

Pecyn Dogfen Gyhoeddus

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



Swyddog Cyswllt:
Sharon Thomas 01352 702324
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At: Cyng Clive Carver (Cadeirydd)

Y Cynghorwyr: Haydn Bateman, Sean Bibby, Geoff Collett, Mared Eastwood,
Patrick Heesom, Richard Jones, Richard Lloyd, Kevin Rush, Paul Shotton,
Andy Williams ac Arnold Woolley

5 Tachwedd 2021

Annwyl Gynghorydd,

RHYBUDD O GYFARFOD ANGHYSBELL
PWYLLGOR TROSOLWG A CHRAFFU ADNODDAU CORFFORAETHOL
DYDD IAU, 11EG TACHWEDD, 2021 10.00 AM

Yn gywir

Robert Robins
Rheolwr Gwasanaethau Democrataidd

Sylwch: Bydd hwn yn gyfarfod dros y we a bydd 'presenoldeb' wedi'i gyfyngu i Aelodau'r Pwyllgor a'r Aelodau hynny o'r Cyngor sydd wedi gofyn i Bennaeth y Gwasanaethau Democrataidd am wahoddiad. Y Cadeirydd fydd yn penderfynu a yw'r rhain yn cael siarad ai peidio.

Bydd y cyfarfod yn cael ei ffrydio'n fyw ar wefan y Cyngor. Bydd recordiad o'r cyfarfod ar gael yn fuan ar ôl y cyfarfod ar <https://flintshire.publici.tv/core/portal/home>

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

R H A G L E N

1 YMDDIHEURIADAU

Pwrpas: I dderbyn unrhyw ymddiheuriadau.

2 DATGAN CYSYLLTIAD (GAN GYNNWYS DATGANIADAU CHWIPIO)

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

3 COFNODION (Tudalennau 7 - 12)

Pwrpas: I gadarnhau, fel cofnod cywir gofnodion y cyfarfod ar 14 Hydref 2021.

4 GWASANAETH TÂN AC ACHUB GOGLEDD CYMRU - SAFBWYNT PERSONOL GAN Y PRIF SWYDDOG TÂN NEWYDD

5 OLRHAIN GWEITHRED (Tudalennau 13 - 16)

Adroddiad Pennaeth Gwaesanaethau Democrataidd -

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

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

Adroddiad Pennaeth Gwaesanaethau Democrataidd -

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

7 INCWM RHENT TAI - ARCHWILIO CYMRU (Tudalennau 23 - 38)

Adroddiad Prif Weithredwr - Aelod Cabinet dros Dai

Pwrpas: Cydnabod Adroddiad Archwilio Cymru a nodi'r argymhellion ar y casgliad o ddata ychwanegol ac adroddiad perfformiad.

8 STRATEGAETH GYFALAF YN CYNNWYS DANGOSYDDION DARBODUS 2022/23 - 2024/25 (Tudalennau 39 - 58)

Adroddiad Rheolwr Cyllid Corfforaethol - Aelod Cabinet dros Gyllid, Gwerth Cymdeithasol a Chaffael

Pwrpas: Cyflwyno'r Strategaeth Gyfalaf 2022/23 - 2024/25 ar gyfer ei adolygu.

9 **RHAGLEN GYFALAF 2022/23 - 2024/25** (Tudalennau 59 - 98)

Adroddiad Prif Weithredwr, Rheolwr Cyllid Corfforaethol - Aelod Cabinet dros Gyllid, Gwerth Cymdeithasol a Chaffael

Pwrpas: Cyflwyno'r Rhaglen Gyfalaf 2022/23 - 2024/25 ar gyfer ei adolygu.

