

Pecyn Dogfen Gyhoeddus



Swyddog Cyswllt:
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At: Bob Aelod o'r Cyngor

Dydd Mercher, 2 Rhagfyr 2020

Annwyl Gynghorydd,

RHYBUDD O GYFARFOD ANGHYSBELL
CYNGOR SIR Y FFLINT
DYDD MAWRTH, 8FED RHAGFYR, 2020 2.00 PM

Yn gywir

Robert Robins
Rheolwr Gwasanaethau Democraidd

Sylwch: Oherwydd y cyfyngiadau presennol ar deithio a'r gofyniad am gadw pellter corfforol, ni chynhelir y cyfarfod hwn yn y lleoliad arferol. Bydd hwn yn gyfarfod rhithiol a bydd 'presenoldeb' yn gyfyngedig i Aelodau'r Cyngor. Bydd y cyfarfod yn cael ei recordio.

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

R H A G L E N

1 CYFLWYNIADAU

I ddathlu'r Gwobrau Gwasanaethau Cymdeithasol lle enillodd GOGDdC y wobwr ar gyfer ei brosiect 'Pontio'r Bwlch', sy'n caniatáu i ofalwyr nad ydynt yn cael tâl i gael mynediad dibynadwy a hyblyg i ddatrysiadau seibiant. Mae'n caniatáu i ofalwyr gael seibiant i fodloni eu hanghenion, a gall gefnogi angen brys am seibiant.

I ddathlu bod Gwasanaethau Cymdeithasol Cyngor Sir y Fflint wedi cyrraedd y rownd derfynol gyda chymeradwyaeth uchel hefyd, am ei brosiect sy'n darparu gweithgareddau dydd i fwy na 250 bobl gydag anableddau dysgu. Mae'r prosiect yn cefnogi unigolion i ddysgu sgiliau newydd, datblygu annibyniaeth ac i wneud cysylltiadau cymdeithasol a ffrindiau. Mae'n gweithio hefyd gyda'r rhaglen byw â chymorth i helpu'r bobl maent yn eu cefnogi, eu rhieni, a gofalwyr i gael mynediad at wasanaethau seibiant.

2 YMDDIHEURIADAU AM ABSENOLDEB

Pwrpas: I dderbyn unrhyw ymddiheuriadau.

3 COFNODION (Tudalennau 5 - 12)

I gadarnhau fel cofnod cywir gofnodion y cyfarfod a gynhaliwyd ar 20 Hydref.

4 DATGAN CYSYLLTIAD

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

5 CYFATHREBIADAU CADEIRYDD

Pwrpas: Derbyd unrhyw gyhoeddiad fel y'i dosbarthwyd.

6 DEISEBAU

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

EITEMAU CYFFREDIN BUSNES

7 STRATEGAETH GYFALAF 2021/22 – 2023/24 (Tudalennau 13 - 32)

Adroddiad Rheolwr Cyllid Corfforaethol -

Pwrpas: Cyflwyno'r Strategaeth Gyfalaf 2021/22 – 2023/24 i'w chymeradwyo.

8 RHAGLEN GYFALAF 2021/22 - 2023/24 (Tudalennau 33 - 68)

Adroddiad Rheolwr Cyllid Corfforaethol -

Pwrpas: Cyflwyno Rhaglen Gyfalaf 2021/22 - 2023/24 i'w chymeradwyo.

EITEMAU CYFFREDIN BUSNES

9 ADOLYGIAD O GYDBWYSEDD GWLEIDYDDOL (Tudalennau 69 - 74)

Adroddiad Prif Swyddog (Llywodraethu) -

Pwrpas: Adolygu cyfrifiadau cydbwysedd gwleidyddol y Cyngor ar ôl i Aelodau ymuno â'r Grŵp Cynghrair Annibynnol o Grŵp Annibynnol Sir y Fflint.

10 ADRODDIAD BLYNYDDOL Y PWYLLGOR ARCHWILIO (Tudalennau 75 - 114)

Adroddiad Prif Swyddog (Llywodraethu) -

Pwrpas: Cymeradwyo Adroddiad Blynyddol y Pwyllgor Archwilio 2019/20.

11 ADRODDIAD BLYNYDDOL TROSOLWG A CHRAFFU 2019/20 (Tudalennau 115 - 144)

Adroddiad Prif Swyddog (Llywodraethu) -

Pwrpas: Ystyried a chymeradwyo Adroddiad Blynyddol Trosolwg a Chraffu ar gyfer 2019/20.

ER GWYBODAETH YN UNIG

12 CWESTIYNAU GAN Y CYHOEDD

Pwrpas: Derbyn Cwestiynau Cyhoeddus ar gyfer yr eitem hon: doedd dim wedi dod i law erbyn y dyddiad cau.

13 CWESTIYNAU

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

14 RHYBUDD O GYNNIG

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

Eitem ar gyfer y Rhaglen 3

FLINTSHIRE COUNTY COUNCIL **20 OCTOBER 2020**

Minutes of the meeting of Flintshire County Council held as a remote attendance meeting on Tuesday, 20 October 2020

PRESENT: Councillor Marion Bateman (Chair)

Councillors: Mike Allport, Bernie Attridge, Janet Axworthy, Glyn Banks, Haydn Bateman, Sean Bibby, Chris Bithell, Sian Braun, Helen Brown, Derek Butler, Clive Carver, Geoff Collett, Bob Connah, Paul Cunningham, Jean Davies, Rob Davies, Ron Davies, Adele Davies-Cooke, Chris Dolphin, Rosetta Dolphin, Ian Dunbar, Andy Dunbobbin, Mared Eastwood, Carol Ellis, David Evans, Veronica Gay, George Hardcastle, David Healey, Gladys Healey, Patrick Heesom, Cindy Hinds, Dave Hughes, Kevin Hughes, Ray Hughes, Dennis Hutchinson, Joe Johnson, Paul Johnson, Rita Johnson, Christine Jones, Richard Jones, Tudor Jones, Colin Legg, Brian Lloyd, Richard Lloyd, Mike Lowe, Dave Mackie, Hilary McGuill, Billy Mullin, Ted Palmer, Mike Peers, Michelle Perfect, Vicky Perfect, Neville Phillips, Ian Roberts, Tim Roberts, Kevin Rush, Tony Sharps, Aaron Shotton, Paul Shotton, Ralph Small, Ian Smith, Carolyn Thomas, Owen Thomas, Martin White, Andy Williams, David Williams, David Wisinger and Arnold Woolley

IN ATTENDANCE:

Chief Executive, Chief Officer (Governance), Chief Officer (Housing and Assets), Chief Officer (Planning, Environment and Economy), Chief Officer (Streetscene and Transportation), Chief Officer (Social Services), Corporate Finance Manager, Senior Manager for Human Resources & Organisational Development, Corporate Business & Communications Executive Officer, Strategic Performance Advisor, Accountant - Clwyd Pension Fund, Head of Democratic Services, Democratic Services Team Leader and Democratic Services Officers

12. MINUTES

Minutes - 9 September 2020

The minutes were approved, subject to an amendment by Councillor Peers on minute 5(v), as moved and seconded by Councillors Dunbar and Jean Davies. On the same item, officers agreed to share the protocol for non-Committee Members speaking at Overview & Scrutiny meetings, noting that Members would need to request access to remote meetings if they wished to attend.

Minutes - 29 September 2020

The minutes were approved, subject to an amendment by Councillor Peers on minute 10, as moved and seconded by Councillors Bithell and Dunbar. As an outstanding action on the same item, Councillor Peers' request to liaise with officers to clarify wording would be followed up.

RESOLVED:

That subject to the two amendments, both sets of minutes be approved as a correct record.

13. DECLARATIONS OF INTEREST

The Chief Officer (Governance) said that a personal interest would be recorded for all Members on the Schedule of Remuneration (agenda item 11).

Councillors Bernie Attridge, Chris Bithell, Ian Dunbar, Billy Mullin, Hilary McGuill, Ted Palmer, Neville Phillips, Kevin Rush, Aaron Shotton, Ian Smith, Carolyn Thomas and Andy Williams all declared a personal interest on the Pay Policy Statement (agenda item 9) due to closely associated people employed by the Council.

Councillor Aaron Shotton declared a personal interest on the reference in the report on the Member/Officer Protocol (agenda item 12).

Councillor Dennis Hutchinson declared a personal interest on the Annual Performance Report (agenda item 7) as a bus service provider.

14. RECOGNITION OF AWARDS FOR LOCAL RECIPIENTS IN THE QUEEN'S BIRTHDAY HONOURS LIST

The Chair took pride in paying tribute to six local recipients of awards in the 2020 Queen's Birthday Honours List published on 10 October. These were Rt. Hon. David George Hanson, Councillor David Evans, Eric Harries Peake, Bethan Sian Reece, John Challenger and Robert Alan Forrester. She said that the recipients had received a letter from the Council to recognise their achievements and would be invited to attend a formal ceremony at County Hall once normal service resumed.

Her sentiments were echoed by Councillor Ian Roberts and other Members who congratulated the recipients.

15. CHAIR'S COMMUNICATIONS

The Chair took the opportunity to remind everyone of the forthcoming national 'fire-break' announced by the First Minister, in which she thanked the people of Flintshire for their co-operation in dealing with this difficult situation.

The Chief Executive gave a full verbal update on the situation. He and the Leader of the Council continued to be involved in collective national discussions with Ministers and civil servants on the next steps. He said that whilst some services were required to close for the period of the fire-break, other services under local discretion would continue where possible. All Members would be kept updated on a weekly basis and were encouraged to contact the Chief Executive directly if they wished to seek clarification. He was thanked by the Chair for his work throughout the emergency situation.

The Chair also paid tribute to Lord Barry Jones whose 50 years of public service was to be recognised by re-naming the Council Chamber at County Hall in his honour. As this event had been cancelled due to the emergency situation, a formal celebration of his achievement would be organised at a future date.

16. PETITIONS

Councillor McGuill presented a petition on behalf of residents of Moel View and Overdale in Mynydd Isa to address parking safety concerns. A petition was also presented by Councillor Connah on behalf of residents of Prince William Gardens in Mancot to address parking safety concerns.

In line with the usual process, the petitions would be passed on for the relevant Chief Officer to respond to the main proposer. The annual report on the outcomes of petitions submitted during the year would be received in April 2021.

17. ANNUAL PERFORMANCE REPORT 2019/20

The Chief Executive introduced the report to endorse the 2019/20 Annual Performance Report, as recommended by Cabinet, to achieve publication by the deadline. This was a statutory report providing a retrospective overview of performance against priorities in the 2019/20 Council Plan, showing positive progress against key activities and performance indicator outturns.

The Corporate Business & Communications Executive Officer and Strategic Performance Advisor gave a presentation covering the following:

- Performance Overview 2019/20
- Progress against Council Priorities
- Progress against Sub-Priorities
- Highlights
- Areas for Improvement
- Well-being of Future Generations
- Performance Overview - Council Plan
- National Overview
- Performance Overview
- Next Steps

The performance overview demonstrated that good progress over recent years had been maintained in 2019/20. The four areas identified for improvement continued to be monitored, with progress already made on tackling homelessness and sickness absence.

The recommendation in the report was moved by Councillor Carolyn Thomas and seconded by Councillor Mullin. As Cabinet Member for Streetscene and Countryside, Councillor Thomas paid tribute to the achievements in those areas. She thanked the Streetscene team and residents for strong performance against recycling targets and highlighted a range of positive outcomes such as the pothole patching programme, the delivery of highway schemes and various initiatives

undertaken by the Countryside team. She also welcomed the work on climate change/carbon reduction which was a priority of the Council.

Councillor Richard Jones thanked the officers for the positive report. He said that in his view there should be more alignment between the objectives in the Well-being Plan and Council Plan which could be more in line with portfolios. In noting the expected downturn on the condition of A and B roads, he acknowledged that the improvement in C roads could be due to their inclusion in the pothole patching programme.

In response, the Chief Executive said that work had started on the Council Plan 2020/21 and these comments would be fully taken into account. The meeting in December would provide an opportunity to consider the format on how best to deliver the intent, content and values behind the Council Plan. Officers would provide clarification on the differing number of public accountability measures (PAMs) following the meeting.

During the item, a number of Members commended the range of achievements and thanked officers for their work during the pandemic.

Councillor Paul Shotton commended the team at Hwb Cyfle day care service in partnership with Home Farm Trust, together with the completion of construction work at Connah's Quay High School.

Whilst noting the success of the Council's Strategic Housing and Regeneration Programme (SHARP), Councillor Peers suggested that the Housing Strategy and Planning teams give detailed consideration to addressing the lack of affordable housing supply by the private sector. He asked about progress with the development of the North Wales Procurement Framework which was due to be live by August 2020. In response, the Chief Officer (Housing and Assets) shared a message in which he said that this referred to a new construction framework using local Welsh contractors to build housing for SHARP and that the contract was now live.

Councillor Dunbar praised the Council's house building programme and work to tackle homelessness. When asked about the impact of Covid-19 on those areas, the Chief Officer (Housing and Assets) gave a brief update and was pleased to report significant progress by the team in reducing the number of rough sleepers. Councillor Dunbar and the Chair extended their own thanks to the Chief Officer and his team for their work on this.

As Cabinet Member for Social Services, Councillor Christine Jones expressed her pride in Hwb Cyfle and also praised the development of the Microcare model in rural areas and the Mockingbird initiative to support foster carers. She thanked all employees for their part in making Flintshire the first Dementia-Friendly Council in North Wales.

As Cabinet Member for Planning and Public Protection, Councillor Bithell commended strong performance on food safety standards and planning applications. In response to Councillor Peers' comments, he said that Housing and Planning

colleagues were proactive in negotiating affordable housing supply by the private sector.

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

RESOLVED:

That the 2019/20 Annual Performance Report be approved, as recommended by Cabinet.

18. TREASURY MANAGEMENT ANNUAL REPORT 2019/20

The Corporate Finance Manager presented the Treasury Management Annual Report for 2019/20 for approval, following consideration by the Audit Committee and Cabinet. He drew attention to the key points of the report and confirmed that the Treasury Management function had operated within the limits detailed in the Strategy for the period. To assist in developing the Treasury Management Strategy for 2021/22, a training session with the Council's treasury management advisors would take place remotely on 9 December 2020. To accommodate requests from some Members, officers would look at the possibility of an additional evening session.

The recommendation in the report was moved by Councillor Chris Dolphin who thanked the Corporate Finance Manager and his team for their work. The proposal was seconded by Councillor Glyn Banks who encouraged all Members to attend the forthcoming training session.

Councillor Peers noted the allocation of Public Works Loan Board (PWLB) loans for NEW Homes and asked about plans for the balance. The Corporate Finance Manager said that the loans had been taken out to take advantage of current low interest rates to meet the Council's requirement for long-term borrowing and were not allocated to specific capital projects.

Having been moved and seconded, the recommendation was put to the vote and carried.

RESOLVED:

That the Annual Treasury Management Report for 2019/20 be approved.

19. UPDATED PAY POLICY STATEMENT FOR 2020/21

The Chief Executive introduced the report on the annual Pay Policy Statement for 2020/21 which summarised the current approach to pay and remuneration within an organisational, regional and national context. It was a statutory obligation to publish the Pay Policy Statement each year within the deadline. The latest Equal Pay Audit was also shared for information.

The Senior Manager for Human Resources and Organisational Development said that some sections had been re-written to improve the flow of the report and that

deferral of the report from earlier in the year had enabled the 2020 pay award data to be incorporated as well as national changes. She provided an overview of the main changes including an additional section on a cap on public sector exit payments which she confirmed was to be implemented on 4 November 2020. More information on the impact to the authority would be shared at a later date.

The recommendation was moved and seconded by Councillors Mullin and Palmer who both thanked the team for their work.

Councillor Peers referred to discussion at the Constitution & Democratic Services Committee on the timely responses by officers to Members' queries and asked whether this was a consideration in the annual and mid-year appraisals of Chief Officers. The Chief Executive said that he was responsible for conducting all Chief Officer appraisals which covered all performance objectives for the respective portfolios. He reiterated the advice that any issues of under-performance should be reported either to himself or the Customer Services Manager, as set out in the agreed protocol, in order for them to be actioned.

Having been moved and seconded, the recommendation was put to the vote and carried.

RESOLVED:

That the Pay Policy Statement for 2020/21 be approved and the latest Equal Pay Audit be noted.

20. FINANCIAL PROCEDURE RULES

The Corporate Finance Manager presented the proposed Financial Procedure Rules which had been updated following minor amendment by the Audit Committee and Constitution & Democratic Services Committee.

In moving the recommendation, Councillor Chris Dolphin thanked the Corporate Finance Manager and his team for their work. The proposal was seconded by Councillor Banks.

Councillor Richard Jones noted references to value for money and asked how this could be effectively measured, which he suggested could be discussed further by the Corporate Resources Overview & Scrutiny Committee (CROSC). The Chief Executive gave an example where the rules were applied by evaluating quality and value for money when awarding contracts. He said that work on capital investments could be explored in more detail at CROSC.

RESOLVED:

That the updated Financial Procedure Rules be approved.

21. SCHEDULE OF REMUNERATION FOR 2020/21

The Head of Democratic Services presented the Schedule of Remuneration for 2020/21 for approval prior to publication. The report sought authority to update the Schedule by adding the names of the Audit Committee Chair and the nominated co-optee on the EY&C Committee once those appointments had been confirmed.

As agreed at the recent meeting of the Constitution & Democratic Services Committee, the Council would be complying with Determinations 9 and 10 of the Independent Remuneration Panel for Wales (IRPW) Annual Report by offering laptops to Members together with a broadband allowance or 'MiFi' device.

The recommendations were moved by Councillor Phillips who thanked the Chief Officer and Head of Democratic Services. The proposal was seconded by Councillor Michelle Perfect.

RESOLVED:

- (a) That the completed Schedule of Remuneration for 2020/21, as attached to the report, be approved for publication; and
- (b) That the Head of Democratic Services be authorised to add the names of the Chair of the Audit Committee once appointed and the co-optee on the Education, Youth & Culture Overview & Scrutiny Committee once nominated.

22. REVIEW OF MEMBER/OFFICER PROTOCOL

The Chief Officer (Governance) presented the updated Member/Officer Protocol which set out how the nature of the relationship between elected Members and employed officials should work. The Protocol had been updated following review by the Standards Committee and also reflected the results of work on case handling and the Flintshire Standard. An updated version of the Protocol had been circulated which incorporated amendments by the Constitution & Democratic Services Committee at its most recent meeting.

The recommendation was moved by Councillor Phillips and seconded by Councillor Paul Johnson.

RESOLVED:

That the amended protocol be approved.

23. PUBLIC QUESTION TIME

None were received.

24. QUESTIONS

None were received.

25. QUESTIONS FROM MEMBERS ON COMMITTEE MINUTES

None were received.

26. NOTICE OF MOTION

None were received.

27. MEMBERS OF THE PRESS AND PUBLIC IN ATTENDANCE

There was one member of the press in attendance.

(The meeting started at 2pm and ended at 4pm)

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Chair

Eitem ar gyfer y Rhaglen 7



COUNTY COUNCIL

Date of Meeting	Tuesday, 8 th December 2020
Report Subject	Capital Strategy Including Prudential Indicators 2021/22 to 2023/24
Report Author	Corporate Finance Manager

EXECUTIVE SUMMARY

This report updates the Council's Capital Strategy and seeks Council's approval.

The report explains the requirement for the Strategy, its key aims, and the content of each of its sections.

Under the Prudential Code for Capital Finance in Local Authorities (the Prudential Code), authorities are required to set a range of Prudential Indicators (PI's). The Capital Strategy includes details of the Council's Prudential Indicators for 2021/22 – 2023/24.

RECOMMENDATIONS

1	Council approves the Capital Strategy.
2	Council approves:- <ul style="list-style-type: none">• The Prudential Indicators for 2021/22 - 2023/24 as detailed within Tables 1, and 4 – 7 inclusive of the Capital Strategy.• Delegated authority for the Corporate Finance Manager to effect movements between the separately agreed limits within the authorised limit for external debt and the operational boundary for external debt (Table 6 of the Capital Strategy).

REPORT DETAILS

1.00	EXPLAINING THE CAPITAL STRATEGY 2021 – 2024
1.01	The Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2017 Edition (the Code), requires that the Council has in place a Capital Strategy (the Strategy). The guidance to the Code defines the specific requirements of the Strategy. This report updates the Strategy for Council's consideration.
1.02	The key aims of the Strategy are to explain the ways in which the Capital Programme is developed and funded, the potential impact it has on the Council's Medium Term Financial Strategy (MTFS) and the way in which it relates to the Council's Treasury Management Strategy. The Strategy is an overarching document and refers to other documents such as the Capital Programme, the Treasury Management Strategy and the Minimum Revenue Provision Policy. The Strategy is split into a number of sections as described below. The Strategy is enclosed as Appendix 1.
1.03	Capital Expenditure This section defines Capital Expenditure and that there is some limited local discretion in the definition as reflected in the Council's accounting policies.
1.04	Resources This section explains the way in which the Capital Programme is funded. The Council has a number of funding sources but these sources are limited and in some cases, particularly capital receipts, diminishing. Some of those sources, particularly prudential borrowing, add pressure to the Council's MTFS.
1.05	Prioritisation of Capital Expenditure This section explains the way in which the Capital Programme is divided into three sections and how decisions are made as to which schemes to include in each section in each year.
1.06	Governance This section explains the governance arrangements in place in the development and monitoring of the Capital Programme.
1.07	Capital Expenditure Plans This section refers to the Council's capital expenditure plans as agreed in its Capital Programme. It covers: <ul style="list-style-type: none">• Capital expenditure plans• The way in which those plans are expected to be financed• Minimum Revenue Provision• Estimates of the Capital Financing Requirement, a measure of unfinanced expenditure

1.08	<p>Treasury Management</p> <p>This section covers the way in which the Strategy relates to the Council's Treasury Management activity. It covers:</p> <ul style="list-style-type: none"> • The Council's Borrowing Strategy • The relationship between the Council's debt portfolio and its Capital Financing Requirement • The Authorised Limit and Operational Debt Limits for borrowing, ensuring the limits on the Council's exposure to debt are set • The Council's Investment Strategy • Treasury Management governance.
1.09	<p>Commercial activities</p> <p>This section reports that the Council has limited commercial activity, having a limited portfolio of investment properties (agricultural properties and industrial units).</p>
1.10	<p>Liabilities</p> <p>This section explains the liabilities which the Council has, in particular the deficit on its pension fund, and links with the Council's Statement of Accounts.</p>
1.11	<p>Revenue budget implications</p> <p>This section shows the impact of the capital financing costs on the revenue stream of the Council's budget.</p>
1.12	<p>Knowledge and skills</p> <p>This section details the skills of officers involved in developing and managing the Capital Programme and Treasury Management activity, and explains that the Council makes use of external advisers to assist with this activity.</p>
1.13	<p>Prudential Indicators</p> <p>The Council is required by the Code to develop and monitor Prudential Indicators. These are contained within the various sections of the Strategy, and are indicated as such.</p>

2.00	RESOURCE IMPLICATIONS
2.01	Financial consequences for capital resources are as set out within the report and appendix.
2.02	Financial consequences for revenue resources are as set out within the report and appendix.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	The Capital Strategy and the proposed Capital Programme were considered by the Corporate Resources Overview and Scrutiny Committee at its meeting on 12 th November 2020 with their comments being fed back to the Cabinet at its meeting on 17 th November 2020.

4.00	RISK MANAGEMENT
4.01	Decisions made which involve the Council's assets and its Capital Programme often have very large and long term financial implications. The purpose of the Capital Strategy includes setting a clear framework within which such decisions can be made mitigating the risks involved.

5.00	APPENDICES
5.01	Appendix 1 – Capital Strategy.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None.

7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Chris Taylor, Principal Accountant Telephone: 01352 703309 E-mail: christopher.taylor@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	<p>Capital Expenditure - Expenditure on the acquisition of Non-current Assets or expenditure that extends the life or value of an existing asset.</p> <p>Capital Programme - The Council's financial plan covering capital schemes and expenditure proposals for the current year and a number of future years. It also includes estimates of the capital resources available to finance the programme.</p> <p>Capital Receipt - Receipts (in excess of £10,000) from the disposal of an asset.</p> <p>Capital Scheme - An individual capital project which is monitored and managed in isolation. The aggregate of all schemes comprises the Capital Programme.</p>

Capital Strategy - A corporate document providing clear strategic guidance about an authority's objectives, priorities and spending plans, demonstrating the link to key corporate and service objectives.

Council Fund - The fund to which all the Council's revenue and capital expenditure is charged.

Disposal - The decommissioning or transfer of an asset to another party

Non-current Asset - A resource controlled (but not necessarily owned) by the Council, from which economic benefits or service potential are expected to flow to the Council for more than 12 months.

Prudential Code - The Code of Practice drawn up by the Chartered Institute of Public Finance and Accountancy (CIPFA) to underpin the requirements of the Local Government Act 2003 in respect of an authority's duty to determine the affordability, prudence and sustainability of its capital investment needs.

Prudential Indicators - Required by the **Prudential Code**, these take the form of limits, estimates or actual figures used to support the local decision making process for capital investment.

Unsupported Prudential Borrowing - Borrowing administered under the **Prudential Code**, whereby authorities can set their own policies on acceptable levels and types of borrowing. The Prudential Framework allows authorities to take out loans in response to overall cash flow forecasts and other factors provided they can show that the borrowing is to meet planned capital expenditure in the current year or the next three years.

Mae'r dudalen hon yn wag yn bwrpasol

CAPITAL STRATEGY

2021/22 TO 2023/24

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CAPITAL STRATEGY REPORT 2021/22

1. INTRODUCTION

The creation and approval of a capital strategy is now a requirement of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2017 Edition (the CIPFA Code).

The code requires the Council to set Prudential Indicators in relation to its capital programme. This document includes those Prudential Indicators and these are included in tables 1, 4 - 7 clearly marked as such.

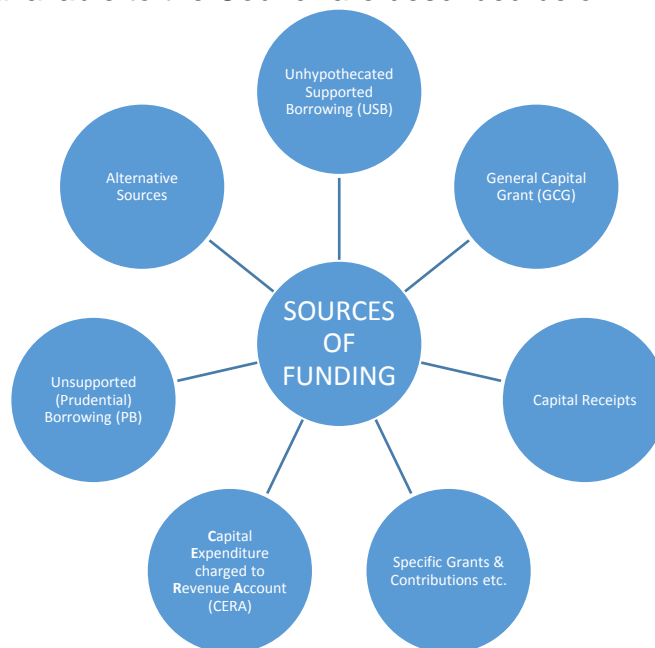
This document updates the capital strategy approved by Council in January 2020. It gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.

2. CAPITAL EXPENDITURE

Capital expenditure occurs when the Council spends money on assets, such as property or vehicles, which will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets. The Council has some limited discretion on what counts as capital expenditure, as assets costing below £20k are not capitalised and are charged to revenue in year. Details of the Council's policy on capitalisation may be found in the Accounting Policy section of the Council's Statement of Accounts.

3. RESOURCES

The sources of funding available to the Council are described below:



Unhypothecated Supported Borrowing (USB), commonly referred to as Supported Borrowing

Each year Welsh Government provides councils with a Supported Borrowing capital allocation. Councils can then borrow to fund capital expenditure up to that annual allocation, and Welsh Government will include funding to cover the revenue costs associated with that level of borrowing in future years within the Revenue Support Grant. The Council decides how this funding is spent.

