Present as Observers	3	2	2	2	2	1	

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Summary of members attendance at Governance and Audit Committee since 2017/18

\* Due to clashes within the committee schedule the March meeting had to be moved to April.

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





## 5 Self-Assessment, Training and Development

### Governance and Audit Committee Self-Assessment

The last self-assessment was undertaken in February 2023 and considered CIPFA’s guidance for Governance and Audit Committees as part of this assessment. The online self-assessment session was interactive with a positive discussion taking place regarding the delivery of the Committee’s core role and function. Following the self-assessment an action plan was developed and approved and presented to Governance and Audit Committee in April 2024. This will be used to monitor performance.

In October 2019, an All-Wales Chair and Vice Chairs of Governance and Audit Committee Network was established and held in Llandrindod Wells. Since 2020 this has operated remotely. During 2023/24, one session has been held by the Network. Due to a clash in calendar commitments and location (mid Wales) the Chair and Vice Chair of the Governance and Audit Committee were unable to attend.

### Governance and Audit Committee Training and Development

**Table 6 - Training courses attended**

Topic	Date	Type of Training	Coverage
Governance and Audit Committee Members Training	Not delivered due to no change in membership	Role of Governance and Audit Committee	<ul style="list-style-type: none"> <li>Internal and External Audit</li> <li>Governance - Internal Control, Performance, Risk and Financial Management</li> <li>Local Governance and Elections (Wales) Act 2021</li> <li>Requirements and effectiveness of Governance and Audit Committee</li> </ul>
Statement of Accounts	14/06/2023	Accounts	Presentation and explanation of the Statement of Accounts.
Treasury Management	08/12/2023	Financial	Half day external training session provided on the Council’s approach to Treasury Management.
Chair and Vice Chairs of Audit Committee Network Seminar	Unavailable to attend	Governance; Risk Management and Effectiveness of the Governance and Audit Committee	Half-Day Session covering: <ul style="list-style-type: none"> <li>CIPFA’s Position Statement and guidance</li> <li>Assessing your Committee’s Effectiveness</li> <li>Tricky Areas</li> <li>New requirements for the Governance and Audit Committee from the Local Government and Elections (Wales) Act 2021</li> </ul>
Annual Governance Statement	10/04/2024	Governance	Presentation and explanation of the Annual Governance Statement

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Areas were identified for strengthening the role of the Governance and Audit Committee during the 2023/24 Governance and Audit Committee's self-assessment review. As a means of gathering evidence as to the effectiveness of the Committee and to increase its effectiveness, the Committee approved on 10 April 2024 an action plan which addressed the findings of the previous self-assessment. This will be considered as part of the next self-assessment.

## **6 Future Priorities**

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

## Governance and Audit Committee’s Terms of Reference

## Appendix A

The Terms of Reference for the Governance and Audit Committee was updated to reflect the name change and the new responsibilities because of the Local Government and Elections (Wales) Act 2021.

### 7.00 Statement of Purpose:

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

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

### 7.01 Role:

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

- A. Review the effectiveness of the Authority’s systems of corporate governance, internal control, complaints, performance (self-assessment and peer review) and risk management, and to make reports and recommendations to the County Council on the adequacy and effectiveness of these arrangements;
- B. Oversee the reporting of the statutory financial statement’s process to ensure the balance, transparency, and integrity of published financial information, and to review the financial statements prepared by the authority and recommend them to County Council;  
Review and scrutinise the County Council’s financial affairs, and to make reports and recommendations on them. The role of the Committee is to assure the budgetary control systems of the Council rather than the scrutiny of the use and value for money of expenditure which is the role of the respective Overview and Scrutiny Committees;
- C. Monitor the performance and effectiveness of the internal and external audit functions within the wider regulatory context; and
- D. Report to the Council annually, summarising the Committee’s activities and recommendations.

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

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

17. Consider how Senior Accountable Officers are held to account for the security of computer systems and applications to protect against computer fraud or misuse.
18. Ensure the rigorous application of the agreed protocol for the reporting and decision making over business cases for collaborative projects, the management of the transition for approved collaborations, and the subsequent performance management arrangements for the new collaborative services.
19. Obtain regular updates from Senior Accountable Officers and legal advice regarding compliance matters, and be satisfied that all compliance matters have been considered in preparing the financial statements.
20. The Chair and Vice Chair of the Governance and Audit Committee together with the Chairs and Vice Chairs of the six Overview and Scrutiny Committees will attend the Chair and Vice Chair Liaison Group with the primary aim to reduce duplication of work, ensure there is a shared coverage of the Council's risk profile and escalate poor performance between respective Committees.

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

## Financial:

### Statutory Financial Statements

1. Receive the draft annual Statement of Accounts, together with the underlying accounting policies for information. Consider and comment on the final statement of accounts following the receipt of the proposed audit opinion from the Wales Audit Office prior to recommending their approval to the Council.
2. Understand the controls and processes implemented by Senior Accountable Officers to ensure the financial statements derive from the underlying financial systems, comply with relevant standards and requirements, and are subject to appropriate review.
3. Meet with management and external auditors to review the financial statements, the key accounting policies and judgements, significant accounting and reporting issues and their impact on financial reports, and the results of the audit.
4. Ensure that significant adjustments, unadjusted differences, disagreements with Senior Accountable Officers and critical accounting policies and practice are discussed with the external auditor.

### Financial Affairs

5. Understand the internal control systems implemented by Senior Accountable Officers and service teams for the approval of transactions and the recording and processing of financial data.

6. Gain an understanding of the current areas of greatest risk around financial controls and advise and assure on risk management.
7. Keep under review the Council's financial procedure rules and contract procedure rules and all other corporate directions concerning financial control.
8. Review and assure the Treasury Management Strategy and Policy and consider quarterly updates on Treasury Management and make appropriate recommendations / observations to the Cabinet.

### C. Internal and External Audit

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

#### Internal Audit

2. Promote the role of internal audit within the Council, as a key element of its control environment.
3. Review and approve the Internal Audit Charter, outlining the role, scope, independence, authority, responsibility and reporting of the department.
4. Keep under review the organisational structure and resource requirements of the Internal Audit Section and consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the Internal Audit, Performance and Risk Manager. To approve and periodically review safeguards to limit such impairments.
5. Make appropriate enquiries of both Senior Accountable Officers and the Internal Audit, Performance and Risk Manager to determine if there are any inappropriate scope or resources limitations.
6. Review, approve (but not direct) and monitor the delivery of the risk-based internal audit plan, the approach to using other sources of assurance and any work required to place reliance upon those other sources and ensure the plan considers changes arising from Government, Assembly or Council initiatives.
7. Approve significant interim changes to the risk based internal audit plan and resources requirements.
8. Receive summaries of all internal audit reports issued, highlighting key actions with corporate control implications.
9. Consider reports from the Internal Audit, Performance and Risk Manager on internal audit's performance during the year, including the performance of external providers of internal audit services. These will include:
  - Updates on the work of internal audit including key findings, issues of concern including monitoring the implementation of agreed actions contained within internal audit reports, receive report on actions not implemented within good timescales and seek explanations from officers where required.

- Regular reports on the results of the Quality Assurance Improvement Programme (QAIP).
  - Reports on instances where the Internal Audit Service does not conform to the Public Sector Internal Audit Standards (PSIAS) and Local Governance Advice Note (LGAN), considering whether the non-conformance is significant enough that it must be included in the AGS.
10. Receive and consider the Internal Audit, Performance and Risk Managers annual report:
    - The statement of the level of conformance with the PSIAS and LGAN and the results of the QAIP that support the statement – these will indicate the reliability of the conclusions of internal audit.
    - The opinion on the overall adequacy and effectiveness of the Council’s framework of governance, risk management and control together with the summary of the work supporting the opinion – these will assist the Committee in reviewing the Annual Governance Statement (AGS).
    - Keep performance indicators under review and evaluate, on an annual basis, the performance and effectiveness of internal audit and its compliance with best practice.
  11. Consider summaries of specific internal audit reports as requested.
  12. Receive reports outlining the action taken where the Internal Audit, Performance and Risk Manager has concluded that Senior Accountable Officers and service teams have accepted a level of risk that may be unacceptable to the Council or there are concerns about progress with the implementation of agreed actions.
  13. Contribute to the Quality Assurance Improvement Programme (QAIP) and in particular, to the external quality assessment of internal audit that takes place at least once every five years.
  14. Meet separately with the Internal Audit, Performance and Risk Manager to discuss any matters that the Committee or internal auditors believe should be discussed privately.
  15. Should the needs arise, arbitrate in the event of any failure to agree between a Senior Accountable Officers and internal audit.
  16. Discuss with the external auditor the standard of work of internal audit.

### External Audit and External Regulatory Bodies

#### External Audit

17. Support the independence of external audit through consideration of the external auditor’s annual assessment of its independence.
18. Review the external auditors’ proposed audit scope and approach for the current year in the light of the Authority’s present circumstances and changes in regulatory and other requirements arising from Government, Assembly or Council initiatives.