10 **MONITRO CYLLIDEB REFENIW 2021/22 (MIS 6) A RHAGLEN GYFALAF 2021/22 (MIS 6)** (Tudalennau 99 - 148)

Adroddiad Rheolwr Cyllid Corfforaethol - Aelod Cabinet dros Gyllid, Gwerth Cymdeithasol a Chaffael

Pwrpas: Pwrpas yr adroddiad hwn yw darparu Adroddiad Monitro Cyllideb Refeniw 2021/22 (Mis 6) ac Adroddiad Rhaglen Gyfalaf 2021/22 (Mis 6) ac amrywedd sylweddol i'r Aelodau.

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

Nodyn Gweithdrefnol ar redeg cyfarfodydd

Bydd y Cadeirydd yn agor y cyfarfodydd ac yn cyflwyno eu hunain.

Bydd nifer o Gynghorwyr yn mynychu cyfarfodydd. Bydd swyddogion hefyd yn mynychu cyfarfodydd i gyflwyno adroddiadau, gyda swyddogion Gwasanaethau Democrataidd yn trefnu a chynnal y cyfarfodydd.

Gofynnir i bawb sy'n mynychu i sicrhau bod eu ffonau symudol wedi diffodd a bod unrhyw sain gefndirol yn cael ei gadw mor dawel â phosib.

Dylai'r holl feicroffonau gael eu rhoi "ar miwt" yn ystod y cyfarfod a dim ond pan fyddwch yn cael eich gwahodd i siarad gan y Cadeirydd y dylid eu rhoi ymlaen. Pan fydd gwahoddedigion wedi gorffen siarad dylen nhw roi eu hunain yn ôl "ar miwt".

Er mwyn mynegi eu bod nhw eisiau siarad bydd Cynghorwyr yn defnyddio'r cyfleuster 'chat' neu yn defnyddio'r swyddogaeth 'raise hand' sy'n dangos eicon codi llaw electronig. Mae'r swyddogaeth 'chat' hefyd yn gallu cael ei ddefnyddio i ofyn cwestiynau, i wneud sylwadau perthnasol ac yn gyfle i'r swyddog gynghori neu ddiweddarau'r cynghorwyr.

Bydd y Cadeirydd yn galw ar y siaradwyr, gan gyfeirio at aelod etholedig fel 'Cynghorydd' a swyddogion yn ôl eu teitl swydd h.y. Prif Weithredwr neu enw. O bryd i'w gilydd mae'r swyddog sy'n cynghori'r Cadeirydd yn egluro pwyntiau gweithdrefnol neu'n awgrymu geiriad arall ar gyfer cynigion er mwyn cynorthwyo'r Pwyllgor.

Os, a phan y cynhelir pleidlais, mi fydd y Cadeirydd yn egluro mai dim ond y rheiny sy'n gwrthwynebu'r cynnig/cynigion, neu sy'n dymuno ymatal a fydd angen mynegi hynny drwy ddefnyddio'r swyddogaeth 'chat'. Bydd y swyddog sy'n cynghori'r Cadeirydd yn mynegi os bydd y cynigion yn cael eu derbyn.

Os oes angen pleidlais fwy ffurfiol, bydd hynny yn ôl galwad enwau – lle gofynnir i bob Cynghorydd yn ei dro (yn nhrefn yr wyddor) sut mae ef / hi yn dymuno pleidleisio.

Yng nghyfarfodydd Pwyllgorau Cynllunio a Chyngor Sir mae amseroedd siaradwyr yn gyfyngedig. Bydd cloch yn cael ei chanu i roi gwybod i'r siaradwyr bod ganddyn nhw funud ar ôl.

Bydd y cyfarfod yn cael ei ffrydio'n fyw ar wefan y Cyngor. Bydd recordiad o'r cyfarfod ar gael yn fuan ar ôl y cyfarfod ar <https://flintshire.publici.tv/core/portal/home>

Eitem ar gyfer y Rhaglen 3

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE **14 OCTOBER 2021**

Minutes of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held remotely on Thursday, 14 October 2021

PRESENT: Councillor Clive Carver (Chairman)

Councillors: Haydn Bateman, Sean Bibby, Geoff Collett, Mared Eastwood, Patrick Heesom, Richard Jones, Kevin Rush, Paul Shotton, Andy Williams and Arnold Woolley