General Capital Grant (GCG)

This is the annual capital grant from Welsh Government. The Council decides how this funding is spent.

Supported borrowing and general capital grant will be used to fund capital schemes which:

- invest in, or maintain the life of, existing assets which will be retained for future service delivery
- are statutory / regulatory in nature

The Housing Revenue Account (HRA) equivalent is known as the Major Repairs Allowance (MRA).

Capital Receipts

These are funds raised from the sale of council assets, usually, but not restricted to, land and buildings. Other examples include repayments of loans for capital purposes and release of restrictive covenants.

Capital finance regulations dictate that capital receipts can only be used to fund capital expenditure or repay debt. In the past regulations required a proportion of all receipts be set aside to repay debt, but this was removed some time ago for the Council Fund and was removed for the HRA with the introduction of self-financing. The Council's policy is to use capital receipts to fund capital expenditure rather than voluntarily set aside to repay debt. The Council sets a Minimum Revenue Provision policy each year which sets out our prudent methods for repayment of debt.

The current policy of pooling all capital receipts to allocate to capital schemes in accordance with the Council's strategic aims and priorities will continue. Capital receipts will not be ring-fenced to fund schemes in the same service or geographical areas (with the exception of the HRA). Capital receipts represent a finite funding source based on a planned approach to asset disposals in support of the Council's priorities. They will be used to fund new capital investment schemes.

Generation of capital receipts depends on our ability to identify assets that are surplus to requirements, and to sell them at an appropriate time which will be subject to local economic factors. In recent years this has been challenging, and will continue to be so. Careful and prudent planning around the timing of capital receipts is needed to ensure schemes funded by capital receipts don't begin until we have received the receipt.

Capital receipts will be generated by continuing with our agricultural disposal policy, our policy to reduce the number of assets that we have and the forthcoming review of the commercial estate.

Our assets are also supporting the Strategic Housing and Regeneration Programme (SHARP) in innovative ways. We have identified surplus Council owned sites which will be used to develop new housing. This input will need to continue throughout the life of the programme. The impact of this on the generation of capital receipts will need to be carefully mapped and reflected within the wider Capital Programme.

Specific Grants and Contributions etc.

Specific Grants

These are grant allocations received from a range of sponsoring bodies including Welsh Government, Lottery, etc. for associated specific programmes and projects with limited local discretion on how the funding is spent. Often the terms and conditions of such funding will require unused funding to be returned, and can require the Council to match fund. In times where capital resources are declining the Council will seek to maximise such funding streams, subject to the initiative/scheme reflecting both the third party's agenda and the Council's priorities.

Specific Contributions

These are contributions from developers towards the provision of public assets or facilities. Sometimes these are to mitigate the impact of their development on communities and often referred to as section 106 contributions. Contributions are earmarked for specific purposes in planning agreements and often relate to infrastructure projects including play areas, open spaces, and schools, but also includes affordable housing. Developers also contribute to highways infrastructure developments through section 38 and 278 agreements.

Specific Capital Loans

Increasingly as Welsh Government's funding comes under pressure, capital funding that was previously issued as a specific capital grant is converted into a repayable loan, Examples include the Home Improvement Loans fund, and Vibrant and Viable Places funding. Grant funding will always be preferable to loan funding as it does not require repayment, however loan funding does have benefits. Its use to date has been to provide recyclable loan funding for regeneration purposes. The benefit is that rather than being used to fund a single project, the funding can be recycled and used to fund a number of projects over the term of the loan.

Capital Loans are also available, and have been used, from other sources such as Salix in relation to energy saving projects.

As with grants the Council will seek to maximise such developments that are in line with its priorities, whilst carefully considering the additional administrative burden in issuing and collecting loans, and the risk it carries from loan defaults.

Local Government Borrowing Initiative (LGBI)

In recent years as Welsh Government funding has been under pressure, schemes that would have been funded by capital grant have been funded by LGBI. Welsh Government provides the revenue support for borrowing costs incurred by the Council in borrowing to fund capital schemes (the difference with supported borrowing being that it's for a specific purpose aligned to Welsh Government priorities). LGBI has recently been used for highways maintenance and used to part fund the Welsh Government element of the 21st Century Schools programme – 'Band A'.

Capital Expenditure charged to Revenue Account (CERA)

Capital expenditure can be funded via a direct contribution from revenue funding (note capital financing regulations mean it is not possible to use capital funding to fund revenue expenditure). This method of funding is extensively used by the HRA and will continue to be in the future. Its use for Council Fund activity is generally quite limited as this would add pressure to the revenue budget as forecast in the Medium Term Financial Strategy.

Unsupported Prudential Borrowing (commonly referred to as Prudential Borrowing)

The Prudential Code for Capital Finance in Local Authorities supports local authorities in determining their programmes for capital investment in assets (we are required by regulation to follow its requirements). The Prudential Code gives Councils discretion to undertake borrowing to fund capital projects with the full cost of borrowing funded from future council revenue resources subject to the Council demonstrating, within a clear framework, that the capital investment plans are affordable, prudent and sustainable. A range of prudential indicators must be produced and approved demonstrating the impact of the programme. The option for funding additional capital developments is one which is funded from within existing revenue budgets or from generating additional and ongoing income streams, there is no support from any external funding and is a major constraint on its use as any scheme funded by prudential borrowing will add to the forecast budget deficit in the MTFS.

To date limited use has been made of the option following cautious and prudent consideration of long term impacts. This approach will continue to be used with schemes that have a clear financial benefit such as 'invest to save', 'spend to earn', and those that generate returns over and above the costs of debt. The focus will be to fund schemes that are the Council's priorities, attract third party funding and generate revenue benefits in future financial years in the form of revenue savings, income generation or increasing Council Tax yield. In addition, prudential borrowing will be used to fund the Council element of 21st Century Schools – 'Band B' and the HRA SHARP and Welsh Housing Quality Standard (WHQS) schemes.

Alternative Sources

There are a number of other alternative sources of capital funding which the Council could make use of, depending on circumstances and cost:-

- Finance Leases - Leases that transfers substantially (to the lessee) all the risks and rewards of ownership of an asset, even though ownership may not be transferred. This method was used for the equipment at Deeside Leisure Centre and the Jade Jones Pavilion, Flint.
- Public Private Partnerships (PPPs) - This is a broad term for various arrangements in which the Council has a longer and more intensive relationship with a private sector supplier than it does under a traditional contract. It includes:-
 - PFI contracts;
 - Local Asset Backed Vehicles (LABVs);
 - Strategic partnering;
 - Sale and Lease back;
 - Joint Ventures; and
 - Deferred Purchase
 - Mutual Investment Model (MIM)

To date the Council has made very limited use of alternative funding options listed above. In future all options along with any new initiatives will be explored and used carefully. Capital schemes funded from alternative sources are likely to increase the Council's debt liability therefore use will be restricted and considered in the same way as prudential borrowing.

4. PRIORITISATION OF CAPITAL EXPENDITURE

The purpose of the Capital Programme is to optimise the Council’s use of capital resources by allocation to those areas identified as representing the strategic priorities of the Council. The Programme is split into 3 sections;

- Statutory / Regulatory Programme consisting of an annual allocation to fund schemes of a statutory / regulatory nature. Examples include providing financial support to repair, improve and adapt private sector homes, and adapting schools for disabled children. Service areas will be required to submit plans for approval before the start of each financial year.
- Retained Asset Programme consisting of an annual allocation to fund schemes that maintain, improve or lengthen the economic life of the assets that we retain to use in delivering services where there is already a significant amount of capital work needed, identified by service plans / condition surveys etc. Service areas identified are; schools, highways, and corporate office accommodation. Service areas are required to submit plans for approval before the start of each financial year.
- Investment Programme consisting of allocations to fund new schemes arising from Portfolio Business Plans. Such schemes will be necessary to achieve revenue efficiencies included within Portfolio Business Plans and the MTFS and our strategic priorities as included in the Council Plan. Approval of such schemes will be through the submission of a full business case identifying the source of capital funding and the assets lifetime costs going forward.

Funding of schemes will be allocated as shown below:

Statutory / Regulatory Programme	Retained Asset Programme	Investment Programme	
General Capital Grant	Supported Borrowing	Capital Receipts	Debt and Alternative Sources of Funding

Capital Programmes will be set every year covering a timeframe of the next 3 financial years on a rolling basis, reflecting that capital schemes don’t match financial years and span more than 1 financial year. Schemes starting in that first financial year will be approved along with any costs and funding required in the subsequent 2 financial years. Schemes starting later than the first financial year will be given indicative support to enable services to plan, but will ultimately require formal approval through the process of approving the subsequent years’ capital programme.

Sufficient headroom will be built into the Capital Programme to facilitate more flexibility thus allowing smaller schemes to be presented, considered and approved by Cabinet in year. Such schemes arise in year due to, for example grants that require an element of match funding or unforeseen events such as regulatory works etc.

The development of the capital programme will be considered in the context of its impact on the Council’s MTFS and in particular the added pressure the capital programme may bring to the revenue budget.

5. GOVERNANCE

Planning for the Capital Programme is determined in parallel with service and revenue budget planning process within the framework of the MTFS.

New investment capital schemes will be rigorously appraised through submission of full business cases which will include schemes funded by grants or contributions from 3rd parties. Large schemes which are programmes in their own right will be subject to gateway reviews at stages during the programme, for example 21st Century Schools and SHARP. This ensures that the evidence and the case for change when the scheme was initially approved is still valid, and that lessons learned from early stages can be applied to future stages.

Those portfolios with core allocations will submit annual plans for assessment and challenge by the Capital and Assets Programme Board to ensure compliance with the Capital Strategy and the Asset Management Plan.

The Capital Programme where possible will be set for each coming financial year before the annual budget, and will include indicative figures spanning the same time frame as the MTFS.

Monitoring of the annual Capital Programme will be undertaken at a Portfolio level by the Capital Team within Technical Accounting, with progress updates given to the Capital and Assets Programme Board. Reporting to Members will take place quarterly to Cabinet and Corporate Resources Overview and Scrutiny Committee including:

- New schemes or additions to existing schemes
- Removal of or reductions to schemes
- Slippage on schemes, and impact on future years capital programme
- Funding virements between schemes
- Other necessary revisions to the scheme

The Capital and Assets Programme Board will develop processes for monitoring the outcomes of capital schemes and measures to monitor the performance of assets.

Capital expenditure plans

The Council's planned capital expenditure for the period 2021/22 to 2023/24 is summarised below:

Table 1: Prudential Indicator: Estimates of Capital Expenditure in £ millions

	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
Council Fund	12.706	14.794	32.217
Housing Revenue Account	28.288	28.607	30.870
Total	40.994	43.401	63.087

The Council's Capital Programme is due to be approved by Council in December 2020, and details can be found on the Council's website.

The Council is planning a number of significant investments during the period of this strategy. In particular, it is investing substantially in its schools in conjunction with Welsh Government through the 21st Century Schools programme; is extending its residential care home at Marleyfield in Buckley; is making infrastructure improvements at Standard Yard Waste Transfer Station (WTS) in Buckley to accommodate growth in recycling rates and an increase in resilience and processing capacity for future waste streams; and has plans, in conjunction with its partners, to create a new archive building to deliver a single archive service for North East Wales. More detail is available in the Capital Programme 2021/22 – 2023/24 report.

The Housing Revenue Account (HRA) is a ring-fenced account which ensures that council housing does not subsidise, or is itself subsidised, by other local services. HRA capital expenditure is therefore recorded separately. The Council has plans to invest significantly in housing assets over the period of the strategy, including the building of new homes as part of the Strategic Housing and Regeneration Programme (SHARP), as well as bringing its stock into line with the Wales Quality Housing Standard.

In addition, part of SHARP is to build new homes for rent at intermediate rent levels (between social housing rents and market rents). This is achieved by making capital loans to the Council’s wholly owned subsidiary, North East Wales Homes (NEW Homes) to build affordable homes.

All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council’s own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing etc.). The planned financing of the above expenditure is as follows, broken down into the sources detailed above in ‘Resources’:

Table 2: Capital Financing in £ millions

	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
Council Fund			
<u>External Sources</u>			
USB	4.073	4.073	4.073
GCG	2.492	2.492	2.492
Specific Grants/Contrib's/Loans	2.467	4.603	16.234
<u>Own Resources</u>			
Capital Receipts	0.000	0.000	0.000
CERA	0.000	0.000	0.000
<u>Debt</u>			
Prudential Borrowing	3.674	3.626	9.418
Sub Total - Council Fund	12.706	14.794	32.217

Housing Revenue Account			
<u>External Sources</u>			
MRA	5.065	5.065	5.065
Specific Grants/Contrib's/Loans	0.275	0.275	0.275
<u>Own Resources</u>			
Capital Receipts	0.000	0.000	0.000
CERA	14.101	13.412	13.722
Othe contns	0.000	0.000	0.000
<u>Debt</u>			
Prudential Borrowing	8.847	9.855	11.808
Sub Total - HRA	28.288	28.607	30.870
TOTAL	40.994	43.401	63.087

Debt is only a temporary source of finance, as any loans or leases must be repaid. Local Authorities are required each year under Regulations, to set aside some of their revenue resources as provision for the repayment of debt. The annual charge to the revenue account for repaying debt is known as the Minimum Revenue Provision (MRP). Planned MRP is as follows:

Table 3: Minimum Revenue Provision in £ millions

	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
Council Fund	4.818	5.247	5.493
Housing Revenue Account	1.609	1.641	1.674

Local Authorities are required to set a policy for MRP each financial year. The Council's sets its annual MRP policy in February each year and is available on its website.

Alternatively, capital receipts may be used to repay debt by applying capital receipts to the Capital Financing Requirement (CFR).

The Council's cumulative outstanding amount of capital expenditure financed by debt is measured by the Capital Financing Requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and any capital receipts used to repay debt. Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows:

Table 4: Prudential Indicator: Estimates of Capital Financing Requirement in £ millions

	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
Council Fund	234.156	246.527	257.803
Housing Revenue Account	139.098	147.162	157.143
Total	373.254	393.689	414.946

6. TREASURY MANAGEMENT

Treasury Management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs as they fall due, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account. The Council is typically cash rich in the short-term as revenue income is received before it is spent, but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.

Due mainly to decisions taken in the past, the Council currently (30th September 2020) has £281m long term borrowing at an average interest rate of 4.70%, and £30m short term borrowing at an average interest rate at 0.47%. It also had £24.5m treasury investments at an average interest rate of 0.046%.

Borrowing strategy: The Council's main objectives when borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in future. These objectives are often conflicting, and the Council therefore seeks to strike a balance between cheap short-term loans (currently available at around 0.05%) and long-term fixed rate loans where the future cost is known but higher (currently 2.42% to 2.73%).

Projected levels of the Council's total outstanding debt (which comprises borrowing and leases) are shown below, compared with the capital financing requirement (see above).

Table 5: Prudential Indicator: Gross Debt & the Capital Financing Requirement in £ millions

	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
Debt (Incl Leases)	365.150	392.462	396.910
Capital Financing Requirement	373.254	393.689	414.946

Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from Table 5, the Council expects to comply with this in the medium term.

Affordable borrowing limit: The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year and to keep it under review. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

Table 6: Prudential Indicators: Authorised Limit & Operational Boundary for external debt in £m

	2021/22 Limit	2022/23 Limit	2023/24 Limit
Authorised Limit - Borrowing	390	411	433
Authorised Limit - Other long term liabilities	35	35	35
Authorised Limit - Total External Debt	425	446	468
Operational Boundary - Borrowing	370	391	413
Operational Boundary - Other long term liabilities	20	20	20
Operational Boundary - Total External Debt	390	411	433

Investment strategy: Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of Treasury Management.

The Council’s policy on treasury investments is to prioritise security and liquidity over yield that is to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy and the Council may request its money back at short notice.

Governance: Decisions on Treasury Management investment and borrowing are made daily and are therefore delegated to the Corporate Finance Manager and the Treasury Management team, who must act in line with the Treasury Management Strategy approved annually by the Council in February. Quarterly reports on Treasury Management activity are presented to the Audit Committee. The Audit Committee is responsible for scrutinising Treasury Management decisions.

The Council sets a Treasury Management Policy Statement, an annual Treasury Management Strategy and Treasury Management Schedules and Practices which contain further details on the Council’s borrowing strategy, investment strategy and treasury management governance which are available on its website.

7. COMMERCIAL ACTIVITIES

The Council has a portfolio of investment properties, in the form of agricultural property and industrial units. Although these are classified as investment properties, they are legacy assets and the Council is managing down its agricultural portfolio and is reviewing its position in regard to industrial units.

8. LIABILITIES

In addition to debt of £281m detailed above, the Council is committed to making future payments to cover its pension fund deficit (valued at £399m). It has also set aside £1m to cover the risks associated with the aftercare of former landfill sites, and £2.7m as a provision against bad debts.

The Council is also at risk of having to pay for any additional works necessary at landfill sites, payments in respect of historic insurance, abuse and housing disrepair claims, costs involved in some employment tribunal cases, and has given pension guarantees on behalf of various alternative service delivery models. The Council has not set aside any funds because of a lack of certainty in estimating the size and timing of these liabilities.

Governance: Decisions on incurring new discretionary liabilities are taken by Chief Officers in consultation with the Corporate Finance Manager. The risk of liabilities crystallising and requiring payment is monitored by corporate finance and reported as required to Cabinet.

Further details on liabilities and guarantees are in the contingent liability section in note 33 of the Council's 2019/20 Statement of Accounts available on its website.

9. REVENUE BUDGET IMPLICATIONS

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Revenue Support Grant, Council Tax and business rates (NNDR) for the Council Fund, and the HRA equivalent is the amount to be met from WG grants and rent payers.

Table 7: Prudential Indicator: Proportion of Financing Costs to Net Revenue Stream

	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
Council Fund	4.63%	4.74%	4.91%
HRA	20.84%	20.91%	20.97%

Sustainability: Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for up to 50 years into the future. The Corporate Finance Manager is satisfied that the proposed capital programme is prudent, affordable and sustainable because the impact of the existing capital programme on the MTFS has been considered, and the revenue implications of future capital schemes are included when considering the approval of the capital budget.

Other revenue implications of capital expenditure are included in business cases and are factored into the MTFS.

10. KNOWLEDGE AND SKILLS

The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the Corporate Finance Manager is a qualified accountant with significant experience. The Council pays for junior staff to study towards relevant professional qualifications, including CIPFA and AAT.

Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisers. This approach is more cost effective than employing such staff directly, and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

Eitem ar gyfer y Rhaglen 8



COUNTY COUNCIL

Date of Meeting	Tuesday, 8 th December 2020
Report Subject	Capital Programme 2021/22 – 2023/24
Report Author	Chief Executive Chief Officer (Housing and Assets) Corporate Finance Manager

EXECUTIVE SUMMARY

This report presents the proposed Capital Programme for the period 2021/22 – 2023/24 for approval by Council.

The Council's Capital Programme covers investment in assets for the long term to enable the delivery of high quality and value for money public services. Assets include buildings (such as schools and care homes), infrastructure (such as highways, IT networks, and waste transfer stations) and assets not owned by the Council (such as works to improve and adapt private sector homes). The proposed capital investments outlined within this report are closely aligned to portfolio service business plans and the Council Plan.

The Council has limited capital resources from Welsh Government to support Council priorities, needs and liabilities. However, it has the powers to fund Capital schemes by borrowing - this is temporary and ultimately, the cost and repayment of any borrowing is charged to the Council's revenue budget. Schemes funded by borrowing are carefully considered due to the long-term impacts on the Council's revenue budget.

The report divides the Council Fund Capital Programme into three sections:-

1. Statutory / Regulatory - allocations to cover regulatory and statutory works.
2. Retained Assets - allocations to fund infrastructure works necessary to ensure service and business continuity.
3. Investment - allocations to fund works necessary to remodel services to deliver efficiencies outlined in Portfolio business plans and invest in services as outlined in the Council Plan.

Historically, much of the Council's programme has been funded from capital receipts and grants. The Council's ability to generate significant capital receipts is challenging as the assets the Council has available for disposal diminish. Wherever possible every opportunity to identify assets for sale and other sources of funding such as specific grants and revenue contributions will be explored. However, the Council will need to use prudential borrowing to finance more of the programme going forward. In particular, the 21st Century Schools Band B programme, and other schemes included within the investment programme will need to be funded through prudential borrowing.

The Capital Strategy has been updated and is presented separately on the agenda.

The information in this report refers to the Council Fund (CF) programme only, not the housing programme which is funded from the Housing Revenue Account (HRA) and which is reported separately.

RECOMMENDATIONS

1	To approve the allocations and schemes in Table 3 (paragraph 1.09) for the Statutory/Regulatory and Retained Assets sections of the Council Fund Capital Programme 2021/22 - 2023/24.
2	To approve the schemes included in Table 4 (paragraph 1.27) for the Investment section of the Council Fund Capital Programme 2021/22 - 2023/24.
3	To note that the shortfall in funding of schemes in 2021/22 in Table 5 (paragraph 1.36) at this point in the approval process allows flexibility. Options including a combination of future capital receipts, alternative grants (if available), prudential borrowing or the re-phasing of schemes will be considered during 2021/22, and included in future Capital Programme reports.
4	To consider and approve the schemes included in Table 6 (paragraph 1.40) for the specifically funded section of the Council Fund Capital Programme which will be funded in part through borrowing.

REPORT DETAILS

1.00	EXPLAINING THE CAPITAL PROGRAMME 2021/22 – 2023/24
1.01	<p>The Council's Capital Programme encompasses investing significant resources in assets for the long term to enable the delivery of high quality, value for money public services. Assets include buildings (such as schools and care homes), infrastructure (such as highways, IT networks, and waste transfer stations), and assets not owned by the Council (such as works to improve and adapt private sector homes). The proposed capital investments outlined within this report are closely aligned to portfolio service business plans and the Council Plan.</p> <p>The Council has limited capital resources from Welsh Government (WG) to support Council priorities, needs and liabilities; however, it has the powers to fund Capital schemes by borrowing, but this is temporary and ultimately the cost and repayment of any borrowing is charged to the Council's revenue budget. Schemes funded by borrowing are carefully considered due to the long term impacts on the Council's revenue budget.</p> <p>The first half of this report covers parts of the Capital Programme where the Council invests in local infrastructure, facilities and assets, which will be funded from general capital resources (General Capital Grant, Unhypothecated Supported Borrowing and Capital Receipts). Regional programmes such as the Growth Deal for North Wales which will draw on national funds, and the Housing Revenue Account (HRA) Capital Programme which is separate and includes the Welsh Housing Quality Standard (WHQS) work programme and Social Housing and Regeneration Programme (SHARP), supplement the Council funded Capital Programme.</p> <p>The second half of the report covers parts of the Capital Programme which includes specific grants as far as information is available at the time of writing, and borrowing. This includes the 21st Century Schools Programme, delivered in partnership between the Council and WG.</p>
1.02	<p>General Capital Programme 2020/21 – 2022/23 Update</p> <p>The Council's Capital Strategy divides the Capital Programme into three parts as follows.</p> <ol style="list-style-type: none"><li data-bbox="368 1581 1374 1765">1. Statutory / Regulatory section – to cover regulatory and statutory works. Examples include providing support to improve and adapt private sector homes (Disabled Facilities Grants), adaptations to schools for children with disabilities and any works required to keep buildings open by meeting Health and Safety requirements.<li data-bbox="368 1805 1374 1989">2. Retained Assets section – to ensure service and business continuity. This includes schemes that enhance and improve retained assets and infrastructure to deliver services and meets significant need identified by service plans or through condition surveys etc.<li data-bbox="368 2029 1374 2089">3. Investment section – to fund costs incurred when remodelling and investing in services. This includes new schemes arising from

Portfolio business plans, the Council Plan, other relevant and emerging plans, and other strategies or emerging Council priorities approved through a selection process based on the provision of a business case.

1.03 Table 1 below summarises the updated Council funded Capital Programme for 2020/21 – 2022/23 as reported at Month 6 2020/21:

Table 1

ESTIMATED FUNDING 2020/21 - 2022/23				
	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m
Funding				
Un-hypothecated Supported Borrowing (USB) ¹	4.073	4.073	4.073	12.219
General Capital Grant (GCG) ¹	2.492	2.492	2.492	7.476
Additional General Capital Grant (GCG) 1	1.591	0.000	0.000	1.591
Surplus B/Fwd	2.667	0.000	0.000	2.667
Total Funding	10.823	6.565	6.565	23.953
Expenditure				
Total Capital Programme 2020/21 - 2022/23	10.206	7.138	6.207	23.551
	10.206	7.138	6.207	23.551
Surplus / (Shortfall)	0.617	(0.573)	0.358	0.402
1 As per 20/21 Final Settlement				

1.04 Table 1 shows the current position of the Capital Programme 2020/21 – 2022/23 as reported at Month 6 to Cabinet and Corporate Resources Overview and Scrutiny Committee an overall surplus in funding of £0.402m, with a surplus in 2020/21 of £0.617m.

When the budget was set in January 2020, there was a shortfall in funding of schemes in 2020/21, 2021/22 and surplus in 2022/23. At that point in the approval process the position was kept flexible and this was explained in the report to Council at that time. Options included a combination of future capital receipts, alternative grants, prudential borrowing or scheme phasing over several years which would be considered during 2020/21.

1.05 The Council is currently awaiting confirmation around the award of funding from various grants ranging from £0.700m to £0.900m. Should the Council be successful in receiving these grants this would replace the core funding currently allocated in the programme and reduce the deficit.

Given the current position in setting the Capital Programme for the next 3 years 2021/22 – 2023/24, careful consideration has been given to new schemes proposed for inclusion as, should other sources of funding not materialise, the Council will need to use prudential borrowing to finance the remainder of the programme going forward.

