

Pecyn Dogfen Gyhoeddus



Swyddog Cyswllt:
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At: Cyng Clive Carver (Cadeirydd)

Y Cynghorwyr: Bernie Attridge, Haydn Bateman, Geoff Collett, Bob Connah, Paul Cunningham, Mared Eastwood, Patrick Heesom, Paul Johnson, Richard Jones, Michelle Perfect, Vicky Perfect, Andy Williams ac Arnold Woolley

6 Mawrth 2020

Annwyl Gynghorydd,

Fe'ch gwahoddir i fynychu cyfarfod Pwyllgor Trosolwg a Chraffu Adnoddau Corfforaethol a fydd yn cael ei gynnal am 10.00 am Dydd Iau, 12fed Mawrth, 2020 yn Ystafell Bwyllgor Delyn, Neuadd y Sir, Yr Wyddgrug CH7 6NA i ystyried yr eitemau canlynol

R H A G L E N

1 YMDDIHEURIADAU

Pwrpas: I dderbyn unrhyw ymddiheuriadau.

2 DATGAN CYSYLLTIAD (GAN GYNNWYS DATGANIADAU CHWIPIO)

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

3 COFNODION (Tudalennau 5 - 12)

Pwrpas: I gadarnhau, fel cofnod cywir gofnodion y cyfarfod ar 13 Chwefror 2020.

4 OLRHAIN GWEITHRED (Tudalennau 13 - 16)

Adroddiad Rheolwr Gwasanaethau Democrataidd -

Pwrpas: Rhoi gwybod i'r Pwyllgor o'r cynnydd yn erbyn camau gweithredu o'r cyfarfod blaenorol.

5 RHAGLEN GWAITH I'R DYFODOL (Tudalennau 17 - 22)

Adroddiad Rheolwr Gwasanaethau Democrataidd -

Pwrpas: Ystyried y flaenraglen waith Pwyllgor Craffu & Trosolwg adnoddau corfforaethol.

6 **FFRAMWAITH RHEOLI RISG** (Tudalennau 23 - 26)

Adroddiad Prif Weithredwr - Aelod Cabinet dros Reolaeth Gorfforaethol ac Asedau

Pwrpas: Derbyn cyflwyniad ar ddatblygu'r Fframwaith Rheoli Risg.

7 **SETLIAD TERFYNOL LLYWODRAETH LEOL 2020/21**

Pwrpas: Cyngori ar y Setliad Terfynol a gyhoeddwyd gan Lywodraeth Cymru a'i oblygiadau i lywodraeth leol a Sir y Fflint.

(Mae gwybodaeth am y Setliad Terfynol wedi ei anfon dros e-bost ar wahân i Aelodau'r Pwyllgor)

8 **MONITRO CYLLIDEB REFENIW 2019/20 (MIS 10)** (Tudalennau 27 - 56)

Adroddiad Rheolwr Cyllid Corfforaethol - Aelod Cabinet dros Gyllid

Pwrpas: Adolgyu sefyllfa fonitro'r gyllideb refeniw ddiweddaraf ar gyfer 2019/20 ar gyfer Cronfa'r Cyngor a'r Cyfrif Refeniw Tai (yn seiliedig ar incwm a gwariant gwirioneddol fel yr oedd ar fis 10 a rhagamcan ymlaen i ddiwedd y flwyddyn).

Yn gywir



Robert Robins
Rheolwr Gwasanaethau Democraidd

Eitem ar gyfer y Rhaglen 3

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE **13 FEBRUARY 2020**

Minutes of the meeting of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held at County Hall, Mold on Thursday, 13 February 2020

PRESENT: Councillor Clive Carver (Chairman)

Councillors: Haydn Bateman, Geoff Collett, Bob Connah, Paul Cunningham, Mared Eastwood, Patrick Heesom, Paul Johnson, Richard Jones, Vicky Perfect, Andy Williams and Arnold Woolley

APOLOGIES: Councillors: Michelle Perfect and Glyn Banks (Cabinet Member for Finance)

ALSO PRESENT: Councillor Carolyn Thomas attended as an observer

CONTRIBUTORS: Councillor Ian Roberts (Leader and Cabinet Member for Education), Councillor Billy Mullin (Cabinet Member for Corporate Management and Assets), Chief Executive, Chief Officer (Governance) and Corporate Finance Manager

Phil Latham (Clwyd Pension Fund Manager) and Paul Middleman (Fund Actuary - Mercer) - for minute number 80

Chris Taylor (Principal Accountant, Corporate Finance) - for minute number 83

IN ATTENDANCE: Democratic Services Manager and Democratic Services Officer

76. DECLARATIONS OF INTEREST

None.

77. MINUTES

The minutes of the meeting held on 16 January 2020 were approved, as moved and seconded by Councillors Cunningham and Bateman.

RESOLVED:

That the minutes be approved as a correct record and signed by the Chairman.

78. ACTION TRACKING

The Democratic Services Manager presented a report on progress with actions arising from previous meetings and advised that the seminar on capital financing was expected to take place later in the year. Since publication of the report, the action on insurance excess costs had been completed.

On the remaining two actions, it was suggested that the Chief Executive and recently appointed Leader of the Welsh Local Government Association (WLGA) be invited to attend a future meeting. On the North Wales Growth Deal, the newly appointed Programme Director would be invited to a meeting in March/April.

Councillor Heesom highlighted the importance of involving Overview & Scrutiny Chairs in discussing the approach to scrutinising decisions of the Growth Deal. In response, the Chief Executive said that governance arrangements and engagement with the six councils would be considered at a regional workshop in advance of the second Governance Agreement to be brought forward later. The suggestion for the Programme Director to attend a future meeting would provide an opportunity for Members to share their expectations on this subject.

The recommendation was moved by Councillor Heesom and seconded by Councillor Cunningham.

RESOLVED:

That the Committee notes the progress which has been made.

79. FORWARD WORK PROGRAMME

The Democratic Services Manager presented the current Forward Work Programme for consideration.

The Chief Executive said that following consultation with Group Leaders, updates on the Medium Term Financial Strategy and Council Plan would be scheduled, both of which may be preceded by Member workshops.

The recommendations were moved by Councillor Johnson and seconded by Councillor Cunningham.

RESOLVED:

- (a) That the Forward Work Programme be noted; and
- (b) That the Democratic Services Manager, in consultation with the Committee Chairman, be authorised to vary the Forward Work Programme between meetings, as the need arises.

80. PENSIONS - FINANCIAL RELATIONSHIP OF FLINTSHIRE COUNTY COUNCIL AS AN EMPLOYER AND THE CLWYD PENSION FUND

The Chief Executive introduced a report to explain the relationship between the Clwyd Pension Fund and Flintshire County Council as an employer within the Fund along with the types of financial contributions made. The report also detailed the outcome of the triennial actuarial valuation which impacted positively on the Council's 2020/21 budget.

The Clwyd Pension Fund Manager, Corporate Finance Manager and Fund Actuary from Mercer (Paul Middleman) gave a joint presentation covering the following:

- How the Pension Fund works
- Overview of the Actuarial Review 2019
- Types of Contributions
- Impact of the Actuarial Valuation 2019

During the presentation, a flowchart demonstrated how the Fund worked with spans of control indicated by a green, amber or red status. By carefully balancing risk against return, investment returns had increased significantly above the target level which had contributed to the significant reduction in the deficit position of the Fund.

The Fund Actuary described the actuarial review process as scrutinising the level of investments in order to pay benefits, balanced with risk. Aside from complying with regulatory requirements, one of the key components was to ensure the quality of data which could impact on liabilities. Key outcomes from the valuation indicated that improved performance of the Fund had resulted in increased average funding levels from 76% at 2016 to 91% at 2019 with the repayment deficit more than halved from £437m at 2016 to £177m at 2019.

The Corporate Finance Manager said that the outcome of the valuation had resulted in a net reduction of 4% in employer contributions which equated to a total saving of £2.646m to the Council budget 2020/21.

The Chief Executive reminded Members that Clwyd Pension Fund Committee agendas were available on the Council's website. His suggestion that the Corporate Resources Overview & Scrutiny Committee receive biannual progress reports on the Clwyd Pension Fund was supported.

Councillor Jones welcomed the positive outcomes for the Council budget. In response to questions, the Chief Executive spoke about the risk appetite and the objective to achieve assets equal to 100% of liabilities within the 13 year timeframe. The Fund Actuary described the Fund's governance structure as 'forward-thinking' to adapt to changes and he referred to continued monitoring outside the valuation cycle.

In response to a question from Councillor Johnson, the roles and responsibilities of the Chief Executive and Corporate Finance Manager were clarified in respect of the Fund.

At the end of the discussion, Councillor Jones proposed that the Clwyd Pension Fund Committee, Chief Executive and officers be thanked for their work. Members supported the Chief Executive's suggestion that the forthcoming presentation to Council note the Committee's satisfaction with the degree of assurance over the Pension Fund figures.

The revised recommendations were moved by Councillor Jones and seconded by Councillor Bateman.

RESOLVED:

- (a) That the report be noted;
- (b) That the Committee is satisfied with the degree of assurance afforded to them by officers during the presentation;
- (c) That the officer team be thanked for their work to significantly improve the position of the Clwyd Pension Fund; and
- (d) That the Clwyd Pension Fund provide biannual progress updates for the Committee.

81. QUARTER 3 COUNCIL PLAN 2019/20 MONITORING REPORT

The Chief Executive presented a summary of progress on performance within the Council Plan for Quarter 3 of 2019/20 (October-December 2019). Overall, this was a positive report with 89% of activities assessed as making good progress, and 89% likely to achieve the desired outcome. It was reported that 81% of performance indicators had met or exceeded their targets. The major (red) risks were predominantly around the financial challenge and not financial management.

Councillor Jones said that the revised format of the Council Plan required improvement to help with scrutinising and that more clarity was needed on linking Overview & Scrutiny with areas of risk. He questioned the omission of the major risk on fees and charges and said that risk areas under the remit of other committees involving financial risks should have oversight by this Committee.

The Chief Executive said that the review of the Council Plan would take account of such points to assist Overview & Scrutiny committees to focus on specific areas within their forward work programmes. He said that any service risks with large monetary values would also be shared with this Committee.