SUBSTITUTE: Councillor: Joe Johnson (for Richard Lloyd)

CONTRIBUTORS: Councillor Ian Roberts - Leader and Cabinet Member for Education, Councillor Billy Mullin - Deputy Leader (Governance) and Cabinet Member for Corporate Management and Assets, Councillor Paul Johnson - Cabinet Member for Finance, Social Value & Procurement, Chief Executive, Chief Officer (Housing and Assets), Chief Officer (Governance), Corporate Finance Manager, Strategic Finance Manager and Finance Manager

For minute number 40

Mr. John Gittins, H.M. Senior Coroner for North Wales (East and Central)

IN ATTENDANCE: Head of Democratic Services and Democratic Services Officer

36. DECLARATIONS OF INTEREST

None.

37. MINUTES

The minutes of the meeting held on 16 September 2021 were approved, as moved and seconded by Councillors Geoff Collett and Andy Williams.

RESOLVED:

That the minutes be approved as a correct record.

38. ACTION TRACKING

The Head of Democratic Services presented the update report on progress with actions arising from previous meetings.

The recommendation was moved and seconded by Councillors Paul Shotton and Richard Jones.

RESOLVED:

That the Committee notes the progress which has been made.

39. FORWARD WORK PROGRAMME

The Head of Democratic Services presented the updated forward work programme for consideration.

Councillor Richard Jones referred to joint care packages discussed at the July meeting and said that the request for details of the amount lost to the Council over a reasonable period of time had not yet been actioned. He also sought confirmation on whether a letter had been sent to the Health Board seeking to address inequality in the appeal process for decisions on joint funded care packages.

The Chief Executive said that case determination of such care packages was a long-standing complex subject with significant cost implications, on which the Council had engaged extensively with the Health Board. He said that a commitment had previously been given by the Health Board to review the system and that a re-review was required. He suggested that the Committee may wish to request that officers seek an urgent private meeting with the Chief Executive of the Health Board to review process and outcomes, with a full report submitted to this Committee and the Social & Health Care Overview & Scrutiny Committee.

Councillor Jones spoke about the financial implications for the Council and said that projected contributions from the Health Board should not be included in the budget until the appeals process was completed. He proposed the suggestion made by the Chief Executive and asked that the report, incorporating the information requested in July, be brought back to the Committee in November/December. He was seconded by Councillor Arnold Woolley.

RESOLVED:

- (a) That the Forward Work Programme be approved, as varied at the meeting;
- (b) That the Chief Executive contact the Chief Executive of Betsi Cadwaladr University Health Board, seeking an urgent review meeting into the shortfall in joint funded packages, caused by the Health Board's decisions on funding. A report on this, incorporating resolution 16(c) from the meeting on 8 July 2021, be brought back to this Committee and the Social & Health Care Overview & Scrutiny Committee in November/December 2021; and
- (b) That the Head of Democratic Services, in consultation with the Committee Chairman, be authorised to vary the Forward Work Programme between meetings, as the need arises.

40. WORK OF THE CORONER'S OFFICE

The Chief Officer (Governance) introduced a report on the role of the Coroner for North Wales (East and Central) and the work undertaken on behalf of Councils in Conwy, Denbighshire, Wrexham and Flintshire.

Mr. John Gittins, H.M. Senior Coroner for North Wales East and Central, was in attendance to give a presentation covering:

- The North Wales (East and Central) (Coroner's District) Order 2012
- Independent Judicial Officer
- Statistics
- Support
- The Law
- The 'Crossroads'
- Investigation
- The Inquest
- Powers of Coroner - Schedule 5 / Consequences
- Prevention of future deaths
- Some positives...and some fortuitous timings
- Other jobs and responsibilities
- "Where does it end?"