1.06	<p>Projected General Funding Available 2021/22 - 2023/24</p> <p>Table 2 below shows the general capital funding currently projected to be available to fund the Capital Programme over the next 3 years (2021/22 - 2023/24).</p> <p>Table 2</p> <table border="1" data-bbox="331 472 1374 920"> <thead> <tr> <th colspan="5" style="text-align: center;">ESTIMATED AVAILABLE FUNDING 2021/22 - 2023/24</th> </tr> <tr> <th></th> <th style="text-align: center;">2021/22</th> <th style="text-align: center;">2022/23</th> <th style="text-align: center;">2023/24</th> <th style="text-align: center;">Total</th> </tr> <tr> <th></th> <th style="text-align: center;">£m</th> <th style="text-align: center;">£m</th> <th style="text-align: center;">£m</th> <th style="text-align: center;">£m</th> </tr> </thead> <tbody> <tr> <td colspan="5">Funding (Excluding Specific Funding)</td> </tr> <tr> <td>Un-hypothecated Supported Borrowing (USB) ¹</td> <td style="text-align: center;">4.073</td> <td style="text-align: center;">4.073</td> <td style="text-align: center;">4.073</td> <td style="text-align: center;">12.219</td> </tr> <tr> <td>General Capital Grant (GCG) ¹</td> <td style="text-align: center;">2.492</td> <td style="text-align: center;">2.492</td> <td style="text-align: center;">2.492</td> <td style="text-align: center;">7.476</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">6.565</td> <td style="text-align: center;">6.565</td> <td style="text-align: center;">6.565</td> <td style="text-align: center;">19.695</td> </tr> <tr> <td colspan="5">1 As per 20/21 Final Settlement</td> </tr> </tbody> </table>	ESTIMATED AVAILABLE FUNDING 2021/22 - 2023/24						2021/22	2022/23	2023/24	Total		£m	£m	£m	£m	Funding (Excluding Specific Funding)					Un-hypothecated Supported Borrowing (USB) ¹	4.073	4.073	4.073	12.219	General Capital Grant (GCG) ¹	2.492	2.492	2.492	7.476	Total	6.565	6.565	6.565	19.695	1 As per 20/21 Final Settlement				
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1.07	<p>Table 2 assumes that the Un-hypothecated Supported Borrowing allocation and the General Capital Grant received from WG in the years 2021/22 to 2023/24 remains the same as included in the information provided in the 2020/21 final Financial Settlement for Welsh local government. The 2021/22 Provisional Settlement for Welsh local government announcement has been provisionally set for the 22nd December.</p> <p>The table includes the additional General Capital Grant agreed by WG in the 2020/21 Financial Settlement.</p>																																								
1.08	<p>The figures in Table 2 relate to the Council Fund (CF) only with the HRA Capital Programme being reported separately.</p>																																								
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1.09	<p>Statutory / Regulatory and Retained Asset Allocations – 2021/22 – 2023/24</p> <p>Table 3 shows the proposed allocations for the period 2021/22 - 2023/24 for the Statutory / Regulatory and Retained Asset sections of the Capital Programme.</p> <p>Table 3</p>																																								

PROPOSED ALLOCATIONS 2021/22 - 2023/24				
	2021/22	2022/23	2023/24	Total
	£m	£m	£m	£m
Statutory / Regulatory Section				
Equalities Act - Individual pupils	0.300	0.300	0.300	0.900
Disabled Facilities Grants	1.660	1.660	1.660	4.980
Private Sector Housing Renewal	0.040	0.040	0.040	0.120
School building works	0.100	0.100	0.100	0.300
Corporate property works	0.300	0.300	0.300	0.900
Upgrade of Kitchen Equipment in schools	0.100	0.050	0.050	0.200
Total Statutory / Regulatory	2.500	2.450	2.450	7.400
Retained Assets Section				
School building works	1.400	1.400	1.400	4.200
Corporate property works	0.300	0.300	0.300	0.900
Highways asset management plan	0.600	0.600	0.600	1.800
Playareas	0.200	0.200	0.200	0.600
ICT - Equipment at Datacentres	0.000	0.170	0.000	0.170
ICT - Server Technology	0.200	0.210	0.000	0.410
ICT - Laptop / PC Replacements	0.222	0.129	0.150	0.501
Works to the Greenfield Valley Reservoirs	0.038	0.038	0.000	0.076
Bridges in Wepre Park	0.040	0.000	0.000	0.040
Cemetery Extension	0.265	0.000	0.000	0.265
Base Provision for Leisure and Libraries Estate	0.200	0.200	0.200	0.600
All Weather Pitches	0.050	0.300	0.195	0.545
Public Space CCTV Upgrades	0.044	0.045	0.033	0.122
'Headroom'	0.350	0.350	0.350	1.050
Total Retained Assets Section	3.909	3.942	3.428	11.279
1.10	The information in Table 3 in relation to the new and previously approved schemes is explained in more detail in paragraphs 1.11 to 1.26 below.			
1.11	<p><u>Equalities Act – Individual pupils</u></p> <p>An annual allocation to adapt and modify schools for children who have disabilities to support and create increasingly inclusive school environments. These works help the Council to meet its obligations under disability legislation, and reduce the potential costs and disruption associated with transporting pupils to alternative sites.</p> <p>The budget as it currently stands does not meet the demands for the physical adaptations required. It is proposed to increase the allocation by £0.050m, to £0.300m, for 2021/22 to 2023/24 to enable continued delivery of school adaptation works, to meet the needs of pupils with disabilities.</p>			
1.12	<u>Disabled Facilities Grants (DFG)</u>			

	<p>An annual allocation to improve and adapt private sector homes comprising:</p> <ul style="list-style-type: none"> • Disabled Facilities Grants – adaptations enabling residents to continue to live independently in their own homes • Partnership working with Care and Repair to support vulnerable residents <p>No changes are proposed for 2021/22 to 2023/24.</p>
1.13	<p><u>Private Sector Housing Renewal</u></p> <p>An annual allocation for private sector housing renewal and improvement loan management and administration. This had previously been reported under the DFG section before the services were disaggregated across Portfolios.</p> <p>No changes are proposed for 2021/22 to 2023/24.</p>
1.14	<p><u>School building work</u></p> <p>An annual allocation to fund the most urgent property works required at schools split across the regulatory / statutory and retained assets sections of the Capital Programme.</p> <p>A programme of toilet upgrades in both primary and secondary schools to ensure compliance with Education (School Premises) Regulations 1999 and Department for Education and Skills document "Toilets in Schools". There is currently a backlog of such works estimated to be in the region of £1.5m which is often reflected as a Health and Safety issue in Estyn inspections of schools. £0.100m per annum.</p> <p>Works to upgrade ventilation systems at school kitchens which are failing building regulations and gas safety legislation and are at risk of closure. £0.200m per annum.</p> <p>Fire Inspection Works at schools which are the responsibility of the Local Authority and have been identified during statutory fire risk assessments. £0.200m per annum.</p> <p>No changes are proposed for 2021/22 to 2023/24.</p>
1.15	<p><u>Corporate property works</u></p> <p>An annual allocation to fund the most urgent property works required at non-school premises split across the regulatory / statutory and retained assets sections of the Capital Programme, including managing risks from legionella, fire safety, asbestos, accessibility and health and safety.</p> <p>No changes are proposed for 2021/22 to 2023/24.</p>
1.16	<p><u>Upgrade of Kitchen Equipment in schools</u></p>

	<p>The equipment in many of the school kitchens is currently very old and inefficient. Investment in new equipment will produce efficiency savings and will also better ensure the health and safety of NEWydd catering staff.</p> <p>New scheme included in 2021/21 – 2023/24</p>
1.17	<p><u>Highways Asset Management Plan (HAMP)</u></p> <p>An annual allocation of £0.600m to fund the HAMP which includes resurfacing of the classified Highway Network, replacement programme for street lighting columns and structural maintenance.</p> <p>Whilst the Council has a statutory duty to maintain the Highways Network in a safe condition for travel, how the Council does this is not defined. WG set targets for road condition indices, and at present Flintshire is performing better than the target set as a result of significant additional investment from WG in recent years (£0.959m in 2018/19, £0.954m in 2019/20 and £0.950m in 2020/21).</p> <p>See paragraph 1.54 for more detail in regard to the position on the potential development of the HAMP, but no changes are proposed for 2021/22 to 2023/24 at this stage.</p>
1.18	<p><u>Play areas</u></p> <p>An annual allocation of £0.200m to fund the most urgent requirements to replace play equipment that has reached the end of its useful life at play areas, as well as upgrades to play areas. This will be delivered by Aura as the Council's management partner.</p> <p>No changes are proposed for 2021/22 to 2023/24.</p>
1.19	<p><u>IT Infrastructure</u></p> <p>Various schemes required to maintain service and business continuity;</p> <ul style="list-style-type: none"> ICT Equipment at Datacentres - Replacement of equipment including High Volume Air Conditioning units, batteries that ensure the power supply to data centres is not interrupted, back up tape technologies, equipment that monitors the conditions in the datacentres and alerts if there are issues and networking equipment to the datacentres. Additions have been made to replace equipment in 2022/23 that has reached the end of its useable life. <p>No changes are proposed for 2021/22 – 2023/24.</p> <ul style="list-style-type: none"> ICT Server Technologies (including Citrix and Business Systems) - £0.410m proposed in the programme for the provision of replacement server technologies to ensure adequate resources to provide the capacity required for the delivery of existing IT Business systems and services used across the whole of the Council. Funding is required over two years, 2021/22 (£0.200m) and 2022/23 (£0.210m).

	<p>The operating lives of server technology was extended from 3 to 5 years to maximise the length from investments. Reliable IT server hardware is key to enabling IT infrastructure that supports the delivery of IT business systems that can cope with the demands of an organisation highly reliant on IT systems to deliver effective and efficient services.</p> <ul style="list-style-type: none"> • ICT - Laptop / PC Replacements - The project will deliver a programme of device replacement based on the “just in time” principle of replacement to ensure the Council maximises the useable life of its laptop estate. It will ensure that the devices used by members of staff are fit for purpose and can deliver the required level of service, and can support the latest operating systems and security software. <p>The absence of a replacement budget for replacement devices will result in devices that perform poorly and will not be able to accommodate the operating system and security software require to ensure the required level of performance. The inability to operate up to date security software poses a significant cyber security risk.</p> <p>Capital funding is required over a five year programme, with the majority of spend in 2021/22 and 2022/23.</p>
1.20	<p><u>Works to the Greenfield Valley Reservoirs</u></p> <p>The Reservoirs Act 1975 allocates responsibility for reservoir safety and maintenance to Flintshire County Council as ‘undertaker’ to the series reservoirs located within Greenfield Valley Park.</p> <p>In recent years the annual inspections have identified works required across all six of the reservoirs within the park. There is increased public safety risk from failure to manage impounding raised reservoirs of water. The condition of the reservoirs infrastructure is likely to deteriorate further and the associated costs to remedy increase.</p> <p>Unlike Flood Alleviation schemes, Welsh Government Flood Defence Grant in Aid (FDGiA) is not available to fund works on reservoirs as this is considered to be a duty on the Council as a statutory ‘undertaker’.</p> <p>No changes are proposed for 2021/22 to 2022/23.</p>
1.21	<p><u>Bridges in Wepre Park</u></p> <p>The three main bridges over Wepre Brook at Wepre Country Park are in a very poor condition. They were installed in the 1980’s when Wepre Country Park was created, and they have now exceeded their life expectancy. Despite regular maintenance, the bridges are now no longer economical to repair and are a safety risk.</p> <p>This funding will replace the two worst bridges as they exhibit significant structural problems. The timber supports of the bridges have deteriorated, making the bridges unstable. The Ranger Team have undertaken temporary repairs, however, a long-term sustainable solution is required to make these bridges safe. The third bridge is a different construction and</p>

	<p>the supports are in a satisfactory condition, however the wooden treads are of poor quality and need replacing. The Countryside staff will work with volunteers to install the new bridge tread boards.</p> <p>No changes are proposed for 2021/22</p>
1.22	<p><u>Cemetery Extensions</u></p> <p>A number of Council owned cemeteries will approach capacity in the next ten years. A programme of cemetery extensions is required to extend / create new cemeteries to ensure residents can be buried in their locality.</p> <p>Local Churchyard provision throughout the county is also extremely limited, again meaning that residents may not be able to be buried in their locality. Once the Churchyards reach their existing maximum capacity there will be an increased demand for burials within Flintshire Cemeteries impacting on remaining capacity levels.</p> <p>No changes are proposed for 2021/22.</p>
1.23	<p><u>Base Provision for Leisure and Libraries Estate</u></p> <p>An annual allocation to fund the most urgent property works required across the Leisure and Libraries estate. The Council recognises its landlord responsibilities, it has retained ownership of all buildings from which Aura, its strategic Leisure and Libraries partner, delivers its business plan and operates these facilities in accordance with the service contract.</p> <p>No changes are proposed for 2021/22 to 2023/24.</p>
1.24	<p><u>All Weather Pitches</u></p> <p>Replace the playing surface of all weather sport pitches which are in poor condition and have reached the end of their useful lives.</p> <p>A forward work plan has been put together of pitches the Council are responsible for maintaining, to ensure that their life cycle costs are captured and to put a replacement programme into place.</p> <p>The multi-use games area at Holywell Leisure Centre will require resurfacing in 2021/22. Pitches at Holywell High School and Deeside Leisure Centre will require resurfacing in 2022/23 and 2023/24 respectively, based on the outcome of condition surveys that will be completed.</p>
1.25	<p><u>Public Space CCTV Upgrades</u></p> <p>The upgrade of the public space CCTV cameras and associated control equipment has come through necessity, due to its age and a strong desire to reduce the increasing annual operational costs. Most of the existing analogue cameras have been declared obsolete “end of life”, meaning they are no longer supported by manufacturer(s) which makes it increasingly difficult to carry out repairs as faults arise. The provision of a</p>

	<p>public space CCTV scheme forms part of the Councils commitment to the Community Safety Partnership initiative.</p> <p>This project will provide the opportunity to upgrade the existing CCTV cameras to state of the art and “future proofed” technologies.</p> <p>Investment in the upgrade of an outdated CCTV system, the infrastructure and camera stock will reduce annual operational costs through projected savings on annual transmission costs and maintenance charges.</p>
1.26	<p><u>Funding ‘Headroom’</u></p> <p>‘Headroom’ has been built in to the Capital Programme to enable the programme to be more flexible so that funding can be allocated to small schemes as they present in year either as a result of opportunities or unforeseen circumstances (£0.350m per annum). An example would be the need to complete further highways works as a result of an exceptionally severe winter over and above any planned works funded from the annual allocation.</p> <p>No changes are proposed for 2021/22 to 2023/24.</p>
1.27	<p>Investment Section of the Capital Programme 2021/22 – 2023/24</p> <p>Table 4 below shows the proposed schemes for the period 2021/22 - 2023/24 for the Investment section of the Capital Programme. Details are provided in paragraphs 1.28 to 1.35.</p> <p><u>Table 4</u></p>

PROPOSED INVESTMENT SCHEMES 2021/22 - 2023/24

	2021/22 £m	2022/23 £m	2023/24 £m	Total £m
Investment Section				
<u>Previously Approved</u>				
Castell Alun High School - Hope	0.207	0.000	0.000	0.207
Marleyfield Residential Home - Buckley	0.656	0.000	0.000	0.656
Historic Building Conservation	0.050	0.050	0.000	0.100
Foster carers home adaptations	0.060	0.060	0.000	0.120
Joint Archive Facility, FCC and DCC	0.245	1.419	1.364	3.028
	1.218	1.529	1.364	4.111
<u>New Schemes for Approval</u>				
Theatr Clwyd Redevelopment	0.100	0.000	0.000	0.100
Improvements to Standard Yard Waste Transfer Station	0.700	0.000	0.000	0.700
Greenfield Waste Management Infrastructure	0.450	0.000	0.000	0.450
	1.250	0.000	0.000	1.250
Total Investment Section	2.468	1.529	1.364	5.361

1.28

Castell Alun High School - Hope

This scheme brings the school building up to current standards providing facilities that are fit for purpose and suitable for delivering the future curriculum. The school is being extended with the provision of a new three storey Art and Design Technology block and remodelled in other areas. This will remove the need for mobile classrooms currently on site which are nearing the end of their economic working life (and will need replacing at significant cost), help increase capacity to meet current and future demand and create specialist teaching accommodation.

The Council have entered into a contract for the construction phase of the capital improvement project at the school. Cost certainty for the project has been achieved and full planning permission has been granted. Works started on the school site in October 2020.

There is a shortfall in funding of £0.600m to complete all required aspects of the scheme. To protect the integrity of the new build extension, and also deal with urgent infrastructure issues, the following elements have been removed from the project to bring it within the budget available:

- All Terrain Pitch works
- Existing toilet refurbishment
- Music Classroom Refurbishment

These items will remain as options in the contract, should additional funding become available during the contract period.

	<p>The costs and benefits of the scheme are:</p> <p>Direct Costs:</p> <ul style="list-style-type: none"> • Capital investment of £7.646m required with £4.807m core Council funding, £0.989m Section 106 developer contributions and £1.850m WG grant. <p>Direct Benefits:</p> <ul style="list-style-type: none"> • Addresses a sustained shortfall in the number of pupil places over a number of years. The school is the most oversubscribed secondary school in the County. • Enables the removal of mobile classrooms. The shortfall in pupil places is partly being met by the provision of mobile classrooms. • Addresses shortfalls in size, provision, location and standards of unsuitable specialist and general teaching accommodation, and address deficiencies identified by the school's suitability survey. • Modernisation of specialist provision to support a suitable school environment for national curriculum delivery. <p>Indirect Benefits:</p> <ul style="list-style-type: none"> • Reduction in backlog maintenance costs. • Reduction in fixed costs associated with buildings and mobile classrooms and leadership focuses investment on learners. • Address non-compliance issues with the Equalities Act.
1.29	<p><u>Extension to Residential Care Home, Marleyfield – Buckley</u></p> <p>Following a comprehensive review of the residential care market in Flintshire, the Council approved a capital scheme to extend Marleyfield House in Buckley by an additional 32 beds to bring total provision up to 64 beds. The new facility is being developed through the joint Integrated Care Fund (ICF) budget arrangement with Betsi Cadwaladr University Health Board (BCUHB) to provide additional services, beds and multidisciplinary support in a community setting. This provides permanent residential beds, as well as beds which prevent hospital admissions, expedites hospital discharges and allows appropriate assessment to reduce care packages to support people in the long term.</p> <p>The Council is working with WG as the scheme is partly funded by ICF grant, which has gained formal approval. Along with the ICF grant, the Council has been granted additional funding for the scheme from the Innovation Housing Programme (IHP).</p> <p>The Council entered into a contract in March 2020. Following a period of preparation work on site, works commenced in April 2020. The construction has been delivered at pace and there have been no delays as a result of the pandemic. The construction work is on schedule for completion in May 2021, with a view to welcoming residents in June 2021.</p> <p>The costs and benefits of the scheme are:</p> <p>Direct Costs:</p>

	<ul style="list-style-type: none"> • Capital investment of £8.62m required with £2.382m core Council funding, and the remainder funded by WG grant. • There is a revenue pressure being developed associated with this project which will result in the year the facility becomes operational, currently estimated at £0.529m per year. This pressure would have occurred in any case as demand grows and residential beds from the private sector would need to be funded. <p>Direct Benefits:</p> <ul style="list-style-type: none"> • Additional provision of residential care beds and through release of beds in other locations across Flintshire currently using step-up/step-down beds. • Additional provision of short term beds in a community setting to allow for more appropriate assessment of need for individual and as a viable alternative to a hospital admission/delayed discharge. • Purpose built accommodation and bespoke service provision to maximise independence and support reablement. <p>Indirect Benefits:</p> <ul style="list-style-type: none"> • Integrated provision of multi-professional support needed to reduce organisational boundaries and improve outcomes for individuals. • Discharge to Assess ethos/environment to support improved longer term planning within an enabling environment. • Free up bed space within independent sector care homes, where existing fragilities and lack of capacity are a significant factor and ongoing risk. • At a population level, the equivalent number of beds are available within the care sector to promote choice when long term care is the most appropriate option. • Reduction in risks associated with long term hospital stay. • Potential avoidance of people entering into long term care where this may be unnecessary.
1.30	<p><u>Historic Building Conservation</u></p> <p>This allocation grants funding to the owners of historical buildings on a match funding basis to preserve buildings in need of capital works across the County for future generations.</p> <p>Direct Cost:</p> <ul style="list-style-type: none"> • £0.050m per annum is utilised from the Council's capital programme budget. <p>Direct Benefits:</p> <ul style="list-style-type: none"> • Encourages listed building owners to seek advice and guidance in relation to the repair of their listed buildings. • Provides a simple incentive for the owners to seek advice on the right process for repair as well as providing the means to prompt them to invest in essential repairs to their buildings, hence improving and enhancing the long term conservation status of the buildings. • Supports the policy intentions within the Local Built Heritage Strategy and allow the team to work more on a proactive basis, rather than, as is more the case at present, a reactive service.

	<ul style="list-style-type: none"> • Potential to attract funding from other sources (e.g. Cadw) which would further enhance the remit of the service and the ability to reach as many listed buildings as possible that are in need of repair. It would also facilitate the opportunity to carry out repairs at an earlier stage, which may be less of an impact on the original fabric of the listed building, thereby reducing scope for more complex and costly repairs if left to a later stage of deterioration. • Provides the opportunity for the service to step in in exceptional circumstances to secure the structure of a building to prevent imminent damage or collapse, and place a charge on the building that is recoverable on resale. • There has been no funding available in the Built Conservation Budget for 10 years or more, and the number of listed buildings at risk on the Council's register is as high as ever. The funding will help reduce the number of buildings on the risk register. <p>Indirect Benefits:</p> <ul style="list-style-type: none"> • Lessens the need to take negative enforcement action where unauthorised works are found, or neglect of a building has taken place. This allows a more proactive dialogue to take place between the Council and owners. • Reduction in officer time spent on enforcement matters relating to historic buildings. <p>No changes are proposed for 2021/22 to 2022/23.</p>
1.31	<p><u>Adaptations to Foster Carers' Homes</u></p> <p>This will enable foster carers to carry out adaptations or improvements to their homes to provide a suitable environment to support a child. This will help the increase placements across the County and reduce the annual burden on the Out of County revenue budget.</p> <p>Payments made to foster carers will subject to 'clawback' should they cease being a foster carer within a set period of time.</p> <p>Direct Costs:</p> <ul style="list-style-type: none"> • £0.060m per annum is utilised from the Council's capital programme budget. Capital funding will be used for individual projects costing over £0.020m. Funding for projects below £0.020m will be sought from other funding streams including the Integrated Care Fund (ICF), and other grant opportunities. Funding for projects under £0.020m would be the responsibility of Social Services. • No direct revenue or human resource implications for the approved revenue budget/workforce structures or roles for this service for the current financial year. Any grant applied for will have its own business case considering the individual circumstance and context and may have an impact on future revenue budgets. <p>Direct Benefits:</p> <ul style="list-style-type: none"> • Increase the range and choice of available placements for children who require a home outside of their birth family, locally.

	<ul style="list-style-type: none"> • Enable skilled and able foster carers to extend the number of places they are able to offer, or to maintain existing placements as circumstances or needs change. • Seek best value for money from the range of placements available by using them in the most efficient and effective way. • Any placements made are first and foremost in the best interests of the children. • Secure stability or permanence for a children. <p>Indirect Benefits:</p> <ul style="list-style-type: none"> • Enables the Council to seek better value for money in comparison to alternative Out of County or high cost placement options. • Offers the Councils more cost effective options for placements for children in its care as well as having a robust and transparent process for doing so. <p>No changes are proposed for 2021/22 to 2022/23.</p>
1.32	<p><u>Joint Archive Facility, Flintshire and Denbighshire Councils</u></p> <p>This scheme recognises and responds to the need and demand of the two Councils' archive services. Both services occupy old buildings, unfit for purpose. They lack suitable public spaces and appropriate storage, are too full to accept new collections and are listed buildings lacking scope for adaptation, requiring expensive maintenance. The proposal is to construct a new building adjacent to Theatr Clwyd, Mold, to house both the physical archives and the new service operations.</p> <p>Due to the COVID-19 pandemic, the application submission date for Round 1 has been pushed back from November 2020 to February 2021. Feedback on whether the submission has been successful or not, will not be until June 2021. If successful, below are indicative key milestones for the project:</p> <ul style="list-style-type: none"> • July 2021 to December 2022 – Development Phase of project. • January 2023 – Application submission date for Round 2. • March 2023 – Round 2 sign off by National Lottery Heritage Fund. • April 2023 to January 2025 – Delivery Phase of Construction Project. • January 2025 – New building to be opened. <p>Direct Costs:</p> <ul style="list-style-type: none"> • Estimated cost of delivering this project is £16.651m, with £11.588m from the National Lottery Heritage Fund (NLHF) (70%), £3.028m from Flintshire County Council (18%) and £2.035m from Denbighshire County Council (12%). • It has been assumed that borrowing will be required to fund this project. The estimated revenue costs associated with borrowing £3.028m over 50 years (@ 3.5%) totals £8.327m. In year 1 revenue debt costs are estimated to be £0.142m, rising to £0.200m in year 50, with an average of £0.167m over 50 years. <p>Direct Benefits:</p> <ul style="list-style-type: none"> • Sustainable and improved archive service for Denbighshire and Flintshire via the creation of a single shared service.

	<ul style="list-style-type: none"> • The construction of a new purpose built Passivhaus building adjacent to Theatr Clwyd, Mold, to house both the physical archives and the new service operations. Provide a sustainable archive repository for the region for the foreseeable future from the perspective of storage space and building maintenance and management. • An associated 3-year activity plan which will deliver a revolutionary and radical archive offer to the public. • The overall revenue impact is an estimated saving of £11,647 per annum once the new building is open (2025/26) with a potential further revenue saving once the joint service is running. <p>Indirect Benefits:</p> <ul style="list-style-type: none"> • Share knowledge and skills between the workforce of both Councils • Sphere of health, education and wellbeing (connectivity, involvement, identity) can be achieved. • The transferrable skills of our volunteers will develop will contribute to increasing their employability. • Deliver the long-term development of a resilient, relevant service: inspiring communities in North East Wales and enacting the Wellbeing of Future Generations Act; securing historic collections, diversifying audiences, volunteers and depositors. • Cost avoidance of £10,000 per annum additional revenue storage costs, and in excess of £0.718m to address the need for environmental management equipment, compliant storage areas and upgrading public facilities and access.
1.33	<p><u>Theatr Clwyd Redevelopment</u></p> <p>The Theatr Clwyd building is nearing the end of its life and needs updating to ensure it is safe for public and employment use. The scope of the project has been reduced in line with agreed key business plan objectives, with estimated construction costs of £33m excluding fees and contingencies.</p> <p>In September 2020, the Council received confirmation of award of funding for the project of £3m. This funding will support the completion of the design phase of the scheme in readiness for the project to reach 'shovel ready' status. With award of this funding, the Council are required to make a contribution towards the costs of £0.100m. The Council are awaiting final confirmation from WG in relation to the total grant funding to be awarded for the scheme for the construction work, with discussions remaining positive.</p> <p>Following the completion of the design development stage and clarity on funding, all partners will need to make a decision on next steps. There may be a need to consider low and sustainable levels of long term borrowing to ensure the scheme is delivered, but options will need to be outlined for revenue when WG confirm their level of support.</p> <p>The planned construction start date for the project is April 2022.</p>

Current financial commitments from Council will be carried forward. Should the project not go ahead then the Council's share of the design development costs cannot be capitalised and would be a charge to the Council's revenue account.

Direct Costs:

- Capital investment of £33m+ required with funding commitments shared between the Council, Arts Council of Wales and WG as detailed above.

Direct Benefits:

- Development to improve and increase the biggest and a highly regarded Welsh theatre.
- A better facility for Flintshire communities, a base for increased community engagement, and multi-use spaces to be used for community needs.
- Improved facilities to increase secondary revenue generation restaurant, bars, event spaces, etc.
- Reduced revenue and capital maintenance costs.

Indirect Benefits:

- A base for young people to gather, learn and develop (currently 30,000 young people per year engaged with).
- Specific spaces for Health and Wellbeing user groups.
- More facilities for work placed training in building (woodwork, carpentry) and other transferable theatre making crafts as well as hospitality, marketing, IT, arts management.
- Increase local footfall and marketing of Flintshire across the UK (In 2016 over 200,000 people visited work at Theatr Clwyd and another 220,000 people saw a Theatr Clwyd production elsewhere in the UK).
- Improvement of working conditions for employees and protection, and growth, of work for local people (In 2016 nearly 200 local people were directly employed by TC, not including impact of trade with other local suppliers).
- Development of economic contribution (currently 46% of Theatr Clwyd's audiences visit Flintshire from elsewhere in the UK).

The Council will retain ownership of the theatre and is responsible for all of its infrastructure, external envelope and grounds. These assets are specialised and expensive to replace, which is one of the reasons why such major investment is required. However, on the lead up to the major refurbishment scheme and post refurbishment, there will be a need to fund landlord retained service and equipment proportionally, and in line with agreed responsibilities that may be set out in any future management agreement. This is no different than those that exist for the libraries and leisure centres.