19. Ensure that the annual audit is undertaken in compliance with statutory requirements.
20. Receive all audit reports, and the annual audit letter, issued by the external auditor, and ensure that all agreed recommendations are implemented.
21. Consider specific reports as agreed with the external auditor.
22. Discuss with the external auditor any audit problems encountered in the normal course of audit work, including any restriction on audit scope or access to information.
23. Meet separately with the external auditors to discuss any matters that the Committee or auditors believe should be discussed privately. Ensure the auditors have access to the chair of the Governance and Audit Committee when required.
24. Review, annually, the performance of external audit and co-ordinate any feedback requested from Audit Wales.

#### **External Regulation: Performance**

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

#### **D. Accountability Arrangements**

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



4. The Governance and Audit Committee will keep the above terms of reference under annual review and propose any amendment to the County Council.
5. Report to full council and publish an annual report on the Committee's performance in relation to the terms of reference and the effectiveness of the Committee in meeting its purpose.

### 9.2.3 Composition (As per the Council's Constitution)

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

Governance and Audit Committee Actions Raised during 2023/24

Appendix B

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Ref	Report	Action Required	Action Taken	Status
<b>Carried over from 2022/23</b>				
39.	Risk Management Framework	To share dashboard information with the Committee at the January meeting.	Due to a lack of technical resources within the 'new' team this was moved to November 2023 committee.	Closed
57.	Drury Primary School - Finance Management follow-up	To advise the Committee when the final outstanding action has been completed.	The school has supplied audit with a copy of the signed lease and the action has been marked as implemented and closed. This was the final outstanding action for this audit.	Closed
67.	IA Strategic Plan	To share with the Committee the report on the investigation into the Cabinet meeting in Feb when available	This will be shared once the investigation report has been finalised	Open
<b>14 June 2023</b>				
5.	Minutes	To re-send to Cllr Attridge the email on actions for the Statutory Training audit in SS&T.	The email was resent to Cllr Attridge on 14 <sup>th</sup> June 2023	Closed
6.	AW review of Commissioning Older People's Care Home Placements	To share the latest bed-blocking figures in Flintshire with the Ctte.	This was circulated to members on 23 June 2023.	Closed
6.	AW review of Commissioning Older People's Care Home Placements	To share a follow-up report on progress with actions at a later stage.	This will be provided to members when available	Open
7.	Estyn inspection of ACL	To pass on the Committee's thanks to the team for their work and the positive report.	This has been actioned	Closed
8.	AGS 2022/23	To amend reference to 'lean' in the AGS.	Report amended	Closed
8.	AGS 2022/23	To liaise with Cllr Marshall on his concerns re Contact Centre.	This has been included on the October Forward Work Programme for Corporate Resources Overview & Scrutiny Committee.	Closed
9.	Annual Audit Summary	To review the AW report on 'A Missed Opportunity - Social Enterprises' and liaise with officers with a view to including on the	This was picked up and reviewed at the relevant Portfolio DMT meeting and reported to Governance and Audit Committee in April 2023	Closed

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Ref	Report	Action Required	Action Taken	Status
		Audit Plan.		
9.	Annual Audit Summary	That the AW report under the Assurance and Risk Assessment Review heading (p.100 of agenda) be scheduled on the FWP.	AW Assurance and Risk Assessment Report was included within the forward work programme for November 2023	Closed
10.	Risk Management Update	To agree criteria for inviting Chief Officers to address the Committee on their risks as part of the process.	This forms part of the revised RM Framework	Closed
12.	IA Annual Report	To include a note on the assessment of red actions.	This was included for subsequent reports	Closed
13.	IA Progress Report	That the officer responsible for Highways be invited to attend in July 2023 to update the Committee on progress with Amber Red overdue actions identified within the report.	The officer responsible for the Highways actions was invited to the July committee however they were unable to attend. A detailed update was provided to member instead.	Closed
13.	IA Progress Report	To update the Committee on progress with medium overdue actions in Payroll.	This is included within the progress report for actions outstanding.	Closed
13.	IA Progress Report	To invite the responsible officer for Corporate Complaints to the Sept meeting to give an update on progress with actions on the Amber Red report.	The officer responsible for the corporate Complaints actions is unable to attend Septembers committee, however a detailed update has been provided and included within the IA Progress report.	Closed
13.	IA Progress Report	To share a summary of outcomes on investigations 2.1 & 2.2 in closed session on completion of those reviews as requested by Cllr Parkhurst. To share information on completed investigations in private session where requested, i.e. after meetings have ended.	Report provided to Governance and Audit Committee in closed session in November 2023.	Closed
13.	IA Progress Report	To liaise with Planning, Environment & Economy to clarify Cllr Banks' query on how value for money was established when one	Members were provided with a response from the service on 20 September 2023	Closed

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Ref	Report	Action Required	Action Taken	Status
		contractor is involved (ref 3379).		
14.	GAC Self-Assessment Action Plan	To share the GAC Terms of Reference with Cllr b T Palmer.	The TOR was shared with Cllr Palmer following the Committee Meeting in June 2023.	Closed
18.	Cyber Resilience	That the item is scheduled for the Corporate Resources Overview & Scrutiny Committee to give assurance on the findings of the Audit Wales report and preparedness of the Council.	This was raised and debated at Corpore Resources Overview and Scrutiny Committee on 14 September 2023.	Closed
<b>26 July 2023</b>				
22.	Draft Statement of Accounts 2022/23	<p>Suggestions for presentation of data in future reports:</p> <ul style="list-style-type: none"> <li>• Extra column to show budget variances for each portfolio on capital programme spend (p.3-5).</li> <li>• Definition of prescribed wording such as 'inalienable assets' (p.25).</li> </ul>	To be included in future versions	Closed
22.	Draft Statement of Accounts 2022/23	<p>To share responses to the Committee on:</p> <ul style="list-style-type: none"> <li>• The difference between the £1.723m rent arrears outturn (p.4) as opposed to the figure on p.31.</li> <li>• Confirmation whether anyone other than NEW Homes has received soft loans (p.60).</li> <li>• Whether the unvalued items in the Archives are covered by insurance and included in the risk register (p.84).</li> <li>• The impact of pension deficits if the Fund disinvested in companies linked to fossil fuels, and any impact on the Council's finances (p.8).</li> </ul>	Responses to the questions raised were circulated to members of the Committee on 19 <sup>th</sup> September 2023	Closed

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Ref	Report	Action Required	Action Taken	Status
		<ul style="list-style-type: none"> <li>Explanation on the reduction in receipts from BCUHB and WLGA (p.47).</li> <li>How the interests of senior managers who are directors of companies doing business with the Council are reflected in the accounts - specific example given by Cllr Parkhurst (p.45/46).</li> </ul>		
23.	Supplementary Financial Information to Draft SoA	To include additional columns on tables 1 and 2 for future reports to show spend in the previous year for comparison purposes.	To be included in future versions.	Closed
24.	Treasury Management Annual Report 2022/23 & Q1 Update 2023/24	To clarify the different figures on new debt shown in section 3.02 of the Annual Report - £5.4m in the first table and £5m in the second table.	The £0.4m relates to ‘Invest to Save’ loans from Welsh Government the Council have received in year relating to specific projects. These are interest free loans and are repaid from the savings generated from the project over an agreed payback period. The £5m is a long-term loan with Council has taken with the PWLB.	Closed
25.	Certification of Grants & Returns 2021/22	To share an update with the Committee on engagement with Civica to resolve the system errors, including any collective approaches with other authorities.	<p>As with any computer system issues do occur from time to time. Each time an issue occurs, a call is raised with Civica. Many of these issues are fixed with support and guidance from Civica, others may require a system update and are then fixed on a future release.</p> <p>In a small number of cases, Civica are unable to provide a fix in the usual way and these are logged as a ‘bug’. This is usually the case where we are the only Local Authority to have experienced the issue, and despite investigation Civica are unable to remedy the problem. These are monitored via the bugs list and can take a long time to resolve. We do contact Civica at regular intervals throughout the year, and if the issue occurs again on a</p>	Closed

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Ref	Report	Action Required	Action Taken	Status
			different claim, then the issue is escalated.	
26.	Issue from the June meeting	To refer Cllr Marshall's concerns about telephone answering times to the Corporate Resources OSC.	This was raised and debated at Corporate Resources Overview and Scrutiny Committee on 14 September 2023.	Closed
<b>27 September 2023</b>				
31.	Audit Wales Plan 2023	To schedule the recent Audit Wales report on PIs for Nov/Jan following consideration by Cabinet and Climate Change Ctte.	This was included within the Governance and Audit Committee FWP for January 2024	Closed
33.	IA Progress Report	That the Housing service share a report on progress with outstanding actions relating to the audit on Maes Gwern Contractual Arrangements; and	A separate report was presented to Governance and Audit Committee in November 2023.	Closed
33.	IA Progress Report	That an item on the current status of overdue actions under Housing & Communities and Streetscene & Transportation be shared at the next meeting.	A separate report was be presented to Governance and Audit Committee in November 2023.	Closed
33.	IA Progress Report	To clarify reference to developing a homelessness plan under SARTH action ref 3010.	This was be responded to within the separate report to Governance and Audit Committee in November 2023.	Closed
34.	Action Tracking	To share with the Ctte a response to Cllr Parkhurst's query on whether there is a process to identify missing artefacts from the Archives, including financial implications.	A response was emailed to members on 19 <sup>th</sup> September 2023.	Closed
34.	Action Tracking	To arrange a private discussion with Cllr Parkhurst to resolve concerns about transparency of officers' interests.	A meeting took place between officers and Cllr Parkhurst on 11 <sup>th</sup> October 2023	Closed
35.	FWP	Statement of Accounts to be moved to April 2024.	This item has been moved to April within the forward work programme	Closed