The presentation highlighted the wide range of legislative powers and responsibilities held by the Coroner which was a historical position funded by local authorities on a statutory basis. Information was also shared on the Coroner's power to issue reports under Regulation 28 of the Coroners (Investigations) Regulations 2013 which required organisations, including local authorities, to respond and take action to reduce the risk of future deaths. Reference was made to the Chief Executive's work in supporting the Coroner's office during the emergency situation.

The Chief Executive commended Mr. Gittins for his presentation and for the way in which he carried out his role.

In response to questions from Members, Mr. Gittins clarified the scope of his legal responsibilities.

The Chief Officer (Governance) said the recommendation for the Committee to receive future annual reports from the Coroner would provide an opportunity to consider performance and the pressures involved in the service.

On behalf of the Committee, the Chairman thanked Mr. Gittins for his informative presentation which was well received.

The recommendation was moved and seconded by Councillors Richard Jones and Mared Eastwood.

RESOLVED:

That the Committee thanks the Coroner for his work and receives further reports on an annual basis.

41. MEDIUM TERM FINANCIAL STRATEGY / BUDGET 2022/23 - STAGE 2 - OVERVIEW & SCRUTINY RESPONSES

The Chief Executive presented a report to consider the outcome of consultation with Overview & Scrutiny Committees on the 2022/2023 budget proposals, to enable the Committee to respond accordingly to Cabinet. He thanked all the Committee Members, Chairs and Cabinet Members for their contributions and support during this process.

The report contained feedback from three of the Committees and a verbal update was given on the remaining two which had met subsequently. All had supported the cost pressures within their respective portfolios and had identified no further cost efficiency opportunities. The two issues arising were the Education, Youth & Culture Overview & Scrutiny Committee seeking further details on the allocation of the proposed £1m investment in schools and the Social & Health Care Overview & Scrutiny Committee requesting careful monitoring of open risks.

The Head of Democratic Services confirmed that the consultation had fulfilled constitutional requirements and that the report to Cabinet had been updated to reflect the completion of this stage of the budget.

The Corporate Finance Manager provided an update on four recent key changes impacting on the Council's budget estimate:

- Pay award estimates to reflect the current position on national negotiations - 1.75% for the current year on a recurring basis for next year plus 1% from 2022/23
- National Insurance increase - just over £1.4m
- Increase in Members' allowance (as recommended by the Independent Remuneration Panel for Wales) - £0.184m
- Various deferred pressures as non-essential or funded through alternative grants - total increased to just over £18m

On budget solutions, the projected achievable efficiency target of £2m had been revised to £1.25m. An uplift of 5.75% in Revenue Support Grant would be required to support all cost pressures identified, which was in line with the financial case made by the Welsh Local Government Association (WLGA).

The Chief Executive said that current national negotiations on the non-teachers' pay award indicated the estimate was likely to be higher and that Ministerial discussions through the WLGA continued.

In response to questions from Councillor Richard Jones, the Chief Executive clarified that the National Insurance estimate included provision for Aura Wales, Newydd Catering & Cleaning and Theatr Clwyd. The national evidential case by the WLGA was considered a realistic estimate to inform national decision-making. An insufficient Settlement would require review of non-essential cost pressures and associated risks, given that the budget estimate had been supported with no scope for further efficiencies.

Councillor Ian Roberts said that Welsh Government decisions would be influenced by the forthcoming budget statement by the Chancellor.

Councillor Paul Johnson thanked all Overview & Scrutiny Members for their contributions and challenge to the budget process.

Councillor Richard Jones paid tribute to the Chief Executive's role in developing the Medium Term Financial Strategy which had proved to be a useful tool in financial planning. The Chief Executive said that this was a team effort involving Members, the Chief Officer Team and Finance officers.

The recommendation, which was amended to reflect the debate, was moved and seconded by Councillors Paul Shotton and Richard Jones.

RESOLVED:

- (a) That the Committee commends the Overview & Scrutiny responses to budget consultation to the Cabinet; and
- (b) That the Chief Executive be thanked for developing and leading the Council's Medium Term Financial Strategy process.