Councillor Jones questioned the red status of the performance indicator on the percentage of employees leaving in their first year, given the Chief Executive's comments that there was no risk to business continuity arising from this trend. Councillor Jones also said that the impact of the national trend on the number of working days lost due to sickness absence should be made clearer in the commentary. He agreed to share separately with officers a number of other queries on performance indicators.

In response to Councillor Jones' comments about expanding the reasons for risks reported to other committees, the Chief Executive said that this would be addressed by the review of the risk management framework. In response to further questions, a Member workshop on Social Value was being scheduled and the Growth Deal item would provide an opportunity for Members to identify

priorities and sub-priorities affecting communities. On the need for business plans to set out aims and associated spend within service areas, the Chief Officer (Governance) spoke about ongoing work to achieve more consistent content and two-way feedback with the Council Plan which would help inform the Medium Term Financial Strategy.

In thanking Members for their comments, Councillor Mullin gave assurance that whilst progress was being made, there was no complacency.

Councillor Woolley said that the report should focus more on trends as opposed to a snapshot in time. He agreed to share with officers a number of inconsistencies with data in the report compared with the mid-year update.

Councillor Heesom said that he thought the Council Plan could achieve more through forward planning, for example on the action for 'key interventions for accessing employment, health, leisure and education facilities'. He said that such interventions, such as those needed in Mostyn Docks, should be reflected in the Council Plan under the Ambitious Council priority.

The Chief Executive explained that the Council Plan, agreed by the Council, covered the work of the Council and what was planned to be achieved both in-year and in the longer term. Officers could only report on performance of the Council against the pre-agreed contents of the Plan, and not on other policy or service issues which were outside of the Plan or indeed the separate work and performance of Governments and partner organisations. Following a query on the County Hall campus, he gave a brief update on progress and said that plans had yet to be developed for the remainder of the site.

Councillor Carolyn Thomas, who was present in the public gallery, confirmed that Mostyn Docks had been incorporated in the transport plan. In response to other comments, she referred to some objectives in the Council Plan spanning a number of service areas and the impact to the budget from late grant funding or capital linked to specific schemes.

Councillor Collett asked whether the red risks/indicators that were outside the Council's control could be more clearly identified. The Chief Executive gave examples where the Council could exert influence, for example the evidential case on the provisional settlement.

Councillor Jones suggested an item before the Council Plan workshop for the Committee to understand the financial risks across services. The Chief Executive said that officers would work on capturing how the Plan worked, taking account of the comments raised on forward planning, alignment with Overview & Scrutiny committees and influencing areas through another partner.

The recommendations, which were changed to reflect the debate, were moved by Councillor Jones and seconded by Councillor Heesom.

RESOLVED:

- (a) That the Committee notes and endorses:
- The overall levels of progress and confidence in the achievement of activities within the Council Plan;
 - The overall performance against Council Plan performance indicators;
 - The current risk levels within the Council Plan.
- (b) That the Committee is assured by plans and actions to manage the delivery of the 2019/20 Council Plan;
- (c) That in future, all high monetary value risks within the Council Plan be brought to the Committee as well as to the functional Overview & Scrutiny Committee; and
- (d) That prior to the Council Plan workshop, officers undertake work to focus on alignment to Overview & Scrutiny committees, forward planning and mitigating risk on issues outside the Council's control.

82. EMPLOYMENT AND WORKFORCE QUARTERLY UPDATE

The Chief Executive presented the workforce information report on Quarter 3 of 2019/20 which focussed on organisational performance and trends. The report also included a section on the successful transfer of the Red Book (Craft) to the Council's new pay model.

In advising that there was no risk to business continuity from the employee turnover trend, the Chief Executive suggested that future reports instead focus on any trends within services that may be of concern. A presentation on work being undertaken with Occupational Health on sickness absence trend analysis would be scheduled for a future meeting.

Councillors Jones and Woolley both raised concerns about progress on the completion of appraisals. The Chief Executive said that an improved position at the end of year was expected and that any major variations within portfolios would result in the relevant Chief Officer attending before the Committee to provide explanation. Councillor Jones' query on days lost per full-time equivalent would be passed to the Senior Manager for clarification.

In response to the Chairman's request, future reports would include comparison data for the previous quarter and the equivalent quarter for the preceding year. Quarter 4 progress on appraisals would be reported alongside a presentation on the new pay model in May.

The recommendations, which were changed to reflect the debate, were moved by Councillor Woolley and seconded by Councillor Cunningham.

RESOLVED:

- (a) That the Committee notes the Employment and Workforce Information Report for Quarter 3 of 2019/20 (October to 31 December 2019); and
- (b) That the Committee reiterates the previous request for portfolio holders - where there is poor appraisal performance - to attend a meeting of the Committee and be held to account for this.

83. REVENUE BUDGET MONITORING 2019/20 (MONTH 9) AND CAPITAL PROGRAMME (MONTH 9)

The Corporate Finance Manager and Principal Accountant presented a report on the revenue budget monitoring position for the Council Fund and Housing Revenue Account (HRA) and an update on the Capital Programme of 2019/20 at Month 9 prior to consideration by Cabinet.

Revenue Budget Monitoring

On the Council Fund, the projected year-end position - without new actions to reduce cost pressures and improve the yield on efficiency planning - was an operating deficit of £1.666m. This favourable movement of £0.226m from Month 8 was mainly due to a further reduction in pension contributions (discussed earlier in the meeting) and a VAT windfall of £0.130m. Work was continuing to reduce the overall projected overspend position by year-end including some specific areas highlighted in the report. The possibility of late grant awards could also contribute positively to the year-end position. Clarity was awaited on the contribution from the additional funding announced by Welsh Government (WG) to support the delivery of frontline health and social care services this winter.

The achievement rate on planned in-year efficiencies was expected to remain at 91%.

The summary of earmarked reserves reported a projected closing balance of £9.6m. The projected balance on Contingency Reserves at year-end was £3.203m taking into account the current projected overspend at this stage.

The projected position on the HRA was an overspend of £0.103m leaving a closing un-earmarked balance of £1.220m which was above the recommended minimum level.

Councillor Heesom expressed concerns about the pressures on school budgets, particularly at secondary level. The Chief Executive said that the deteriorating deficit position of some schools was reflected as an open risk in the budget report due for consideration by Council and demonstrated the insufficiency of the funding formula model in Flintshire. He spoke about the revised Licensed Deficit Protocol containing a series of robust actions and the impact on the Medium Term Financial Strategy.

Councillor Roberts said there were a number of contributing factors leading to a deficit budget situation, including the impact of pupil deprivation data. He said that the issue was of grave concern and gave assurance that the Council was prioritising those in need of support.

Capital Programme

Changes to the revised programme were due to the introduction of various grant funding streams, the re-profiling of prudential borrowing on the Strategic Housing and Regeneration Programme (SHARP) and re-profiling budget on the Childcare Offer Capital grant. The summary position on capital expenditure at Month 9 showed a projected underspend of £4.372m on the Council Fund and a break-even position on the HRA.

Cabinet approval would be sought for carry-forward amounts totalling £4.034m for the period into 2020/21. The use of the remaining Economic Stimulus grant funding was detailed for the identified schemes set out in the report.

Funding of approved schemes indicated a shortfall of 0.693m over the three year period which would be a first call on future capital receipts.

Councillor Jones referred to historic practice and said that carry-forward amounts should only be committed where contracts had already been signed to balance projects against priorities. Officers explained that whilst schemes in the programme were re-evaluated in this way, there was no requirement for contracts to be signed as work would take place over a number of years.

The recommendations were moved by Councillor Cunningham and seconded by Councillor Bateman.

RESOLVED:

- (a) That having considered the Revenue Budget Monitoring 2019/20 (Month 9) report, the Committee confirms that its concern at the pressure on secondary school budgets should be raised with the Cabinet; and
- (b) That having considered the Capital Programme 2019/20 (Month 9) report, there are no specific issues which the Committee wishes to be raised at Cabinet.

84. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE

There were no members of the public or press in attendance.

(The meeting started at 10am and ended at 12.20pm)

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Chairman

Eitem ar gyfer y Rhaglen 4



CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday, 12 March 2020
Report Subject	Action Tracking
Cabinet Member	Not applicable
Report Author	Democratic Services Manager
Type of Report	Operational

EXECUTIVE SUMMARY

The report shows the action points from previous meetings of the Corporate Resources Overview & Scrutiny Committee and the progress made in completing them. The majority of the requested actions have been completed. Any outstanding will be reported back to the next monthly meeting.

RECOMMENDATIONS

1	That the committee notes the progress which has been made.
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REPORT DETAILS

1.00	EXPLAINING THE ACTION TRACKING REPORT
1.01	In previous meetings, requests for information, reports or actions have been made. These have been summarised as action points. Following the meeting of the committee in July 2018, it was recognised that there was a need to formalise such reporting back, as 'Matters Arising' is not an item which can feature on an agenda.

1.02	<p>This paper summarises those points and where appropriate provides an update on the actions resulting from them.</p> <p>The Action Tracking details are attached in appendix A.</p>
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2.00	RESOURCE IMPLICATIONS
2.01	The creation of the Action Tracking report increases work flow but should provide greater understanding and efficiency.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	In some cases, action owners have been contacted to provide an update on their actions.

4.00	RISK MANAGEMENT
4.01	Not applicable.

5.00	APPENDICES
5.01	Appendix A – CRO&SC Action Points

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>Minutes of previous meetings of the committee as identified in the report.</p> <p>Contact Officer: Robert Robins, Democratic Services Manager Telephone: 01352 702320 E-mail: robert.robins@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	None.