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Ref	Report	Action Required	Action Taken	Status
		Meeting between the Leader, GAC Chair & Vice-Chair to be arranged.		
<b>22 November 2023</b>				
39.	PSOW Letter and Complaints	To feedback to the officer group that that actions identified from complaints should be fed into the performance & development process and that lessons learned inform preparation of the AGS.	The next Complaints Officer Group meets on 20 March where was raised with the group.	Closed
40.	AGS 2022/23 mid-year progress	To share the Audit Wales report on homeless prevention services at a future meeting.	This was scheduled within the FWP for April 2024 in order to allow this to go through the appropriate reporting procedure.	Closed
40.	AGS 2022/23 mid-year progress	To include an extra column showing target risk scores and for the Risk Management Update to demonstrate how the scoring matrix is helping to show improvements.	This was included in the AGS report presented to committee in July	Closed
40.	AGS 2022/23 mid-year progress	To revise the dashboard overview to show the total number of issues more clearly in the pie chart (p.3).	This was included in the AGS report presented to committee in July	Closed
42.	Asset Disposals & Capital Receipts 2022/23	Further information on the disposals shown in the appendix to be shared with the Committee on a confidential basis.	Members were provided with additional information on Asset Disposal on 22 December 2023.	Closed
43.	Audit Actions outstanding	That a further report be scheduled for January 2024 to update the Committee on progress with outstanding audit actions.	This has been scheduled and will be reported to the Committee in January 2024	Closed
43.	Audit Actions outstanding	To feedback Cllr Banks' concerns at the lack of attendance by officers from SS&T and Cabinet Member representation from both portfolios.	The Chief Executive has spoken with Cllr Banks regarding this matter.	Closed
44.	GAC Annual Report	That, subject to the inclusion of a sentence to be agreed with the Chair, the Annual Report	The Governance and Audit Committees Annual Report was updated with the additional sentence and presented	Closed

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Ref	Report	Action Required	Action Taken	Status
		for 2022/23 be endorsed prior to its submission to Council for approval on 6 December 2023.	and approved by County Council on 6 December 2023	
45.	Action Tracking	To share the outcome of discussion with Cllr Parkhurst on officers' interests with the Committee.	An email summarising the discussion with Cllr Parkhurst will be shared with Members	Closed
46.	FWP	Self-assessment workshop date to be arranged with the Chair and shared with the Committee.	This was arranged for Thursday 8 <sup>th</sup> February at 14.00	Closed
47/ 48	Investigation into anonymous allegations	To share with the Committee any information on the scale of grants paid by the Council and those paid by other organisations to the company.	An email was sent to members of the Committee on 16 <sup>th</sup> January 2024.	Closed
<b>24 January 2024</b>				
54.	Audit Wales report - Social Enterprise	To consider including timescales in the action plan in the next review.	This was considered at the next review in December 2024.	Closed
55.	Risk Management Update	<ul style="list-style-type: none"> <li>To consider the inclusion of long term trend information on the dashboard for future reports.</li> <li>To reflect changes from operational to strategic risks in the framework, e.g. the amber red report on DBS checks.</li> <li>To clearly define the primary responsibility of Cabinet on risk management in the framework.</li> <li>To clarify the additional role of Gov &amp; Audit Committee in section 4 of the framework in respect of risk ownership.</li> <li>To develop wording within the framework</li> </ul>	<ul style="list-style-type: none"> <li>This will be considered as part of the future dashboard reports for committee.</li> <li>This has been included within the revised framework within Section 4, Roles and Responsibilities</li> <li>As point 2 above</li> <li>As point 2 above</li> <li>This was already included within the framework and is referred to in Section 1 Introduction, Section 3.2 Risk Appetite, Section 4 Roles and Responsibilities and Section 5 Risk Management Process.</li> </ul>	Closed



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Ref	Report	Action Required	Action Taken	Status
		on identifying positive consequences from risk		
55.	Risk Management Update	Request for a future Member workshop arising from WG proposals on Out of County Placements.	This will be action if required	Closed
58.	IA Progress Report	That a report be received at the next meeting relating to the position on the DBS service and urgent actions required to address the problems identified.	An update was provided at the following committee and an interim update provided via email to members 19 <sup>th</sup> March.2024	Closed
58.	IA Progress Report	To remind Chief Officers of their responsibilities in reducing overdue audit actions.	Whilst this takes place at each member this issue was raised again with officers.	Closed
58.	IA Progress Report	To respond to the Committee by email on: <ul style="list-style-type: none"> <li>Progress with arranging contracts with third party organisations in receipt of grant funding (Strategic Core Funding Amber/Red report).</li> <li>Confirming that schools are responsible for their own DBS checks.</li> </ul>	This was shared via email to member on 25 <sup>th</sup> March 2024.  Members were updated via email on the 19 <sup>th</sup> March 2024.	Closed
59.	Action Tracking	That the Internal Audit, Performance & Risk Manager undertake further investigations in respect of the action on anonymous allegations and report back to the next meeting.	This was discussed at the next committee in a closed session in April 2024	Closed
59.	Action Tracking	To share an update with the Ctte on the action from 22/03/23 re outcome of investigations into the Cabinet meeting.	Please refer to action from the 22 <sup>nd</sup> March 2023	-
<b>10 April 2024</b>				

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Ref	Report	Action Required	Action Taken	Status
63.	Minutes	To pass Cllr Banks' request for a Member workshop on Out of County Placements to the relevant officer.	Education and Social Services Portfolios are supportive of a members workshop to inform new member and refresh about the context of Looc budget. A members' workshop will be planned in for the autumn prior to setting the Council's budget	Open
64.	Statement of Accounts 2022/23	To share the management response to the Audit Wales recommendations with the Committee.	This was circulated 30 May 2024 to members of the Committee	Closed
65.	Audit Wales Report: Homelessness Services - FCC	To write on behalf of the Committee to the Minister to reinforce the concerns around financial unsustainability.	A letter will be sent to the Minister week commencing 17 <sup>th</sup> June 2024	Closed
65.	Audit Wales Report: Homelessness Services - FCC	To pass on the Committee's thanks to the teams for their work in tackling homelessness.	This has been shared with the team	Closed
67.	DBS Update	That the risk identified on DBS checks be reflected on the corporate risk register.	This risk is now included within the Risk Register for People and Resources	Closed
67.	DBS Update	Presentation slides to be shared with the Committee.	This was circulated to members 18 <sup>th</sup> April 2024	Closed
68.	Q4 Treasury Management Update 2023/24	To review the format of the long-term borrowing spreadsheet so that the information is more clearly visible.	Action will be taken to ensure future reports are clear in relation to longer-term borrowing	Closed
69.	GAC Self-Assessment	That half yearly updates on the action plan be scheduled in the Forward Work Programme;	This is within the Governance and Audit Committee's forward work programme for November 2024	Closed
69.	GAC Self-Assessment	That the Chair and Vice-Chair be invited to meetings with the Overview & Scrutiny Chairs; and	Confirmed that this will commence in January 2024 following the need to cancel the last meeting arranged.	Open
69.	GAC Self-Assessment	That an informal pre-meeting takes place prior to the next meeting in June.	Due to the appointment of a Chair in June, the current Chair and Vice Chair agreed at the AGS workshop that this would commence from July 2024	Closed

Ref	Report	Action Required	Action Taken	Status
71.	External Regulation Assurance 2023/24	To schedule the AW 2022 report 'Time for Change - Poverty in Wales' on the FWP.	To address Poverty across the organisation a Poverty board will be created. After establishing its TOR, the first priority will be to review this report. It is planned that GAC will receive this report in April.	Open
71.	External Regulation Assurance 2023/24	To ensure that the CIW Performance Evaluation Report is scheduled for Social & Health Care OSC, Cabinet and GAC in June.	Due to officers' availability this was presented to committee in July 2024	Closed
72.	IA Strategic Plan	That having considered the areas covered, including those prioritised for the first year, and the level of audit resources given the level of assurance required, the Committee approves the Flintshire Internal Audit Strategic Plan for 2024-2027, subject to the date correction in section 1.1.	The date within the IA Strategic Plan has been corrected	Closed
77.	Update against Anonymous Allegations	To share the Cabinet report with the Committee when available.	Please refer to action update from the 22 <sup>nd</sup> March 2023	-