42. REVENUE BUDGET MONITORING 2021/22 (MONTH 5)

The Corporate Finance Manager introduced the report on the 2021/22 Month 5 position for Revenue Budget Monitoring prior to consideration by Cabinet, which included the outcome of the review of service reserves and balances requested by the Committee in July.

The Finance Manager reported that on the Council Fund, the projected year-end position - without new actions to reduce cost pressures and/or improve the financial return on efficiency planning and cost control - was an operating surplus of £0.182m (excluding the impact of the pay award to be met from reserves), leaving a contingency reserve balance of £5.875m at year-end. This favourable movement was mainly due to the allocation of Welsh Government (WG) Social Care Recovery Grant funding in Social Services and Out of County Placements.

Amongst the in-year risks, there was an improvement in Council Tax collection levels and demand for the Council Tax Reduction Scheme was being monitored as the end of the furlough scheme approached.

An update was given on the achievement of planned in-year efficiencies, earmarked and un-marked reserves, together with the emergency funding position which identified risks from changes to eligibility criteria. The ongoing review of reserves and service balances had identified £0.585m to be recommended for release back into general Contingency Reserves.

On the Housing Revenue Account (HRA), a projected overspend of £0.633m would leave a closing un-earmarked balance of £3.839m, which was above the recommended guidelines on spend.

Councillor Paul Shotton asked about the impact of inflationary costs and Universal Credit changes upon the homelessness situation. The Finance Manager said that the Housing Support Grant was amongst those subject to changes in eligibility and would be maximised to support individuals.

The Chief Officer (Housing and Assets) advised that various pressures on the homelessness situation were being closely monitored in anticipation of further demand on the service. Updates were regularly reported to the Community, Housing & Assets Overview & Scrutiny Committee.

In response to questions from Councillor Richard Jones, the Chief Executive said that distance controls were being phased out according to risk assessments and in consultation with Trade Unions, also that a number of services would incur ongoing costs after the Hardship Fund had ceased. On the risk around pay awards, it was clarified that whilst the teachers' in-year pay award was settled, negotiations for non-teachers' pay at UK level remained open and were beyond the Council's control.

In response to the questions, the Corporate Finance Manager reminded Members of the latest position on pay awards - reported verbally in the previous item - which would be updated for the next monthly report. The Finance Manager agreed to include more detail in the Month 6 report on the risks arising from changes to the Hardship Fund.

The recommendation was moved and seconded by Councillors Paul Shotton and Geoff Collett.

RESOLVED:

That having considered the Revenue Budget Monitoring 2021/22 (Month 5) report, the Committee confirms that there are no specific issues to be raised with Cabinet.

43. MEMBERS OF THE PRESS IN ATTENDANCE

There were no members of the press in attendance.

(The meeting started at 10am and ended at 11.40am)

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Chairman

Eitem ar gyfer y Rhaglen 5



CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday, 11 November 2021
Report Subject	Action Tracking
Report Author	Head of Democratic Services
Type of Report	Operational

EXECUTIVE SUMMARY

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

RECOMMENDATIONS

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

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

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

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

4.00	RISK MANAGEMENT
4.01	Not applicable.

5.00	APPENDICES
5.01	Appendix A – CRO&SC Action Points

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

7.00	GLOSSARY OF TERMS
7.01	None.

Action Tracking Appendix for November 2021 CRO&SC

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Meeting	Agenda item	Action Required	Action taken and timescale
14 th October 2021	5. Forward Work Programme	<p>That the Chief Executive contact the Chief Executive of the Betsi Cadwaldr UHB, seeking an urgent review meeting into the short fall in joint funded packages, caused by the Health Board’s decisions on funding</p> <p>That an update report on Joint funded packages be made to both CRO&SC and S&HC O&SC in December (both meetings are on 9th) The report to include(as requested by Cllr Richard Jones and supported by the committee at the July meeting</p> <ul style="list-style-type: none"> • an understanding of amounts lost each year from joint-funded packages compared with projections and • an understanding of the amount of money lost to the Council over a reasonable amount of time. 	<p>At a recent regional cross chief executives meeting, Jo Whitehead , the Chief Executive of BCUHB gave an undertaking to carry out a full review of CHC processes and procedures in the BCUHB region</p> <p>Report to December meeting</p>
14 th October 2021	12. RBM 2021/22 M5	That having considered the Revenue Budget Monitoring 2021/22 (Month 5) report, the Committee confirms that there are no specific matters which it wishes to have raised at Cabinet.	Details on Local government hardship funding to be provided in future budget monitoring reports.