Action Tracking Appendix for February 2020 CRO&SC

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Meeting	Agenda item	Action Required	Action Officer(s)	Action taken	Timescale
11.04.19	5. Forward Work Programme	4. To discuss with OSC Chairs the approach to scrutinising decisions on NWEAB Reserved Matters at a later stage.	Robert Robins	An all members workshop , which the Regional Director will attend is being organised	In due course.
11.07.19	4. Action Tracking	Welsh Local Government Association (WLGA) representatives to be invited to a meeting in September.	Chief Executive/ Robert Robins	Discussion with WLGA	In due course
14.11.19	8. Capital Programme 2020/21 – 2022/23	6. That a seminar on capital financing be organised for the early part of 2020	Neal Cockerton/ Robert Robins	Suitable 'slot' being sought later in the year.	To follow on from MTFS development
13.02.20	Employment & Workforce quarterly Update	<ol style="list-style-type: none"> 1. For future reports, provide data for previous quarter and the equivalent quarter for the preceding year as context and on particular trends in services causing concerns. 2. New Appraisal format to the May meeting. 3. Check Cllr R B Jones' query on 3.35 days lost per FTE (questioned whether it was 3.15?) 	Sharon Carney /Andrew Adams	<p>Responses:</p> <ol style="list-style-type: none"> 1. Response: Noted. Will provide data as required for future reports. 2. Noted. 3. It is assumed that the 3.15 is that reported in the 'Council Plan Q3 update' 3.15 is the total days lost per FTE for the period (Q3) which includes Schools and Non-Schools. The dashboard in the 'Employment and Workforce Quarterly Update' provides days lost per FTE for Schools and Non-School employees separately. Totals as follows: Schools – 2.77 days lost per FTE Non Schools – 3.35 days lost per FTE Schools and Non Schools combined – 3.15 days lost per FTE. 	Included within March Action tracking report.

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 5



CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday 12 March, 2020
Report Subject	Forward Work Programme
Cabinet Member	Not applicable
Report Author	Democratic Services Manager
Type of Report	Operational

EXECUTIVE SUMMARY

Overview & Scrutiny presents a unique opportunity for Members to determine the Forward Work programme of the Committee of which they are Members. By reviewing and prioritising the Forward Work Programme Members are able to ensure it is Member-led and includes the right issues. A copy of the Forward Work Programme is attached at Appendix 1 for Members' consideration which has been updated following the last meeting.

The Committee is asked to consider, and amend where necessary, the Forward Work Programme for the Corporate Resources Overview & Scrutiny Committee.

RECOMMENDATION

1	That the Committee considers the draft Forward Work Programme and approve/amend as necessary.
2	That the Democratic Services Manager, in consultation with the Chair of the Committee be authorised to vary the Forward Work Programme between meetings, as the need arises.

REPORT DETAILS

1.00	EXPLAINING THE FORWARD WORK PROGRAMME
1.01	Items feed into a Committee's Forward Work Programme from a number of sources. Members can suggest topics for review by Overview & Scrutiny Committees, members of the public can suggest topics, items can be referred by the Cabinet for consultation purposes, or by County Council or Chief Officers. Other possible items are identified from the Cabinet Work Programme and the Improvement Plan.
1.02	<p>In identifying topics for future consideration, it is useful for a 'test of significance' to be applied. This can be achieved by asking a range of questions as follows:</p> <ol style="list-style-type: none">1. Will the review contribute to the Council's priorities and/or objectives?2. Is it an area of major change or risk?3. Are there issues of concern in performance?4. Is there new Government guidance of legislation?5. Is it prompted by the work carried out by Regulators/Internal Audit?6. Is the issue of public or Member concern?
2.00	RESOURCE IMPLICATIONS
2.01	None as a result of this report.
3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	Publication of this report constitutes consultation.
4.00	RISK MANAGEMENT
4.01	None as a result of this report.
5.00	APPENDICES
5.01	Appendix 1 – Draft Forward Work Programme
6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>None.</p> <p>Contact Officer: Robert Robins Democratic Services Manager</p> <p>Telephone: 01352 702320</p> <p>E-mail: robert.robins@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	Improvement Plan: the document which sets out the annual priorities of the Council. It is a requirement of the Local Government (Wales) Measure 2009 to set Improvement Objectives and publish an Improvement Plan.

Mae'r dudalen hon yn wag yn bwrpasol

Corporate Resources Overview & Scrutiny Committee Forward Work Programme 2019/20 -2020/21

DATE	ISSUE	O&S FOCUS / PURPOSE	REPORT(S) FROM
Thursday 9 th April 2020 at 10am	Action tracking Forward Work programme	Progress chasing Approval	Robert Robins
	Monthly Revenue Budget Monitoring 2019/20 (Month11)	Monitoring	Dave Ledsham
Wednesday, 6 th May 2020 at 10am	Action tracking Forward Work programme	Progress chasing Approval	Robert Robins
	Appraisals Update	Progress chasing	Sharon Carney/Andrew Adams
	Absence trends and Analysis	Monitoring	Sharon Carney/Julie Luff
Thursday 11 th June 2020 at 10am	Action tracking Forward Work programme	Progress chasing Approval	Robert Robins
	Year-end Council Plan Monitoring Report 2019/20	Monitoring	Robert Robins
Thursday 9 th July 2020 at 10am	Action tracking Forward Work programme	Progress chasing Approval	Robert Robins
	Revenue Budget Monitoring 2019/20(Outturn) and Capital Programme Monitoring 2019/20 (Outturn)	Monitoring	Dave Ledsham
	Interim Council Fund Revenue Budget Monitoring 2020/21	Monitoring	Dave Ledsham
	Employment & Workforce Year End Report	Monitoring	Andrew Adams

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Corporate Resources Overview & Scrutiny Committee Forward Work Programme 2019/20 -2020/21

Fudalen 20	September 2020	Action tracking Forward Work programme	Progress chasing Approval	Robert Robins
		Monthly Revenue Budget Monitoring 2020/21 (Month 4)	Monitoring	Dave Ledsham
		Clwyd Pension Fund	Bi-annual update	Phil Latham
	October 2020	Action tracking Forward Work programme	Progress chasing Approval	Robert Robins
		Monthly Revenue Budget Monitoring 2020/21 (Month 5)	Monitoring	Dave Ledsham
	November 2020	Action tracking Forward Work programme	Progress chasing Approval	Robert Robins
	Monthly Revenue Budget Monitoring 2020/21 (Month 6)	Monitoring	Dave Ledsham	

Items currently unallocated

Social Value ICT – from the Annual Meeting, this item will be remitted to this committee following the disaggregation of the former Organisational Change Overview & Scrutiny Committee

The following were previously unallocated items for this committee.

Theatr Clwyd (deferred from October 2019 agenda, but from the Annual Meeting will be within the remit of Education, Youth & Culture Overview & Scrutiny Committee)

County Hall Campus (deferred from October 2019 agenda but from the Annual Meeting will be within the remit of Community, Housing & Assets Overview & Scrutiny Committee)

Eitem ar gyfer y Rhaglen 6



CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday, 12 th March 2020
Report Subject	Risk Management Framework
Cabinet Member	Cabinet Member for Corporate Management and Assets
Report Author	Chief Executive
Type of Report	Operational

EXECUTIVE SUMMARY

This Committee has oversight of performance against the Council Plan and performance against the Council Fund Revenue and Capital Budgets.

The Committee has recently discussed how best risks – both performance and financial risks – might be allocated to Overview and Scrutiny Committees at the outset of each Council Year.

Work is advanced on an improved internal risk management framework. As part of this we will be allocating risks to Committees. The Audit Committee will be assuring the risk management framework under its terms of reference.

This report is the basis for a short presentation at the Committee on the risk management framework and allocation of risks to Committees. The presentation will also review the profile and mitigation plans for the four principal 'open risks' set out for the financial year ahead as part of the budget-setting process.

RECOMMENDATIONS

1	To note and support the work on the risk management framework and the allocation of risks to Overview and Scrutiny Committees following a presentation at the Committee.
2	To review and comment on the mitigation plans for the four principal 'open risks' set out for the financial year ahead as part of the budget-setting process following a presentation at the Committee.

REPORT DETAILS

1.00	EXPLAINING THE RISK MANAGEMENT FRAMEWORK
1.01	<p>This Committee has oversight of performance against the Council Plan and performance against the Council Fund Revenue and Capital Budgets.</p> <p>The Committee has recently discussed how best risks – both performance and financial risks – might be allocated to Overview and Scrutiny Committees at the outset of each Council Year.</p> <p>Work is advanced on an improved internal risk management framework. The framework includes risk capture and risk registration, risk assessment, risk mitigation and risk escalation including to elected members. As part of this we will be allocating risks to Committees. The Audit Committee will be assuring the risk management framework under its terms of reference.</p> <p>Risk is the possibility that an event or series of events will occur and, if they do, the impact on our organisation and what it does and on our communities. The equation of risk is the likelihood of an occurrence and the impact of the occurrence.</p> <p>The types of risks which we face and have to manage are:-</p> <ul style="list-style-type: none">• Strategic – risks that have implications to the operation of the corporate organisation for example Health and Safety, finance or systematic ICT Failure• Operational – risks that affect or limit the performance of services or their continuity within a service portfolio• Project – risks that prevent the successful delivery of a project on time and on budget and to achieve the desired outcomes e.g. a capital investment project for a new school <p>Risk categories include financial, regulatory, legal and operational.</p> <p>This report is the basis for a short presentation at the Committee on the risk management framework and allocation of risks to Committees. The presentation will also review the profile and mitigation plans for the four principal 'open risks' set out for the financial year ahead as part of the budget-setting process:- pay, Out of County placements, post-16 home to school transport income, and school deficits.</p>
2.00	RESOURCE IMPLICATIONS
2.01	<p>There are no specific resource implications from this report.</p>
3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	<p>Portfolio Performance Lead Officers, Chief Officers and Internal Audit have been consulted in this work.</p>

4.00	RISK MANAGEMENT
4.01	This report is on the subject of risk management.

5.00	APPENDICES
5.01	None

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Karen Armstrong, Corporate Business and Communications Executive Officer Telephone: 01352 702740 E-mail: Karen.armstrong@flintshire.gov.uk</p>

8.00	GLOSSARY
8.01	None

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 8



CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Thursday, 12 th March 2020
Report Subject	Revenue Budget Monitoring 2019/20 (Month 10)
Cabinet Member	Cabinet Member for Finance
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

The purpose of this report is to provide Members with the Revenue Budget Monitoring 2019/20 (Month 10) Report.