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Governance and Audit Committee Forward Work Programme –2024/25

Appendix C

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Area	26 June 2024	24 July 2024	September 2024	November 2024	January 2025	April 2025
<b>Pre-Committee Training</b>	Draft Statement of Accounts					Annual Governance Statement
<b>Audit Wales (AW)</b>	Annual Audit Summary 2022/23	Audit Plan AW 2023				Audit Plan AW 2024
<b>Internal Audit</b>		Internal Audit Annual Report 2023/24				Internal Audit Strategic Plan 2025/26
		Internal Audit Progress Report 2024/25	Internal Audit Progress Report 2024/25		Internal Audit Progress Report 2024/25	Internal Audit Progress Report 2024/25
						Public Sector Internal Audit Standards Self- Assessment
	Internal Audit Charter					Internal Audit Charter
<b>Governance &amp; Risk Management</b>		Draft Annual Governance Statement		Annual Governance Statement Mid-Year review	Code of Corporate Governance	
				Governance and Audit Committee Annual Report	Global IIA Standards – Update	GAC Self-Assessment
				GAC Self-Assessment Action Plan Review	Update on Outstanding Audit Actions	Annual Report on External Inspections 2024-25
			Nominating Members to the Corporate CJC own Governance and Audit Committee			
					Risk Management Update and Framework	
	GAC Action Tracking		GAC Action Tracking	GAC Action Tracking	GAC Action Tracking	GAC Action Tracking
	Forward Work Programme		Forward Work Programme	Forward Work Programme	Forward Work Programme	Forward Work Programme
<b>Performance</b>				Corporate Complaints and Compliments Annual Report 2022/23		
				Public Service Ombudsman for Wales Annual Letter		
			Corporate Self-Assessment Draft Report	Corporate Self-Assessment Update		
<b>Finance</b>		Draft Statement of Accounts 2023/24	School Reserves – Annual Report on School Balances			
		Certification of Grants and Returns Report (AW)		Statement of Accounts 2023/24		Statement of Accounts 2023/24

		Supp Financial Information to Draft Statement of Accounts 2023/24			Asset Disposals and Capital Receipts	
Treasury Management		Treasury Management Q1 2024/25 Update and Annual Report 2023/24		Treasury Management Q2 2024/25 – Mid Year Report	Treasury Management Q3 2024/25 and 2025/26 Strategy	Treasury Management 2024/25 Q4 Update
Senior Officer Updates (AW Reports, Op Matters / Key Risks / Other)	AW - Together we can - Community resilience and self-reliance Report	CIW - Performance Evaluation Report	AW - Setting of Well Being Objectives	AW- Financial Sustainability	Inspection of Youth Justice Service in Flintshire Report	
	AW - Use of performance information: Service user perspective & outcomes			AW - Unscheduled Care	Deferred Charges Update	
	AW - Equality Impact Assessments					
	AW - Digital Strategy					
Meeting Following GAC						Private Meeting with Committee, Internal and External Audit

Report to be include in the FWP once date finalised with the Service Manager: Partners / Collaborations, Major Projects, Information Security & Health & Safety Control Arrangements

**Matters to be address outside of formal Committee meetings**

<p><b>Governance and Audit Committee</b></p> <ul style="list-style-type: none"> <li>Budget Workshops for members – 2024/2025</li> <li>Treasury Management Training – 5 Dec 2024</li> <li>Annual Self-Assessment Workshop – February 2025</li> <li>AGS / CSA Workshop – April / May 2025</li> <li>Private Meeting (AW and Internal Audit) – April 2025</li> <li>Training and Development sessions - Ongoing</li> </ul>	<p><b>General</b></p> <ul style="list-style-type: none"> <li>Correspondence, updates to actions and reports for information purposes</li> <li>Time sensitive consultation</li> <li>In person / video meetings as and when necessary</li> </ul>
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Mae'r dudalen hon yn wag yn bwrpasol

# Eitem ar gyfer y Rhaglen 10

## Notice of Motion - submitted by Councillor Simon Jones

### **The Crown Estate**

The Crown Estate, a corporation managing significant property interests for the monarchy, owns vast swathes of land and water in Wales, including 65% of the Welsh foreshore and riverbed and more than 50,000 acres of land (this includes coastline at Talacre, the Dee Estuary and land holdings in Bagillt and Trelogan).

This also means that the Crown Estate derives any profit from renewable energy and other business activities conducted on the land and sea which fall within its control.

Currently, up to 75% of the revenue generated by the Crown Estate goes to the UK Treasury, with the other 25% allocated to the monarch.

A 2023 Freedom of Information request revealed that the Crown Estate's value in Wales had risen to £853 million, with offshore wind and marine energy accounting for 93% of its total value.

Evidence shows that there is overwhelming support for transferring control of the Crown Estate to the people of Wales, with a 2023 YouGov poll showing that 75% of people in Wales were now in favour of doing so.

For comparison, Scotland has had control of its Crown Estate since 2016.

We confirm that Flintshire County Council supports the campaign to devolve management of the Crown Estate and its assets in Wales to the Welsh Government and that the funds raised to be shared equitably to Welsh Local Authorities to support the social needs of the people who live in our communities.

We ask the Leader of the Council to write to the Welsh Government and the members of Parliament and the Senedd representing Flintshire outlining our support to help persuade Westminster to devolve the Crown Estate.

Mae'r dudalen hon yn wag yn bwrpasol



## **Notice of Motion - submitted by Councillor Andrew Parkhurst**

### **Aggregates Levy**

#### **Flintshire County Council notes:**

1. Under the UK Aggregates Levy, quarry operators and importers of aggregates currently pay £2.03 per tonne (rising to £2.08 per tonne from 1.4.25) to the UK Government. (Source: see Note 1 below)
2. Until 2011 an Aggregates Levy Sustainability Fund was in place which enabled local communities to bid for grants that would benefit their areas.
3. Since 2011 the UK Government has treated the Aggregates Levy as general tax income which means there is no longer any proportional benefit to the communities affected by the extraction of aggregates in their areas.
4. The Scotland Act gave the Scottish Parliament the power to introduce a devolved tax on the commercial exploitation of aggregates in Scotland which is likely to take effect from 1.4.26. It is understood that there are currently no similar plans for Wales.
5. North Wales (comprising the 6 unitary authorities of Anglesey, Gwynedd, Conwy, Denbighshire, Flintshire and Wrexham, plus Eryri) extracts approximately 7 million tonnes of aggregate each year, with Flintshire extracting the largest amount – approximately 3 million tonnes. The majority of this is crushed rock (mainly limestone) at 2.8 million tonnes plus some sand and gravel. (Source: see Note 2 below)
6. Flintshire is a net exporter of aggregate. (Source: see Note 2 below)
7. If Flintshire County Council received the Aggregates Levy directly this would amount to approximately £6m gross annually.

#### **Flintshire County Council believes:**

1. It is inequitable that local authorities and their communities which are affected by aggregate extraction do not benefit proportionally from the monies received through the Aggregates Levy.
2. For too long Wales has been exploited for its natural resources with inadequate financial return to Wales.
3. With increasing budget pressures year after year it is imperative that Flintshire County Council seeks to maximise appropriate sources of income, including its fair share from the Aggregates Levy.
4. Local authorities are best placed to determine the needs of their local communities rather than central governments.

#### **Flintshire County Council resolves:**

1. To request the Leader and Chief Executive of the Council to write to Mark Drakeford MS as Cabinet Member for Finance and call on Welsh Government to negotiate with the UK Government the devolution of the Aggregates Levy in

such a way as to ensure that local authorities in whose areas minerals are extracted benefit directly and proportionately from the Levy.

2. To elicit support for this approach from other local authorities through its membership of the North Wales Regional Aggregates Working Party and through other appropriate channels.

**Notes:**

1. <https://www.gov.uk/government/collections/aggregates-levy-detailed-information>
2. North Wales Regional Aggregates Working Party Annual Report 2022

## **Notice of Motion - submitted by Councillor Hilary McGuill**

### **Home Schooling**

That in light of the murder of Sara Sharif by her father whilst supposedly being homeschooled when in fact she had been removed from the education system to avoid the discovery of the numerous injuries on her body. We the councillors of Flintshire County Council call upon Welsh Government to legislate for councils to be able to enter the places where these children are being homeschooled to check on the health and welfare and the education those children are receiving.

We request therefore that the leader write immediately to the first minister so she can begin the process to ensure that these children no longer fall from our radar.

Mae'r dudalen hon yn wag yn bwrpasol

# Eitem ar gyfer y Rhaglen 11



## FLINTSHIRE COUNTY COUNCIL

<b>Date of Meeting</b>	Tuesday 28 January 2025
<b>Report Subject</b>	Pay Policy Statement for 2025/26
<b>Report Author</b>	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 thirteenth annual statement published by the Council.