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 6



CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday, 11 November 2021
Report Subject	Forward Work Programme
Report Author	Head of Democratic Services
Type of Report	Operational

EXECUTIVE SUMMARY

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

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

RECOMMENDATION

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

REPORT DETAILS

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

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

Mae'r dudalen hon yn wag yn bwrpasol

Corporate Resources Overview & Scrutiny Committee Forward Work Programme 2021- 2022

DATE	ISSUE	O&S FOCUS / PURPOSE	REPORT(S) FROM
Thursday 9th December 10.00	MTFS & Budget 2022/2 Consultation	Consultation	Gary Ferguson
	Annual Improvement Letter from the Auditor General for Wales and Annual Audit Summary	Assurance	Jay Davies
	Revenue budget monitoring (month 7)	Monitoring	Dave Ledsham
	Update report on Joint Funded Care packages	Update as requested at the October meeting	Dave Ledsham
	Mid-Year Council Plan Monitoring (to include Poverty Theme update)	Monitoring	Jay Davies
	Public Service Ombudsman for Wales Annual Report for 202/21	Monitoring & Assurance	Rebecca Jones
	Complaints	Monitoring	Rebecca Jones
	Employment and Workforce Quarterly Update	Monitoring	Sharon Carney
Thursday 13th January 2022 10.00	Budget 2022/23 consultation		

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Corporate Resources Overview & Scrutiny Committee Forward Work Programme 2021- 2022

	Consultation on Part 1 of the Council Plan 2022/23	Consultation	Jay Davies
	North Wales Councils Regional Emergency Planning Service (NWCREPS)	Assurance	Helen Kilgannon
	Revenue Budget monitoring (Month 8)	Monitoring	Dave Ledsham
Thursday 10th February 10.00 Tuesday 20	Revenue Budget monitoring (Month 9) Capital Programme Monitoring (Third quarter)	Monitoring	Dave Ledsham
	Asset Strategy Review	Update	Lisa McLellan
	Legacy items for after the elections	Opportunity for the committee to consider items to commend to its post election successor.	

To be added to the FWP as an annual item: Work of the Coroner.

Eitem ar gyfer y Rhaglen 7



CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday 11 November 2021
Report Subject	Housing Rent Income – Audit Wales Report
Cabinet Member	Cabinet Member for Housing
Report Author	Chief Executive
Type of Report	Operational

EXECUTIVE SUMMARY

This report provides the Corporate Resources Overview and Scrutiny Committee with an operational update following the publication of a recent Audit Wales report on Housing Rent Income.

The Audit Wales review has acknowledged the proactive measures already taken by the Council in supporting tenants and stabilising rent collections during a period of unprecedented change, especially with the rollout of Universal Credit and the recent impacts of the coronavirus pandemic.

The review has concluded the Council had, by March 2020, successfully stopped the increase in Council tenant rent arrears.