RECOMMENDATIONS

1	That the committee considers and comments on the Revenue Budget Monitoring 2019/20 (Month 10) report. Any specific matters for attention will be noted and reported verbally to the Cabinet when it considers the report.
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REPORT DETAILS

1.00	EXPLAINING THE REVENUE BUDGET MONITORING POSITION 2019/20 (MONTH 10)
1.01	The Revenue Budget Monitoring 2019/20 (Month 10) report will be presented to Cabinet on Tuesday 17 March, 2020. A copy of the report is attached as Appendix A to this report.
2.00	RESOURCE IMPLICATIONS
2.01	As set out in Appendix A; Revenue Budget Monitoring 2019/20 (Month 10).
3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	None required.
4.00	RISK MANAGEMENT
4.01	As set out in Appendix A; Revenue Budget Monitoring 2019/20 (Month 10).
5.00	APPENDICES
5.01	As set out in Appendix A; Revenue Budget Monitoring 2019/20 (Month 10).
6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None required.
7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Dave Ledsham, Finance Manager Telephone: 01352 704503 E-mail: dave.ledsham@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	<p>Revenue: a term used to describe the day to day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.</p> <p>Budget: a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p>

Mae'r dudalen hon yn wag yn bwrpasol



CABINET

Date of Meeting	Tuesday, 17th March 2020
Report Subject	Revenue Budget Monitoring 2019/20 (Month 10)
Cabinet Member	Cabinet Member for Finance
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

This monthly report provides the latest detailed revenue budget monitoring position for 2019/20 for the Council Fund and Housing Revenue Account for the financial year and presents the position, based on actual income and expenditure, as at Month 10. The report projects how the budget would stand at the close of the financial year if all things remained unchanged.

The projected year end position, without new actions to reduce cost pressures and/or improve the financial return on efficiency planning and cost control is:

Council Fund

- An operating deficit of £1.625m which is a favourable movement of £0.041m from the deficit figure of £1.666m reported at Month 9.
- A projected contingency reserve balance as at 31 March 2020 of £3.244m.

Housing Revenue Account

- Net in-year revenue expenditure forecast to be £0.062m lower than budget which is a positive movement of £0.165m from the deficit figure of £0.103m reported at Month 9.
- A projected closing balance as at 31 March 2020 of £1.385m.

As reported in previous reports and to assist with mitigating the overall projected overspend the following measures were introduced from Month 6:-

- 1) All non-essential spend be reviewed and challenged with a view to ceasing/delaying where able and

- 2) Further Portfolio Management Team challenge of recruitment to vacancies i.e. ceasing/delaying.

At Month 6, this resulted in identifying a one-off delay in spend of £0.530m which helped to significantly reduce the overall overspend position. Further reductions in the overspend since Month 7 have been achieved predominantly from the continuation of these measures. Work will continue from Month 11 and beyond with the same rigour and challenge in an attempt to further improve the overall position.

The current position meets the Chief Officer Team target of reducing the overspend position to within a range of £1.500m - £1.750m by the end of the financial year, although this would still be in excess of the performance indicator target set within the MTFs of £1.350m, being 0.5% of the Net Revenue Budget.

Some examples of specific areas currently under tactical review are shown below :

- Winter Maintenance – monitoring the level of ongoing operations based around weather conditions
- Parc Adfer – taking account of the site becoming fully operational from December and the subsequent change to haulage and disposal arrangements
- School Transport – maximising the benefits of re-procurement and rationalisation of routes
- Single Person Discount Scheme – subject to on-going review
- Planning – maximisation of Planning Fee Income in year
- Central Loans and Investment Account – further review to determine potential financing split across Revenue and Capital

In addition, as in previous years towards the end of the financial year, there is always potential for late awards of Grant from Welsh Government that could be allocated against existing or future profiled spend, resulting in a positive effect on outturn.

RECOMMENDATIONS

1	To note the overall report and the projected Council Fund contingency sum as at 31 st March 2020.
2	To note the projected final level of balances on the Housing Revenue Account (HRA).
3	To approve the carry forward request included in paragraph 1.22

REPORT DETAILS

1.00	EXPLAINING THE MONTH 10 POSITION
1.01	<p>Council Fund - Projected Position</p> <p>The projected year end position, without mitigation to reduce cost pressures and improve the yield on efficiency planning, is as follows:</p>

- An operating deficit of £1.625m
- A projected contingency reserve balance as at 31 March 2020 of £3.244m

To assist with mitigating the overall projected overspend the following measures have previously been introduced:-

- 1) All non-essential spend is subject to ongoing review and challenge with a view to ceasing/delaying where able and
- 2) Further Portfolio Management Team challenge of recruitment to vacancies i.e. ceasing/delaying

At Month 6, this resulted in identifying a one-off delay in spend of £0.530m which helped to significantly reduce the overall overspend position. Further reductions in the overspend since Month 7 have been achieved predominantly from the continuation of these measures. Work will continue from Month 11 and beyond with the same rigour and challenge in an attempt to further improve the overall position.

The Chief Officer Team has set a target of reducing the overspend position to within a range of £1.500m - £1.750m by the end of the financial year, although this would still be in excess of the performance indicator target set within the MTFs of £1.350m, being 0.5% of the Net Revenue Budget.

Some examples of specific areas currently under review are shown below :

- Winter Maintenance – monitoring the level of ongoing operations based around weather conditions
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- School Transport – maximising the benefits of re-procurement and rationalisation of routes
- Single Person Discount Scheme – subject to on-going review
- Planning – maximisation of Planning Fee Income in year
- Central Loans and Investment Account – further review to determine potential financing split across Revenue and Capital

As in previous years towards the end of the financial year, there is always potential for late awards of Grant from Welsh Government that could be allocated against existing or future profiled spend, resulting in a positive effect on outturn. An example being Additional Winter Pressures Grant in Social Services (paragraph 1.07 refers).

1.02

Table 1. Projected Position by Portfolio

The table below shows the projected position by portfolio:

Portfolio/Service Area	Approved Budget	Projected Outturn	In-Year Over / (Under) spend
	£m	£m	£m

	Social Services	65.944	65.940	(0.004)
	Out of County Placements	9.033	11.089	2.056
	Education & Youth	8.534	8.188	(0.345)
	Schools	91.941	91.941	0.000
	Streetscene & Transportation	30.467	31.894	1.427
	Planning & Environment	5.897	5.941	0.044
	People & Resources	4.439	4.470	0.031
	Governance	9.203	8.995	(0.208)
	Strategic Programmes	5.272	5.272	0.000
	Housing & Assets	15.171	14.551	(0.620)
	Chief Executive	2.760	2.634	(0.126)
	Central & Corporate Finance	22.688	22.060	(0.628)
	Total	271.350	272.975	1.625
1.03	The reasons for the favourable movement of £0.041m from the previous month are shown in Appendix 1. The reasons for the overall projected variances are summarised within Appendix 2 showing the detail of all variances over £0.050m and a summary of minor variances for each portfolio. This provides the overall position for each portfolio and the overall position for the Council Fund.			
1.04	<p>Enhancements to the format of the Revenue Budget monitoring report have been made which aim to highlight the following key information for Members:</p> <ul style="list-style-type: none"> • The key major variances to bring to the attention of Cabinet • The tracking of in year financial risks • Potential MTFS Impact of the current in year monitoring position 			
	Major Variances to highlight this Month			
1.05	<p>Out of County Placements</p> <p>At this stage in the financial year, there is a projected overspend of £2.056m for the provision of Out of County Placements.</p> <p>The Council included an additional amount of £1.655m in the 2019/20 budget to reflect the number of clients and care packages at that particular time. However, throughout 2019/20 to date, there has been an increase in the number of high cost placements.</p> <p>This has created a projected overspend of £1.515m in Children's Social Services and a projected overspend of £0.541m within Education & Youth Inclusion Services. This is based on current clients and their assessed need.</p>			

	<p>The projection includes externally provided placement costs for over 150 children, some of which lie within Flintshire's geographic boundary.</p> <p>A Report on 'Improving the in-house offer for Out of County Placements for Children' taken to the Joint Education & Youth and Social & Health Care Overview and Scrutiny Committees in July, 2019 outlined the Council's strategy and commitment in ensuring safe, high quality, support for Children's Services.</p> <p>A separate report was also presented to Corporate Resources Overview and Scrutiny Committee on the key issues and latest position at the meeting on 19 September.</p>
1.06	<p>Streetscene and Transportation</p> <p>A considerable amount of financial challenge work is ongoing within the Streetscene and Transportation portfolio to address the overspend position and through the mitigation measures identified below, are committed to reducing this overspend further by financial year end.</p> <p>Transportation and Logistics - £0.976m Overspend</p> <p>The pressure in school transport costs totalling £0.928m is as a result of several factors:-</p> <ul style="list-style-type: none"> - The effect of non-statutory school transport arrangements and ongoing transport policy anomalies; - An increase in mainstream secondary education pupil transport and Special Educational Needs (SEN) pupil transport, both in-County and for Out of County placements, along with increases in the number of school escorts to accompany SEN pupils and in the number of single occupancy routes; - Transporting enrolment cohort to Connah's Quay High School and placing duplicate vehicles on public bus services as a response to non-eligible pupil displacement; - An increase in number of school days for 2019/20 <p>A separate report was presented to Corporate Resources Overview and Scrutiny Committee on the key issues and latest position at the meeting on 19 September.</p> <p>Increased transport provision to Social Services service users of £0.048m.</p> <p>Service Delivery – £0.316m Overspend</p> <p>Following the extreme weather event during June 2019, the service has incurred additional revenue pressures from responding and resolving flooding issues across the County. The network damage was widespread and included road foundations being undermined, particularly on roads adjacent to water courses, and road surfaces being lifted by inspection covers, due to the pressure created by the sheer volume of water within the drainage system. The costs include the additional staffing costs towards responding and repairing the highway along with costs of plant and materials and currently total £0.150m. A claim to Welsh Government was</p>