### RECOMMENDATIONS

1	That County Council approves the appended draft Pay Policy Statement for 2025/26.
2	That County Council delegate authority to the Corporate Manager, People and Organisational Development to update the Pay Policy Statement 2025/26 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	<b>EXPLAINING THE PAY POLICY STATEMENT</b>
1.01	<p>Under the Localism Act 2011 local authorities are required to publish an 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"> <li>• the local authority’s policy on the level and elements of remuneration for each chief officer;</li> <li>• 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;</li> <li>• the policy on the relationship between the remuneration of its chief officers and other officers; and</li> <li>• 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.</li> </ul>
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 2024.</p>
1.04	<p>The draft Pay Policy Statement for 2025/26 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> <p>Section 1. Introduction            Section 3. Legislation and other matters relevant to remuneration            Section 7 (iv) Chief Officer Salaries            Section 7 (viii) Payments on Termination            Section 9. Remuneration of the Lowest Paid Employees            Section 10. Pay Relativities within the Authority            Section 12. National Living Wage            Section 13. Real Living Wage            Section 17. Recruitment and Talent Management            Section 18. Off Payroll Arrangements</p>

1.06	<p><b>National Pay Awards</b></p> <p>Annual cost of living and other pay awards are negotiated nationally. Agreement was reached on 16 May 2024 for Chief Officers and 1 April 2024 for Chief Executives which provided for an increase of 2.5% to the basic salaries of those in scope with effect from 1 April 2024.</p>
	<p><b>Local Government Pension Scheme (LGPS) Discretionary Policy</b></p>
1.11	<p>The regulations of the LGPS require every employer to</p> <ul style="list-style-type: none"> <li>(i) issue a written policy statement on how it will exercise the various discretions provided by the scheme,</li> <li>(ii) keep it under review and</li> <li>(iii) revise it as necessary.</li> </ul>
1.12	<p>The policy statement has been appended to the Pay Policy Statement annually since 2018.</p>
1.13	<p>This year's document has been updated to include the purpose, scope, and application of the relevant discretions to aid understanding and provide transparency.</p>

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

<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
3.01	<p>None required.</p>

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

<b>5.00</b>	<b>APPENDICES</b>
5.01	<p>Appendix A – Pay Policy Statement 2025/26  Appendix B – Pay Tables (to follow)  Appendix C – Local Government Pension Scheme (LGPS) Discretionary Policy</p>

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

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



# Pay Policy Statement

## 2025-2026

(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 thirteenth 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 2025 to 31st March 2026.

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, 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 Dave Hughes**  
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 several 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 particularly 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 obliged 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 pay and remuneration of all its employees, the Council will comply with all relevant employment legislation. This includes:

- Equality Act 2010

- Employment Rights Act 1996
- Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000 and the Fixed-term Employment (Prevention of Less Favourable Treatment) Regulations 2002
- Working Time Regulations 1998
- Agency Workers Regulations 2010
- Transfer of Undertakings (Protection of Employment) Regulations 2006
- National Minimum Wage (Amendment) Regulations 2021

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 mechanisms which relate salaries to the requirements, demands and responsibilities of the role.

The Act sets out the requirements for Pay Policy Statements and as part of this there are certain terms that are used to define different employee groups and in particular senior officers. This section explains these definitions, and how they apply in this Council. 'Chief Officers' are defined within S43 of the Localism Act. The posts falling within the statutory definition of S43 of the Localism Act is as follows.

- (a) the head of its paid service designated under section 4(1) of the Local Government and Housing Act 1989.
- (b) its monitoring officer designated under section 5(1) of that Act.
- (c) a statutory chief officer mentioned in section 2(6) of that Act.
- (d) a non-statutory chief officer mentioned in section 2(7) of that Act.
- (e) a deputy chief officer mentioned in section 2(8) of that Act.

As stated in the Local Government and Elections (Wales) Act 2021, with reference to the changes introduced by the Local Government (Wales) Measure 2011, the role of "Head of Paid Service" was replaced by the role of "Chief Executive" from May 2022.

#### 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 (IRPW).

## 5. Broad Principles of our Pay and Reward Strategy

### I) 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](http://www.flintshire.gov.uk).

Remuneration data

- Employees 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 posts 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 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:

- a) Chief Executive (including Head of Paid Service)
- b) Chief Officer, Governance
- c) Chief Officer, Education and Youth

- d) Chief Officer, Housing and Community
- e) Chief Officer, Social Services
- f) Chief Officer, Streetscene and Transportation
- g) 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 2024 are set out below:

Grade	Annual Salary April 2024
Chief Executive Point 01	£144,817
Chief Executive Point 02	£147,925
Chief Executive Point 03	£152,035
Chief Executive Point 04	£156,143
Chief Officer Point 1	£ 96,665
Chief Officer Point 2	£ 100,258
Chief Officer Point 3	£103,851
Chief Officer Point 4	£108,642

#### 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. Several 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.

Statutory Guidance issued by the Welsh Government 'recommends that full Council should be offered the opportunity to vote before severance packages of £100,000 and above are approved for staff leaving the organisation'. However, Members must be aware of the statutory or contractual entitlements due to an employee and the consequences of non-approval by Council, in which failure to fulfil statutory or contractual obligations may enable an employee to claim damages for breach of contract. Accordingly, any severance packages with a value more than £100,000 will be reported to Full Council for a decision.

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 (IRPW)

Section 143A of the Local Government (Wales) Measure 2011 refers to the Independent Remuneration Panel in Wales ("the IRPW") and sets out their functions in relation to salaries of heads of paid service. The IRPW 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 IRPW 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 IRPW, and if so, the nature of the referral, the IRPW's decision, and the Council's response. No referral was made to the IRP during 2024/2025.

The Local Government (Wales) Act 2015 extends the power of the IRPW, 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 1<sup>st</sup> April 2024, this is **£23,656** 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.

## 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 6<sup>th</sup> January 2025 is **£26,835**.

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

1. The multiple between the lowest paid (full time equivalent) employee (£23,656) and the Chief Executive (£147,925) is 1.6:25.
2. The multiple between the lowest paid employee (£23,656) and mean average Chief Officer (£103,851) is 1.4:39.
3. The multiple between the median (average) full time equivalent employee (£26,835) and the Chief Executive (£147,925) is 1.5:51.



## 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 several 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 16<sup>th</sup> of May 2024, 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 2.5% with effect from 1 April 2024.

On the 22<sup>nd</sup> of October 2024, 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 2.5% with effect from 1 April 2024.

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 1<sup>st</sup> April 2025 the hourly rate will increase from £11.44 to £12.21 (which represents an increase of 6.7%) and will apply to those aged 21 and over.

The lowest rate of hourly rate of pay for a Council employee is currently £12.26 (SCP02) (pay award pending) which is £0.05 per hour higher than the National Living Wage from April 2025.

## 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 5% to £12.60 per hour in November 2024.

Becoming a living wage employer, is an aspiration of Welsh Government and this 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. Eligible employees 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.

<b>Band</b>	<b>Main Rate</b>	<b>50/50 Rate</b>	<b>2024/2025 actual pay</b>
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 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 Policy 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](http://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. Recruitment and Talent Management

The Council's Policy and Procedures regarding recruitment of Chief Officers is contained within the Officer Employment Procedure Rules as set out in Section 11 of the Constitution. The determination of the remuneration to be offered to any newly appointed Chief Officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment.

Where the Council remains unable to recruit Chief Officers under a contract of service, or there is a need for an interim appointment to provide cover for a vacant substantive Chief Officer post or for any other reason, the Council will, where necessary, consider and use engaging individuals under 'contracts for service.' These will be sourced through a relevant procurement process ensuring the Council is able to demonstrate the maximum

value for money benefits from competition in securing the relevant service. The Council does not currently have any Chief Officers engaged under such arrangements.

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. Off Payroll Arrangements

Where the Council is unable to recruit to a job under a contract of service, or where there is a need for specialist support for a specific project, the Council will, where necessary, consider engaging individuals under a contract for service. These will be sourced through the relevant procurement process under the Council's Contract Procedure Rules, ensuring the council is able to demonstrate value for money from competition in securing the relevant service.