1.34

Improvements to Standard Yard Waste Transfer Station

	<p>Infrastructure improvements, renewal and upgrade of large plant, equipment and welfare facilities at Standard Yard Waste Transfer Station (WTS) in Buckley to accommodate growth in recycling rates and an increase in resilience and processing capacity for future waste streams.</p> <p>Approval for capital funding of £1.230m was given in the 2020/21 – 2022/23 Capital Programme, however, this was subject to receipt of WG 'Invest to Save' funding which is, unfortunately, no longer available due to COVID-19.</p> <p>Given that replacing Standard is a critical element of the Streetscene Service, it was necessary for the service to submit a bid for a second element of funding of £0.700m.</p> <p>The total cost of the scheme is estimated to be £3.2m. The remaining funds are being applied for from WG grants.</p> <p>Direct Benefits:</p> <ul style="list-style-type: none"> • Proposals are part of the Council's Plan under the theme 'Green Council' for sustainable development and environmental management, which has a sub-priority of affordable and sustainable collection and treatment services for recyclable, compostable and residual waste. The scheme will increase the rates and quality of recyclable and compostable waste whilst reducing residual waste. • The proposed improvements would ensure that the site, plant and equipment are more efficient and cost effective to operate, and it would enable the service to increase its resilience and capacity for processing more recyclable materials on site, which in turn would ensure that the recovery and rates of recyclable, re-usable and compostable waste are maximised, and reduce landfilled waste. • Renewal and upgrade of plant and equipment to increase productivity and reduce downtime. • Improved welfare facilities for operatives – increased job satisfaction, value of employees, which contributes to their well-being. • Separate access for hauliers from the processing operations, to reduce downtime when haulage companies collect baled materials and increase productivity for processing operators. • Reduced revenue costs for repairs and maintenance at Standard Yard WTS, increased capacity and resilience resulting in increased productivity and reduced downtime plus increased rates and quality of recyclable and compostable waste whilst reducing residual waste, thereby reducing costs. • It is proposed that an Educational Visitor Centre would be incorporated into the design of the new site, which would enable schools and other groups to conduct educational visits to the site to learn about recycling and waste management.
1.35	<p><u>Greenfield Waste Management Infrastructure</u></p> <p>The site requires modifications and improved safety works to the entrance, a new weighbridge and welfare facilities. The service will also be re-housing and refurbishing the balers from Standard Yard WTS, to provide service resilience.</p>

	<p>Direct Costs:</p> <ul style="list-style-type: none"> • Capital investment of £0.450m in 2021/22. <p>Direct Benefits:</p> <ul style="list-style-type: none"> • Improved welfare facilities arrangements for staff – The existing arrangements have been condemned and are un-usable. Improved welfare facilities for the workforce on site, would lead to increased job satisfaction, reduced sickness absence levels and staff retentions. • Replacement weighbridge and software system – The existing system is unreliable and creates increased workloads for staff, and income levels from third parties are at risk. • Improvements to the current exit from the Household Recycling Centre (HRC) site – To provide separation from large waste vehicles accessing the site. This will improve the safety for both the HRC users and staff entering the new facility. <p>The expected spend period for the work is July to September 2021.</p>
1.36	<p>Summary (Generally funded) Capital Programme 2021/22 – 2023/24</p> <p>Table 5 below summarises the generally funded Capital Programme and available funding.</p> <p><u>Table 5</u></p>

SUMMARY (GENERALLY FUNDED) CAPITAL PROGRAMME 2021/22 - 2023/24

	2021/22	2022/23	2023/24	Total
	£m	£m	£m	£m
Statutory / Regulatory Section	2.500	2.450	2.450	7.400
Retained Assets Section	3.909	3.942	3.428	11.279
Investment Section	2.468	1.529	1.364	5.361
Total (All Sections)	8.877	7.921	7.242	24.040
Estimated available general funding ¹	6.565	6.565	6.565	19.695
Total	6.565	6.565	6.565	19.695
Surplus / (Shortfall) - no borrowing	(2.312)	(1.356)	(0.677)	(4.345)
Schemes requiring funding by borrowing:				
Joint Archive Facility, FCC and DCC	0.245	1.419	1.364	3.028
Total	0.245	1.419	1.364	3.028
Surplus / (Shortfall) - with borrowing	(2.067)	0.063	0.687	(1.317)

¹ As per 20/21 Final Settlement

1.37

Table 5 shows that after prudential borrowing is considered there is an overall shortfall in projected funding of £1.317m over the 3 year period, with an estimated shortfall of £2.067m in 2021/22.

The Council has developed a prudent policy of allocating its own capital receipts to fund capital projects only when receipts are actually received rather than when it is anticipated the receipt will be received, and this position continues to be the case.

In recent years, much of the Council's programme has been funded from capital receipts. However, the Council's ability to generate significant capital receipts is getting harder and is almost exhausted. Although the Council will, wherever possible, seek to identify assets for sale (as appropriate) to fund the Capital Programme.

The current projection for capital receipts is expected to cover the shortfall of the three year programme. There is risk relating to these due to their size and complexity. The timing of these receipts are also subject to market forces outside of the Council's control. In line with current policy no allowance can be made for these receipts in funding the deficit above.

Options to fund the shortfall include a combination of future capital receipts, alternative grants, and scheme phasing as the expenditure profile of large complex projects such as those included in the investment section of the programme could change. Every effort will be made to ensure that other sources of funding are utilised to fund the programme.

Ultimately should other sources of funding not materialise the Council will need to use prudential borrowing to finance the shortfall. This could be short term during 2021/22 as there is a potential surplus in 2022/23 of £0.063m and 2023/24 of £0.687m, or, if necessary, long term to fund the overall shortfall.

1.38

Specific Grants and Borrowing

21st Century Schools Band B

WG has approved the Council's in principle submission for 21st Century Schools Band B. The programme is to be funded from specific grant from WG at an agreed intervention rate, with the Council's contribution to be funded by prudential borrowing. The WG intervention rate for funding the 21st Century Band B programme has increased from 50% to 65% for schools, 75% for Pupil Referral Units (PRUs) and 81% for Mutual Investment Models (MIM).

At this present time, the current revised financial forecast for the Band B programme is projecting a total cost of £103m against the approved funding envelope from WG of £85m. Initial discussions have taken place with WG and the national picture is that other Councils are in the same position. WG's position is that they cannot commit to individual requests for funding currently, but wish to remain flexible with Councils as they work through their programmes.

Each of the projects is subject to individual approval to ensure that each meets the Council's continuing priorities and is affordable in the context of the Council's MTFs.

During 2018/19 and 2019/20 Cabinet approved three 21st Century Band B schemes for inclusion within the Capital Programme, those being at Connah's Quay High School, Queensferry CP/Plas Derwen PRU, and Ysgol Croes Atti, Shotton.

In recent months the Council have been reviewing the next batch of individual projects and/or area reviews for inclusion in the Band B tranche of funding. These include Ysgol Croes Atti, Flint, Saltney / Broughton Area and Mynydd Isa Area (MIM project).

Council have approved consultation to take place in these areas, however this has been delayed due to the COVID-19 pandemic.

The respective estimated costs of these schemes are outlined in the table below:

Band B	Total Cost	WG funded	Council funded
	£m	£m	£m

Connah's Quay HS	4.300	2.795	1.505
Queensferry CP / Plas Derwen PRU	8.000	5.700	2.300
Ysgol Croes Atti, Shotton	0.750	0.488	0.262
Ysgol Croes Atti, Flint	5.5	3.575	1.925
Saltney / Broughton Area	25	16.250	8.750
Mynydd Isa Area*	2.462	1.503	0.959
Total	46.012	30.311	15.701

* ICT & Fixtures, Fittings & Equipment funded through traditional capital.

WG have confirmed that proposed 3-16 campus project at Mynydd Isa is a national Pathfinder project. This provides the benefit of a WG funded technical team to support Officers with Flintshire through the MIM process. Councils who have nominated MIM within their strategic programme projects have recently signed the Strategic Partnering Agreements. The WEPco (Welsh Education Partnership Company), which is the vehicle being used by WG to deliver MIM projects will be available to LA's and FEI's on the 1st October 2020.

MIM enables WG to deliver infrastructure projects beyond that set by present UK Government borrowing limits. If WG do not use MIM, £500 million pounds of investment in the education estate will not be available to Councils within Wales and this would have implications on the Council's proposed programme locally.

A private sector contractor is appointed via a new WG framework and the contractor finances, constructs and provides a 25 year life-cycled building product. Responsibility for funding and constructing the building, and then repairing and maintaining the building for 25 years once built, remains with the contractor. This results in buildings funded by MIM being maintained at a consistently high level for 25 years.

The Council pays an annual charge which is funded from revenue, similar to a rental payment, called the 'service payment'. Through this programme Councils will receive intervention rate funding at 81% from WG for a period of 25 years, thereafter the building is handed over to the Council. The funding from WG will be received in the form of a specific grant.

The capital works in MIM are managed and funded by the contractor so the Council won't borrow to fund the capital works and the associated risks are transferred to the contractor. Revenue payments will not start until the facilities have been built and become available for use, and will be paid for via a monthly revenue charge over a period of 25-years (the Service Payment).

The required accounting is that the asset remains on the LA balance sheet matched with the total liability to pay the unitary charge over 25 years. Revenue pressures relating to this scheme will need to be considered at the time of approval.

The Connah's Quay High School scheme has been completed. Queensferry CP/Plas Derwen PRU will commence in November 2020, with an anticipated completion date in 2022/23. Croes Atti, Shotton will commence in 2020/21 and is anticipated to be completed in 2021/22.

The benefits and costs of the school improvement programme scheme are:

Direct Benefits:

- Enabling 65%-81% external investment in schools.
- Continuing to raise educational standards.
- Reduction in backlog maintenance costs.
- Reduction in fixed costs associated with buildings and leadership focuses investment on learners.
- Reduction in split site arrangements in provision of PRU to improve efficiency, and reduce risk by increasing options to improve pupil outcomes.
- For Ysgol Croes Atti, Flint, Flintshire's first new build Welsh Medium primary school and is strategically linked to the Council's Welsh Education Strategic Plan (WESP).
- For Ysgol Croes Atti, Shotton, this supports the Council's WESP and enables continued support and potential growth for Welsh Medium provision.

Direct Costs:

- Part of bigger development programme in Band B, £85.4m.
- Estimated revenue borrowing costs associated (interest and minimum revenue provision) with each scheme are as follows:

Band B	Year 1	Year 50	Average over 50 years
	£m	£m	£m
Connah's Quay HS	0.063	0.092	0.075
Queensferry CP / Plas Derwen PRU	0.096	0.141	0.115
Ysgol Croes Atti, Shotton	0.011	0.016	0.013
Ysgol Croes Atti, Flint	0.093	0.130	0.109
Saltney / Broughton Area	0.423	0.592	0.494
Mynydd Isa Area	0.046	0.065	0.054
Total	0.732	1.036	0.860

Indirect Benefits:

- Improving learner outcomes by ensuring that school buildings are effective in creating the conditions for learners to succeed.
- Alignment with the Council's School Modernisation Strategy to ensure schools are fit for purpose.
- A more secure school estate.
- A school estate with reduced vandalism.
- Upgrading ICT provision and enabling new methods of curriculum delivery.

	<ul style="list-style-type: none"> • Provision of appropriate capacity of school network.
1.39	<p>Mockingbird Family Model</p> <p>The aim of the project is to transform the Fostering Service to meet the placement needs of looked after children and avoid the escalating costs of external care provision.</p> <p>The Mockingbird Family Model (MFM) replicates an extended family and groups foster carers of 6-10 fostering households supported by a central foster carer (Hub Home Carer).</p> <p>The number of looked after children has been increasing year on year with greater demand for suitable placements for our children and young people. Overall demand is not being met from in-house provision and reliance is being placed on the use of independent fostering agencies and residential placements which are costly.</p> <p>Children and young people who are provided consistent and stable placements have better outcomes than those who move from placement to placement. Each change of placement, often further away from a child's home, brings a greater sense of detachment and loss and it is common for children's emotional investment in subsequent placements to reduce, perpetuating the cycle of placement breakdown and disconnection. The MFM creates an 'extended family' around our children and young people, promoting their sense of belonging.</p> <p>A detailed business plan has been submitted to WG for an 'Innovate to Save' interest free loan. The intention is to set up the new service gradually over 3 years funded from the interest free loan totalling £1.150m. The loan will be repaid from savings made in years 4 to 7 which are estimated to be £0.530 per annum, which after repaying the loan will be reduced to £0.243m. The project costs are revenue costs, and therefore ordinarily cannot be funded by loans or borrowing. The Welsh Government's 'Innovate to Save' programme requires the revenue costs to be treated as capital, and the only way to achieve this is to gain a Capitalisation Direction from WG Ministers as each year of the project passes. An indication will be given by WG officials if the Capitalisation Direction will be granted when the business plan is approved.</p>
1.40	<p>Details of schemes specifically funded by specific grant and borrowing is shown in Table 6 below:</p> <p><u>Table 6</u></p>

SPECIFICALLY FUNDED SCHEMES 2021/22 - 2023/24				
	2021/22	2022/23	2023/24	Total
	£m	£m	£m	£m
Specifically Funded Schemes				
21st Century Schools - Band B	3.525	6.489	24.975	34.989
Mockingbird Family Model	0.304	0.384	0.000	0.688
Total Schemes	3.829	6.873	24.975	35.677
Funding				
Specific Capital Grants	2.163	4.219	16.234	22.616
Unsupported (Prudential) Borrowing	1.362	2.271	8.741	12.374
Innovate to Save Loan	0.304	0.384	0.000	0.688
Total Schemes	3.829	6.873	24.975	35.677
1.41	At the time of setting the budget the details of many capital grants have not been released by WG and so are not included in Table 6 above. As details become available they will be reported to Members via the quarterly 2021/22 Capital Programme monitoring reports.			
1.42	All of the schemes proposed for inclusion within the Capital Programme invest in assets and / or reconfigure models of service provision. They are pivotal to support the delivery of the Council's strategic priorities outlined in portfolio business plans and the Council Plan.			
1.43	<p>Summary Total Council Fund Capital Programme 2021/22 - 2023/24</p> <p>Table 7 summarises the total proposals for the 2021/22 - 2023/24 Capital Programme.</p> <p><u>Table 7</u></p>			

SUMMARY CAPITAL PROGRAMME 2021/22 - 2023/24				
	2021/22	2022/23	2023/24	Total
	£m	£m	£m	£m
Expenditure				
Statutory / Regulatory Section	2.500	2.450	2.450	7.400
Retained Assets Section	3.909	3.942	3.428	11.279
Investment Section	2.468	1.529	1.364	5.361
Specific Section	3.829	6.873	24.975	35.677
Total Programme (All Sections)	12.706	14.794	32.217	59.717
Funding				
General Funding ¹	6.565	6.565	6.565	19.695
Grant Funding	2.163	4.219	16.234	22.616
Unsupported (Prudential) Borrowing	1.607	3.690	10.105	15.402
Innovate to Save Loan	0.304	0.384	0.000	0.688
Total Projected Funding	10.639	14.857	32.904	58.400
Surplus / (Shortfall)	(2.067)	0.063	0.687	(1.317)
1 As per 20/21 Provisional Settlement				
Potential future schemes				
1.44	All capital schemes need to be considered in the context of the position of the Council's MTFs. All schemes which require prudential borrowing to fund them add revenue pressures in the form of interest charges and charges to the Minimum Revenue Provision (MRP).			
1.45	<p>21st Century Schools Band B</p> <p>Paragraph 1.38 includes details of projects from the overall submission to WG for 21st Century Schools Band B.</p> <p>The 21st Century Schools Band B programme is due to end by 2024/25. As each of the remaining schemes is proposed for approval, a decision will need to be made taking into account its affordability in the context of the position on the MTFs. The Flintshire element of the remaining 21st Century Schools Band B programme will need to be funded from prudential borrowing.</p> <p>It is a complex investment programme over a long period of time and will always require a degree of flexibility around the size of projects, funding and time scales.</p> <p>High level work is to begin on a potential Band C programme, which could start post 2025.</p>			
1.46	Growth Deal			

	<p>Cabinet adopted the <i>Growth Vision for the Economy of North Wales</i> in September 2016. The vision set out a collective and strategic ambition for North Wales for infrastructure development, skills and employment, and business growth. The cabinets of the five partner councils in the region similarly adopted the strategy at that time.</p> <p>Cabinet was then advised in a further report in February 2017 that North Wales had been formally invited to open negotiations for a Growth Deal with both the UK and Welsh Governments: - for additional resources and powers to pursue the priorities set out in the <i>Growth Vision</i>. A number of City Deals and regional Growth Deals have been adopted across the UK.</p> <p>In June 2018 Cabinet and Council adopted a Governance Agreement for the planning and development phase of a Growth Deal. The Governance Agreement empowers and regulates the regional partnership between the six local authorities, the two universities, the two further education colleges and the North Wales Mersey Dee Business Council. The partnership operates through a joint committee called the North Wales Economic Ambition Board. All partners have similarly adopted the Governance Agreement.</p> <p>Heads of Terms are being finalised with Governments and it is anticipated that capital allocations will be drawn down in the final quarter of the 2020/21 financial year. A <i>Proposition Document</i>, which sets out the priority programmes of activity for the region and for which national funding is being sought through the Growth Deal, and has been approved by the North Wales Economic Ambition Board. The Growth Deal will fund selected programmes and projects from within the <i>Proposition Document</i>; ones that meet shared governmental objectives for economic growth. The document constitutes the regional bid which will lead to a deal.</p> <p>Some capital borrowing costs will be incurred by the partnership for advance capital access to ‘front-load’ investment for priority projects, noting that the Government grant is paid over to the partnership on an annualised bases over fifteen years. The detail of the Growth Deal is being finalised and the partnership aim to keep capital borrowing costs to the lowest possible level. Final cost estimates, and how they are to be shared, will be reported when available.</p>
1.47	<p>Croes Atti, Flint Residential Care Home Review / Expansion</p> <p>The care sector in Flintshire is working within an increasingly challenging environment as a result of a range of factors, including the complexity of need, an ageing population, rising costs, increasing expectations and regulation and difficulties with recruitment and retention of high quality staff. As a result of these pressures there is limited resilience and Flintshire is particularly challenged with only a small number of independent providers who are part of a reducing and fragile market. As a Council we are taking a positive approach to rebalancing the care home provision, taking a lead as a local authority to develop care homes that value older people and provide good quality support that would place the Council in a good position for the future.</p>

	<p>Croes Atti is a single storey 31 bed care home purpose built for older people, which was refurbished in 2005. The 31 bedrooms are small and less than 12 square metres which makes it increasing difficult to support people with complex physical care needs and there are only 3 bedrooms with an en-suite facility. The living and day time spaces are well used and whilst we have a number of assisted bathing / shower rooms they are not all DDA compliant. The existing accommodation does not meet new RISCA regulations in relation to bedrooms and living space and any capital investing into refurbishment or new build must take into account of the new regulatory requirements. The care home is popular locally, is always at capacity and often with a waiting list for support. The home is regulated by the Care Inspectorate Wales (CIW) and achieves good inspection reports. A feasibility report in relation to options for increasing capacity at Croes Atti to 55 beds has been undertaken, the options for a refurbishment and new build on the current site are also being considered.</p>
1.48	<p>Llys Gwenffrwd, Holywell Care Home Review</p> <p>Llys Gwenffrwd is a 31 bed three storey care home built in the 1970s which was refurbished in early 2000. There are challenges associated with the current building as it is built on a sloping site, as a result there are a number of levels requiring the need for ramps to access many areas both inside and outside. It includes the provision of a single undersized lift to reach the three stories which does not meet DDA requirements and there are a number of living and day spaces which are some distance from the bedroom areas. Outside space is difficult to access because of the site levels and parking can be difficult. The Holywell locality has the fewest number of care home placements available and would benefit from a new build facility on a different more accessible site which requires further consideration.</p>
1.49	<p>Children's in-house Residential Care Home</p> <p>Work is underway to develop the business case for an in house Residential Care Home for Children. The facility will provide short term assessment and support to children and young people with a view to supporting them to return to their family/carers where appropriate. The provision would form part of our strategy to reduce reliance on Residential care. Options are being considered to support the procurement of an appropriate building which include seeking capital funding from WG, leasing a property from a Registered Social Landlord or make a direct purchase using our capital. A bid for funding has been submitted to WG, which the Council is awaiting feedback on.</p>
1.50	<p>Additional Learning Needs Reform</p> <p>In previous Cabinet reports, the need for specialist Autism and Moderate Learning Difficulties facilities had been highlight as short/medium term ambition. In reviewing the impact of Additional Learning Needs (ALN) transformation, extending existing ALN provision would also be a requirement along with consideration for a Secondary Phase Behaviour, Emotional & Social Difficulties (BESD) Resourced Unit, the County only has primary provision currently. A technical feasibility study would be recommended to explore the most efficient building solutions. As an option</p>

	<p>to a Council funded solution, it would be prudent to consider whether ALN transformation could be included as a project (or series of projects) in the next phase of the WG 21st Century schools (Band C) investment programme, given that the current intervention rate in this programme for ALN provision is 75% WG funded, with the Councils contribution being 25%.</p>
1.51	<p>Penyffordd CP School</p> <p>The Education & Youth Portfolio are monitoring and reviewing pupil numbers at Penyffordd CP School. Should pupil numbers and local need continue to rise based on the current trend, an extension would be required to the school in future years and a business case would be submitted for two storey extension at the appropriate time. There are Section 106 contributions due for Penyffordd to the value of £0.300m, should the full housing development/s be undertaken, and this would offset some of the Council's costs.</p>
1.52	<p>County Hall Campus</p> <p>The redevelopment of the County Hall campus site needs to be progressed through the formulation of a comprehensive and visionary masterplan which addresses the future needs to the Council and other public sector partners; linking this with an integrated approach around the Courts and theatre, together with a wider site development. This work has started with the demolition of phase 3 and 4 of County Hall which is due for completion in November 2020. The site has huge potential being framed within a mature semi-rural landscape; work on a comprehensive plan will need to commence in 2021/22.</p>
1.53	<p>Review of Industrial Estates</p> <p>The Council's industrial estates are widely dispersed throughout the County and provide much needed commercial accommodation to many local businesses, preventing them from leaving the County and maintaining local sources of employment. They also bring into the Council significant revenue through rental income but are of an age where they are now likely to require investment. This creates an opportunity to review the mix, size and type of our units and consider the potential of our portfolio. Work will therefore be undertaken to review our estates, on a site by site basis, to formulate a detailed strategy which considers each site's viability, whether to invest or dispose or seek an alternative use.</p>
1.54	<p>Highways Asset Management Plan</p> <p>The core Capital Programme includes £0.600m per annum for the HAMP. In 2020/21, as in previous years, this has been supplemented by additional WG grant. It has been estimated that the investment required to maintain current network performance is £2.7m per annum, an increase of £2.1m per annum. The Council are awaiting an announcement from WG on the level of funding from the Public Highways Refurbishment Grant for the 2021/22 financial year.</p>
1.55	<p>Digital Strategy</p>

	<p>A planned programme of projects required to increase the number and range of services available digitally are under consideration. The projects have an impact across a range of services, rather than in a single specific service e.g. web payment portal that will be used for all payments to the council. These will be used to enhance the ability of customers to interact with the Council on line.</p> <p>The capital costs of purchasing new software will be calculated on a project by project basis at the time each project is ready to proceed in order to accurately capture not only the technical requirements for the software but also the costs prevailing at the time.</p> <p>The range of cross cutting projects under consideration include:</p> <ul style="list-style-type: none"> • Software that can automate answering simple telephone calls or email enquiries (so called "chat bots"). • A generic web booking system to allow customers to make appointments for services on line. • Integration of webchat and email into the Customer Relationship Manager application. • A generic facility for customers to upload and store commonly needed documents e.g. proof of entitlement to benefits. • Software to link information held in separate databases so that we can update them all at once in a single contact with the customer.
1.56	<p>Deeside Leisure Centre</p> <p>Deeside Leisure Centre (DLC) is 45 years old and is reaching the end of its economic useful life. It is the largest sports facility in the County at 15,000m2 and is of strategic importance regionally and locally in terms of sports participation and health and wellbeing. It is an ageing building occupying too large a footprint with inefficient energy systems. The building is not sustainable beyond the medium term.</p> <p>DLC is currently acting as a temporary field hospital, in response to the COVID-19 pandemic. Once the emergency situation is over, it will be returned to full use. The Council is approaching WG for financial support to reinstate the facilities at DLC.</p> <p>In the medium term, the Council and its strategic partner Aura are looking at undertaking a feasibility study and business case of options for the Leisure Centre going forward, and will review the impact this may have on the Capital Programme and any future potential revenue savings</p>
1.57	<p>Homelessness – Young Persons Hub</p> <p>Responding to the needs of young people and particularly those who may be at a risk of homelessness is a key focus for the Council. Consideration needs to be given to not only accommodation needs but also support to assist young people with the key life skills needed to live independently and reduce risks of homelessness. When looking at best practice in this area of work, there are a number of examples of positive practice which seek to not only provide accommodation, but also co-ordinate support and service delivery.</p>

	<p>Over the next 12 months the Housing & Prevention Service is to consider opportunities for the development of a Young Persons Hub which will seek to provide a number of units of self-contained accommodation with support onsite. This could potentially extend to provision of housing and homelessness advice and support and offered local facilities for co-location of services within a “housing hub”. A feasibility study will be considered to inform this approach which may provide office and community space to ensure a joined up approach within a multi-disciplinary team model.</p> <p>Subject to the outcome of feasibility works, capital funding may be required to deliver on this agenda. External funding streams will also be considered in order to maximise opportunities to develop the Young Persons Hub.</p>
1.58	<p>Homelessness – Emergency Bed Provision</p> <p>In late 2019, the Council undertook work to develop an Emergency Bed provision for people who are homeless and may otherwise face the prospect of sleeping rough. Significant works were completed within the Glanrafon Resource Centre in Queensferry to transform the building into a Night Shelter offering up to 12 Emergency Beds. The Council, as the owner of the building, completed refurbishment works and then partnered with The Wallich, to deliver the support required to safely operate the Night Shelter.</p> <p>Following the COVID-19 pandemic, further guidance has been issued by WG regarding the future direction of homelessness service. In the guidance there is a particular focus on “night shelters” and “bed spaces” with a clear steer on moving away from shared housing models with communal spaces and offering self-contained accommodation for people experiencing homelessness.</p> <p>The Glanrafon Night Shelter was always a medium term solution for rough sleeping in Flintshire with other approaches to be developed in future years with a commitment to develop more support to prevent rough sleeping and ensuring a self-contained accommodation offer. Funding has been secured through WG (Phase 2 Homelessness Funding) which will assist with the immediate pressures on our homeless cohort, but additional capacity and revised models of emergency accommodation will need to be explored and may require capital funding in future years.</p>

2.00	RESOURCE IMPLICATIONS
2.01	Financial consequences for capital resources are as set out within the report.
2.02	As previously stated there are revenue consequences of borrowing in interest costs and revenue provision for debt repayment which will bear on the MTFS as new pressures.

Assuming the shortfall is as estimated (£1.317m), and that the asset life of schemes is 50 years the pressures on the revenue budget are shown in the table below. The pressures for previously approved school building works and Joint Archive Facility have been built into the current MTFs. Pressures for the shortfall in Council Funding and new school schemes will be built into future MTFs calculations as necessary.

	Pressure in Year 1	Pressure in Year 50	Average Annual Pressure
	£m	£m	£m
Shortfall in Council Funding (£1.317m)	0.064	0.089	0.074
Joint Archive Facility	0.142	0.200	0.167
Connah's Quay HS	0.063	0.092	0.075
Queensferry CP / Plas Derwen	0.096	0.141	0.115
Ysgol Croes Atti, Shotton	0.011	0.016	0.013
Ysgol Croes Atti, Flint	0.093	0.130	0.109
Saltney / Broughton Area	0.423	0.592	0.494
Mynydd Isa Area	0.046	0.065	0.054
Total	0.938	1.325	1.101

The table does not include the Mockingbird Family Model as the loan will be repaid from revenue savings generated as a result.

3.00 CONSULTATIONS REQUIRED / CARRIED OUT

3.01 The proposed Capital Programme was reviewed by Corporate Resources Overview and Scrutiny Committee for comment at its meeting on 12th November 2020, with their comments being fed back to Cabinet at its meeting on 17th November 2020.

4.00 RISK MANAGEMENT

4.01 Any decisions made which involve the Council's assets and its Capital Programme often have very large and long term financial implications. As it seeks approval for its Capital Programme, the Council is required to produce indicators assessing the affordability, prudence and sustainability of the capital plans. These are called the Prudential Indicators and are included in the Capital Strategy report also included on this agenda.