In summary, the Audit Wales report now sets out two recommendations to collect additional performance measures to better understand the overall income and rent arrears performance and to build on the improvements already made. The two additional indicators being proposed are:

- Total rent collected during the year from both former and current tenants; and the amount written off during the financial year in unpaid rents
- The collection of more comprehensive datasets including strengthening integrated tenant engagement arrangements to better understand the needs and experiences of tenants and to inform future housing service delivery

RECOMMENDATIONS

1	That the committee adopt the proposals for improvement as set out within the report.
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REPORT DETAILS

1.00	EXPLAINING THE AUDIT WALES REPORT ON RENTAL INCOME
1.01	Collection of rent during the rollout of Universal Credit and other welfare reforms, together with the recent impacts of the Covid pandemic, have been challenging for the housing service in the same way as it has for other social landlords.
1.02	Most tenants have maintained their rent payments, but the pandemic and continued rollout of Universal Credit has inevitably also impacted on the ability of some tenants to pay their rent on time.
1.03	As part of the Councils ongoing response and to mitigate the impacts on tenants and ensure the long term financial stability of the Housing Revenue Account, Audit Wales have undertaken a comprehensive review to assess the effectiveness of the Council in supporting tenants and the package of measures that have been put in place to maximise rent collection levels and minimise bad debts.
1.04	The Audit Wales report sets out many examples of good practice and the co-ordinated work being undertaken across the housing service to maintain rent collection levels. The report also acknowledges the proactive measures already taken by the Council during a period of unprecedented change, especially with the rollout of Universal Credit and the recent impacts of the coronavirus pandemic.
1.05	<p>In summary, the report confirms the Council has stopped the increase in council tenant rent arrears and the audit findings identify two specific recommendations for improving performance, to build on the improvements already made and to better understand the overall income and rent arrears performance.</p> <p>Audit Wales have identified two indicators that may assist in developing additional reporting information:</p> <ul style="list-style-type: none">• Total rent collected during the year from both former and current tenants; and the amount written off during the financial year in unpaid rents• The collection of more comprehensive datasets including strengthening integrated tenant engagement arrangements to better understand the needs and experiences of tenants and to inform future housing service delivery
1.06	The Housing service continues to develop strategies to increase collections and in respect of the collection of former tenant arrears, the service has recently deployed an additional software module specifically targeted at former tenant arrears – the software deploys existing analytical and predictive technologies using the Mobysoft ‘Rent Sense’ solution to quickly identify former tenants who are at risk of not making repayments on time.

1.07	The deployment of new software for managing former tenant arrears, along with enhanced reporting tools, will now enable officers to make further improvements in the collection process and to also provide additional reporting information to Cabinet and to Scrutiny Committee on former tenant arrears, as well as better visual information on write off levels.
1.08	In addition to this, and in respect of the collation of data to capture tenants' feedback and to better understand the needs of tenants, the housing service is proposing to send out a detailed questionnaire to solicit customer feedback which will assist and support future models of service delivery.

2.00	RESOURCE IMPLICATIONS
2.01	None directly arising from the report.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	To ensure financial risks to the HRA are minimised as far as possible, rent arrears continue to be tracked on a weekly basis and cases are identified as quickly as possible to ensure targeted intervention if provided to those tenants at highest risk of non-payment.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	The Audit Wales report will be shared with the Governance and Audit Committee on 17 November.

5.00	APPENDICES
5.01	Appendix 1 – Audit Wales Report - Rental Income – Flintshire County Council

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Audit Wales – Rental Income Report (document 2330A2021-22)

7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: David Barnes, Revenues Manager Telephone: 01352 703652 E-mail: david.barnes@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	<p>Housing Revenue Account (HRA): The Council is required to keep a HRA to record all income and expenditure relating to the provision of local authority housing. All rental income, including arrears, must be held with a ring fenced HRA account. This means that income can only be used for council housing purposes and not general expenditure. This also allows rental income to be invested locally to help improve and maintain council owned homes and also build new council homes.</p> <p>Welfare Reform: these are changes introduced to a range of social security benefits and tax credits which aim to ensure that the UK has an affordable benefits system.</p> <p>Audit Wales: is the statutory external auditor of most of the Welsh public sector, including local authorities. Audit Wales role includes examining how public bodies manage and spend money and how they achieve value in the delivery of public services.</p>

Rental Income – Flintshire County Council

Audit year: 2020-21

Date issued: March 2021

Document reference: 2330A2021-22

This document has been prepared as part of work performed in accordance with statutory functions.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000. The section 45 code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales and Audit Wales are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to Audit Wales at infoofficer@audit.wales.