## 19. 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.

## 20. Future Legislation

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

## 21. 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.

## Flintshire County Council combined pay scales 2024



### Chief Executive

Grade	New Salary April 2024	Monthly Salary	Hourly Rate
CEO Point 01	£143,817.00	£11,984.75	£74.54
CEO Point 02	£147,925.00	£12,327.08	£76.67
CEO Point 03	£152,035.00	£12,669.58	£78.80
CEO Point 04	£156,143.00	£13,011.92	£80.93

### Chief officers

Grade	New Salary 1 April 2024	Monthly Salary	Hourly Rate
New Chief Officer Point 1	£96,665.00	£8,055.42	£50.10
New Chief Officer Point 2	£100,258.00	£8,354.83	£51.97
New Chief Officer Point 3	£103,851.00	£8,654.25	£53.83
New Chief Officer Point 4	£108,642.00	£9,053.50	£56.31

## Flintshire County Council Green Book Pay Model 1 April 2024

JE Range	Grade	SCP	Salary 1 April 2024	Monthly Salary	Hourly Rate
<305	<b>G01</b> (old A & B)	01	Deleted		
		02	£23,656.00	£1,971.33	£12.26
		03	£24,027.00	£2,002.25	£12.45
		04	£24,404.00	£2,033.67	£12.65
306-369	<b>G02</b> (old C & D)	05	£24,790.00	£2,065.83	£12.85
		06	£25,183.00	£2,098.58	£13.05
		07	£25,584.00	£2,132.00	£13.26
		08	£26,001.00	£2,166.75	£13.48
370-395	<b>G03</b> (old E)	09	£26,409.00	£2,200.75	£13.69
		10	£26,835.00	£2,236.25	£13.91
		11	£27,269.00	£2,272.42	£14.13
		12	£27,711.00	£2,309.25	£14.36
396-440	<b>G04</b> (old F)	15	£29,093.00	£2,424.42	£15.08
		17	£30,060.00	£2,505.00	£15.58
		19	£31,067.00	£2,588.92	£16.10
		20	£31,586.00	£2,632.17	£16.37
441-480	<b>G05</b> (old G)	24	£34,314.00	£2,859.50	£17.79
		25	£35,235.00	£2,936.25	£18.26
		26	£36,124.00	£3,010.33	£18.72
		27	£37,035.00	£3,086.25	£19.20
481-525	<b>G06</b> (old H)	28	£37,938.00	£3,161.50	£19.66
		29	£38,626.00	£3,218.83	£20.02
		30	£39,513.00	£3,292.75	£20.48
		31	£40,476.00	£3,373.00	£20.98
526-560	<b>G07</b> (old I)	32	£41,511.00	£3,459.25	£21.52
		33	£42,708.00	£3,559.00	£22.14
		34	£43,693.00	£3,641.08	£22.65
		35	£44,711.00	£3,725.92	£23.17
561-595	<b>G08</b> (old J)	36	£45,718.00	£3,809.83	£23.70
		37	£46,731.00	£3,894.25	£24.22
		38	£47,754.00	£3,979.50	£24.75
		39	£48,710.00	£4,059.17	£25.25
596-635	<b>G09</b> (old K)	40	£49,764.00	£4,147.00	£25.79
		41	£50,788.00	£4,232.33	£26.32
		42	£51,802.00	£4,316.83	£26.85
		43	£52,805.00	£4,400.42	£27.37

<b>Senior Manager Range</b>	<b>636-685</b>	<b>G10</b> (old L)	<b>45</b>	<b>£55,213.00</b>	£4,601.08	£28.62
			<b>46</b>	<b>£56,625.00</b>	£4,718.75	£29.35
			<b>47</b>	<b>£58,073.00</b>	£4,839.42	£30.10
			<b>48</b>	<b>£59,564.00</b>	£4,963.67	£30.87
	<b>686-729</b>	<b>G11</b> (old N & M)	<b>50</b>	<b>£62,655.00</b>	£5,221.25	£32.48
			<b>51</b>	<b>£64,264.00</b>	£5,355.33	£33.31
			<b>52</b>	<b>£65,915.00</b>	£5,492.92	£34.17
			<b>53</b>	<b>£67,608.00</b>	£5,634.00	£35.04
	<b>&gt;730</b>	<b>G12</b> (New Grade)	<b>58</b>	<b>£76,767.00</b>	£6,397.25	£39.79
			<b>59</b>	<b>£78,748.00</b>	£6,562.33	£40.82
			<b>60</b>	<b>£80,780.00</b>	£6,731.67	£41.87
			<b>61</b>	<b>£82,865.00</b>	£6,905.42	£42.95

## Leadership and Head Teacher Pay Scales September 2024

<b>SCP</b>	<b>Salary 1 September 2023</b>	<b>New Salary 1 September 2024</b>	<b>Monthly Salary</b>
<b>Point L01</b>	£48,012.00	<b>£50,653.00</b>	<b>£4,221.08</b>
<b>Point L02</b>	£49,213.00	<b>£51,920.00</b>	<b>£4,326.67</b>
<b>Point L03</b>	£50,441.00	<b>£53,216.00</b>	<b>£4,434.67</b>
<b>Point L04</b>	£51,697.00	<b>£54,541.00</b>	<b>£4,545.08</b>
<b>Point L05</b>	£52,985.00	<b>£55,900.00</b>	<b>£4,658.33</b>
<b>Point L06</b>	£54,316.00	<b>£57,304.00</b>	<b>£4,775.33</b>
<b>Point L07</b>	£55,776.00	<b>£58,844.00</b>	<b>£4,903.67</b>
<b>Point L08</b>	£57,064.00	<b>£60,203.00</b>	<b>£5,016.92</b>
<b>Point L09</b>	£58,488.00	<b>£61,705.00</b>	<b>£5,142.08</b>
<b>Point L10</b>	£59,990.00	<b>£63,290.00</b>	<b>£5,274.17</b>
<b>Point L11</b>	£61,547.00	<b>£64,933.00</b>	<b>£5,411.08</b>
<b>Point L12</b>	£62,966.00	<b>£66,430.00</b>	<b>£5,535.83</b>
<b>Point L13</b>	£64,540.00	<b>£68,090.00</b>	<b>£5,674.17</b>
<b>Point L14</b>	£66,148.00	<b>£69,787.00</b>	<b>£5,815.58</b>
<b>Point L15</b>	£67,794.00	<b>£71,523.00</b>	<b>£5,960.25</b>
<b>Point L16</b>	£69,598.00	<b>£73,426.00</b>	<b>£6,118.83</b>
<b>Point L17</b>	£71,195.00	<b>£75,111.00</b>	<b>£6,259.25</b>

<b>Point L18*</b>	£72,263.00	<b>£76,238.00</b>	<b>£6,353.17</b>
<b>Point L18</b>	£72,985.00	<b>£77,000.00</b>	<b>£6,416.67</b>
<b>Point L19</b>	£74,796.00	<b>£78,910.00</b>	<b>£6,575.83</b>
<b>Point L20</b>	£76,649.00	<b>£80,865.00</b>	<b>£6,738.75</b>
<b>Point L21*</b>	£77,769.00	<b>£82,047.00</b>	<b>£6,837.25</b>
<b>Point L21</b>	£78,547.00	<b>£82,868.00</b>	<b>£6,905.67</b>
<b>Point L22</b>	£80,497.00	<b>£84,925.00</b>	<b>£7,077.08</b>
<b>Point L23</b>	£82,490.00	<b>£87,027.00</b>	<b>£7,252.25</b>
<b>Point L24*</b>	£83,699.00	<b>£88,303.00</b>	<b>£7,358.58</b>

<b>SCP</b>	<b>Salary 1 September 2023</b>	<b>New Salary 1 September 2024</b>	<b>Monthly Salary</b>
<b>Point L24</b>	£84,536.00	<b>£89,186.00</b>	<b>£7,432.17</b>
<b>Point L25</b>	£86,636.00	<b>£91,401.00</b>	<b>£7,616.75</b>
<b>Point L26</b>	£88,780.00	<b>£93,663.00</b>	<b>£7,805.25</b>
<b>Point L27*</b>	£90,079.00	<b>£95,034.00</b>	<b>£7,919.50</b>
<b>Point L27</b>	£90,980.00	<b>£95,984.00</b>	<b>£7,998.67</b>
<b>Point L28</b>	£93,236.00	<b>£98,364.00</b>	<b>£8,197.00</b>
<b>Point L29</b>	£95,545.00	<b>£100,800.00</b>	<b>£8,400.00</b>
<b>Point L30</b>	£97,923.00	<b>£103,309.00</b>	<b>£8,609.08</b>
<b>Point L31*</b>	£99,347.00	<b>£104,812.00</b>	<b>£8,734.33</b>
<b>Point L31</b>	£100,343.00	<b>£105,862.00</b>	<b>£8,821.83</b>
<b>Point L32</b>	£102,836.00	<b>£108,492.00</b>	<b>£9,041.00</b>
<b>Point L33</b>	£105,390.00	<b>£111,187.00</b>	<b>£9,265.58</b>
<b>Point L34</b>	£107,996.00	<b>£113,936.00</b>	<b>£9,494.67</b>
<b>Point L35*</b>	£109,585.00	<b>£115,613.00</b>	<b>£9,634.42</b>
<b>Point L35</b>	£110,681.00	<b>£116,769.00</b>	<b>£9,730.75</b>
<b>Point L36</b>	£113,420.00	<b>£119,659.00</b>	<b>£9,971.58</b>
<b>Point L37</b>	£116,240.00	<b>£122,634.00</b>	<b>£10,219.50</b>



<b>Point L38</b>	£119,117.00	<b>£125,669.00</b>	<b>£10,472.42</b>
<b>Point L39*</b>	£120,811.00	<b>£127,456.00</b>	<b>£10,621.33</b>
<b>Point L39</b>	£122,020.00	<b>£128,732.00</b>	<b>£10,727.67</b>
<b>Point L40</b>	£125,064.00	<b>£131,943.00</b>	<b>£10,995.25</b>
<b>Point L41</b>	£128,189.00	<b>£135,240.00</b>	<b>£11,270.00</b>
<b>Point L42</b>	£131,400.00	<b>£138,627.00</b>	<b>£11,552.25</b>
<b>Point L43</b>	£133,350.00	<b>£140,685.00</b>	<b>£11,723.75</b>

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

<b>Head Teachers Groups and Pay Ranges</b>		
<b>Group</b>	<b>Range of SCPs</b>	<b>Salary Range</b>
1	L06 - L18*	£57,304.00 - £76,238.00*
2	L08 - L21*	£60,203.00 - £82,047.00*
3	L11 - L24*	£64,933.00 - £88,303.00 *
4	L14 - L27*	£69,787.00 - £95,034.00*
5	L18 - L31*	£77,000.00 - £104,812.00*
6	L21 - L35*	£82,868.00 - £115,613.00*
7	L24 - L39*	£89,186.00 - £127,456.00*
8	L28 - L43	£98,364.00 - £140,685.00

\* 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, 5% in 2023 and 5.5% in 2024.