5.00	APPENDICES
5.01	None.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Business Case forms completed by Portfolios.

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Chris Taylor, Principal Accountant Telephone: 01352 703309 E-mail: christopher.taylor@flintshire.gov.uk</p>

8.00	GLOSSARY OF TERMS
8.01	<p>Asset Management Plan - A plan maintained by an authority of the condition and suitability of its assets, updated regularly and utilised to assess future capital needs</p> <p>Capital Expenditure - Expenditure on the acquisition of Non-current Assets or expenditure that extends the life or value of an existing asset</p> <p>Capital Programme - The Council's financial plan covering capital schemes and expenditure proposals for the current year and a number of future years. It also includes estimates of the capital resources available to finance the programme</p> <p>Capital Receipt - Receipts (in excess of £10,000) from the disposal of an asset</p> <p>Capital Scheme - An individual capital project which is monitored and managed in isolation. The aggregate of all schemes comprises the Capital Programme</p> <p>Capital Strategy - A corporate document providing clear strategic guidance about an authority's objectives, priorities and spending plans, demonstrating the link to key corporate and service objectives. May be combined with the Asset Management Plan (AMP) to form a single document</p> <p>Council Fund - The fund to which all the Council's revenue and capital expenditure is charged</p> <p>Disposal - The decommissioning or transfer of an asset to another party</p> <p>Non-current Asset - A resource controlled (but not necessarily owned) by the Council, from which economic benefits or service potential are expected to flow to the Council for more than 12 months.</p>

Prudential Code - The Code of Practice drawn up by the Chartered Institute of Public Finance and Accountancy (CIPFA) to underpin the requirements of the Local Government Act 2003 in respect of an authority's duty to determine the affordability, prudence and sustainability of its capital investment needs

Prudential Indicators - Required by the **Prudential Code**, these take the form of limits, estimates or actual figures used to support the local decision making process for capital investment

Unsupported Prudential Borrowing - Borrowing administered under the **Prudential Code**, whereby authorities can set their own policies on acceptable levels and types of borrowing. The Prudential Framework allows authorities to take out loans in response to overall cash flow forecasts and other factors provided they can show that the borrowing is to meet planned capital expenditure in the current year or the next three years.

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 9



COUNTY COUNCIL

Date of Meeting	Tuesday 8 th December 2020
Report Subject	Revised Political Balance
Report Author	Chief Officer (Governance)

EXECUTIVE SUMMARY

The Council is required under the Political Balance Rules contained in the Local Government and Housing Act 1989 and the Local Government (Committees and Political Groups) Regulations 1990 (as amended) to review the Council's political balance calculations when it becomes necessary. On this occasion, it is because the three remaining members of the Flintshire Independent Group have now joined the Independent Alliance group. There is one non-aligned member of the Council.

The Council's political groups and the number of Members on each is as follows:

Labour	34
Independent Alliance	16
Conservative	6
Liberal Democrats	6
New Independents	4
Independents	3
Non-aligned member	1

RECOMMENDATIONS

1	That seats on committees be allocated in accordance with political balance as shown in appendix A.
2	That any changes to nominees for committee places be notified to the Head of Democratic Services as soon as possible.

REPORT DETAILS

1.00	EXPLAINING THE POLITICAL BALANCE
1.01	<p>The Council is required, as soon as practicable, after a change in the composition of political groups to recalculate political balance in accordance with the Local Government and Housing Act 1989 and the Local Government (Committees and Political Groups) Regulations 1990. As a political group – the Flintshire Independents- ceased to be on 15th October, with its three members joining the Independent Alliance , it is necessary to review the political balance calculation.</p>
1.02	<p>The basis of the statutory requirement is that Committee seats should be allocated to political groups (so far as is practicable) in the same proportion as those groups have to the total membership of the County Council.</p> <p>The allocation of seats on Committees to the political groups must recognise that:-</p> <ul style="list-style-type: none"> (i) There must be no Committees whereby only one group has all the seats; (ii) Where there is a majority group it is entitled to a majority upon every Committee. (This does not apply where the largest group does not have an overall majority); (iii) The total number of seats allocated to each political group should be (in so far as is practicable) in the same proportion as those groups' strengths upon the full Council; (iv) Each Committee should (so far as is practicable) have the same proportional division between political groups as is represented upon the full Council. <p>Thus if a group holds 25% of the total number of Councillors it should have:</p> <ul style="list-style-type: none"> 1) 25% of the overall number of seats on the Council; and 2) 25% seats on each Committee. <p>These rules are applied in hierarchical order so it is more important to allocate the correct number of seats overall than it is to allocate the correct number of seats on a particular committee.</p> <p>NB: Under the legislation these rules do not apply to either the Cabinet or the Standards Committee.</p> <ul style="list-style-type: none"> v) Where a or some councillors are not in a political group, then the Council must ensure that a proportion of seats are allocated to that or those councillors.
1.03	<p>The political balance calculation is attached as Appendix A. This is one possible lawful allocation of seats and other possible lawful allocations may exist.</p>
1.04	<p>At the Annual Meeting on 9th September, Council determined which political groups would nominate Overview and Scrutiny Committee chairs for the municipal year. For the avoidance of doubt, a review of the allocation of such chairs would only be reviewed if a group were to be</p>

	given seats on the Cabinet (where it did not have any before). A review is not triggered by a change in size of political groups nor by the formation of a new political group.
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2.00	RESOURCE IMPLICATIONS
2.01	None as a result of this report.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	Group leaders were consulted on the political balance calculation by email.

4.00	RISK MANAGEMENT
4.01	Not applicable.

5.00	APPENDICES
5.01	Political Balance calculation November 2020.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>Email from the Independent Alliance group leader, Cllr Peers to the Chief Officer (Governance) and Head of Democratic Services dated 16th October 2020.</p> <p>Contact Officer: Robert Robins, Head of Democratic Services Telephone: 01352 702320 E-mail: Robert.robins@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	None.

Mae'r dudalen hon yn wag yn bwrpasol

October 2020 recalculation

TABLE 1

	Labour			Independent Alliance			Conservatives			Liberal Democrats			New Independents			Independents			Non-aligned			Total Councill	Cross check
No. of councillors	34			16			6			6			4			3			1			70	
% of councillors	48.57%			22.86%			8.57%			8.57%			5.71%			4.29%			1.43%			Total	
Notional entitlement	57.31			26.97			10.11			10.11			6.74			5.06			1.69			Seats	118.00
Allocation of seats	57			27			10			10			7			5			2			118.00	
Community, Housing & Assets OSC	6	5.83	0.17	3	2.74	0.26	1	1.03	0.03	1	1.03	0.03	1	0.69	0.31	0	0.00	0.00	0	0.17	0.17	12	12.00
Corporate Resources OSC	6	5.83	0.17	2	2.74	-0.74	1	1.03	0.03	1	1.03	0.03	1	0.69	0.31	1	0.00	-1.00	0	0.17	0.17	12	12.00
Education, Youth & Culture OSC	6	5.83	0.17	3	2.74	0.26	1	1.03	0.03	1	1.03	0.03	1	0.69	0.31	0	0.00	0.00	0	0.17	0.17	12	12.00
Environment & Econo	6	5.83	0.17	3	2.74	0.26	1	1.03	0.03	1	1.03	0.03	1	0.69	0.31	0	0.00	0.00	0	0.17	0.17	12	12.00
Social & Healthcare OSC	6	5.83	0.17	3	2.74	0.26	1	1.03	0.03	1	1.03	0.03	0	0.69	-0.69	1	0.00	-1.00	0	0.17	0.17	12	12.00
Planning	8	8.26	-0.26	4	3.89	0.11	1	1.46	0.46	2	1.46	-0.54	1	0.97	0.03	0	0.04	0.04	1	0.24	-0.76	17	17.00
Licensing	6	5.83	0.17	3	2.74	0.26	1	1.03	0.03	1	1.03	0.03	0	0.69	-0.69	1	0.00	-1.00	0	0.17	0.17	12	12.00
Audit	3	3.40	-0.40	1	1.60	-0.60	1	0.60	-0.40	1	0.60	-0.40	1	0.40	0.60	0	0.00	0.00	0	0.10	0.10	7	7.00
Constitution and Democratic	7	7.77	-0.77	4	3.66	0.34	1	1.37	0.37	1	1.37	0.37	1	0.91	0.09	1	0.04	-0.96	1	0.23	-0.77	16	16.00
Pensions	2	2.43	-0.43	1	1.14	-0.14	1	0.43	-0.57	0	0.43	0.43	0	0.29	-0.29	1	0.00	-1.00	0	0.07	0.07	5	5.00
Joint Pensions	1	0.49	0.51	0	0.23	-0.23	0	0.09	0.09	0	0.09	0.09	0	0.06	-0.06	0	0.00	0.00	0	0.01	0.01	1	1.00
Total to Group	57	57.31		27	26.97		10	10.11		10	10.11		7	6.74		5	5.06		2	1.69		118	118
Grievance	5	6.31	-1.31	3	2.97	0.03	1	1.11	0.11	1	13.00	12.00	1	0.74	0.26	1	0.04	-0.96	1	0.19	-0.81	13	13.00
Grievance Appeals	5	6.31	-1.31	3	2.97	0.03	1	1.11	0.11	1	13.00	12.00	1	13.00	-12.00	1	1.00	0.00	1	13.00	12.00	13	13.00
Invest + Disc	5	6.31	-1.31	3	2.97	0.03	1	13.00	12.00	1	13.00	12.00	1	13.00	-12.00	1	13.00	12.00	1	13.00	12.00	13	13.00

If the allocations come to a total that is too high/low then the numbers along the bottom/on the right change colour

TABLE 2

	Labour			Independent Alliance			Conservatives			Liberal Democrats			New Independents			Independents		
Scrutiny chairs																		
Notional	2.91			1.37			0.51			0.51			0.34			0.09		
Actual	2			1			1			1			0			0		
	Round Down			Round Up														

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 10



COUNTY COUNCIL

Date of Meeting	Tuesday, 8 th December 2020
Report Subject	Audit Committee Annual Report
Report Author	Chief Officer (Governance)

EXECUTIVE SUMMARY

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

The Audit Committee's Annual Report for 2019/20 (Appendix A) provides the Council with the necessary information to meet this requirement.

RECOMMENDATIONS

1	Council is requested to consider and approve the Audit Committee' Annual Report for 2019/20.
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REPORT DETAILS

1.00	EXPLAINING THE INTERNAL AUDIT PROGRESS REPORT
1.01	<p>In accordance with CIPFA's best practice 'Audit Committees – a Practical Guidance for Local Authorities 2018', the Audit Committee has an important role within the Council's governance structure and in promoting the principles of good governance.</p> <p>An equally significant part of this role is for the Audit Committee to demonstrate its accountability. Accountability should be considered under three aspects:</p> <ol style="list-style-type: none">1) Supporting the Council's accountability to the public and stakeholders;2) Supporting accountability within the Council; and3) Holding the Audit Committee to account.
1.02	<p>The Audit Committee's Annual Report (Appendix A) is designed to provide assurance to the Council in holding the Committee to account. In particular:</p> <ol style="list-style-type: none">1) Supporting the Council's accountability to the public and stakeholders<ul style="list-style-type: none">– Each Audit Committee meeting is held in the public domain with all Committee papers available on the Council's website.2) Supporting accountability within the Council; and<ul style="list-style-type: none">– Through the review of those reports received by Audit Committee, the Committee holds to account those responsible for the implementation of recommendations and action plans. In addition to this, the Committee oversees the process for evaluating and improving governance, risk, financial management and control.3) Holding the Audit Committee to account<ul style="list-style-type: none">– The Committee has fulfilled its agreed Terms of Reference and adopted the recommended best practice;– Members of the Audit Committee have assessed their own development needs and taken the opportunity to attend briefing and training sessions;– The Committee has assessed its own effectiveness, developed an action plan and monitors progress; and– The Committee demonstrates they have a positive impact on the improvement of governance, risk, financial management and control within the Council.
1.03	<p>The annual report provides the Council with an overview of the:</p> <ul style="list-style-type: none">• Work undertaken by the Committee and its effectiveness against the main areas of the Committees' Terms of Reference;• Internal Audit opinion for 2019/20;

	<ul style="list-style-type: none"> • Committee membership and attendance; • Self-Assessment, Training and Development; and • Future Priorities.
1.04	The only aspect that the Committee has not completed during the financial year 2019/20 is the self-assessment of the Committee. This was going to be held in March however due to the Pandemic this never took place. This is to be arranged for quarter 4 of 2020/21.
1.05	The Audit Committee's Annual Report was presented and endorsed by the Audit Committee on 18 November 2020.

2.00	RESOURCE IMPLICATIONS
2.01	None from the report itself.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	The draft annual report for the Audit Committee has been shared with the Chief Executive, Chief Officer Governance, Democratic Services Manager, Chair of the Audit Committee and Vice-Chair of the Audit Committee and the Audit Committee on 18 November 2020.

4.00	RISK MANAGEMENT
4.01	Audit Committee is integral to promoting an effective risk management framework within the Council.

5.00	APPENDICES
5.01	Appendix A – Audit Committee Annual Report.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>None.</p> <p>Contact Officer: Lisa Brownbill, Internal Audit Manager Telephone: 01352 702231 E-mail: Lisa.brownbill@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
	<p>Corporate Governance: the system by which local authorities direct and control their functions and relate to their communities. It is founded on the basic principles of openness and inclusivity, integrity and accountability together with the overarching concept of leadership. It is an inter-related system that brings together the underlying set of legislative requirements, governance principles and management processes.</p> <p>Risk Management: the process of identifying risks, evaluating their potential consequences and managing them. The aim is to reduce the frequency of risk events occurring (wherever this is possible) and minimise the severity of their consequences if they occur. Threats are managed by a process of controlling, transferring or retaining the risk. Opportunities are managed by identifying strategies to maximise the opportunity or reward for the organisation.</p> <p>Internal Control: Appropriate procedures and processes are in place to mitigate any risk which may prevent the organisation from achieving its objectives and service delivery.</p> <p>Financial Management: the planning, organising, directing and control of the financial activities of the Council to ensure sufficient resources are available to delivery its intended outcomes.</p>

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Date	Approved By	Version
18/11/2020	Audit Committee	Draft
08/12/2020	Flintshire County Council (planned)	Final

1 Foreword by Councillor Chris Dolphin, Chair of the Audit Committee

I am pleased to present the Annual Report of the Audit Committee which outlines the Committees' work and activities for the year ending 31st March 2020.

The Audit Committee is a key part in the Council's governance framework to provide an independent oversight on the effectiveness of the Council's governance, risk, financial management, and internal control arrangements.

Throughout the year, the Committee has continued to receive valued professional reports, support and advice from Accountancy, Treasury Management, Risk Management, Corporate Business and Communications, Internal Audit and External Audit (Audit Wales). Additionally, we have invited Chief Officers and Service Managers to attend Audit Committee to respond to concerns raised by members or through various reports, such as those presented by Internal and External Audit.

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

I would like to thank members and officers who have supported the work of this Committee by presenting, discussing, challenging, and debating solutions to the governance, risk, financial, and control environment of the Council. The Committee has been well attended throughout the year and where apologies have been given a trained substitute member has attended on the members' behalf.

Finally, I would like to confirm that there are no areas of concern for the Committee to note or report back on which is reassuring for the Council.



Cllr Chris Dolphin
Chair of Audit Committee

2 Introduction

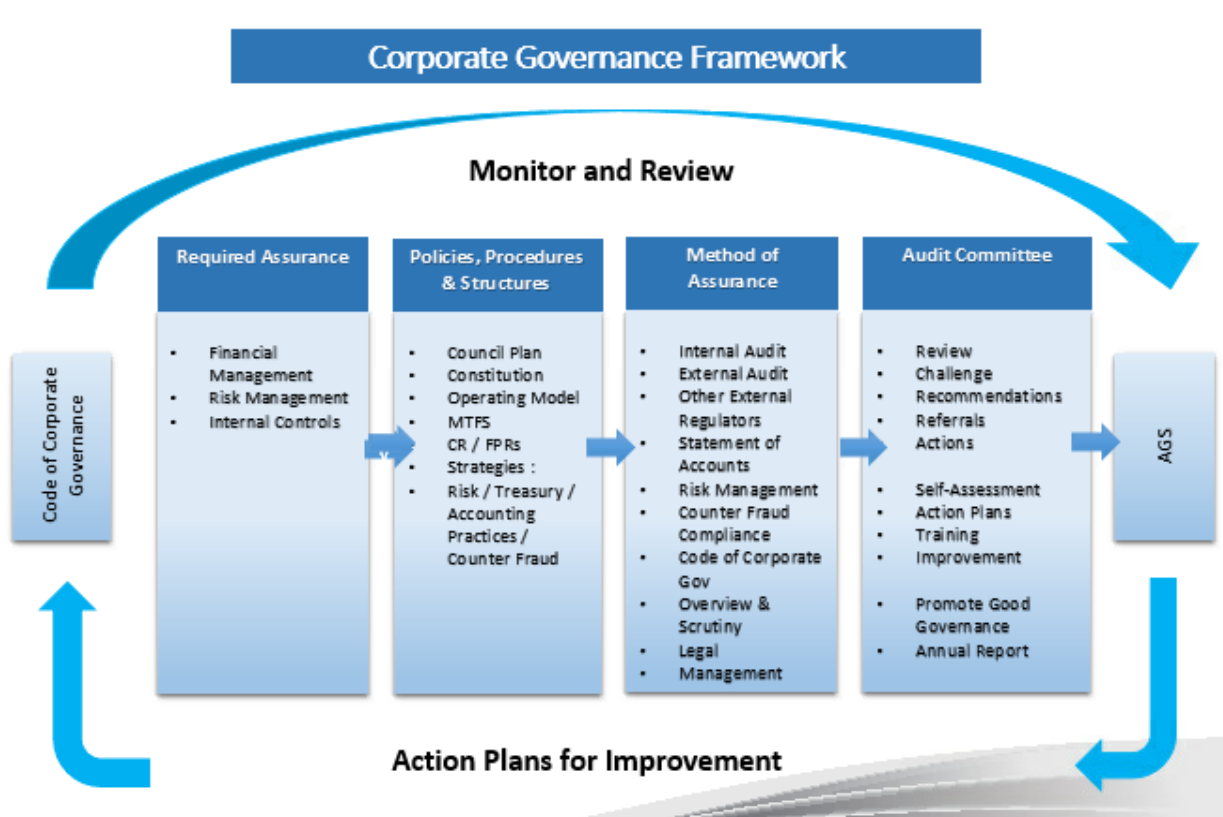
- 2.1 The Audit Committee is a key part in the Council's Governance Framework. It provides independent governance assurance over the adequacy of the Council's governance and risk management frameworks, the internal control environment, and the integrity of the financial reporting. By overseeing internal and external audit and other regulators, the Committee makes an important contribution by ensuring effective assurance arrangements are in place.
- 2.2 How the Audit Committee fulfils this role is detailed within the Committee Terms of Reference (December 2018). It states that the Audit Committee's role and functions will be to:
- A** Review the effectiveness of the Authority's systems of corporate governance, internal control and risk management, and to make reports and recommendations to the County Council on the adequacy and effectiveness of these arrangements.
 - B** Oversee the reporting of the statutory financial statements to ensure the balance, transparency and integrity of published financial information, as well as the review of the financial statements prepared by the authority and recommendation to County Council; and

Review and scrutinise the County Council's financial affairs, and to make reports and recommendations on them. The role of the Committee is to assure the budgetary control systems of the Council rather than the scrutiny of the use and value for money of expenditure which is the role of the respective Overview and Scrutiny Committees.
 - C** Monitor the performance and effectiveness of the internal and external audit functions within the wider regulatory context.
 - D** Report to the Council annually, summarising the Committee's activities and recommendations.
- 2.3 The full Terms of Reference for Audit Committee are detailed at Appendix A.
- 2.4 In supporting the Audit Committee deliver its terms of reference, there is a strong contribution from the independent member, the external advisors and regulators and the Internal Audit Team.

3 Work of the Audit Committee and its Effectiveness

- 3.1 The Committee has worked within its Terms of Reference, which includes the requirement to monitor and review governance, risk management, financial management and internal controls within the Council to ensure there is an appropriate and effective framework in place. This process is demonstrated in Graphic 1 below.
- 3.2 The Audit Committee provides the Council with an independent opinion of the effectiveness of the Governance arrangements within the Council including those of the internal and external audit function.

Graphic 1 – Corporate Governance Framework



- 3.3 As referred to at 2.2, the Audit Committee’s Terms of Reference is split into four main areas referenced A-D. Within tables 1-4 below the Audit Committee demonstrates how it has met and fulfilled its Terms of Reference by receiving, reviewing, challenging and approving the following reports.

Table 1 – Terms of Reference A

TOR A : To review the effectiveness of the Authority's systems of corporate governance, internal control and risk management		
Committee Date	Report Received	Committees Resolution
05/06/2019	Annual Governance Statement (AGS) 2018/19	That the Committee recommends to the Council the AGS 2018/19 to be attached to the Statement of Accounts.
05/06/2019	Internal Audit Annual Report	The report and Internal Audit Annual opinion be noted.
05/06/2019	Internal Audit Progress Report	Report be accepted.
10/07/2019	Risk Management Update	Assured risks are being managed throughout the year; and Mid-year report to be received on the entire Risk Management system.
11/09/2019	Internal Audit Progress Report	Report be accepted.
11/09/2019	Annual Review of Strategic Risks	The Audit Committee is assured by the Council's strategic approach to Risk Management; and That the Committee receives the revision of the Risk Management 2019/20 Strategy at the next meeting.
11/09/2019	Annual Improvement Report (AIR) of the Auditor General for Wales	Assured by the Auditor General for Wales Annual Improvement Report for 2018/19.
20/11/2019	Asset Disposal and Capital Receipts Generated 2018/19	Report be noted.
20/11/2019	Use of Consultants	Committee is assured that expenditure on consultants is being controlled and the Council is achieving value for money. Therefore the Committee no longer require an annual report.
20/11/2019	Risk Management Update	Status of informal overview of Strategic risks for 2019/20 priorities of the Council be noted; and That the committee to receive risk management framework and guidance at January audit committee be noted.
20/11/2019	Contract Management	The Internal Audit service monitor the delivery of portfolio action plans to improve contract management and undertaken a follow up during 2020/21.
20/11/2019	Internal Audit Progress Report	Report is noted; That future progress reports be condensed to include details of overdue actions on only high and medium priority actions and any areas where valid reasons had not been provided for actions older than six months and overdue; and The amber / red reports on Alltami Stores and Highway Cost recovery be referred to the Environment Overview and Scrutiny Committee.
20/01/2020	Code of Corporate Governance	Updated Code of Corporate Governance be endorsed as part of the Council's Constitution.
20/01/2020	Internal Audit Progress Report	The reported be accepted.
20/01/2020	Financial Procedural Regulations	The updated FPRs be endorsed and recommended for submission to Council.

Table 2 – Terms of Reference B

TOR B : To Oversee the reporting of the statutory financial statement's process and review and scrutinise the County Council's financial affairs		
Committee Date	Report Received	Committees Resolution
10/07/2019	Draft Statement of Accounts 2018/19	<ul style="list-style-type: none"> The Draft Statement of Accounts be noted; and Members note the ability to discuss any aspect of the Accounts with officers.
10/07/2019	Supplementary Financial Information to Draft Statement of Accounts 2018/19	Report is noted.
10/07/2019	Draft Clwyd Pension Fund Statement of Accounts 2018/19	Report is noted.
10/07/2019	Treasury Management Annual Report 2018/19	Draft Treasury Management report is noted with no matters to be drawn to the attention of Cabinet on 24 September 2019.
10/07/2019	Treasury Management Quarter 1 Update 2019/20	Report is noted.
11/09/2019	Statement of Accounts 2018/19, including WAO ISA presentation	<ul style="list-style-type: none"> Final version of the Statement of Accounts 2018/19 be recommended for approval by County Council; The WAO ISA presentation be noted; and The letter of representation be recommended for approval by County Council.
20/11/2019	School Reserves Balances Year End 31 March 2019	The School Reserve Balances as at 31/03/2019 be noted.
20/11/2019	Asset Disposal and Capital Receipts Generated 2018/19	Report is noted.
20/11/2019	Treasury Management Mid-Year Review and Quarter 2 Update 2019/20	The Draft Treasury Management Mid-Year Report 2019/20 be recommended to Cabinet on 17 December 2019.
20/11/2019	Use of Consultants	Committee is assured that expenditure on consultants is being controlled and the Council is achieving value for money. Therefore the Committee no longer require an annual report.
20/11/2019	Outcome of Estyn Report Inspection	The Committee receives and acknowledges the findings of the Estyn report on Education Services in Flintshire.
20/11/2019	Certification of Grants and Returns 2018/19	<p>The content of the Grant Claim Certification report 2018/19 be noted;</p> <p>That progress on actions arising from 2017/18 report be noted; and</p> <p>The changes made to the grant external audit process from 2019/20 be noted.</p>
29/01/2020	Treasury Management Strategy 2020/21 and Treasury Management Quarter 3 Update 2019/20	<ul style="list-style-type: none"> After reviewed the draft Treasury Management Strategy 2020/21 the Committee has noted specific issues to be reported to Cabinet on 18 February 2020; and The Treasury Management 2019/20 Quarterly update report be noted.
29/01/2020	Wales Audit Office (WAO) Annual Audit Letter 2018/19	The Wales Audit Officer Annual Audit Letter 2018/19 be noted.

Table 3 – Terms of Reference C

TOR C : To monitor the performance and effectiveness of the internal and external audit functions		
Committee Date	Report Received	Committees Resolution
05/06/2019	Internal Audit Annual Report	The report and Internal Audit Annual opinion be noted.
05/06/2019	Internal Audit Progress Report	The report be accepted.
05/06/2019	Internal Audit Charter	The updated Audit Charter be approved.
11/09/2019	Statement of Accounts 2018/19, including WAO ISA presentation	<ul style="list-style-type: none"> Final version of the Statement of Accounts 2018/19 be recommended for approval by County Council; and The WAO ISA presentation be noted.
11/09/2019	Annual Improvement Report (AIR) of the Auditor General for Wales	Assured by the Auditor General for Wales' Annual Improvement Report for 2018/19.
11/09/2019	Internal Audit Progress Report	Report is accepted
20/11/2019	Internal Audit Progress Report	<p>Report is noted;</p> <p>That future progress reports be condensed to include details of overdue actions on only high and medium priority actions and any areas where valid reasons had not been provided for actions older than six months and overdue; and</p> <p>The amber / red reports on Alltami Stores and Highway Cost recovery be referred to the Environment Overview and Scrutiny Committee.</p>
29/01/2020	Wales Audit Office (WAO) – Annual Audit Letter 2018/19	The Wales Audit Officer Annual Audit Letter 2018/19 be noted.
29/01/2020	Internal Audit Progress Report	The reported be accepted.

Table 4 – Terms of Reference D

TOR D :	To report to the Council annually, summarising the Committee's activities and Recommendations (<i>demonstrating the Committees' effectiveness</i>)	
Date of Committee	Report Received	Committees Resolution
Part D of the Terms of Reference was new to 2018/19.		
11/09/2019	Appointment of Lay Member of Audit Committee	The Audit Committee recommends to full Council that Allan Rainford be appointed to the Audit Committee until the end of December 2021.
11/09/2019	Audit Committee Annual Report	The Audit Committee endorses the Annual Report for 2018/19 prior to its submission to Council for approval on 22 October 2019.

- 3.4 Any actions raised by Audit Committee after reviewing and considering these reports are detailed at Appendix B.
- 3.5 The Committee's Forward Work programme for 2020/21 is detailed at Appendix C.

4 Internal Audit Opinion

- 4.1 The Internal Audit Service to Flintshire County Council is required to provide the Council (through the Audit Committee) with an opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. In giving that opinion it should be noted that assurance can never be absolute. The most that the Internal Audit Service can provide to the Council is a reasonable assurance that there are no major weaknesses in risk management, governance and control processes. The assurance opinion is based on the matters which were identified during the work of Internal Audit and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.
- 4.2 The Audit Committee has been given assurance that there has been no limitations made on the scope of Internal Audit coverage during the year.
- 4.3 Due to current pandemic and all committee meetings being cancelled the Internal Audit Manager presented the Annual Internal Audit Report for the year 2019/20 to Audit Committee in September 2020 which includes the following assurance opinion.