	<p>submitted for these additional costs but unfortunately was not approved for funding.</p> <p>In addition to the above, further costs have been incurred in recent weeks dealing with both Storm Ciara and Storm Dennis which although flooding was not as bad as some parts of North Wales, there were still a number of road closures to provide traffic management provision and coordinate clean-up operations across the County which have all incurred additional costs.</p> <p>Following ongoing vandalism to Household Recycling Centres, additional costs of £0.055m have been incurred, with further costs of £0.015m-£0.020m projected to maintain security and safety of the sites.</p> <p>During the period before Christmas, staffing resources were considerably impacted by an outbreak of Norovirus and this has resulted in unprecedented levels of sickness throughout the workforce. The level of absence due to sickness was averaging around 49 staff which included 30 operatives, for which additional overtime or agency cover is required in order to maintain service delivery which is projected to cost in the region of £0.095m.</p> <p>Regulatory Services - £0.124m Overspend</p> <p>The car park income shortfall of £0.200m is based on the average shortfall in income against monthly projections for each town using the first full ten months of implementation (received in 2018/19) of the increased tariff charges and projected for 2019/20. A large section of car parking at Flint Retail Park has closed for development, which will result in a displacement of vehicles into Council car parks providing a potential increase in car parking income for the remaining months of 2019/20.</p> <p>The waste strategy service are currently projecting an improved position of £0.070m, based on the commissioning period for the North Wales Residual Waste Treatment Project (NWRWTP) being shorter than anticipated compared to when the original £0.425m pressure was calculated. Maximum WG grant funding is available from the full service period commencement in December 2019 and the service are currently reviewing the delivery of residual waste into the Parc Adfer site based on the most efficient method.</p> <p>A reduction in the level of recycling income from cardboard and paper has occurred totalling £0.043m due to the third party implementing an immediate change to the tariff in January.</p> <p>Other cumulative variances across the service reflect a £0.011m overspend.</p>
1.07	<p>Social Services</p> <p>The overall position for Social Services is a projected underspend of £0.004m, a favourable movement of £0.124m since Month 9.</p> <p>There are some significant variances both adverse and favourable that underpin this position due to overpends within Children's Services and net underspends within Adults Services.</p>

	<p>All details of variances are provided in Appendix 2 and consideration has been given to further realignment of budgets within the Portfolio to address changes in service delivery.</p> <p><u>Additional Winter Pressures Grant</u></p> <p>On 1 October Welsh Government announced additional funding of £30 million to support the delivery of frontline health and social care services this winter.</p> <p>Of the £30 million, £17 million will be allocated to Regional Partnership Boards to promote integrated, regional planning. For Flintshire the allocation from this regional funding is £0.805m and will be awarded between Flintshire County Council and BCUHB. This funding is to be used towards additional services to meet demands on social care resources linked to winter pressures. Some of these additional pressures have already been drawn down from budgets and are reflected in the projected outturn. Therefore, it is estimated that there will be £0.320m in funding to support these additional in-year front line pressures and this has been built into the figures since Month 7.</p> <p>On 24 January, 2020, a further £10 million funding was confirmed by the Minister for Health and Social Services. This is on top of the £30m from earlier this financial year, to support health and social care delivery in recognition of increased pressure this winter. It was confirmed that these funds should be channeled through the Regional Partnership Board (RPB) for approval and allocation across North Wales. It is intended that this funding should be invested across both Health and Social Care, with the priority being for spend on discharge services, step down capacity and home care/domiciliary care.</p> <p>Once confirmation is received of how much will be allocated via the RPB, a subsequent update will be provided to report on any funding that can be allocated against in-year front line pressures.</p>
1.08	<p>Central & Corporate Finance</p> <p>Pension Fund Contributions; £0.945m underspend</p> <p>There was a significant underspend on the pension contribution account in 2018/19 with £0.600m contributing towards the 2019/20 budget. Current monitoring analysis suggests that there is a further efficiency in-year.</p> <p>There are various factors affecting the position including the financial impact of the transfer of various services being less than anticipated and the recovery of a higher level of contribution to the deficit due to the increased pay award. The position is under review as part of the current work on the 2020/21 budget.</p> <p>Income Target; £0.150m un-achieved</p> <p>The Council is continuing to review its fees and charges and to investigate new sources of income. A Report to Cabinet in July recommended a</p>

	<p>process for the annual review of fees and charges with the aim of achieving full cost recovery wherever possible. The position will continue to be reviewed in-year and any further improvement reported on in future monitoring reports.</p>
1.09	<p>Tracking of In-Year Risks and Emerging Issues</p> <p>At the time of setting the Budget for 2019/20 a number of significant risks were identified and an update is provided below.</p>
1.10	<p>Out of County Placements</p> <p>A key risk identified at the time of setting the 2019/20 budget was the general rising costs of social care and the upward trend in the number of cases of Out of County placements across Wales. The main influence on this increase is the Social Services and Wellbeing Act which has led to a higher number of court outcomes and placements which has increased the financial pressure on this service area.</p> <p>The impact of the current pressures on Out of County Placements have resulted in an increase in the Councils updated forecast for 2020/21.</p>
1.11	<p>School Transport</p> <p>Managing the increasing demand into future years in mainstream secondary education pupil transport and Special Educational Needs (SEN) pupil transport, both in-County and for Out of County placements, along with further potential increases in the number of school escorts to accompany SEN pupils and the number of single occupancy routes.</p>
1.12	<p>Achievement of Planned In-Year Efficiencies</p> <p>The 2019/20 budget contains £6.939m of specific efficiencies which are tracked and monitored throughout the year. In 2018/19 the level of efficiency achievement was 98% which was an improvement on the 94% achieved during the previous year. The Council aims to achieve a 95% rate in 2019/20 as reflected in the MTFS KPI's.</p> <p>The current assessment of the efficiencies to be achieved in 2019/20 shows that £6.197m or 90% of the efficiencies will be achieved. However when taking into account of the conscious decision of Cabinet to re-phase the efficiency target from the reduction in Aura Subsidy this improves the achievement rate to 91%.</p> <p>The risk remains that any ongoing under-achievement of efficiencies will have a recurring and negative impact on the 2020/21 budget. Further details on the current status on efficiencies can be seen in Appendix 3 with the overall impact in relation to any impact for 2020/21 being reviewed as part of the ongoing work on the MTFS.</p>
1.13	<p>Income</p>

	<p>The Council introduced its Income Strategy in late 2017. A target of £0.150m remained to be achieved from the identification of new sources of income and the review of fees and charges. The Council now has additional capacity to pursue this strategy with a number of potential opportunities being considered as part of business planning and annual review.</p>																								
1.14	<p>Recycling Income</p> <p>The market rate for income received from recycling plastic, paper and card are extremely volatile and can fluctuate rapidly. Recycling income has reduced over recent years and there is always a risk that the market rates may reduce further. In recent months, there has been a reduction in recycling income due to the tariff in place being reduced at very short notice by the third party purchaser.</p>																								
1.15	<p>Schools Pressures</p> <p>In recent years there has been considerable pressure on secondary school budgets. 7 out of 11 secondary schools in Flintshire carried forward deficits into 2019/20 and a summary is provided below. Schools are required to submit a licensed deficit application to the Council and this is reviewed by the Chief Officer, Education & Youth and the Section 151 Officer.</p> <table border="1"> <thead> <tr> <th>School</th> <th>Deficit Balance brought forward</th> <th>% of budget</th> </tr> </thead> <tbody> <tr> <td>Connah's Quay High School</td> <td>-£34,477</td> <td>-0.8%</td> </tr> <tr> <td>St. Richard Gwyn</td> <td>-£508,276</td> <td>-16.2%</td> </tr> <tr> <td>Ysgol Treffynnon</td> <td>-£646,173</td> <td>-29.5%</td> </tr> <tr> <td>Castell Alun High School</td> <td>-£8,674</td> <td>-0.2%</td> </tr> <tr> <td>Ysgol Maes Garmon</td> <td>-£173,177</td> <td>-6.7%</td> </tr> <tr> <td>Argoed High School</td> <td>-£56,000</td> <td>-2.2%</td> </tr> <tr> <td>St. David's High School</td> <td>-£452,609</td> <td>-23.9%</td> </tr> </tbody> </table> <p>This position is being reviewed by the Council on a school by school basis due to concerns about the deteriorating position. The issue has also been highlighted by Estyn as a specific recommendation in its recent inspection report.</p>	School	Deficit Balance brought forward	% of budget	Connah's Quay High School	-£34,477	-0.8%	St. Richard Gwyn	-£508,276	-16.2%	Ysgol Treffynnon	-£646,173	-29.5%	Castell Alun High School	-£8,674	-0.2%	Ysgol Maes Garmon	-£173,177	-6.7%	Argoed High School	-£56,000	-2.2%	St. David's High School	-£452,609	-23.9%
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1.16	<p>Winter Maintenance</p> <p>The winter period has already resulted in over 4,000 tonnes of salt being used on the roads and over 90 turnouts for the gritters to the end of February. With potential continuing uncertain weather through March, this will place further risk on maintaining a balanced position within the overall Winter Maintenance budget of £0.841m. As reported in paragraph 1.21, one-off Winter Maintenance Reserves totalling £0.250m are held in addition to the annual budget to meet extra costs in the event of an above average winter.</p>																								
1.17	<p>Other In-Year Issues</p> <p>Inflation</p>																								

	<p>Included within the 2019/20 budget are provision for Non Standard Inflation fuel (£0.034m), Energy (£0.329m) and NDR/Price (£0.204m). As in previous years, these amounts are held centrally until later in the year when actual cost pressures are known. It is currently assumed that all of these allocations will be required in 2019/20 but this will be kept under review throughout the financial year.</p> <p>In previous years, the Council has had to make a payment associated with the Carbon Reduction Scheme. This scheme has now ended and the impact of this is likely to result in higher energy charges for the Council. The funding associated with this has now been added to the central inflation budget and will be allocated according to need.</p>
1.18	<p>MTFS Impact</p> <p>Throughout the year all in-year variances have been reviewed with any pressures that are recurring in nature being included in the MTFS. The budget for 2020/21 was approved on 18th February and includes pressures and efficiencies that are included in the current monitoring.</p> <p>All Portfolios will continue to consider their final position, the risks within their service and the impacts on the Medium Term on a monthly basis as part of their Portfolio Management Team meetings and work is underway to review the financial forecast for the next three years 2021/22 – 2023/24 with an update to Cabinet to be reported in April.</p> <p>The County Council report on the MTFS and Council Fund Revenue Budget 2020/21 from 18th February can be accessed via the link in 6.01.</p>
1.19	<p>Reserves and Balances</p> <p>Un-earmarked Reserves</p> <p>The 2018/19 outturn reported to Cabinet in July showed un-earmarked reserves at 31 March 2019 (above the base level of £5.769m) of £8.252m.</p> <p>As approved in the 2019/20 budget an amount of £2.221m was utilised as part of the strategy to balance the budget. In addition an amount of £0.062m was approved to operate a Sustainable Drainage System (SuDS) Approving Body (SAB), £1.000m for investment in change and an amount of £0.100m for the ongoing resourcing of the Victim Contact Team within Social Services.</p>
1.20	<p>Taking into account the current projected overspend at this stage, and previously agreed allocations, the balance on the Contingency Reserve at 31 March 2020 is projected to be £3.244m as detailed in Appendix 4.</p>
1.21	<p>The projected level of school balances are currently being reviewed in detail as we near the end of the financial year. At this stage however, there is a significant risk that overall balances could fall into an overall net negative position. However, in the past schools have benefitted from the notification of late in-year external grant funding opportunities which would positively impact on year end balances. More detail on the secondary school deficit position is included in paragraph 1.13. The final overall position will be reported in the final outturn report.</p>