# Qualified Teachers Pay Scales September 2024

## Main Scale

SCP	Salary 1 September 2023	New Salary 1 September 2024	Monthly Salary
W00 Point 02	£30,742.00	£32,433.00	£2,702.75
W00 Point 03	£33,212.00	£35,039.00	£2,919.92
W00 Point 04	£35,771.00	£37,739.00	£3,144.92
W00 Point 05	£38,587.00	£40,710.00	£3,392.50
W00 Point 06	£42,466.00	£44,802.00	£3,733.50

## Upper Pay Scale

SCP	Salary 1 September 2023	New Salary 1 September 2024	Monthly Salary
P00 Point 07	£44,024.00	£46,446.00	£3,870.50
P00 Point 08	£45,656.00	£48,168.00	£4,014.00
P00 Point 09	£47,340.00	£49,944.00	£4,162.00

### Additional Learning Needs (ALN) Allowance

Minimum:	<b>£2,728.00</b>	Maximum:	<b>£5,379.00</b>
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### Teaching and Learning Responsibility (TLR) Payments

TLR1	Minimum	<b>£9,955.00</b>	Maximum	<b>£16,844.00</b>
TLR2	Minimum	<b>£3,451.00</b>	Maximum	<b>£8,426.00</b>
TLR3	Minimum	<b>£686.00</b>	Maximum	<b>£3,403.00</b>

## Unqualified Teachers Pay Scales September 2024

SCP	Salary 1 September 2023	New Salary 1 September 2024	Monthly Salary
U04 Point 01	£20,674.00	£21,812.00	£1,817.67
U04 Point 02	£23,078.00	£24,348.00	£2,029.00
U04 Point 03	£25,482.00	£26,884.00	£2,240.33
U04 Point 04	£27,885.00	£29,419.00	£2,451.58
U04 Point 05	£30,292.00	£31,959.00	£2,663.25
U04 Point 06	£32,696.00	£34,495.00	£2,874.58

## School Non-Teaching Profiles April 2024

Profile	Grade	SCP Range	Salary Range	
			From	To
1.1 Learning Support 1	G01	2 to 4	£23,656	£24,404
1.2 Learning Support 2	G01	2 to 4	£23,656	£24,404
1.3 Learning Support 3	G02	5 to 8	£24,790	£26,001
1.4 Learning Support 4 (Specialist Area Only)	G04	15 to 20	£29,093	£31,586
1.4 Learning Support 4 (Supervision)	G04	15 to 20	£29,093	£31,586
2.1 Pastoral Support 1	G01	2 to 4	£23,656	£24,404
2.2 Pastoral Support 2	G01	2 to 4	£23,656	£24,404
2.3 Pastoral Support 3	G02	5 to 8	£24,790	£26,001
2.4 Pastoral Support 4	G05	24 to 27	£34,314	£37,035
2.4 Pastoral Support 4 (Without Supervision)	G04	15 to 20	£29,093	£31,586
2.5 Breakfast Club Assistant	G01	2 to 4	£23,656	£24,404
2.6 Breakfast Club Supervisor	G02	5 to 8	£24,790	£26,001
2.7 <u>Mid Day</u> Supervisory Assistant	G01	2 to 4	£23,656	£24,404
2.8 Senior <u>Mid Day</u> Supervisory Assistant	G02	5 to 8	£24,790	£26,001
3.1 Technician 1	G01	2 to 4	£23,656	£24,404
3.2 Technician 2 - ICT 1	G02	5 to 8	£24,790	£26,001
3.3 Technician 2a (Design & Technology)	G02	5 to 8	£24,790	£26,001
3.4 Technician 3 - ICT 2	G04	15 to 20	£29,093	£31,586
3.5 Technician 4 Science	G05	24 to 27	£34,314	£37,035
3.5 Technician 4 Science (Supervising)	G05	24 to 27	£34,314	£37,035
3.6 Technician 4 - ICT 3 (Non Supervising)	G05	24 to 27	£34,314	£37,035

Profile	Grade	SCP Range	Salary Range	
			From	To
3.6 Technician 4 - ICT 3 (Supervising)	G05	24 to 27	£34,314	£37,035
4.1 Administration 1	G01	2 to 4	£23,656	£24,404
4.2 Administration 2	G01	2 to 4	£23,656	£24,404
4.3 Administration 3 (Exams)	G02	5 to 8	£24,790	£26,001
4.3 Administration 3a (Secretary)	G02	5 to 8	£24,790	£26,001
4.4 Administration 4 ( <u>Non Supervisory</u> )	G04	15 to 20	£29,093	£31,586
4.4 Administration 4 (Supervisory)	G04	15 to 20	£29,093	£31,586
4.4 Administration 4 (Supervisory 6-15 Staff)	G05	24 to 27	£34,314	£37,035
4.5 Administration 4+ (Business Manager)	G08	36 to 39	£45,718	£48,710
4.6 Cleaner	G01	2 to 4	£23,656	£24,404
4.7 Cleaning Supervisor	G02	5 to 8	£24,790	£26,001
4.8 Caretaker	G01	2 to 4	£23,656	£24,404
4.8a Caretaker <u>With</u> Supervision	G03	9 to 12	£26,409	£27,711
4.9 Caretaker / Site Supervisor	G05	24 to 27	£34,314	£37,035

## Soulbury Pay Scales 1 September 2023/4 \*\*

### 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

## Educational Psychologists – Scale A

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

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

\*Normal minimum point for the principal 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	£100,102.00	£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 2024

Band	New Salary April 2024	Monthly Salary	Hourly Rate
Band 1 – Point 1	£23,970.00	£1,997.50	£12.42
Band 2 – Entry Step Point	£23,970.00	£1,997.50	£12.42
Band 2 – Top Step Point	£23,970.00	£1,997.50	£12.42
Band 3 – Entry Step Point	£24,433.00	£2,036.08	£12.66
Band 3 – Top Step Point	£26,060.00	£2,171.66	£13.50
Band 4 – Entry Step Point	£26,928.00	£2,244.00	£13.95
Band 4 – Top Step Point	£29,551.00	£2,462.58	£15.31
Band 5 – Entry Step Point	£30,420.00	£2,535.00	£15.76
Band 5 – Intermediate Step Point	£32,810.00	£2,734.16	£17.00
Band 5 – Top Step Point	£37,030.00	£3,085.83	£19.19
Band 6 – Entry Step Point	£37,898.00	£3,158.16	£19.64
Band 6 – Intermediate Step Point	£39,997.00	£3,333.08	£20.73
Band 6 – Top Step Point	£45,637.00	£3,803.08	£23.65
Band 7 – Entry Step Point	£46,840.00	£3,903.33	£24.27
Band 7 – Intermediate Step Point	£49,254.00	£4,104.50	£25.53
Band 7 – Top Step Point	£53,602.00	£4,466.83	£27.78
Band 8a – Entry Step Point	£54,550.00	£4,545.83	£28.27
Band 8a – Intermediate Step Point	£57,295.00	£4,774.58	£29.69
Band 8a – Top Step Point	£61,412.00	£5,117.66	£31.83

<b>Band 8b – Entry Step Point</b>	<b>£63,150.00</b>	£5,262.50	£32.73
<b>Band 8b – Intermediate Step Point</b>	<b>£67,232.00</b>	£5,602.66	£34.84
<b>Band 8b – Top Step Point</b>	<b>£73,379.00</b>	£6,114.91	£38.03

<b>Band</b>	<b>New Salary April 2024</b>	<b>Monthly Salary</b>	<b>Hourly Rate</b>
<b>Band 8c – Entry Step Point</b>	<b>£75,405.00</b>	£6,283.75	£39.09
<b>Band 8c – Intermediate Step Point</b>	<b>£79,996.00</b>	£6,666.33	£41.46
<b>Band 8c – Top Step Point</b>	<b>£86,885.00</b>	£7,240.41	£45.03
<b>Band 8d – Entry Step Point</b>	<b>£89,491.00</b>	£7,457.58	£46.38
<b>Band 8d – Intermediate Step Point</b>	<b>£94,975.00</b>	£7,914.58	£49.22
<b>Band 8d – Top Step Point</b>	<b>£103,203.00</b>	£8,600.25	£53.49
<b>Band 9 – Entry Step Point</b>	<b>£106,967.00</b>	£8,913.92	£55.44
<b>Band 9 – Intermediate Step Point</b>	<b>£113,416.00</b>	£9,451.33	£58.78
<b>Band 9 – Top Step Point</b>	<b>£123,091.00</b>	£10,257.58	£63.80