For the year ending 31 March 2020, based on the work we have undertaken, my opinion is that Flintshire County Council has an adequate and effective framework of governance, risk management and internal control.

- 4.4 One audit was given a 'Red / Limited' assurance level during the year (2018/19 two audits, 2017/18, three audits, 2016/17 four audits & 2015/16 six audits), where an urgent system revision was required. Whilst this audit indicated areas where controls needed to be improved, they are not significant in the context of the Authority's whole control environment.
- 4.5 Overall 55% of assurance opinions issued were either Green or Amber Green providing the Committee with assurance that in the main there are effective arrangements in place for governance, risk management, financial management and internal control.
- 4.6 In order for the Internal Audit team to be in position to undertake such work and deliver this audit opinion, it has an unfettered high profile role within the Council, and has developed and holds an excellent trusted working relationship with portfolios. The breadth of the work has grown in recent years seeing a significant increase in requests for advisory, consultancy and commissioned work.

5 Audit Committee Membership and Attendance

- 5.1 The Council has determined that the membership of its Audit Committee will consist of seven elected Members and two Independent Lay Members (as required by the Local Governance (Wales) Measure 2011). The Independent Lay Members are appointed for a period of four years and Council Members are reappointed annually. The first lay member was appointed in 2017 and the second in September 2019.
- 5.2 The Committee is serviced by Council Officers, principally the Chief Executive, the Chief Officer, Governance (Council's Monitoring Officer), the Corporate Finance Manager (Section 151 Officer) and the Internal Audit Manager. Representatives from Corporate Finance, Corporate Business and Communications, and Audit Wales also attend Audit Committee.
- 5.3 The Audit Committee met on five separate occasions during 2019/20 as the last meeting of the financial year was cancelled due to the emergency of the pandemic. For each meeting, the Committee were quorate and there were sufficient Elected Members to generate an informed discussion on the matters raised. The attendance by members demonstrates their continued commitment to the Audit Committee.

Table 5 – Audit Committee Meeting 2019/20

Present	05/06/19	10/07/19	11/09/19	20/11/19	29/01/20	25/03/20	Total Meetings Attended
Cllr C Dolphin (Chair)	Yes	Yes	Yes	Yes	Yes	Cancelled due to the Pandemic	5
S Ellis (Independent Member & Vice-Chair)	Yes	Yes	Yes	Yes	Yes		5
Cllr G Collett	Apology	Yes	Yes	Yes	Yes		4
Cllr A Dunbobbin	Yes	Yes	Apology	Apology	Yes		3
Cllr A Holgate	Apology	Apology	Yes	-	-		1
Cllr P Johnson	Yes	Yes	Yes	Yes	Yes		5
Cllr A Woolley	Yes	Yes	Yes	Yes	Yes		5
Cllr P Heesom	Yes	Yes	Yes	Yes	Apology		4
Cllr J Axworthy (new member from Nov 19)	-	-	-	Yes	Yes		2
A Rainford (New Independent Member from Nov 19)	-	-	-	Yes	Yes		2
Cllr C Carver (Substitute)	Yes	Yes	N/A	N/A	N/A		2
Cllr I Dunbar (Substitute)	N/A	N/A	Yes	N/A	N/A		1
Total for Committee	7	8	8	8	8		-
Other Members Present as Observers	5	0	5	2	1		
Attendance Ratio for 2019/20				97.5%			
Attendance Ratio for 2018/19				95.8%			
Attendance Ratio for 2017/18				87.5%			

- 5.4 All members of the Committee, including any substitutes have received the required Audit Committee training prior to attending their first Audit Committee meeting. All meetings were held in open sessions and papers are available on the Council's website. Officers from the Council's External Auditors, Audit Wales (AW) were present at each of the meetings.

6 Self-Assessment, Training & Development

Audit Committee Self-Assessment

- 6.1 In September 2018, the Audit Committee held a self-assessment workshop where the performance and effectiveness of the Committee was reviewed against the best practice set out by CIPFA. The workshop was interactive with a positive discussion taking place regarding the delivery of the Committee's core role and function. Following the self-assessment an action plan (Appendix D) was developed and will be used to monitor performance.
- 6.2 In October 2019, new to Wales, a Chair and Vice Chairs of Audit Committee Network was established and held in Llandrindod Wells. This was attended by the Vice Chair of the Audit Committee and the Internal Audit Manager. In November an update was provided to the Committee on the key aspects of the session. It was agreed that the self-assessment workshop for 2019/20 to be arranged for March would be based on the facilitation work shop held at the network event. Due to the Pandemic this Self-Assessment workshop has not taken place, therefore Appendix D shows the progress against the 2018/19 self-assessment workshop. A further Chair and Vice Chairs of Audit Committee Network will be held in November 2020.

Audit Committee Training and Development

- 6.3 During the year members of the Audit Committee attended and received a number of formal training courses and awareness sessions. Table 6 provides details of this.

Table 6 – Audit Committee Training & Development

Topic	Date	Type of Training	Coverage
Audit Committee Member Training	25/09/2019	Governance; Risk; Financial Control; Fraud Awareness; & External Audit	Training provided to a new substituting member of the Audit Committee.
Chair and Vice Chairs of Audit Committee's Network Seminar	10/10/2019	Overview to Audit Committees; Risk Management and Annual Governance Statement	Full day session covering: Governance and Assurances Risk Management Facilitation Workshop – The Influential Audit Committee.
Chair and Vice Chairs of Audit Committee's Network Seminar	20/11/2019	Governance; Risk Management and Annual Governance Statement	Presentation and explanation of the Chair and Vice Chairs of Audit Committee's Network Seminar attended (above)
Code of Corporate Governance	20/11/2019	Governance	Presentation and explanation of the Code of Corporate Governance and how this feeds into the Governance framework.
Treasury Management	29/01/2020	Financial	Half day external training session provided on the Council's approach to Treasury Management.
Annual Governance Statement	05/06/2020	Governance	Presentation and explanation of the Annual Governance Statement.
Statement of Accounts	05/06/2020	Accounts	Presentation and explanation of the Statement of Accounts.

7 Future Priorities

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

Audit Committee's Terms of Reference

Appendix A

7.00 Article 7 - Statement of Purpose:

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

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

7.01 Role:

The Audit Committee's role and functions will be to:

A. Review the effectiveness of the Authority's systems of corporate governance, internal control and risk management, and to make reports and recommendations to the County Council on the adequacy and effectiveness of these arrangements.

B. Oversee the reporting of the statutory financial statement's process to ensure the balance, transparency and integrity of published financial information, and to review the financial statements prepared by the authority and recommend them to County Council; and

Review and scrutinise the County Council's financial affairs, and to make reports and recommendations on them. The role of the Committee is to assure the budgetary control systems of the Council rather than the scrutiny of the use and value for money of expenditure which is the role of the respective Overview and Scrutiny Committees.

C. Monitor the performance and effectiveness of the internal and external audit functions within the wider regulatory context.

D. Report to the Council annually, summarising the Committee's activities and recommendations.

A. Corporate Governance, Risk Management and Internal Control

1. Evaluate whether Senior Accountable Officers and service teams are setting the appropriate "control culture" by communicating the importance of internal control and risk management.

2. Consider and assure the annual update of the Code of Corporate Governance against the 'Delivering Good Governance Framework (Wales)'.

3. Consider and assure the draft Annual Governance Statement and make appropriate recommendations/observations prior to its submission to the Council's Regulators.

4. Evaluate the overall effective development and operation of the internal control and risk management frameworks and consider whether actions raised by the internal and external auditors have been implemented by Senior Accountable Officers.
5. Review and assure the Risk Management Strategy through regular reports on risk management and business continuity plans, processes and outcomes.
6. Monitor progress in addressing risk related issues reported to the Committee.
7. Consider the Council's framework of assurance and ensure that it adequately addresses the risks and priorities of the Council.
8. Keep under review the Council's Anti-Fraud and Corruption Strategy, Fraud Response Plan and Whistleblowing Policy and the assessment of fraud risks and potential harm to the Council from Fraud and Corruption.
9. Consider the Council's arrangements to secure value for money and review assurances and assessment on the effectiveness of these arrangements.
10. Receive reports on all fraud identified and any other special investigations, and action taken.
11. Consider how Senior Accountable Officers are held to account for the security of computer systems and applications to protect against computer fraud or misuse.
12. Ensure the rigorous application of the agreed protocol for the reporting and decision making over business cases for collaborative projects, the management of the transition for approved collaborations, and the subsequent performance management arrangements for the new collaborative services.
13. Obtain regular updates from Senior Accountable Officers and legal advice regarding compliance matters, and be satisfied that all compliance matters have been considered in preparing the financial statements.
14. The Chair and Vice Chair of the Audit Committee together with the Chairs and Vice Chairs of the six Overview and Scrutiny Committees will attend the Chair and Vice Chair Liaison Group with the primary aim to reduce duplication of work, ensure there is a shared coverage of the Council's risk profile and escalate poor performance between respective Committees.

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

B. Financial:

Statutory Financial Statements

1. Receive the draft Annual Statement of Accounts, together with the underlying accounting policies for information. Consider and comment on the final

Statement of Accounts following the receipt of the proposed audit opinion from the Wales Audit Office prior to recommending their approval to the Council.

2. Understand the controls and processes implemented by Senior Accountable Officers to ensure the financial statements derive from the underlying financial systems, comply with relevant standards and requirements, and are subject to appropriate review.
3. Meet with management and external auditors to review the financial statements, the key accounting policies and judgements, significant accounting and reporting issues and their impact on financial reports, and the results of the audit.
4. Ensure that significant adjustments, unadjusted differences, disagreements with Senior Accountable Officers and critical accounting policies and practice are discussed with the external auditor.

Financial Affairs

5. Understand the internal control systems implemented by Senior Accountable Officers and service team for the approval of transactions and the recording and processing of financial data.
6. Gain an understanding of the current areas of greatest risk around financial controls and advise and assure on risk management.
7. Keep under review the Council's financial procedure rules, contract procedure rules and all other corporate directions concerning financial control.
8. Review and assure the Treasury Management Strategy and Policy, consider quarterly updates on Treasury Management, and make appropriate recommendations / observations to the Cabinet.

C. Internal and External Audit

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

Internal Audit

2. Promote the role of internal audit within the Council, as a key element of its control environment.
3. Review and approve the Internal Audit Charter, outlining the role, scope, independence, authority, responsibility and reporting of the department.
4. Keep under review the organisational structure and resource requirements of the Internal Audit Section and consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the Internal Audit Manager. To approve and periodically review safeguards to limit such impairments.

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5. Make appropriate enquiries of both Senior Accountable Officers and the Internal Audit Manager to determine if there are any inappropriate scope or resources limitations.
 6. Review, approve (but not direct) and monitor the delivery of the risk-based internal audit plan, the approach to using other sources of assurance, and any work required to place reliance upon those other sources. Ensure the plan considers changes arising from Government, Assembly or Council initiatives.
 7. Approve significant interim changes to the risk based Internal Audit Plan and resources requirements.
 8. Receive summaries of all internal audit reports issued, highlighting key actions with corporate control implications.
 9. Consider reports from the Internal Audit Manager on internal audit's performance during the year, including the performance of external providers of internal audit services. These will include:
 - Updates on the work of internal audit including key findings, issues of concern including monitoring the implementation of agreed actions contained within internal audit reports, receive report on actions not implemented within agreed timescales and seek explanations from officers where required.
 - Regular reports on the results of the Quality Assurance Improvement Programme (QAIP);
 - Reports on instances where the Internal Audit service does not conform to the Public Sector Internal Audit Standards (PSIAS) and Local Governance Advice Note (LGAN), considering whether the non-conformance is significant enough that it must be included in the AGS.
 10. Receive and consider the Internal Audit Manager's annual report:
 - The statement of the level of conformance with the PSIAS and LGAN and the results of the QAIP that support the statement – these will indicate the reliability of the conclusions of Internal Audit.
 - The opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control together with the summary of the work supporting the opinion – these will assist the Committee in reviewing the Annual Governance Statement (AGS).
 - Keep performance indicators under review and evaluate, on an annual basis, the performance and effectiveness of Internal Audit and its compliance with best practice.
 11. Consider summaries of specific internal audit reports as requested.
 12. Receive reports outlining the action taken where the Internal Audit Manager has concluded that Senior Accountable Officers and service teams have accepted a

level of risk that may be unacceptable to the Council or there are concerns about progress with the implementation of agreed actions.

13. Contribute to the Quality Assurance Improvement Programme (QAIP) and in particular, to the external quality assessment of Internal Audit that takes place at least once every five years.
14. Meet separately with the Internal Audit Manager to discuss any matters that the Committee or internal auditors believe should be discussed privately.
15. Should the need arise, arbitrate in the event of any failure to agree between a Senior Accountable Officers and Internal Audit.
16. Discuss with the external auditor the standard of work of internal audit.

External Audit and External Regulatory Bodies

External Audit

17. Support the independence of external audit through consideration of the external auditors' annual assessment of its independence.
18. Review the external auditors' proposed audit scope and approach for the current year in the light of the Authority's present circumstances and changes in regulatory and other requirements arising from Government, Assembly or Council initiatives.
19. Ensure that the annual audit is undertaken in compliance with statutory requirements.
20. Receive all audit reports, and the annual audit letter, issued by the external auditor, and ensure that all agreed recommendations are implemented.
21. Consider specific reports as agreed with the external auditor.
22. Discuss with the external auditor any audit problems encountered in the normal course of audit work, including any restriction on audit scope or access to information.
23. Meet separately with the external auditors to discuss any matters that the Committee or auditors believe should be discussed privately. Ensure the auditors have access to the chair of the Audit Committee when required.
24. Review, annually, the performance of external audit and co-ordinate any feedback requested from the Wales Audit Office.

External Regulation: Performance

25. External arrangements for regulation and assurance are provided by a number of statutorily appointed bodies such as the Wales Audit Office (WAO), Estyn and the Care Inspectorate Wales (CIW), plus a number of other external regulatory bodies. To examine how the organisation manages and spends

public money including achieving value in delivery. This work is co-ordinated by the Chief Executive's Business and Communications team and a shared protocol for these working arrangements is in place.

26. To gain assurance and confidence of the Council's response to the external regulatory findings, the Audit Committee will:
 - a) Receive periodic reports from external regulators which will include the Council's response to the reports and ensure that effective processes are in place for setting and monitoring against proportionate and effective action plans.
 - b) Receive an annual report collating external regulatory activity on improvement assessment work which is supplemented by local risk based audit work; and
 - c) Receive the Annual Improvement Report from the Auditor General.

D. Accountability Arrangements

1. Require the attendance at the Committee of any officer or member, or the submission of a report from any officer, to provide further explanation in connection with any of the above Terms of Reference.
2. Evaluate the Committee's own performance, both of individual members and collectively, on a regular basis.
3. The Committee must meet at least once a year and must also do so if the Council decides or if at least a third of the Committee's members require a meeting. Beyond those requirements, the Committee can meet whenever it likes.
4. The Audit Committee will keep the above Terms of Reference under annual review and propose any amendment to the County Council.
5. Report to full council and publish an annual report on the Committee's performance in relation to the terms of reference and the effectiveness of the Committee in meeting its purpose.

7.02 Composition

1. The Chair and Vice-Chair of the Audit Committee will be chosen by the Committee itself at its first meeting following each annual general meeting. The Chair and Vice Chair of the Audit Committee will be chosen from amongst the opposition group(s), non-aligned Councillors or lay member on the Council (that is to say from amongst the group(s) none of whose members are included in the Cabinet).
2. The County Council shall appoint two people who is neither a serving Councillor nor an officer of the County Council or any other Council to serve as a lay member of the Committee with full voting rights. The lay member's term of office shall be from the first County Council meeting following the annual general

meeting following the County Council elections until the first County Council meeting after the annual general meeting following the next County Council elections. No more than one member of the Committee shall be on the Council's Cabinet. The Council Leader cannot be a member of the Committee.

3. It is the express wish of the Council that there should be continuity of membership of the Audit Committee so as to build up a body of expertise and maintain a consistency of approach.
4. In recognising the express wish of the Council, but observing the requirements of the legislation for political balance, the Audit Committee will comprise seven Members with the seats allocated in accordance with the legislation to the appropriate political groups and two lay members. Any proposed substitution shall comply with Council Procedure Rule 22.4 and the proposed substitute shall have attended relevant training. Substitutes will only be permitted where the Audit Committee, at the commencement of its meeting, agrees that good reasons exist for substitution.
5. Members will receive induction training on appointment to the Committee. Ongoing training will be provided as necessary to meet the requirements of the Committee, based on the skills and experience of the members.
6. The business of the Committee shall be conducted apolitically.

Audit Committee Actions Raised – 2019/20

Appendix B

Tudalen 100

Item No.	Report	Action Required	Action Taken	Status
5th June 2019				
6	Annual Governance Statement 2018/19	Para 1.05 2018/19 not 2017/18 (to amend for FCC).	The Annual Governance Statement has been updated to reflect this change.	Closed
6	Annual Governance Statement 2018/19	People Strategy update to be scheduled for Corporate Resources Overview & Scrutiny Committee.	The People Strategy is included on the September Forward Work Plan for Corporate Resources Overview & Scrutiny Committee.	Closed
7	Internal Audit Annual Report	In response to Sally's question, to review the level of audit work in Social Services with the Chief Officer and provide a response to the Committee.	A review of the Audit Plan for Social Services has been performed considering: <ul style="list-style-type: none"> • Benchmarking of plans across North Wales; • Re review of risk assessment undertaken as part of the 19/20 planning process; and • Analysis of historical audit assurance opinions within Social services. The findings of this review were discussed with the Chief Executive and Chief Officer for Social Services on 7 th August. Audit Committee members were emailed the outcome of this review on the 8 th August.	Closed
7	Internal Audit Annual Report	To realign page numbers on index of final version.	Annual Report numbering has been aligned.	Closed
9	Internal Audit Progress Report	To consider follow-up to ensure the ethical behaviour of contractors. To take on board Sally's suggestion to focus on common areas of weakness and lessons learned.	Within standard service contracts, there is a set of clauses which would allow the Council to set off against any future sums due.	Closed
10th July 2019				
16	Draft Statement of	Note 28 (p.45 of accounts)	As the Council is already in talks with BCUHB, the	Closed

Tudalen 101

Item No.	Report	Action Required	Action Taken	Status
	Accounts 2018/19	To write to BCUHB to raise the Committee’s concerns about the amount owed to the Council.	<p>Chief Executive has requested the Chief Officer, Social Services, and the Revenues Manager to formally share the minuted concerns of the Audit Committee regarding the level of debt owed to the Council by BCUHB. In response to this:</p> <ul style="list-style-type: none"> • Chief Officer, Social Services has advised this will be raised in Flintshire’s Senior Leadership Meeting (quarterly), in the Regional Leadership Meeting (monthly) and in the East Area Strategic Transformation Group (quarterly). • The Corporate Finance Manager has also raised the issue at the North Wales Treasurers meeting a couple of weeks ago with the new Director of Finance, who has requested further details from all colleagues and committed to following up quickly. • The Revenues Manager will provide a comprehensive report showing the breakdown of all outstanding invoices, including the aged-debt analysis for this next meeting. 	
16	Draft Statement of Accounts 2018/19	To highlight with the Audit Committee / Overview & Scrutiny liaison group for the Social & Health Care OSC to monitor the concerns relating to the level of debt owed to the Council by BCUHB.	This has been included within the risks reviewed by the Chair and Vice Chair of the Audit Committee / Overview & Scrutiny Committees Liaison Group.	Closed
16	Draft Statement of Accounts 2018/19	To split the individual amounts owed to the Council by the NWP&CC and NW Fire Authority in the document.	Split out in final version of 2018/19 Statement of Accounts.	Closed
16	Draft Statement of Accounts 2018/19	For the 2019/20 accounts, to expand on footnotes for the three subsidiary companies to reflect high-level activities and risk summary for each.	Additional information has been included in 2019/20 Group Accounts.	Closed

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Item No.	Report	Action Required	Action Taken	Status
18	Draft Clwyd Pension Fund Accounts 2018/19	To include a summary of points raised by the Clwyd Pension Fund Committee on the draft accounts in future covering reports to the Audit Committee.	A summary of any issues raised by the Clwyd Pension Fund Committee will be included in future reports.	Closed
18	Draft Clwyd Pension Fund Accounts 2018/19	To circulate the agreed date for the Treasury Management training session.	The provisional Treasury Management training date of 11 th December 2019 has been shared with the Chair and Vice Chair of the Audit Committee.	Closed
18	Draft Clwyd Pension Fund Accounts 2018/19	To share the following points with the Clwyd Pension Fund Committee to satisfy itself with the explanations given: <ul style="list-style-type: none"> • Increase in oversight and governance expenses; • Fund manager diversification; • Monitoring of red risks in the AGS. 	This will be shared at the next Clwyd Pension Fund Committee.	Closed
19	Treasury Management Annual Report 2018/19 and 2019/20 Quarter 1 update	To include more detail on the borrowing strategy in the Treasury Management training session.	Further information on borrowing will be included in the training. This will include type and maturity of borrowing decisions, and relationship with Capital Finance Requirement and Minimum Revenue Provision.	Closed
20	Risk Management update	(b) That a mid-year report be received on the entire risk management system.	A report on the Council's Risk Management System has been included within the Forward Work Programme in September 2019.	Closed
20	Risk Management update	Capital borrowing limits for Council housing (ST155) - to share the outcome of the Welsh Government decision on the borrowing cap with the Committee.	It is confirmed that Welsh Government intend to lift the borrowing cap agreed as part of the original self-financing agreement introduced in April 2014. Work is currently underway, through legal colleagues, to terminate the Voluntary Agreement under which each authority exited the former Housing Revenue Account Subsidy scheme.	Closed
10th September 2019				
26	Internal Audit Progress Report	Alltami Stores Follow-Up to be raised at the next liaison group meeting for referral to the Environment	This will be raised at the next Liaison Group between the Chairs and Vice Chairs.	Closed

Item No.	Report	Action Required	Action Taken	Status	
		Overview & Scrutiny Committee.			
26	Internal Audit Progress Report	Review meeting with CE, LB and Chief Officer on outstanding actions for Alltami Stores follow-up.	A meeting was held on the 4 November between CE, LB and the Chief Officer for Streetscene & Transportation. Following the meeting the Chief Officer has provided a detailed update on the work to date within the service. This update is included within para 1.07 of the covering report for the Internal Audit Progress Report for November 2019 committee.	Closed	
26	Internal Audit Progress Report	Review meeting with CE, LB and Chief Officer on outstanding actions for Planning Enforcement. Update to be provided to the Committee, aiming for the November meeting.	A meeting was held on the 4 November between CE, LB and the Chief Officer for Planning, Environment & Economy. Following the meeting, the Chief Officer has provided a detailed update on the work to date within the service. This update is included within para 1.08 of the covering report for the Internal Audit Progress Report for November 2019 committee.	Closed	
29	Strategic Management Update	Risk	That the Committee receives a revised version of the Risk Management Strategy at the next meeting.	This will be provided to the January 2020 Audit Committee.	Closed
31	Audit Committee Annual Report		That the Committee endorses the annual report for 2018/19 prior to its submission to Council for approval on 22 October 2019.	The Annual Report for Audit Committee was presented to Council on the 22 October where the report was approved.	Closed
20th November 2019					
37	Minutes 11/09/19		To update the Committee on the current debt owed by the Local Health Board.	Accountancy have confirmed that the latest position of the Local Health Board's outstanding debt will be shared with members of the committee prior to the next meeting in January.	Closed
38	School Reserve Balances y/e 31/03/19		To circulate the revised Protocol for Schools in Financial Difficulty to the Audit Committee	The revised protocols for Schools In Financial Difficulty was emailed to all members of the	Closed

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Item No.	Report	Action Required	Action Taken	Status
			Committee on 21/11/19.	
38	School Reserve Balances y/e 31/03/19	To formally request that all schools put the revised Protocol for Schools in Financial Difficulty on their next agendas with governing bodies.	All schools were emailed on the 28/11/2019 requesting that the revised Protocol for Schools in Financial Difficulty is included on the agenda for their next Governing Body committee.	Closed
44	Contract Management	That a follow-up report be included in the 2020/21 Audit Plan to be brought back to the Committee as a formal report.	A follow up audit on Contract Management will be include within the 2020/21 Annual Plan and a report will be brought back to committee once completed.	Closed
46	Internal Audit Progress Report	That future progress reports be condensed to include details of overdue actions on only high and medium priority actions and any areas where valid reasons had not been provided for actions older than six months and overdue.	The report for January 2020 has been amended to reflect the changes discussed during the November meeting.	Closed
46	Internal Audit Progress Report	That the amber/red report on Alltami Stores and Highways Cost Recovery be referred to the Environment Overview & Scrutiny Committee.	This request has been referred to Democratic Services for inclusion within the Environment Overview & Scrutiny forward work programme. The Chief Officer for this service has also been updated regarding this request.	Closed
29th January 2020				
52	Treasury Management Strategy 2020/21	To report back to the Committee later in the year on actions to meet the new requirements on non-treasury investments and compliance with disclosures on skills, culture and climate change.	Discussions ongoing with Treasury Management Advisors. Update to be given later in this calendar year.	Closed
52	Treasury Management Strategy 2020/21	To circulate the Capital Strategy with prudential indicators.	Capital Strategy circulated on 05/02/2020.	Closed
52	Treasury Management Strategy 2020/21	To share a previous example where a council had undertaken short-term borrowing from Flintshire.	Oldham example circulated 10/03/2020.	Closed
55	Financial Procedure Rules	To strengthen wording in the first sentence of section	The wording has been revised and will be included	Closed

Item No.	Report	Action Required	Action Taken	Status
		4.3 which currently stated that the requirement for an Internal Audit function was 'implied' by the legislation.	in the report to Constitution Committee 05/03/2020.	
55	Financial Procedure Rules	To soften wording in section 4.1(e) on the admission of liability, incorporating that employees in this situation are encouraged to seek the necessary advice.	The wording has been revised and will be included in the report to Constitution Committee on 05/03/2020.	Closed
57	Action Tracking	To share the latest position on the Health Board's outstanding debt with the Committee.	Members were advised by email on the 07/02/2020 of the latest level of debt owed by the Local Health Board.	Closed

Audit Committee Forward Work Programme – 2020/21

Appendix C

Meeting Date	Agenda Item	Assurance Type	Int. / Ext. Assurance
09/09/2020	Statement of Accounts 2019/20	Accounts	Internal
	Internal Audit Annual Report 2019/20	Governance, Risk, Financial & Control	Internal
	Internal Audit Progress Report 2020/21	Governance, Risk, Financial & Control	Internal
	Audit Wales Annual Audit Plan (AW) 2020	External Audit	External
	Annual Report on External Inspections 2018	Corporate Governance	External
	Certification of Grants and Returns Report (AW)	Financial Management	External
	Quarterly Report on Pandemic Response	Corporate Governance	Internal
	Audit Committee Action Tracking	-	-
Forward Work Programme	-	-	
18/11/2020	School Reserves – Annual Report on School Balances	Financial Management	Internal
	Audit Committee Annual Report	Corporate Governance	Internal
	Asset Disposals and Capital Receipts	Financial Management	Internal
	Treasury Management 2020/21 – Mid Year Report	Financial Management	Internal
	Approach to AGS and Member Involvement	Corporate Governance	Internal
	Risk Management Update – Mid Year Report	Financial Management	Internal
	Report on Pandemic Response	Corporate Governance	Internal
	Internal Audit Progress Report 2020/21	Governance, Risk, Financial & Control	Internal
	Audit Committee Action Tracking	-	-
	Forward Work Programme	-	-
Private Meeting	-	Internal & External	
27/01/2021	Annual Improvement Report (AW) (2019/20)	Corporate Governance	External
	Treasury Management 2020/21 Q3 Update and 2021/22 Strategy	Financial Management	Internal
	Code of Corporate Governance	Corporate Governance	Internal

Tudalen 106

Meeting Date	Agenda Item	Assurance Type	Int. / Ext. Assurance
	Annual Audit Letter	Accounts	External
	Financial Procedural Rule (FPRs)	Financial Management	Internal
	Report on Pandemic Response	Report on Pandemic Response	Internal
	Internal Audit Charter	Governance, Risk, Financial & Control	Internal
	Internal Audit Progress Report 2020/21	Governance, Risk, Financial & Control	Internal
	Audit Committee Action Tracking	-	-
	Forward Work Programme	-	-
24/03/2021	Risk Management Update	Risk Management	Internal
	Treasury Management 2020/21 Q4 Update	Financial Management	Internal
	Audit Plan (AW)	External Audit	External
	Annual Report on External Inspections 2019	Corporate Governance	External
	Certification of Grants and Returns Report (AW)	Financial Management	External
	Report on Pandemic Response	Report on Pandemic Response	Internal
	Internal Audit Strategic Plan 2021/2024	Internal Audit	Internal
	Public Sector Internal Audit Standards Compliance 2020/21	Internal Audit	Internal
	Internal Audit Progress Report 2020/21	Governance, Risk, Financial & Control	Internal
	Audit Committee Action Tracking	-	-
	Forward Work Programme	-	-
Private Meeting (AW and Internal Audit)	Corporate Governance	Internal & External	

Tudalen 107

Audit Committee Self-Assessment and Action Plan (based on 2018/19)

Appendix D

Tudalen 108

Ref	Topic	1	2	3	4	5	Action	Status of Action
		Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly Disagree		
Purpose of Audit Committee:								
1	Each Audit Committee member understands the Committee has different roles and responsibilities to those of Overview & Scrutiny?	2	4	0	0	0	Action: None	Status: Implemented & Ongoing - The joint committee of Chairs and Vice chairs will now assign risks to one of the Overview & Scrutiny Committees.
2	The Audit Committee's Terms of Reference clearly defines and accurately reflects its responsibilities in promoting good governance and acting independent and objective at all times?	2	4	0	0	0	Action: Update and present revised TOR and Charter to the November Audit Committee.	Status: Implemented - Revised TOR and Charter presented to Audit Committee and Constitution and Democratic Services Committee in November and approved by Council in December 2018.
							Action: Review the timing of the meetings should new members join the Committee.	Status: Implemented – Timing of meetings reviews and agreed to remain the same. Also identified the need for an additional lay member to the Committee.
Governance:								
3	The Audit Committee is regarded as being an essential part of the Council's corporate governance framework?	2	2	2	0	0	Action: It was agreed that next year the same question would be ask of Overview & Scrutiny Committees, Cabinet Members and Chief Officers.	Status: Outstanding - This will be undertaken for next year's self-assessment. Due to the Pandemic this did not take place.