1.22	<p>Request for Carry Forward of Funding</p> <p>The Council has been awarded funding from Welsh Government (WG) of £0.382m in relation to the Hwb In-Schools Infrastructure grant scheme which equates to 15% of the total grant.</p> <p>The purpose of the funding is to ensure school ICT networks are adequate and maximise the opportunities digital can offer to teaching and learning alongside underpinning the delivery of the new curriculum in Wales.</p> <p>WG have requested that the funding is claimed by before the end of the financial year 2019/20, however the implementation period will not start until 2020/21. The Council has been able to allocate the funding to existing spend in 2019/20 and it is recommended that the resulting underspend is carried forward for the implementation phase.</p>
1.23	<p>Housing Revenue Account</p> <p>The 2018/19 Outturn Report to Cabinet on 16 July 2019 showed an un-earmarked closing balance at the end of 2018/19 of £1.165m and a closing balance of earmarked reserves of £1.056m.</p>
1.24	<p>The 2019/20 budget for the HRA is £36.239m which includes a movement of £0.158m to reserves.</p>
1.25	<p>The monitoring for the HRA is projecting in year expenditure to be £0.062m lower than budget and a closing un-earmarked balance as at 31 March 2020 of £1.385m, which at 3.83% of total expenditure satisfies the prudent approach of ensuring a minimum level of 3%.</p>
1.26	<p>The budget contribution towards capital expenditure (CERA) is £13.717m.</p>

2.00	RESOURCE IMPLICATIONS
2.01	<p>The Revenue Budget Monitoring Report reflects the planned use of the financial resources of the Council for the current financial year and details the variations in the first four months and the risks as known.</p>

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	<p>The Revenue Budget Monitoring Report reflects the three categories of risks covered in the main section of the report. These are in-year risks and emerging issues, achievement of planned in-year efficiencies and other tracked risks. These risks are included from paragraph 1.09 to 1.17.</p>

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	<p>None required</p>

5.00	APPENDICES
5.01	Appendix 1: Council Fund – Movement in Variances from Month 9 Appendix 2: Council Fund – Budget Variances Appendix 3: Council Fund – Programme of Efficiencies Appendix 4: Council Fund – Movement on Un-earmarked Reserves Appendix 5: Housing Revenue Account Variances
6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Medium Term Financial Strategy and Council Fund Revenue Budget 2020/21 Stage Three http://committeemeetings.flintshire.gov.uk/documents/g4580/Public%20reports%20pack%2018th-Feb-2020%2014.00%20Flintshire%20County%20Council.pdf?T=10&LLL=0
7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Dave Ledsham (Strategic Finance Manager) Telephone: 01352 704503 E-mail: dave.ledsham@flintshire.gov.uk
8.00	GLOSSARY OF TERMS
8.01	Budget: a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them. Council Fund: the fund to which all the Council's revenue expenditure is charged. Financial Year: the period of twelve months commencing on 1 April. Housing Revenue Account: the Housing Revenue Account (HRA) is a local authority account showing current income and expenditure on housing services related to its own housing stock. The account is separate from the Council Fund and trading accounts and is funded primarily from rents and government subsidy. Projected Outturn: projection of the expenditure to the end of the financial year, made on the basis of actual expenditure incurred to date. Reserves: these are balances in hand that have accumulated over previous years and are held for defined (earmarked reserves) and general (general reserves) purposes. Councils are required to regularly review the level and purpose of their reserves and to take account of the advice of the Chief Finance Officer Revenue: a term used to describe the day-to-day costs of running Council services and income deriving from those services. It also includes charges

for the repayment of debt, including interest, and may include direct financing of capital expenditure.

Underspend: when referring to expenditure the actual expenditure incurred is less than budget. When referring to income the actual income achieved exceeds the budget.

Variance: difference between latest budget and actual income or expenditure. Can be to date if reflecting the current or most up to date position or projected, for example projected to the end of the month or financial year.

Virement: the transfer of budget provision from one budget head to another. Virement decisions apply to both revenue and capital expenditure heads, and between expenditure and income, and may include transfers from contingency provisions. Virements may not however be approved between capital and revenue budget heads.

Medium Term Financial Strategy: a written strategy which gives a forecast of the financial resources which will be available to a Council for a given period, and sets out plans for how best to deploy those resources to meet its priorities, duties and obligations.

Budget Monitoring Report
Council Fund Variances

MONTH 10 - SUMMARY

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £0.025m
Social Services		
Older People		
Localities	-0.081	There has been an increase in the number of service users who are eligible for a charge to be placed against their property, the estimated increase in property income is £0.044m. Some surplus Direct Payment balances amounting to £0.020m have been returned to the service. Care costs over the Christmas period were lower than expected by £0.020m. Minor variances £0.005m.
Minor Variances	-0.021	
Adults of Working Age		
Resources & Regulated Services	0.052	There has been some increases in care packages and one particular package has increased by £0.035m due to a provider previously undercharging for additional agreed services, this has now charged for at the correct rate and a backdated amount has been paid.
Administrative Support	-0.046	Variance due to decrease in staff projections connected with vacancy management
Residential Placements	0.029	Due to fluctuations in care packages
Minor Variances	0.013	
Children's Services		
Minor Variances	-0.038	
Safeguarding & Commissioning		
Minor Variances	-0.033	
Total Social Services (excl Out of County)	-0.124	
Out of County		
Children's Services	-0.007	
Education & Youth	0.008	
Total Out of County	0.001	
Education & Youth		
Minor Variances	-0.013	
Total Education & Youth	-0.013	
Schools	0.000	
Streetscene & Transportation		
Service Delivery	0.027	Increase in staffing costs due to continuing sickness absence levels.
Highways Network	0.033	Accumulation of minor variances across the service.
Regulatory Services	-0.036	Reduced staffing costs in Business and Strategy and minor movements across the service.
Other Minor Variances	-0.003	
Total Streetscene & Transportation	0.021	
Planning, Environment & Economy		
Development	0.045	Reduced levels of fee income received across the service
Minor Variances	0.003	
Total Planning & Environment	0.048	
People & Resources		
HR & OD	-0.010	
Corporate Finance	-0.005	
Total People & Resources	-0.015	
Governance		

MONTH 10 - SUMMARY

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £0.025m
ICT	0.031	Within IT Infrastructure additional cost of employing non matrix agency staff £0.023m. Minor variances across the service
Minor Variances	-0.005	
Total Governance	0.025	
Strategic Programmes		
Minor Variances	0.000	
Total Strategic Programmes	0.000	
Housing & Assets		
Centralised Costs	-0.070	One-off benefit of part occupation relief for NDR at County Hall, Mold following full vacation of Phases 3 and 4
Housing Solutions	0.109	Utilisation of underspend to fund costs of expenditure of £0.120m previously costed to the capital programme in respect of relocation of CCTV unit (£0.083m) and office moves to Ty Dewi Sant, Ewloe (£0.037m).
Minor Variances	-0.043	
Total Housing & Assets	-0.005	
Chief Executive's	0.002	
Central & Corporate Finance	0.020	
Grand Total	-0.041	

Budget Monitoring Report
Council Fund Variances

MONTH 10 - SUMMARY

Tudalen 44

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Social Services						
Older People						
Localities	18.803	17.644	-1.159	-1.078	Residential and Nursing Care is projecting a £0.626m underspend due to fluctuation in demand for residential and nursing care placements and increases to capital limits. Staff budgets are underspending within Intake/First Contact and Localities Teams, not all staff are top of grade and there are in-year savings due to short term vacancies. One off funding for Winter Pressures Grant from Welsh Government (WG) totalling £0.320m.	
Resources & Regulated Services	7.155	7.531	0.376	0.393	Council provided residential care is expected to be £0.388m overspent mostly due to relief and agency cover. Relief and agency staff are required to maintain the mandatory level of staff within the residential homes, however the amount of budget to fund this is low and does not contain contingencies to cover sickness absences. There are also pressures from buildings expenditure such as repairs and maintenance. Council provided homecare is projected to be £0.138m overspent due to demand. Extra care is reporting an underspend of £0.143m as the extra care facility in Holywell opened part way through the year so full year costs have not been incurred.	
Minor Variances	1.224	27.559	26.334	-0.028		
Adults of Working Age						
Resources & Regulated Services	24.170	23.976	-0.194	-0.247	The outturn represents the current cost of care packages until the end of the financial year.	The service is subject to changes in demand for services. There are always a number of potential service users which may require services in the future. Although these service users are known to us at present, the most appropriate care package has not yet been determined and full costs associated for their care cannot yet be estimated and included within this months financial projections.
Disability Services	0.648	0.564	-0.084	-0.085	The outturn represents the current cost of care packages and contributions from Welsh Government.	
Residential Placements	1.241	1.929	0.688	0.660	The overspend is due to the number of residential placements based on service demand.	This service is demand led and can experience volatility in terms of new service users entering the service.
Professional Support	0.821	0.761	-0.060	-0.044	There exists a number of in-year vacancies and not all staff are top of scale.	
Minor Variances	3.010	2.872	-0.138	-0.121		