# Youth & Community Workers Pay Scales

## 1 September 2024

Spinal Column Point	Salary 1 September 2024	Monthly Salary	Hourly Rate
05	£24,786.00	£2,065.50	£12.85
06	£25,115.00	£2,092.92	£13.02
07	£25,411.00	£2,117.58	£13.17
08	£26,089.00	£2,174.08	£13.52
09	£26,954.00	£2,246.17	£13.97
10	£27,631.00	£2,302.58	£14.32
11	£28,724.00	£2,393.67	£14.89
12	£29,791.00	£2,482.58	£15.44
13	£30,896.00	£2,574.67	£16.01
14	£32,040.00	£2,670.00	£16.61
15	£32,818.00	£2,734.83	£17.01
16	£33,631.00	£2,802.58	£17.43
17	£34,431.00	£2,869.25	£17.85
18	£35,236.00	£2,936.33	£18.26
19	£36,035.00	£3,002.92	£18.68
20	£36,837.00	£3,069.75	£19.09
21	£37,737.00	£3,144.75	£19.56
22	£38,757.00	£3,229.75	£20.09
23	£39,751.00	£3,312.58	£20.60
24	£40,749.00	£3,395.75	£21.12
25	£41,755.00	£3,479.58	£21.64
26	£42,760.00	£3,563.33	£22.16
27	£43,765.00	£3,647.08	£22.68
28	£44,783.00	£3,731.92	£23.21
29	£45,792.00	£3,816.00	£23.74
30	£46,803.00	£3,900.25	£24.26
31*	£47,485.00	£3,957.08	£24.61
32*	£48,606.00	£4,050.50	£25.19

Support worker range Pay points 05 – 17

Professional range Pay points commence 13

\*Discretionary Points

Mae'r dudalen hon yn wag yn bwrpasol

## **Local Government Pension Scheme (LGPS) Employer Discretions**

### 1. Purpose

1.1 This document outlines Flintshire County Council's policy on the application of all mandatory and some non-mandatory discretions which we have the power to exercise in relation to members of the Local Government Pension Scheme (LGPS).

### 2. Scope

2.1 The various discretions noted apply to specific groups of members of the Scheme based on their date of entry into the Scheme. This is outlined in the relevant section of the policy.

### 3. What are Discretions?

- Discretions are powers that enable employers to choose how to apply the rules of the Scheme in respect of certain provisions.
- There are many employer discretions in the current Scheme regulations and several more still existing from previous Schemes; however, only a small number of employer discretions must be published.
- Discretions fall into two categories:
  - i. Those which must be formulated and published (mandatory discretions).
  - ii. Those which do not need to be formulated and published (non-mandatory discretions)
- A summary of the mandatory discretions applied by Flintshire County Council ("the Council") are detailed in Section 5. Some of these discretions are referred to in relevant HR policies or guidance, for example the Flexible Retirement policy and Early Retirement Policy.

This policy will be published on the Councils website at [www.flintshire.gov.uk](http://www.flintshire.gov.uk)

### 4. Responsibilities

- 4.1 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 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)
- G** The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended)
- T :** The Local Government Pension Scheme (**Transitional Provisions**) Regulations 2008
- L:** The Local Government Pension Scheme Regulations 1997 (as amended)

4.2 In applying this policy, the Council will ensure that:

- It applies the discretions reasonably, after taking account of all relevant factors, for example the cost to the Council balanced against the benefit to scheme member.
- Its discretions are not fettered, i.e., being used in such a way that individual circumstances cannot be considered; and
- That all discretionary decisions are recorded.

## 5.0 Application of Discretions

### 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)	<b>Due to potential cost burden Flintshire County Council will not contribute towards the cost of the employee purchasing additional pension.</b>
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)	<b>It is not the policy of Flintshire County Council to extend the 30-day deadline.</b>
Shared AVC's	Whether, how much, and in what circumstances to contribute to shared cost Additional Voluntary	R17(1) & definition of SCAVC in RSch 1	<b>Under Regulation 17 of the LGPS Regulations 2013, Flintshire County Council will exercise the discretion to allow LGPS members to contribute to a</b>

	Contributions (AVC's) arrangements		<b>shared cost salary sacrifice additional voluntary contribution scheme.</b>
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)	<b>It is not the policy of Flintshire County Council to refund contributions to the member.</b>
Flexible Retirement	Whether all or some benefits can be paid if an employee reduces their hours or grade (flexible retirement)	R30(6) & TP11(2)	<p><b>The Council have a policy on Flexible Retirement which requires a minimum reduction of 20% in hours/salary with no backfill arrangements.</b></p> <p><b>An employee, aged 55 and over may request flexible retirement and each case will be considered on its own merits following full consideration of any compelling compassionate reasons and all financial and service delivery implications via a retirement panel.</b></p> <p><b>This does not preclude younger employees, under 55 years of age requesting flexible working but without the payment of their retirement benefits.</b></p> <p><b>Please refer to the full Flexible Retirement Policy</b></p> <p><b>The Council may review its policy at any time.</b></p>
	Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement	R30(8)	<b>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.</b>

<p>Early Retirement Waive Actuarial Reduction</p>	<p>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)</p>	<p>R30(8)</p>	<p><b>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.</b></p> <p><b>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.</b></p> <p><b>The Council may review its policy at any time</b></p>
<p>85 Year Rule</p>	<p>Whether to 'switch on' the 85-year rule for a member voluntarily drawing benefits on or after age 55 and before age 60 (other than on the grounds of flexible retirement)</p>	<p>TPSch 2, para 1(2) &amp; 1(1c)</p>	<p><b>Employees can request that the Council 'switch on' the 85-year rule, if they are eligible.</b></p> <p><b>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.</b></p> <p><b>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.</b></p> <p><b>The Council may review its policy at any time.</b></p>
<p>Waiving Actuarial Reduction</p>	<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</p>	<p>TP3(1), TPSch 2, para (2)1, B30(5) &amp; B30A (5)</p>	<p><b>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.</b></p>

	<p>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> <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>		<p><b>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.</b></p> <p><b>The Council may review its policy at any time.</b></p>
Grant Additional Pension	Whether to grant additional pension to an active member or within 6 months of ceasing to be an active	R31	<b>It is not the policy of Flintshire County Council to award additional pension</b>

	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)		
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)	<b>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.</b>
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)	<b>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 on 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.</b>

### 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].	<b>It is not the policy of the Council to allow deferred benefit applications on or after age 50 and before age 55.</b>

### 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)	<b>Ordinarily The Council will not waive any actuarial reduction for deferred members on compassionate grounds.</b>



	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)	<b>The Council will not "switch on" the 85-year rule.</b>
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### 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)	<b>It is not the policy of the Council to allow deferred benefit applications on or after age 50 and before age 55.</b>

### The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended)

Employer Discretion		Regulation	FCC Policy
Redundancy	Whether to base redundancy payments on an actual week's pay where this exceeds the statutory week's pay limit	G5	<b>It is the policy of the Council to base redundancy payments on an actual week's pay where this exceeds the statutory week's pay limit.</b>

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.

Mae'r dudalen hon yn wag yn bwrpasol

# Eitem ar gyfer y Rhaglen 12

Questions for County Council: Tuesday 28<sup>th</sup> January.

## Member Questions

**1. Question to the Cabinet Member for Planning and Public Protection (to be asked by Cllr Sam Swash):**

Will the Cabinet Member outline the Cabinet's response to the Court of Appeal ruling in which Cllr Marc Jones defeated Wrexham County Borough Council, a coalition of private property developers, and the Welsh Government, and what implications the ruling has for Flintshire's Local Development Plan?

**2. Question to the Cabinet Member for Corporate Services (to be asked by Cllr Alasdair Ibbotson):**

When were cabinet members notified of the freedom of information request submitted by me on the 16<sup>th</sup> August 2024 regarding communications on the issue of free school meals?

**3. Question to the Cabinet Member for Corporate Services (to be asked by Cllr Alasdair Ibbotson):**

Will the cabinet member confirm that no current or former cabinet members have taken steps to delete or conceal records, including those held on personal devices, which are within scope of the freedom of information request submitted by me on 16th August 2024?

**4. Question to the Cabinet Member for Finance and Social Value (to be asked by Cllr Sam Swash):**

Will the Cabinet Member outline, for each of the last five years, how much Flintshire County Council has spent on external consultants?

**5. Question to the Cabinet Member for Streetscene & Transportation (to be asked by Cllr Alasdair Ibbotson):**

How much was spent on the new Welcome to Flintshire signs, showing Talacre lighthouse?

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