Tudalen 109

Ref	Topic	1	2	3	4	5	Action	Status of Action
		Strongly agree	Agree	Neither agree or	Disagree	Strongly Disagree		
4	The Audit Committee provides meaningful assurance to Council and management as to the effectiveness of areas such as Corporate Governance, Risk Management, Financial management and Internal Control?						<p>Action: Given the Audit Committee members are relatively new to the Committee guidance on the areas to consider / focus in relation to the statement of accounts would greatly benefit the members. Any major paper to be presented to AC, a short briefing on the subject is to take place at the Committee meeting before (statement of accounts and AGS).</p>	<p>Status: Implemented – also this continues on an ongoing basis.</p>
		1	2	2	1	0	<p>Action: The Committee discussed the overall assurance opinion determined by the Internal Audit Manager at the year end. The Committee felt that it would be useful to have a cumulative picture of this. It was agreed that the Internal Audit Progress report would provide an on-going summary of the assurance provided throughout the year.</p>	<p>Status: Implemented - The Internal Audit Progress Report has been revised to provide a summary of the assurance opinions given on an ongoing basis.</p>
							<p>Action: The risk profile of the Council was discussed on how the Committee could obtain assurance in relation to those strategic risks which effectively are out of the control of the Council. It was agreed that areas such as the Council's response to continuity plans e.g. BREXIT, could be explored.</p>	<p>Status: Implemented & Ongoing - this forms part of the work of the Joint Chair and Vice Chairs Committee.</p>
							<p>Action: The impact on decision making was discussed and the consequential impact on services and the will do versus the does. This could form part of additional work of IA but it also falls under the responsibility of the O&S committees.</p>	<p>Status: Ongoing - This will be taken up by the Chairs & Vice Chairs of Overview and Scrutiny and Audit Committee Liaison Group.</p>

Tudalen 110

Ref	Topic	1	2	3	4	5	Action	Status of Action
		Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly Disagree		
							Action: IT Priorities was another topic explored by the Committee as a number of actions appear to be on hold due to IT priorities. The Committee agreed it would be helpful if IT could share with the Committee their approach to demand planning and how management actions fit into this.	Status: Outstanding.
							Action: The Audit Committee commented that sometimes it was difficult to 'see the wood for the trees' with the information they received. Example the AGS is long and wordy when they really need to feel assured. Need to liaise with key officers to share feedback.	Status: Implemented – presentation of the AGS provided to the Audit Committee.
							Action: The Audit Committee also suggested there may be times they need additional information (as and when) to support the subject they are gaining assurance from.	Status: Implemented & Ongoing – training will be provided as and when required on an ongoing basis.
Financial Statements								
5	The Audit Committee obtains sufficient information to provide assurance and make recommendations over the quality and accuracy of the Financial Statements?	0	4	2	0	0	Action: Given the Audit Committee members are relatively new to the Committee guidance on the areas to consider / focus in relation to the statement of accounts would benefit the Committee – it was agreed that any major paper to be presented to AC, a short briefing on the subject to take place the Committee meeting before.	Status: Implemented & Ongoing - Short briefing session on the statement of accounts has been held at the Committee meeting prior to the statement of accounts being presented for consideration.

Ref	Topic	1	2	3	4	5	Action	Status of Action
		Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly Disagree		
Assurance: - Internal Audit								
6	The Audit Committee obtains sufficient assurance over the quality of the Internal Audit service?	1	5	0	0	0	Action: Develop reporting method to demonstrate further the value of work IA undertakes.	Status: Implemented - To be completed as part of the internal Audit annual report.
7	The Audit Committee obtains sufficient assurance over the Council's approach to Counter Fraud?	0	5	1	0	0	Action: None	Status: N/A
Assurance – External Audit								
8	The Audit Committee obtains sufficient assurance over the quality of the External Audit service?	1	4	0	1	0	Action: None	Status: N/A
Audit Committee - Accountability								
9	Each Audit Committee member has a good understanding of the Council's priorities, statutory obligations and how their role as an Audit Committee member supports them?	1	4	1	0	0	Action: None	Status: N/A
10	Audit Committee members are provided with sufficient training and information?	1	3	0	2	0	Action: Due to the technicality of Treasury Management it was questioned why all members attend the session rather than the session being tailored to the needs of the Audit Committee members and for the training to cover both local and national level.	Status: Implemented - all Members are invited as the responsibility for approving the Strategy sits with full Council. However the training could be tailored to meet any training needs of audit committee members.

Tudalen 111

Tudalen 112

Ref	Topic	1	2	3	4	5	Action	Status of Action
		Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly Disagree		
							Action: The Committee felt it would be beneficial to have ½ hour training on key topics (ahead of when they are due at AC). 9.30-10.00 is the preferred timing for the training.	Status: Implemented and ongoing. Training sessions provided to the Committee.
11	The Audit Committee collectively possesses an appropriate skills mix to enable it to fulfil its role.	0	2	3	1	0	Action: None	Status: N/A
12	The Audit Committee communicates effectively with Full Council, Scrutiny Committees, the Internal Audit Manager, External Audit and other stakeholders?	0	0	4	1	1	Action: The Audit Committee felt committees do not currently operate as a 'whole' at the moment and welcome the re-establishment of the Chairs / Vice Chair liaison meetings.	Status: Implemented – The Joint Chairs and Vice Charis Group has now been re-established.
							Action: The Committee explored how risks raised by Audit Committee to Chairs / Vice Chairs will be monitored. The Committee was reassured that this would take place through action tracking due to the success with Audit Committees action tracking.	Status: Implemented.
							Action: The Committee raised the need to Overview & Scrutiny Committees, particularly the Cabinet Portfolio holders, to be made aware of any RED / Limited audit reports. It was confirmed that each Chief Officer is advised to present their audit report to O&S prior to attending AC.	Status: Implemented and ongoing – all Chief Officers are advised that their Cabinet Portfolio holder and Overview & Scrutiny are made aware of any Red / Limited assurance reports issued within their portfolio.

Tudalen 113

Ref	Topic	1	2	3	4	5	Action	
		Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly Disagree	Action	Status of Action
							<p>Action: Communicate further with Council – through the annual report the Audit Committee also felt it would be beneficial to meet all members of the Internal Audit team 'Who's Who?' This will be arranged for in an informal setting prior to the next AC meeting.</p> <p>Action: A similar approach to be applied for finance / asset disposals etc limiting this to key officers within the service.</p>	<p>Status: Implemented - the Audit Committee has met all members of the Internal Audit team.</p> <p>Status: Implemented – key members have attended Audit Committee to present such reports.</p>
13	The Audit Committee adequately accounts for how well it undertakes its roles and meets its terms of reference?	0	2	2	2	0	<p>Action: This will be addressed through the Chair presenting the Annual Report to demonstrate their accountability.</p>	<p>Status: Implemented – Draft annual report for Audit Committee presented to September Committee in readiness for Council.</p>
Overall Score		11	41	17	8	1		

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 11



COUNTY COUNCIL

Date of Meeting	Tuesday, 8 th December 2020
Report Subject	Overview & Scrutiny Annual Report 2019/20
Report Author	Head of Democratic Services

EXECUTIVE SUMMARY

The Overview & Scrutiny Annual Report is drafted on an annual basis by the Officer team in consultation with the relevant Committee Chairs. The draft is then submitted to the Constitution & Democratic Services Committee for Member comments before being submitted to Council for formal approval.

The Constitution & Democratic Services Committee considered and approved the Annual Report at its meeting on 25th November.

The Annual Report provides the Council with assurance that the Overview & Scrutiny function is fulfilling its constitutional role.

RECOMMENDATIONS

1	That the Council receives the Overview & Scrutiny Annual Report for 2019/20.
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REPORT DETAILS

1.00	THE OVERVIEW & SCRUTINY ANNUAL REPORT
1.01	Our Constitution requires the Overview & Scrutiny Committees to report annually to Council on their workings.. This is done through the production of the annual Report
1.02	The Forward Work Programmes for Overview & Scrutiny Committees are considered and amended where necessary at each ordinary meeting of each of the Committees. Any updates are then included in the Corporate Forward Work Programme which is published with the Agenda for the monthly meeting of Cabinet.
1.03	At the meeting of the Constitution & Democratic Services Committee on 25 th November, the Overview & Scrutiny Annual Report for 2019/20 was approved.

2.00	RESOURCE IMPLICATIONS
2.01	None.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	The Constitution & Democratic Services Committee considered and approved the Annual Report at the meeting on 25 th November 2020.

4.00	RISK MANAGEMENT
4.01	No risks were identified during the preparation of the Report. Production of the report fulfils a constitutional requirement. No specific anti-poverty, environmental or equalities issues were identified.

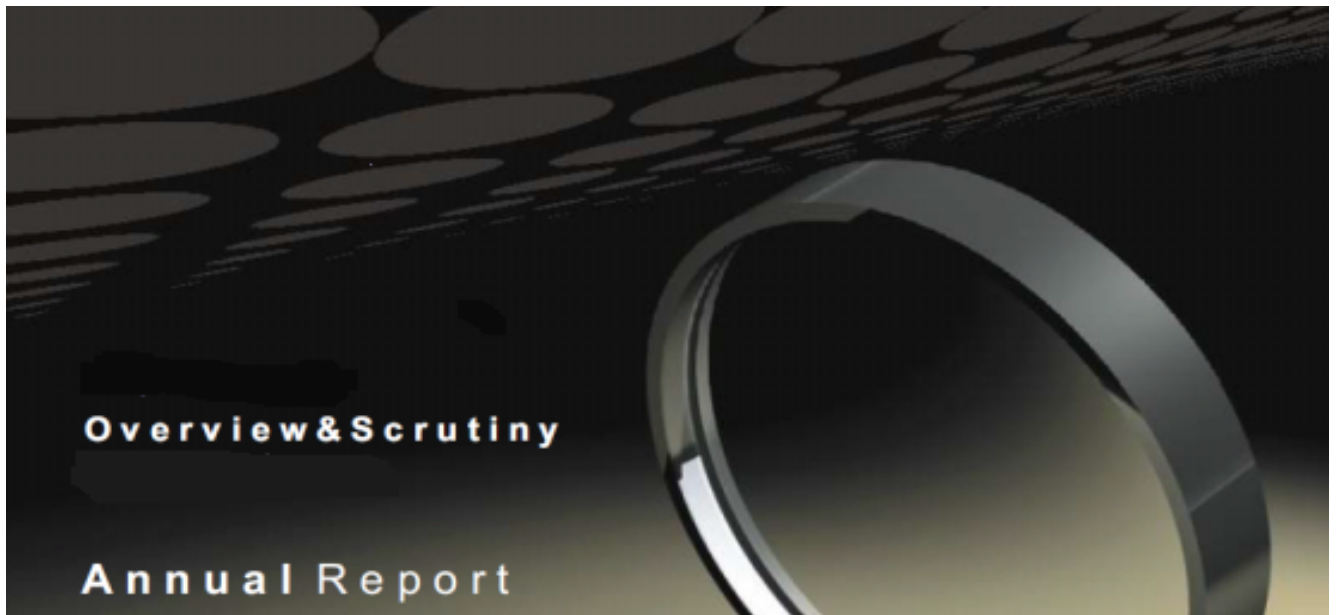
5.00	APPENDICES
5.01	Overview & Scrutiny Annual Report 2019/20.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Minutes of the Constitution & Democratic Services Committee 25 th November 2020

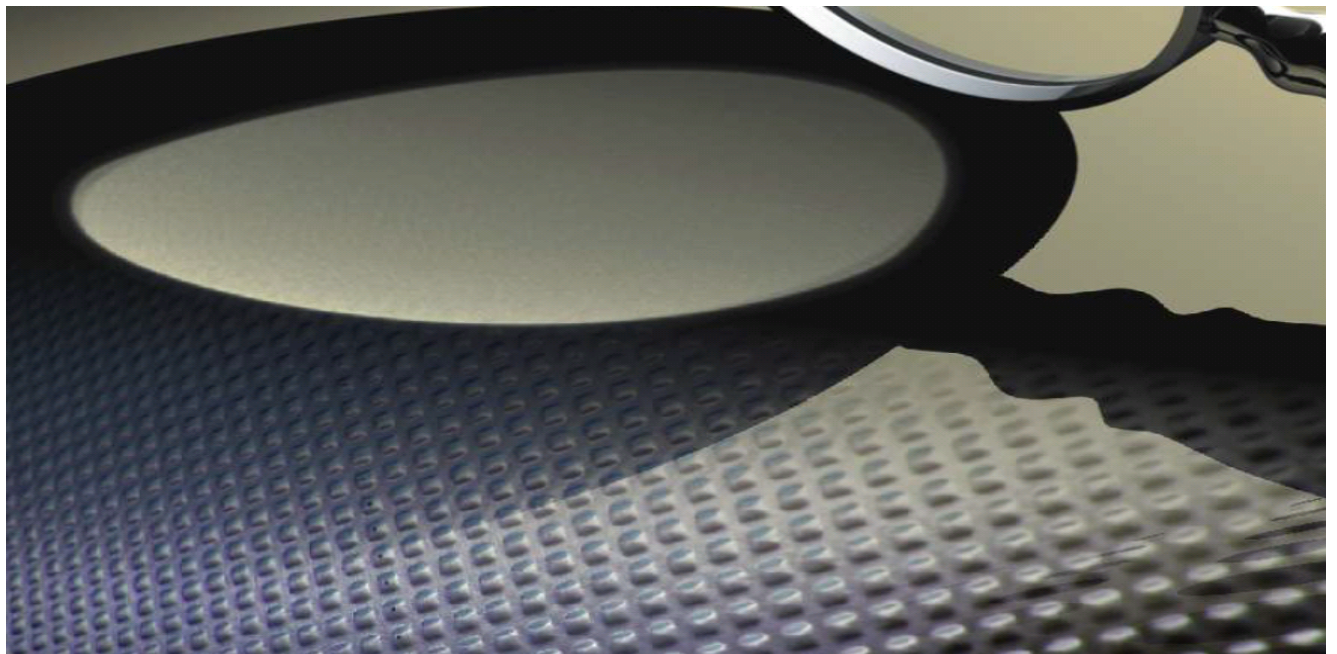
7.00	CONTACT OFFICER DETAILS
7.01	Contact officer: Robert Robins, Head of Democratic Services Telephone: 01352 702320 Email: robert.robins@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	No technical terms have been used in this report.

Mae'r dudalen hon yn wag yn bwrpasol



2019/20



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Page	Title
3	Foreword by the Leader of the Council
4	Reviewing the Overview & Scrutiny committee structure – the Chief Executive’s perspective
5 - 6	The ‘Call in’ process
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9 - 11	Corporate Resources Overview & Scrutiny Committee
12 - 14	Education & Youth Overview & Scrutiny Committee
15 - 17	Environment Overview & Scrutiny Committee
18 - 19	Organisational Change Overview & Scrutiny Committee
20 - 22	Social & Health Care Overview & Scrutiny Committee
23 - 24	Appendix 1 – Committee Membership, topics covered and activity information
25	Appendix 2 – Overview & Scrutiny Officer Support

Date	Approved By	Version
	Constitution and Democratic Services Committee	Draft
	Flintshire County Council	Final

FOREWORD BY THE LEADER OF THE COUNCIL



At the 2019 Annual Meeting of Council, I gave an undertaking that our committee structure would be reviewed during the year. That review covered the number of committees, their memberships, the role of co-optees, and the functions and terms of reference of committees.

It was also important that the review answered the questions:

- What we need?
- How do we choose to organise ourselves for good governance?
- What we want?

The review was conducted by consensus, through several Group Leaders meetings at which we were supported by the statutory officers. By January, we had agreed on a number of options for the reduction from six to five Overview & Scrutiny Committees, and a reduction in the number of Members on Planning, Constitution & Democratic Services and the five Overview & Scrutiny Committees.

The recommendations from the review were considered and supported by Constitution & Democratic Services Committee at their January meeting and subsequently by Council in February. One of the Overview & Scrutiny Committees - Organisational Change- had been set up to scrutinise the Community Asset Transfer process and Alternative Delivery Models. Having achieved its aim, it was appropriate for it to be stepped down as part of the review.

It was agreed that from the 2020 Annual Meeting, we would have Community, Housing & Assets, Corporate Resources, Environment & Economy, Education, Youth & Culture and Social & Healthcare Overview & Scrutiny committees, each comprising 12 members.

I would like to take this opportunity to thank the group leaders and their deputies, and our officers for the work on the review. The new structure, and the number of Members on committees should contribute to the improved governance which the review sought to achieve.

Councillor Ian Roberts
Leader of the Council

REVIEWING THE OVERVIEW & SCRUTINY COMMITTEE STRUCTURE – THE CHIEF EXECUTIVE’S PERSPECTIVE



Following on from the Leader's undertaking that there would be a Committee Review during 2019, we conducted research and listened to the views of Members and officers. This enabled us to scope the review, which was conducted through meetings of the political group leaders, their deputies and the statutory officers.

The aim of the review was to improve the committee structure, which had not been reviewed for several years and address a number of other concerns – Flintshire had amongst the largest number of overview & scrutiny committees in Wales, and a greater number of Members on those committees. We needed to ensure that our Overview & Scrutiny committee structure was the right one for the Council in 2020/21 and beyond – bearing in mind that the last review of it had been conducted in 2014/15.

There was consensus that the number of Members on some committees should be reduced: in the case of the overview & scrutiny committees, from 15 to 12. It was also agreed to reduce the number of Overview & Scrutiny Committees from six to five.

In 2015, as a result of a previous review of Overview & Scrutiny committees, we had set up the Organisational Change Overview & Scrutiny committee. The committee was a significant factor in the safe transfer of assets from the Council to the community and in developing our alternative delivery models. As the work which it had been set up to do had been successfully completed, it was appropriate for the committee to cease with effect from the 2020 Annual Meeting of Council.

Going forward, we will now have five Overview & Scrutiny committees which together will cover all of the Council's functions. These committees are:

- Community, Housing & Assets;
- Corporate Resources;
- Education, Youth & Culture,
- Environment & Economy and
- Social & Healthcare.

These committees will be integral to the Council's recovery from the emergency which started for us in mid-March, when we took the decision to stand down all of our committee meetings.

Colin Everett,
Chief Executive

The “Call-in” Process

1. The Arrangements

The arrangements for calling in a decision are to be found in paragraph 16 of the Overview & Scrutiny Procedure Rules contained within the Council’s Constitution. The legal authority is derived from section 21 (3) of the Local Government Act 2000.

The ability to call in a Cabinet decision is a significant power for non-executive members. It is not something which should be considered unless there is no alternative: if the power is over-used, or used in such a way as to be thought of as frivolous, its significance or importance would be lost.

2. Decisions of the Cabinet

Following a meeting of the Cabinet, the record of the decisions made is published within two days. Copies are available at County Hall, and are sent to all Members of the County Council.

The decision record specifies that the decisions will come into force, and may then be implemented, on the expiry of five working days after the publication of the decision, unless it is called in.

3. Calling in a Decision

If the Chief Officer (Governance) or Democratic Services Manager receives a call in notice from the Chair of an Overview & Scrutiny Committee or at least four members of the Council, a call in meeting is arranged.

Either the Democratic Services Manager or one of the Overview & Scrutiny Facilitators notifies the decision takers (the relevant Cabinet members and Chief Officers) of the call-in, and then arranges a meeting of the appropriate committee within seven working days of the decision to call-in

4. The Call-in Meeting

Call-in meetings are held at short notice (i.e. within seven working days of the call-in decision) and generally be the only item of business on the agenda. However, from time to time it is expedient to consider a call in at a meeting which has already been convened.

There is a suggested procedure for dealing with a call in. This is intended to make the meeting as simple and transparent as possible. This procedure is part of the agenda at each call in meeting, and the officer advising the committee will take members through it during the meeting.

5. The Call in decision

At the end of a call in meeting, the committee must make a decision based on one of four options. Options 1 and 2 allow the decision to be implemented immediately Option 3 is to refer back to Cabinet for further consideration and Option 4 is to refer to Council. However,

executive functions' are solely within the remit of the Cabinet. Thus Council can consider the issue, but not change the decision: it can only recommend to Cabinet that the decision be reconsidered.

6. Call in during 19/20

During the last municipal year, only one Cabinet decision was called in. This was the Fees & Charges (Record of decision number 3673). The call in was heard by the Corporate Resources Overview & Scrutiny Committee on 12th August 2019. The committee was satisfied with explanations given and thus the decision could be implemented immediately after the meeting

DRAFT

COMMUNITY & ENTERPRISE OVERVIEW & SCRUTINY COMMITTEE



Chair
Cllr Ian Dunbar



Vice-Chair
Cllr Ray Hughes

As outlined in the Community & Enterprise Overview & Scrutiny 2018/19 Annual Report, the Committee had committed to receiving regular update reports on Housing Rent Income in order to monitor the impact Universal Credit was having on rent arrears and how the Council were working to mitigate this. We received reports and detailed presentations at our meetings held on 26th June, 2019 and 22nd January, 2020 following consideration of the Welfare Reform Update report which were presented at the same meetings. The Committee were pleased to see an improved collection position with an overall reduction in rent arrears and asked that their thanks be passed to all officers within the Revenue Team for the work being carried out to continue to support tenants and reduce the rent arrears. The Committee will continue to receive regular update reports on Welfare Reform and Housing Rent Income which are built into its Forward Work Programme.

Below is a summary of some of the topics the committee have considered over the last 12 months.

Modular Building and Site Visits

Following a request by the Committee, a detailed report, on progress being made to date on the use of Modern Methods of Construction in Flintshire was presented to our meeting in September 2019. A number of questions around the shortage of trades and apprenticeship opportunities were raised with the Committee seeking assurances that apprentices were being given the opportunity to enhance their skills.

The Committee also supported a suggestion that the Community Benefits being delivered as part of the SHARP programme be presented to a future meeting. This has been added to the Committee's Forward Work Programme, with representatives from Wates Group invited to attend and provide a presentation to the Committee.

Also, in welcoming the report, a number of Members commented on the apartment complex at the former doctor's surgery in Buckley, which had recently been completed using off site construction methods, and the development of apartments at St Andrews Church, Garden City and agreed with a suggestion for Members of the Committee to visit both sites. Site visits to both locations were arranged and held on 30th October and 15th November, 2019 with Members being given the opportunity to meet with officers, look around the apartments and be provided with information on construction methods.

Tourism Update

In December 2019 the Committee considered a report which outlined the main areas of work undertaken by the Business Development Team in supporting the tourism sector. This was the first time the Committee had considered such a report and Members welcomed the progress made in supporting tourism across Flintshire.

In considering the report, the Committee made a number of suggestions for improvements in marketing of local events to encourage an increase in tourism to Flintshire. Comments and concerns were also raised around the negative impact of conditions and train delays at Bidston station and welcomed the assurance from the Cabinet Member that representations were being made on these matters.

Rough Sleepers Briefing Paper

Following a request, the Committee considered a detailed report on priority actions being taken to tackle and prevent homelessness across Flintshire at our December, 2019 meeting. The report focussed on the 'People' theme of the Regional Homelessness Strategy and its priority of rough sleepers and acknowledged that rough sleeping was extending into communities in Flintshire, a concern for a number of Members of the Committee.

A number of questions around working relationships with partner agencies were asked and as part of this discussion, it was agreed that Social and Health Care Overview & Scrutiny Committee Members be invited to our meeting in June, 2020 to discuss an update report, to review the impact of the actions being taken and how the Homelessness Team worked jointly with Social Services. A joint meeting with the Social & Health Overview & Scrutiny Committee has been arranged to take place in June, 2020.

The Committee also asked that their thanks be passed to all the Homelessness team for the work being undertaken to meet the challenges for all people presenting as homeless.

Domestic Energy Programmes

The Committee recently considered a report which outlined the approaches taken by the Domestic Energy Efficiency Programme Team to reduce fuel poverty and improve the quality of life for residents in Flintshire.

The Committee had not received an update on the Domestic Energy Programme for some time but we were pleased with the service provided with a number of Members giving examples of residents who had benefitted from the support of the Team.

The Committee recommended the report to Cabinet in order to highlight the positive action being taken by the Council.

I would like to thank everyone for their continued input throughout the year.

Councillor Ian Dunbar

Chair of the Community & Enterprise Overview & Scrutiny Committee

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE



Chair
Cllr Clive Carver



Vice-Chair
Cllr Paul Johnson

The Corporate Resources Overview and Scrutiny Committee is aligned to the Serving Council and Supportive Council priority themes in the Council Plan. Below is a summary of some of the topics the committee have considered over the last 12 months.

Council Plan 2019/20

At the May meeting we reviewed the priorities and sub-priorities within the draft Council Plan. It was agreed that two member workshops would be held at the end of May to consider the plan further and provide members with an opportunity to raise any concerns. In June we received a report setting out the main outcomes from the workshops. A number of suggestions had been included to improve the process for future member participation including better alignment between the Council Plan themes and overview & scrutiny forward work programmes.