**Budget Monitoring Report
Council Fund Variances**

MONTH 10 - SUMMARY

Tudalen 45

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Children's Services						
Family Placement	2.564	2.870	0.306	0.313	The overspend is due to current demands on the service from the number of fostering placements, which in some instances avoid making an Out of County placement which would be more expensive. The main pressure areas are payments for foster carers, foster agencies and special guardianship payments.	
Family Support	0.371	0.513	0.143	0.146	This is due to the number of court directed contact sessions which require support workers to attend. Sessional workers were historically used, however the need to use sessional workers increased to a level whereby, under employment regulations, sessional workers are required to be issued fixed term contracts.	
Legal & Third Party	0.178	0.456	0.278	0.301	Legal costs are overspent due to the number of cases going through the courts and the use of external legal professionals. Direct payments have also increased in demand.	
Professional Support	5.237	5.373	0.137	0.126	To support adequate levels of child protection, the established staffing structure needs to be maintained at the required standard as much as possible. Vacancies are therefore minimised and challenges to recruitment leads to the use of agency staff. This leads to an increase in agency costs as agency rates are higher than non-agency staff. The use of agency staff is monitored and kept to a minimum as much as possible but it is not possible to avoid altogether.	
Minor Variances	1.132	1.140	0.008	0.024		
Safeguarding & Commissioning						
Business Support Service	1.202	1.129	-0.073	-0.072	The underspend is due to a number of short term vacancy savings and some posts are occupied by staff who are not paid at top of grade.	
Commissioning	0.624	0.563	-0.061	-0.059	One off external funding has been used to fund posts on a temporary basis.	
Management & Support	-1.929	-1.720	0.209	0.209	There is a shortfall from the assumed proportion of grant allocations announced by Welsh Government which were included within the 2019/20 budget. The total shortfall across the three grants is £0.283m, although some of this is partly mitigated by one off refunds from the Regional Collaboration Unit.	
Vacancy Management	-0.007	-0.231	-0.224	-0.224	Short term vacancy savings transferred from across the portfolio.	
Minor Variances	-0.501	-0.625	-0.123	-0.093		
Total Social Services (excl Out of County)	65.944	65.940	-0.004	0.120		
Out of County						

**Budget Monitoring Report
Council Fund Variances**

MONTH 10 - SUMMARY

Tudalen 46

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Children's Services	5.288	6.803	1.515	1.522	The overspend is influenced by a significant increase in the number of placements and the full year impacts of new placements which emerged during 2018/19.	A threefold approach to mitigation by : 1) - direct action e.g Commissioning Practice 2) Expenditure controls within the same service or portfolio 3) After exhaustion of 1 and 2, consider how to effect corporate level mitigation
Education & Youth	3.745	4.286	0.541	0.533	The overspend is influenced by a significant increase in the number of placements and the full year impacts of new placements which emerged during 2018/19.	A threefold approach to mitigation by : 1) - direct action e.g Commissioning Practice 2) Expenditure controls within the same service or portfolio 3) After exhaustion of 1 and 2, consider how to effect corporate level mitigation
Total Out of County	9.033	11.089	2.056	2.055		
Education & Youth						
Inclusion & Progression	4.094	3.995	-0.099	-0.082	Savings identified as part of in year spend review - Education Welfare Service due to delay in recruitment and PRU Management saving on training and capitation.	
Integrated Youth Provision	1.290	1.194	-0.097	-0.111	Underspends across the whole of the service identified through the challenge of non-essential spend	
School Improvement Systems	1.702	1.596	-0.106	-0.112	In year savings identified through the challenge of non-essential spend across School Improvement and Early Entitlement. A significant majority of the underspend relates solely to Early Entitlement due to demography and a reduction in the number of settings requiring funding.	
Minor Variances	1.447	1.403	-0.044	-0.027		
Total Education & Youth	8.533	8.188	-0.345	-0.331		
Schools	91.942	91.942	0.000	0.000		
Streetscene & Transportation						

**Budget Monitoring Report
Council Fund Variances**

MONTH 10 - SUMMARY

Tudalen 47

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Service Delivery	8.558	8.874	0.316	0.289	The service has incurred additional revenue pressures from responding to and resolving flooding issues across the County. The impact of this has been previously reported in detail. The costs include the additional staffing costs towards responding to, and repairing the highway along with costs of plant and materials. Potential total cost up to £0.180m. The flooding has also impacted the capital programme creating an additional pressure of £0.350m for highway repairs. Previously reported pressures due to vandalism at Household Recycling Centres continues to be of concern and costs are now over £0.050m. The current cost incurred is running at around £0.005m each month and is ongoing. Managers are actively working to support the staff operating the sites and taking action to ensure the safety of the sites and the additional security has been provided at a cost of £0.007m per month. The levels of sickness absence experienced across the portfolio have not abated through January and has resulted in overall increased staffing costs of £0.095m.	
Highways Network	8.473	8.485	0.011	-0.022	Minor movements across the service.	
Transportation	8.598	9.574	0.976	0.979	The pressure in school transport costs are as a result of several factors across the service which have been previously reported in detail. Unfortunately, the commencement of new solo routes during December and January have resulted in an increase in costs offsetting the benefit of retendering routes. Increased transport provision to Social Services of £0.048m.	The Transportation service are looking to mitigate this pressure through a route optimisation exercise.
Regulatory Services	4.838	4.962	0.124	0.160	Car Parking Income continues to cause a pressure as income is not achieving budgeted levels by £0.200m. The waste strategy service is currently subject to review in respect of the seamless operation of disposals to Parc Adfer. Additional costs have been incurred in relation to the movement to full operation of the site. A tariff change by a third party purchaser in respect of recycling income has resulted in an additional pressure of £0.043m which was only notified at very short notice in December. Reduced staffing costs in the Business and Strategy team have assisted in moving the position positively at Month 10.	
Total Streetscene & Transportation	30.467	31.894	1.427	1.406		
Planning, Environment & Economy						
Business	1.582	1.638	0.056	0.048	Increasing service demands and expectations in relation to unlicensed and unsafe residential properties. Minor variances across the service.	

**Budget Monitoring Report
Council Fund Variances**

MONTH 10 - SUMMARY

Tudalen 48

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Development	0.030	0.010	-0.020	-0.065	Lower than expected levels of Planning Fee Income received in the during the month of January resulting in a reduced projected outturn, albeit it still remains in an over recovery position. The projection is dependant on the number and value of the applications received, resulting in a changeable outturn to ensure an accurate reflection.	
Access	1.337	1.407	0.071	0.063	Historic Income Target not realised due to cessation of Environment Single Revenue Grant in March, 2019 £0.027m. Service Review in Rights of Way resulting in increased staffing costs £0.028m Minor Variances £0.016m	
Management & Strategy	1.421	2.711	1.291	-0.072	Vacant posts across the service: Land Drainage and Planning Policy	
Minor Variances	1.528	0.175	-1.353	0.022		
Total Planning & Environment	5.897	5.941	0.044	-0.004		
People & Resources						
HR & OD	2.367	2.389	0.022	0.032	The launch of the salary sacrifice scheme for AVSC was undertaken earlier this year and all existing employees paying AVSC have been written to encouraging them to take up the scheme together with information for all staff via the infonet workforce news. To date only £0.009m has been achieved through this scheme and this has been estimated to a full year efficiency at £0.018m.	
Corporate Finance	2.073	2.081	0.009	0.014		
Total People & Resources	4.439	4.470	0.031	0.046		
Governance						
Legal Services	0.723	0.890	0.166	0.172	Overspend as a result of employing locums to March, 2020 covering absence to ensure continuing client service delivery in the area of child protection £0.146m; together with previous years efficiency target that was dependant on demand reduction in another service that has not occurred, thereby preventing the consequent achievement of the efficiency £0.091m. Total overspend is mitigated by higher than expected fee income and commitment challenge across the service £0.065m	
Internal Audit	0.834	0.787	-0.047	-0.049	Vacancy Savings	
Customer Services	0.726	0.672	-0.054	-0.039	Higher levels than anticipated for Citizenship Registration fees over recovery by £0.018m. Minor variances across the service £0.036m	

**Budget Monitoring Report
Council Fund Variances**

MONTH 10 - SUMMARY

Tudalen 49

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Revenues	0.197	-0.103	-0.300	-0.317	An early indication of a potential surplus on the Council Tax Fund, Revenues is projecting a favourable variance as a direct result of the ongoing review of council tax single person discount entitlements and the removal of discounts where taxpayers are determined as not entitled to the 25% discount. The review is still ongoing and the efficiency savings projection is based on current information at the time of reporting.	
Minor Variances	6.722	6.749	0.026	-0.000		
Total Governance	9.203	8.995	-0.208	-0.234		
Strategic Programmes						
Minor Variances	5.272	5.272	0.000	-0.000		
Total Strategic Programmes	5.272	5.272	0.000	-0.000		
Housing & Assets						
Property Asset And Development	0.443	0.378	-0.066	-0.042	Savings on salaries which are partly offset by provision for professional services	
Caretaking & Security	0.263	0.212	-0.051	-0.050	Savings identified arising from the review and challenge of non-essential spend, of which £0.034m relates to staff cost savings from vacancies and reduced overtime payments. A further £0.015m saving on R and M of buildings arose from the challenge of non essential spend making a total of £0.049m for this service, with the remaining £0.001m relating to other minor savings.	Continue to review and challenge all non essential spend in future months.
CPM & Design Services	0.673	0.594	-0.079	-0.079	Mainly due to a surplus of income recovered via Service Level Agreements (SLAs) and also £0.012m arising from the review and challenge of non-essential spend.	Continue to review and challenge all non essential spend in future months.
Centralised Costs	2.668	2.598	-0.070	0.000	One-off benefit of part occupation relief for NDR at County Hall, Mold following full vacation of Phases 3 and 4	
Benefits	11.566	11.242	-0.324	-0.328	Projected underspend on the Council Tax Reduction Scheme (CTRS) of -£0.480m, which is partly offset by other service pressures including Postages (+£0.050m) and Discretionary Housing Payments (+£0.058m) and other minor variances amounting to a net +£0.048m.	
Housing Solutions	1.044	0.965	-0.079	-0.188	Management savings due to ongoing vacancies and savings on Bed and Breakfast accommodation charges due to the success and effectiveness of use of temporary accommodation.	Continue to monitor and review
Minor Variances	-1.485	-1.437	0.049	0.072		
Total Housing & Assets	15.171	14.551	-0.620	-0.615		
Chief Executive's	2.760	2.634	-0.126	-0.129	Vacant Posts across the service	