Cross-Party Working Group on Local Government Finance

The Cross-party working group on Local Government Finance was formed due to concerns about the 2019/20 budget settlement. There had been a significant council tax increase for 2018/19. In late 2018, it had become apparent that due to the Council's settlement from Welsh Government and the services which the council provides that there was a significant budget gap.

The Council's position prompted a cross-party group of Councillors to hire a bus and take the lobbying case direct to the Senedd: this was our delegation to the Welsh Government in February. The Minister for Housing & Local Government, Julie James AM met the delegation. As a result, we were invited to make proposals for the reform of local government finance. We accepted that challenge with alacrity, by forming the cross-party working group, involving all political groups advised by senior officers and external experts. The findings were shared with WLGA for effective case making.

Council Tax Collection Rates

We received an update from Dave Barnes, Revenues Manager on the latest Council Tax collection rates, arrear levels and comparisons with other Welsh councils. We welcomed the

improving position in Council Tax collection rates in Flintshire. It was pleasing to note that Flintshire had recorded the highest in-year collection rate of 98.2%, which was above the Welsh average of 97.3% despite a 6.71% increase in Council Tax in 2018/19. We expressed our gratitude to the Revenues Manager and his team for achieving these excellent outcomes.

Community Safety Partnership Annual Report

At our September meeting we welcomed our Chief Executive who introduced the Community Safety Partnership (CSP) annual report which provided an overview of activities over the past 12 months. The Community Safety Team Leader reported a reduction in victim-based crime in Flintshire over the past year with a reduction in anti-social behaviour seen across North Wales. He gave an overview of interaction with the Safer Communities Board on priority areas to address violence against women, vulnerable adults and young people, as well as protecting communities. We were pleased that a Community Cohesion Officer for Flintshire was to be appointed, supported by Welsh Government Funding with a focus on hate crime. Members saw this as a positive development which would help encourage communities to report incidents.

Inspector Gareth Cust of North Wales Police spoke about the various methods of reporting crime and raising awareness in schools of issues such as hate crime and County Lines. He also advised of a training programme with police officers in Flintshire to identify the impacts of Adverse Childhood Experiences. Following concerns raised regarding the integrity of data, we were advised that analysts were reviewing the approach to recording incidents to incorporate all elements of domestic violence and provide an accurate picture. Inspector Cust also referred to significant changes in crime recording and compliance with regulation standards. We welcomed the comprehensive report and supported the achievements of the Community Safety Partnership.

Welsh Language Annual Monitoring Report

We received the annual monitoring report which provided an overview of compliance with the Welsh Language Standards and areas for improvement. Whilst significant progress had been made in Education, Social Services and Theatr Clwyd in relation to Welsh culture and use of the Welsh language, areas of further improvement were identified in the report including understanding the skill levels of employees and building confidence to converse in Welsh. It was disappointing to see a significant drop in the number of employees attending Welsh language skills training from 139 in 2017/18 down to 64 in 2018/19. We were pleased to hear of the positive work being undertaken in schools, particularly the six English medium schools which had achieved the Bronze award of 'Cymraeg Campus'.

Pensions – Financial relationship of Flintshire County Council as an employer and the Clwyd Pension Fund

We received a presentation on the Clwyd Pension fund and were pleased to hear that 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. This had resulted in a net reduction of 4% in employer contributions equating to a total saving of £2.646m to the Council budget for 2020/21.

We were satisfied with the degree of assurance and requested biannual progress updates going forward and thanked the officer team for their work in achieving a significantly improved position for the Clwyd Pension Fund.

Budget Monitoring

We continue to consider the budget monitoring reports before they go to Cabinet. When we make observations or recommendations they are formally reported to the Cabinet as part of the presentation of the report. We also refer items to one of the other Overview & Scrutiny committees if we feel that an item within their remit, such as a service overspending, requires further investigation.

Councillor Clive Carver

Chair of the Corporate Resources Overview & Scrutiny Committee



Chair
Cllr David Healey



Vice-Chair
Mr. David Hytch

The Committee were again pleased to take part in the Annual Joint Meeting with the Social & Health Care Overview & Scrutiny Committee, held in July 2019, which provides an opportunity for Members of both Committees to ensure the safeguarding of children within the education services provided. We were particularly pleased to welcome members of the Participation Group (Young Voices Speak Out) who gave a detailed presentation during the meeting and answered questions from Members who applauded their conduct and presentation skills.

The Committee has again had a busy year and below is a summary of some of the other topics the Committee has considered over the last 12 months:-

Discretionary Transport Policy Review – Outcome of Consultation

In May 2019, the Committee considered the feedback from the consultation on the review of discretionary school and college transport policy and considered the options available. As part of considering the report, I was pleased to invite Mrs. Jane Cooper who spoke on behalf of the Secondary Headteachers Association and Mr. Steve Jackson, speaking on behalf of Coleg Cambria to the meeting to outline their views on the outcome of the consultation to the Committee.

The main concern arising from proposed changes to the Discretionary Transport Policy was the possible reduction in students engaging in the education system if charges for transport were applied, which was outlined by a number of Members of the Committee. The Committee also asked a number of questions around the cost of transport for those entitled to benefits and the possibility of introducing concessions for sibling groups due to concerns around the financial impact to families. Following a thorough debate the Committee recommended the following to Cabinet:-

- That the Committee support Option 3, as outlined within the report;
- That free Post 16 transport to those entitled to benefits be retained; and
- That Cabinet consider concessions for sibling groups in Post 16 education.

Social Media & Internet Safety

The Committee had sought assurances that children and young people in Flintshire schools were receiving the appropriate support to develop their skills in relation to the use of social media and internet safety. In response to this, a report was submitted and considered by the Committee at its meeting in May 2019.

In response to concerns raised around the inappropriate use of social media and cyber bullying, the Committee stood to pledge that they would not themselves engage in social

media in ways which denigrate other individuals. The Committee welcomed the initiatives in schools to engage with parents and share good practice to keep young people safe on-line and agreed that we would continue to receive regular reports on social media and internet safety given the increasing use of social media in all aspects of daily life. As part of the recommendations, Members of the Committee undertook to set an example to young people, in the way in which they engaged in social media themselves and supported moves to invite all Councillors to make such a commitment.

In line with the recommendations made by the Committee, I submitted a Notice of Motion to County Council in June 2019 to inform all Members of the pledge taken by Members of the Education & Youth Committee and to request that all Members of the Council take a similar pledge so that Flintshire County Council, as a whole, could be seen to be leading the way in setting an example itself with regard to the shameful activity of cyber bullying. I was pleased that this Notice of Motion was fully supported.

Estyn Inspection of Flintshire's Education Services

In September 2019 we received a report which outlined the outcome of the Estyn Inspection of the Flintshire County Council Education Services. As a Committee, we congratulated the Chief Officer and her team for a positive inspection and were pleased to hear of a case study from Flintshire being used on the Estyn website to show effective practices in the early learning development.

The Committee did raise concerns around the lack of funding being provided from Governments to schools and were concerned that Estyn has not highlighted this as part of their inspection. This led to the Committee passing a recommendation 'That the Committee deplores Estyn's failure to highlight the lack of funding that blights education in Flintshire'.

During the following Committee meeting in November, 2019, the Committee considered the draft Post Inspection Action Plan. The outcomes of the inspection were added to the Committees Forward Work Programme to ensure that actions were monitored and scrutinised going forward.

Additional Learning Needs and Education Tribunal (Wales) Act 2018 – 30.01.20

In January 2020, the Committee considered an update on the Additional Learning Needs (ALN) and Education Tribunal (Wales) Act 2018. The Committee were informed that the implementation had been moved to September 2021 to enable Welsh Government (WG) to work through all the comments received during the consultation process. This was welcomed, following previous letters being written to WG, on behalf of the Committee outlining the concerns around the resource implications of the Act for both the Local Authority and schools

The Committee, following a debate, recommended that a letter requesting clarification on how the Act would be cost neutral and the term 'universal provision' be sent to WG and that the Committee receives a further report following implementation.

I would like to thank officers and all staff of schools across Flintshire for their hard work and determination to deliver continued improvements to the service area within the Committees terms of reference.

Councillor David Healey
Chair of the Education & Youth Overview & Scrutiny

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ENVIRONMENT OVERVIEW & SCRUTINY COMMITTEE



Chair
Cllr Patrick Heesom



Vice-Chair
Cllr David Evans CBE

The Environment Overview and Scrutiny Committee is aligned to the GREEN Council priority theme in the Council plan. The report below focuses on the relevant priority themes considered by the Committee. Below is a summary of some of the topics the committee have considered over the last 12 months.

We held our May meeting at Wepre Park and received a presentation highlighting the partnership working that continues to help maintain and develop Wepre Park to meet the needs of increasing visitor numbers. Members welcomed the future plans for improving access, car parking and play areas. The committee commended the contributions of volunteer and community groups to the success of Wepre Park.

For our October meeting we returned to the Greenfield Valley Heritage Park. The Chair of Greenfield Valley Trust welcomed the new positive relationship that had developed between Flintshire and the Trust and praised the team for their hard work over the last months. The Committee very delighted with the progress made and the innovative ways being used to develop and promote the Park.

Review of Streetscene Standards

We considered the Streetscene service standards which had been updated following review. These standards are reported as part of the performance monitoring process under the Safe and Clean Council theme. Some of the questions raised by Members included why some standards had been removed, the use of chemicals for graffiti removal, missed bin collections and targets for street cleansing agreed with Town and Community Councils and fly tipping. Following discussions, the committee recommended to Cabinet that the revised standards be adopted.

Bus Lanes – limitations on use

We received a report outlining the proposals for limitations on vehicles authorised to utilise bus lanes between Queensferry and Shotton and dedicated bus only access routes within the Deeside Industrial Park. Concerns were raised regarding possible disruption while work was carried out. In response, the Chief Officer, streetscene and Transportation gave assurances that every effort would be made to limit disruptions and that staff would be available to talk to the business community and local residents to minimise impact. The committee

recommended the report to cabinet and welcomed the fact that the Welsh Government Transport Funding grant was being utilised in Flintshire.

Winter Maintenance Policy Review

The above policy is reviewed every two years. We were advised that the weather forecast provider had been changed to Metdesk by Welsh Government and that improved communication with schools had been progressed to ensure they have forecasts to inform decisions regarding school closures. Members spoke highly of the adverse weather services provided in Flintshire. As Chairman I agreed that the winter maintenance teams are highly regarded and welcomed the opportunity to review the policy based on lessons learnt.

Waste Strategy Review Consultation

The Committee were delighted to hear that Flintshire was performing well on recycling, being the third best in Wales. This is significant as Wales is reported to be the third best in the world. A 6 week consultation on recycling was proposed to consider recycling targets and performance, the need to review targets, and review of the current Waste Strategy. The Committee did not support 3-4 weekly collections but emphasised the need to encourage people to recycle more. We were advised that work was ongoing with regard to communal pick up areas, including having cameras installed in some areas. The Chief Officer welcomed the suggestion that consultation events need to be held at a range of times to enable residents to attend.

At the October meeting we received a report on the outcome of the public consultation process with over 8,000 responses received. A change in black bag collection frequency was not currently supported but 32% of residents had indicated that they were unsure whether they could manage in the event of such a change. The proposals for increased enforcement had been widely supported which the committee welcomed and in particular the three-staged approach which allowed for informing and educating in the first instance with formal action taken only in the event of continued non-compliance. Members commended the extensive consultation exercise, the outcome on black bin collection frequency and the focus on education and thanked members of the public for engaging with the consultation process.

Ash Dieback Action Plan

As a committee we were very concerned to hear that Ash Dieback was endemic across Flintshire and was likely to wipe out the majority of the 24,000 ash trees with significant environmental impact. It was pleasing to hear that a robust plan was in place and a dedicated Tree Officer who was involved in communicating with the public and those affected where infected trees would need to be removed, e.g. roadsides, schools and other public locations.

Budget proposals

At the December meeting we received a report on the financial forecast for 2020/21 together with efficiencies and cost pressures across the Streetscene and Transportation and Planning and Environment portfolios. Members had previously attended a workshop where proposed efficiencies had been shared. We were advised that difficulty of finding further efficiencies

had prompted a change in the way of working to generate income within the Streetcene and Transportation portfolio. Assurances were given that core services would be protected as far as possible. The committee endorsed the portfolio pressures, investments and efficiency options.

The Council's response to the challenges of Climate Change

We received a report on climate change outlining the challenges faced by the public sector in general and in particular here in Flintshire. The role of planning in reducing carbon emissions was emphasised and we were advised that the Local Development Plan would contain a suite of policies designed to address climate change. Members also advocated a proactive press and communication campaign to promote the Council's approach to climate change. Other concerns raised included flood risk, reducing the use of plastic materials, more emphasis on local procurement of goods and services and collaborative working with neighbouring authorities. We were advised on the impact of climate change across all service areas in the Authority and the corporate work being carried out. Members took advice on and discussed the Wales National Infrastructure Consultation papers. At the request of the Committee, 2 member workshops were held in February and March which were well attended. We considered our role as Councillors in assisting the Council in achieving carbon neutrality by 2030 and what should the council do next to reduce its carbon footprint, whilst recognising that a range of initiatives have already been put in place. Members put forward a range of suggestions for further consideration within future action plans for carbon reduction across Flintshire.

Flintshire Integrated Transport Strategy

We received a report to update the Committee on the work being carried out to develop the Flintshire Integrated Transport Strategy. The Strategy aims to provide long term sustainable transport solutions through the successful integration of all modes of transport, whilst maintaining and promoting a sustainable, affordable and environmentally friendly public transport service across Flintshire.

Officers advised that The Transport Strategy for Wales which is currently being updated, will enable the North Wales Joint Local Transport Plan to be progressed. The Strategy, which includes all national transport interventions funded by Welsh Government, is scheduled to be revised by the end of 2020. The report demonstrated that the Council had made good progress with an estimated 85% of the defined intervals having been completed or currently in the process of being delivered.

We were advised that the Demand Responsive Transport Service had been launched in rural areas where commercial services are not available. The Committee welcomed the service which will provide residents with valuable links to transport services along Flintshire's Core Network and will operate using one of Flintshire's distinctive, 16 seater wheelchair accessible vehicles.

Cllr Patrick Heesom

Chair of the Environment Overview & Scrutiny Committee

ORGANISATIONAL CHANGE OVERVIEW & SCRUTINY COMMITTEE



Chair
Cllr Dave Mackie



Vice-Chair
Cllr Sean Bibby

Members will be aware that during the 2019 Annual Council meeting the Leader of the Council gave an undertaking that the committee structure would be reviewed. A review was carried out and its outcome reported to County Council in February, 2020 with the decision made that there would be a reduction in the number of Overview & Scrutiny Committees by disaggregating the remit of the Organisational Change Overview & Scrutiny Committee. This came into force following the Annual Council Meeting on 9 September, 2020.

I would like to take this opportunity to thank all of the Members who have sat on the Organisational Change OSC. The Committee was instrumental in overseeing the transition to Alternative Delivery Models (ADMs) and Community Asset Transfers (CAT) and whilst Members learnt new skills in this area, asked many questions and made important recommendations to ensure that the ADMs and CAT would benefit the Council and importantly the wider community, successfully fulfilling its original objectives.

Below is a summary of the work undertaken by the Committee over the last 12 months:-

Holywell Leisure Centre – Community Asset Transfer

In May 2019, the Committee held its meeting at Holywell Leisure Centre. This allowed for the Committee to have a short tour of the venue before holding its meeting. The Committee found the tour very informative and welcomed the work being done to ensure services continued and were expanded for the community.

The Committee, during the meeting, also considered a report which allowed Members to review the progress of Holywell Leisure Centre Community Asset Transfer since its establishment in April 2017. The report was supported and on behalf of the Committee, I thanked the Trustees and management team for the progress and achievements gained and the ongoing success of Holywell Leisure Centre.

Future update reports will now be submitted to the Education, Youth & Culture Overview & Scrutiny Committee which will be built into its Forward Work Programme.

The Council's Closed Circuit Television Service and Shared Service with Wrexham

In May 2019, the Committee considered a report which outlined proposals for joint working with Wrexham County Borough Council on the merging of Flintshire County Council's CCTV monitoring service with that of Wrexham. The Committee asked a number of questions around cost implications and staff implications/negotiations with an agreement that a further report be provided on staffing negotiations when appropriate.

Whilst supporting the merging of the CCTV monitoring function with Wrexham, the Committee recommended that officers consider opening discussions with the Police and Crime Commissioner for a higher contributions to future CCTV costs, given the value of CCTV services to North Wales Police.

Connah's Quay Swimming Pool: Cambrian Aquatics Strategic Business Plan 2018/21

In July 2019, the Committee held a special meeting at Connah's Quay Swimming Pool. This allowed the Committee to see first-hand the work which had been done to ensure services continued and were expanded for the community.

Following the tour of the facility, the Committee received a detailed presentation from the four Directors which included details around community and social benefits together with year 3 objectives. The Committee congratulated the Board on its achievements, especially around the increase in participants for the 'learn to swim'.

Future update reports will now be submitted to the Education, Youth & Culture Overview & Scrutiny Committee which will be built into its Forward Work Programme.

Flintshire Micro-Care ADM Project

In December 2019, the Committee considered a report on the implementation of the Micro-care Alternative Delivery Model in Flintshire and welcomed the Planning & Development Officer for Micro-Care to the meeting who provided an overview of the Micro-Care project.

The Committee welcomed the establishment of a pilot Micro-care enterprise project and a number of questions were raised around the increased demand on social care services. In response to the questions, we welcomed the flexibility of the project to provide support through various options to individuals under the age of 65.

Alternative Delivery Model Update (Social Care - Learning Disability Day and Work Opportunities)

In March 2020, the Committee were pleased to welcome the Centre Manager and Senior Operational Manager of Hft to the meeting to provide an update on the new day centre Hwb Cyfle and the partnership working arrangement with Hft.

We were also extremely pleased to welcome a service user to the meeting who shared his experiences and achievements with the Committee. This allowed us to see first-hand the positive impact the service had on individuals and we commended officers and Hft Managers on its success.

Councillor Dave Mackie

Chair of the Organisational Change Overview & Scrutiny

SOCIAL & HEALTH CARE OVERVIEW & SCRUTINY COMMITTEE



Chair
Cllr Hilary McGuill



Vice-Chair
Cllr Gladys Healey

The Social & Health Care Overview and Scrutiny Committee is aligned to the CARING Council priority theme in the Council Plan. The Committee continues to undertake effective scrutiny of health and social care and actively works to ensure the work programme is aligned to the corporate priorities and improvement objectives of the Council. As a Committee our aim is ensure scrutiny is meaningful and focused on outcomes. Below is a summary of some of the topics the committee have considered.

North East Wales Community Equipment Service

We held our January meeting at the North East Wales Community Equipment Service in Hawarden. We were given a tour of the facility which provides a community equipment services for North East Wales which is run by Flintshire on behalf of Betsi Cadwaladr University Health Board and Wrexham County Borough Council. The service delivers and installs over 30,000 items of equipment a year and re-uses 90% of the equipment is returned. We were impressed with the green, modern and efficient ways of working adopted by the service. As a Committee we value this essential service which helps people of all ages with disabilities cope independently and helps people to return home from hospital safely.

Third Sector Update

The Committee receives an annual review of the social care activities undertaken. We were given an update on the thriving voluntary/third sector and the range of services which provide invaluable support across a range of services funded by Social Services. A recent review had been undertaken to ensure that services commissioned through the third sector continued to meet the needs of the people of Flintshire. We welcomed the approach taken to co-produce new and innovative services going forward.

As a Committee we sent a letter of thanks to the Flintshire Local Voluntary Service in appreciation of the valuable services provided by the social care third sector.

Integrated Autism Service

At the July meeting we reserved a report to update us on the progress of the local implementation of the Integrated Autism Service (IAS). We were able to hear first-hand from a service user of the support and benefits she had received from the service and the difference it had made to her life. She also spoke of her aspirations for the future and where she felt further improvements could be made to the Service. Concerns were expressed regarding the amount of resources allocated to the North Wales Integrated Autism Service which may not be sufficient to meet the demands on the Service. The committee was content

that good progress had been made and thanked the service user for sharing her experiences with them.

Progress for Providers Update

We received a report on this innovative accreditation programme working in partnership with care homes and home care providers to drive forward the implementation of person centered care practices based on a self-assessment toolkit developed by Flintshire. The tool kit clearly sets out Flintshire's expectations around the delivery of individualised care and supports responsible individuals and managers within homes by providing a range of person centered tools which help staff teams change the way they support people and how they engage with family and friends. The 3 levels of accreditation Bronze, Silver and Gold help demonstrate publicly how providers are making continued progress to truly person centred care. As a committee we expressed our congratulations to all involved in developing the scheme and to the care homes who had gained Bronze, Silver or Gold accreditation. We look forward to receiving updates in the future.

Innovation to Reduce Reliance on Out Of County Placements

The Committee have always recognised the financial challenges faced with supporting out of County Placements. The Senior Manager Children and Workforce advised that without investment in innovation and new approaches to service delivery the number of children requiring residential and Independent Fostering Agency placements would continue to grow at an unsustainable rate with untenable financial consequences. We received a presentation on the Mockingbird model, which is an innovative method of foster care using the Mockingbird Family model that provides respite care, peer support, regular joint planning and training and social activities.

Members welcomed the innovative Mockingbird model and expressed thanks to the Chief Officer and his team for their work to reduce reliance on out of county placements.

SAFEGUARDING ADULTS AND CHILDREN

We received our annual update on this vitally important area of work outlining the joint Adults and Children's safeguarding provision within our County. The report provided key statistical and performance related information about children and adults at risk for which the Authority had significant safeguarding and corporate safeguarding responsibilities. The report also highlighted the variety of work covered by the Safeguarding Unit and the activity undertaken and summarised some of the key learning from Child and Adult Practice reviews and Domestic Homicide Reviews. We were pleased to hear that the Safeguarding Unit had had two successful Care Inspectorate Wales thematic inspections. The Committee welcomed the continuing development and improvement in service provision to meet additional demands.

Betsi Cadwaladr University Health Board (BCUHB)

A special meeting was held in February 2020 where we welcomed the Chair of the Betsi Cadwaladr University Health Board (BCUHB), Mark Polin, the Interim Chief Executive Simon Dean and representatives. The meeting was arranged to give assurances over contractual arrangements with the Countess of Chester Hospital and service continuity, to respond to the

outcome of the Notice of Motion considered by County Council on 28th January and to consider questions submitted by Members.

We were given assurances that contractual arrangements were not anticipated to be an issue in the future and meetings with the Countess of Chester and a contract was due to be signed by the end of March. A range of questions put forward by Members were addressed by BCUHB which can be viewed in the minutes of the meeting on the Flintshire website. The Committee look forward to continuing to welcome BCUHB representatives to future meetings which Members value immensely.

Rota Visits

Members of the Committee undertook Rota Visits between May and March which gave an opportunity to visit social care establishments with a focus on the wellbeing of service users. Establishments visited included Arosa, Woodlee, Marleyfield, Llys Gwenffrwd and Hafod.

Councillor Hilary McGuill

Chair of the Social & Health Care Overview & Scrutiny Committee



North East Wales Community Equipment Service visit

Appendix 1
Membership of Overview & Scrutiny Committees 2019/20

<u>Community & Enterprise</u>	<u>Corporate Resources</u>
<p>Councillor Ian Dunbar (Chair) Councillor Sian Braun Councillor Helen Brown Councillor Dave Cox Councillor Jean Davies</p>	<p>Councillor Clive Carver (Chair) Councillor Bernie Attridge Councillor Haydn Bateman Councillor Geoff Collett Councillor Bob Connah</p>

<p>Councillor Ron Davies Councillor Rosetta Dolphin, Councillor Mared Eastwood, Councillor Ray Hughes (Vice Chair) Councillor Dennis Hutchinson Councillor Brian Lloyd Councillor Ted Palmer, Councillor Mike Reece Councillor Paul Shotton Councillor David Wisinger</p>	<p>Councillor Paul Cunningham Councillor Mared Eastwood Councillor Patrick Heesom Councillor Paul Johnson (Vice Chair) Councillor Richard Jones Councillor Michelle Perfect Councillor Vicky Perfect, Councillor Aaron Shotton Councillor Andy Williams Councillor Arnold Woolley</p>
<p><u>Education & Youth Overview & Scrutiny Committee</u></p> <p>Councillor David Healey (Chair) Councillor Janet Axworthy Councillor Sian Braun Councillor Geoff Collett Councillor Paul Cunningham Councillor Andy Dunbobbin Councillor Patrick Heesom Councillor Dave Hughes Councillor Kevin Hughes Councillor Tudor Jones Councillor Dave Mackie Councillor Ian Smith Councillor Martin White Councillor David Williams</p> <p>Co-opted Members: Lynne Bartlett David Hytch (Vice Chair) Rita Price (May to November) Rebecca Stark Wendy White</p>	<p><u>Environment</u></p> <p>Councillor Patrick Heesom (Chair) Councillor Mike Allport Councillor Sean Bibby Councillor Chris Dolphin Councillor Andy Dunbobbin Councillor David Evans (Vice Chair) Councillor Veronica Gay, Councillor George Hardcastle Councillor Cindy Hinds Councillor Ray Hughes Councillor Dennis Hutchinson Councillor Joe Johnson Councillor Vicky Perfect Councillor Paul Shotton Councillor Owen Thomas</p>

<u>Organisational Change</u>	<u>Social & Health Care</u>
<p>Councillor Dave Mackie (Chair) Councillor Janet Axworthy Councillor Marion Bateman Councillor Sean Bibby (Vice Chair) Councillor Geoff Collett Councillor Andy Dunbobbin Councillor Carol Ellis Councillor Paul Johnson Councillor Tudor Jones Councillor Brian Lloyd Councillor Mike Reece Councillor Ralph Small Councillor Martin White Councillor Andy Williams Councillor David Wisinger</p>	<p>Councillor Hilary McGuill Chair) Councillor Mike Allport Councillor Paul Cunningham Councillor Jean Davies Councillor Rob Davies Councillor Andy Dunbobbin Councillor Carol Ellis Councillor Gladys Healey (Vice-Chair) Councillor Cindy Hinds Councillor Mike Lowe Councillor David Mackie Councillor Ian Smith Councillor Martin White Councillor David Williams Councillor David Wisinger</p>

Key:	
C & E	= Community & Enterprise Overview & Scrutiny Committee
CR	= Corporate Resources Overview & Scrutiny Committee
E & Y	= Education & Youth Overview & Scrutiny Committee
E	= Environment Overview & Scrutiny Committee
OC	= Organisational Change Overview & Scrutiny Committee
S&HC	= Social and Health Care Overview & Scrutiny Committee

OVERVIEW & SCRUTINY OFFICER SUPPORT

The support which Overview & Scrutiny enjoys from officers across the Council is essential to ensure its smooth and effective running.

OVERVIEW & SCRUTINY SUPPORT

The Scrutiny Team are:-

- ❖ Robert Robins – Head of Democratic Services
(supporting the Corporate Resources Overview & Scrutiny Committees).
- ❖ Margaret Parry-Jones – Overview & Scrutiny Facilitator
(principally supporting the Environment, Social & Health Care and alternating of Organisational Change Overview & Scrutiny Committees)
- ❖ Ceri Shotton – Overview & Scrutiny Facilitator
(principally supporting the Community & Enterprise, Education & Youth and alternating of Organisational Change Overview & Scrutiny Committees).
- ❖ Janet Kelly – Democratic Services Support Officer
(supporting the Overview & Scrutiny Team)

The team are an independent resource supporting the scrutiny function and its members:

Advising on the strategic direction and development of the scrutiny function;

- Co-ordinating the work programmes for the six Overview & Scrutiny Committees;
- Advising, supporting and assisting in the development of scrutiny members;
- Undertaking research and information analysis to help inform reviews;
- Producing reports and presentations on behalf of Members;
- Offering independent advice and guidance in relation to policy development and performance management;
- Acting as a key contact point to Members, officers, external organisations and the public in relation to scrutiny matters; and facilitating task & finish groups

Mae'r dudalen hon yn wag yn bwrpasol