Budget Monitoring Report
Council Fund Variances

MONTH 10 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Central & Corporate Finance	22.688	22.060	-0.628	-0.648	Over recovery of planned pension contributions recouped against actuarial projections due to pay award increase, mitigated by the under achievement of Income efficiencies and Workforce efficiencies.	
Grand Total	271.350	272.975	1.625	1.666		

2019/20 Efficiencies Outturn Tracker (Month 10)

Efficiency Description	Accountable Officer	Efficiency Target	Projected Efficiency	(Under)/Over Achievement	Efficiency Open/Closed (O/C)	Confidence in Achievement of Efficiency - Based on (see below) R = High Assumption A = Medium Assumption G = Figures Confirmed	Reason for variation	Mitigating Action if Amber or Red
		2019/20 £m	2019/20 £m	2019/20 £m				
Portfolio								
Corporate								
Minimum Revenue Provision	Change in accounting Policy for MRP	Liz Thomas	1.400	1.400	0.000	C	G	N/A
New Income Targets* (See below for further breakdown)	Additional Income Target 19/20	All	0.100	0.000	(0.100)	O	A	See income analysis below
Management of Workforce and Inflation cost pressures	Corporate Financing Efficiency for Pensions/Auto Enrolment & 17/18 Inflation	Gary Ferguson	1.144	1.144	0.000	C	G	N/A
Workforce Terms and Conditions	Essential Car User Allowance/Travel/AVC	Sara Dulson/Sharon Carney	0.250	0.100	(0.150)	O	A	To be confirmed
ADM Subsidies		Rachael Corbelli	0.400	0.285	(0.115)	C	G	Agreed re-profiling of subsidy reduction
Reduction in Corporate Management Costs		Joanne Pierce	0.250	0.256	0.006	C	G	£0.256m achieved to date though further efficiencies from CO post (Oct-March) may be achieved pending confirmation of resourcing
HRA/Council Fund Recharges		Rachael Corbelli	0.158	0.158	0.000	O	G	N/A
Newsletter & Promotions		Karen Armstrong	0.029	0.029	0.000	O	G	
Workforce Reduction		Karen Armstrong	0.015	0.015	0.000	O	G	
IT Infrastructure		Gareth Owen	0.097	0.097	0.000	O	G	
Democratic Services		Gareth Owen	0.009	0.009	0.000	O	G	
Total Corporate Services			3.852	3.493	(0.359)			
Social Services								
Domiciliary Care Charging Cap		Neil Ayling	0.264	0.264	0.000	O	G	
Business Systems Mobiles and Hardware			0.005	0.005	0.000	O	G	
Older Peoples Day Services			0.020	0.020	0.000	O	G	
Reduction in Voids			0.025	0.025	0.000	O	G	
Regional Efficiency			0.020	0.020	0.000	O	G	
Strategic Use of Grants			0.170	0.170	0.000	O	G	
Telecare			0.010	0.010	0.000	O	G	
Deferral of Recruitment			0.050	0.050	0.000	O	G	
Social Care Additional Funding			1.410	1.303	(0.107)	C	G	Grant allocation of £1.303m advised by WLGA
Children's Services Additional Funding			0.110	0.000	(0.110)	O	A	Grant allocated to National Adoption Service arrangement with WCBC as lead - funding being fully spent on new staff
Regional Allocation Health and Social Care			0.705	0.639	(0.066)	O	G	ICF funding £0.639m for Children's Services Edge of Care and complex needs
Total Social Services			2.789	2.506	(0.283)			
Education & Youth								
Integrated Youth Provision			0.014	0.014	0.000	O	G	
School Planning and Provision			0.005	0.005	0.000	O	G	
School Improvement Systems			0.058	0.058	0.000	O	G	
Gwe Efficiency			0.006	0.006	0.000	O	G	
Total Education & Youth			0.083	0.083	0.000			
Housing & Assets								
Housing Solutions; Reduction to temporary accommodation		Jenny Griffiths	0.030	0.030	0.000	O	G	Delay to reviewing processes
Housing Programmes; Reductions in bond applications		Mel Evans	0.005	0.005	0.000	O	G	
Total Housing & Assets			0.035	0.035	0.000			
Streetscene & Transportation								
School Transport		Anthony Stanford	0.100	0.000	(0.100)	C	R	Decision not to review historic transport anomalies in year.
Review Security Arrangements in depot		Katie Wilby	0.005	0.005	0.000	O	G	
Total Streetscene & Transportation			0.105	0.005	(0.100)			Impact of not achieving the efficiency included in the Additional School Transport Costs range in the Month 2 report.
Planning, Environment & Economy								
Service Review - Trading Standards		Sian Jones	0.035	0.035	0.000	O	G	
Supplies and Services review		Lynne Fensome	0.005	0.005	0.000	O	G	
Regeneration review of spending		Niall Waller	0.023	0.023	0.000	O	A	
Greenfield Valley Management Fee (10% £68k)		Tom Woodall	0.007	0.007	0.000	O	G	
Minerals & Waste shared service		Gary Nancarrow	0.005	0.005	0.000	O	A	
Total Planning, Environment & Economy			0.075	0.075	0.000			
Total 2019/20 Budget Efficiencies			6.939	6.197	(0.742)			

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Less Previously agreed Decision	Agreed Re-profiling of Subsidy - AURA	(0.115)	0.115
Revised 2019/20 Budget Efficiencies		<u>6.824</u>	<u>6.197</u>
			<u>(0.627)</u>

Total 2019/20 Budget Efficiencies		100	6.939
Total Projected 2019/20 Budget Efficiencies Underachieved		-11	(0.742)
Total Projected 2019/20 Budget Efficiencies Achieved		89	6.197
Total 2019/20 Budget Efficiencies (Less Previously agreed Decisions)		100	6.824
Total Projected 2019/20 Budget Efficiencies Underachieved		-9	(0.627)
Total Projected 2019/20 Budget Efficiencies Achieved		91	6.197

* New Income Targets		£m
Income Target Efficiency from Previous Years		(0.207)
Income Efficiency 19/20		(0.100)
Total Income Efficiency		<u>(0.307)</u>

	Efficiency	Amount Achieved	(Under)/Over Achievement
	2019/20	2019/20	2019/20
	£m	£m	£m
19/20 New Income Efficiencies from Business Planning			
Corporate			
Graphics Income	(0.005)	(0.005)	0.000
Management Recharge	(0.016)	(0.016)	0.000
Social Services			
Integrated Services	(0.010)	(0.010)	0.000
Workforce Development Income	(0.005)	(0.005)	0.000
Streetscene			
Income from external works within fleet services	(0.010)	(0.010)	0.000
Garden Waste Charges	(0.050)	(0.050)	0.000
Bereavement Services (01.10.19 to 31.03.20)	(0.003)	(0.003)	0.000
Planning, Environment & Economy			
Planning Fee Income	(0.025)	(0.025)	0.000
Countryside & Conservation	(0.023)	(0.023)	0.000
Business & Community - Food Safety, Taxi Licences, Pest Control & Weights & Measures (01.10.19 to 31.03.20)	(0.010)	(0.010)	0.000
Total 19/20 Income Efficiency	<u>(0.157)</u>	<u>(0.157)</u>	<u>0.000</u>
Total Balance Remaining	<u>(0.150)</u>		

New against target due to increase in fees from 1/10/19
Remaining amount is from from BP efficiencies in 19/20 budget

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Movements on Council Fund Unearmarked Reserves

	£m	£m
Total Reserves as at 1 April 2019	14.021	
Less - Base Level	(5.769)	
Total Reserves above base level available for delegation to Cabinet		8.252
Less - amount committed as part of balancing 2019/20 budget		(2.221)
Less - amount approved to operate a Sustainable Drainage System (SuDS) Approving Body (SAB)		(0.062)
Less - amount approved for investment in change		(1.000)
Less - allocation for ongoing resourcing of the Victim Contact Team		(0.100)
Less - projected outturn overspend		1.625
Total Contingency Reserve available for use		3.244

Budget Monitoring Report
Housing Revenue Account Variances

MONTH 10 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Housing Revenue Account						
Income	(36.239)	(36.244)	(0.006)	0.140	There is a projected efficiency of £0.006m on income. Of this pressure, £0.128m relates to loss of rental income on void properties, £0.084m relates to void water charges and £0.052m relates to loss of income on garages which are not tenanted. Additional rental income due to the handover of new properties is projected to be (£0.065m). Adjustment to Bad Debt Provision based on current levels of debt (£0.160m) and underspend of in year budget set aside for bad debts (£0.070m). The remaining £0.025m relates to other minor variances.	
Capital Financing - Loan Charges	8.380	8.380				
Estate Management	1.707	1.644	(0.063)	(0.036)	Additional expenditure of £0.051m is anticipated during the year in respect of the purchase of software. Salaries efficiency arising from vacancy savings and grant recharges of (£0.109m). Other minor variances of (£0.005m).	
Landlord Service Costs	1.429	1.398	(0.031)	(0.027)	Net saving in respect of the gardening and hedge cutting contract and other subcontractor expenditure of (£0.052m). Other minor variances £0.021m.	
Repairs & Maintenance	8.560	8.519	(0.041)	(0.046)	Saving in respect of DLO salaries of (£0.060m). Increase in Fleet charges £0.23m. Other minor variances (£0.004m).	Continue to monitor and review.
Management & Support Services	2.442	2.518	0.076	0.070	Anticipated additional expenditure of £0.230m in respect of insurance excesses which will be partially mitigated by salary savings of (£0.077m), a reduction in IT expenditure of (£0.035m), reduced training costs of (£0.010m) and other minor variances of (£0.032m).	
Capital Expenditure From Revenue (CERA)	13.717	13.717				
HRA Projects	(0.155)	(0.153)	0.003	0.001	Minor variances.	
Contribution To / (From) Reserves	0.158	0.220	0.062	(0.103)	Increased contribution to reserves of £0.062m arising from cumulative savings from across the HRA.	
Total Housing Revenue Account	(0.000)	(0.001)	(0.000)	0.000		