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

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Summary report

Summary

The Council had by March 2020 stopped the increase in Council tenant rent arrears but has further opportunities for improving performance and engaging with tenants

- 1 We came to this conclusion because:
 - a. the Council had by March 2020 successfully stopped the increase in Council tenant rent arrears, but a greater range of information would help it evaluate service performance better;
 - b. the Council has further opportunities for improving performance but support for tenants is fragmented; and
 - c. the Council has taken steps to engage with its tenants but there is opportunity to do more, particularly to understand equality and diversity in the tenant population.

Proposals for improvement

Exhibit 1: proposals for improvement

Proposals for improvement	
P1	To better understand the overall income and rent arrears performance, the Council needs to collect and report additional performance indicators: <ul style="list-style-type: none">• total rent collected during the year from former and current tenants; and• the amount written off during the financial year.
P2	To inform the delivery of the service, through a better understanding of the needs and experiences of tenants, the Council should collect a more comprehensive range of data including information on equalities

Detailed report

The Council had by March 2020 successfully stopped the increase in Council tenant rent arrears but has further opportunities for improving performance and engaging with tenants

The Council had by March 2020 successfully stopped the increase in Council tenant rent arrears, but a greater range of information would help it evaluate service performance better

- 2 In 2011, the UK Government introduced a programme of welfare reform, with the phased introduction of Universal Credit across the UK from October 2013. Universal Credit aims to replace six means-tested benefits and tax credits for working-age people and families (known as 'legacy' benefits), which are:
 - Housing Benefit
 - Working Tax Credit
 - Child Tax Credit
 - Income-Based Jobseekers' Allowance
 - Income-Based Employment and Support Allowance
 - Income Support
- 3 In Flintshire, the rollout of Universal Credit by the Department of Work and Pensions (DWP) was introduced as a full-service rollout for new claims from April 2017 and was the first area in Wales to do so. The single Universal Credit payment includes a housing element for help with housing costs. Unlike the Housing Benefit system, it is paid monthly in arrears directly to the tenant and not to their rent account on a weekly basis. This phased introduction of Universal Credit is not complete¹, and many existing tenants still receive legacy benefits including Housing Benefit as do any new tenants, such as those aged over 65 or those aged over 50 living in sheltered housing accommodation.
- 4 The design of the Universal Credit system places an expectation on tenants to manage their own finances and budget to pay rent on time to their landlord. Under the previous Housing Benefit administration all benefit is paid weekly in advance directly into the tenant's rent account. However, a substantial amount of Universal

¹ Universal Credit Full Service (UCFS) is a digital interactive service that allows tenants to make and maintain their claim for Universal Credit, check the progress of their claim and payments and message their work coach and the service centre if they have questions. The Universal Credit full service finished rolling out across Wales in December 2018. However, new Universal Credit claims are still possible in all areas of the UK such as for sheltered housing tenants. In addition, tenants who are still receiving Housing Benefit do not yet have to claim Universal Credit.

Credit is paid directly to the Council where tenants are two months or more behind on their rent, and the Council has applied to have the housing costs part of Universal Credit paid directly to them. Universal Credit therefore imposes a big budgeting and prioritising responsibility on tenants. According to a Council progress report presented to scrutiny in July 2020, 1,370 Council tenants were receiving Universal Credit of which 1,167 had rent arrears with an average debt of £939. In addition, a total of 2,342 Council tenants were still receiving Housing Benefit of which 869 were in arrears.

- 5 Since the phased introduction of Universal Credit in Flintshire, Council tenant rent arrears have risen. Similar trends in rent arrears have occurred throughout the UK².

Exhibit 2: Flintshire Rent Arrears 2016-17 to 2019-20

Exhibit 2 shows the Rent Arrears financial year-end (end of March) position for outstanding current and former tenants and the amount of Former Tenant Arrears the Council is writing off each financial year.

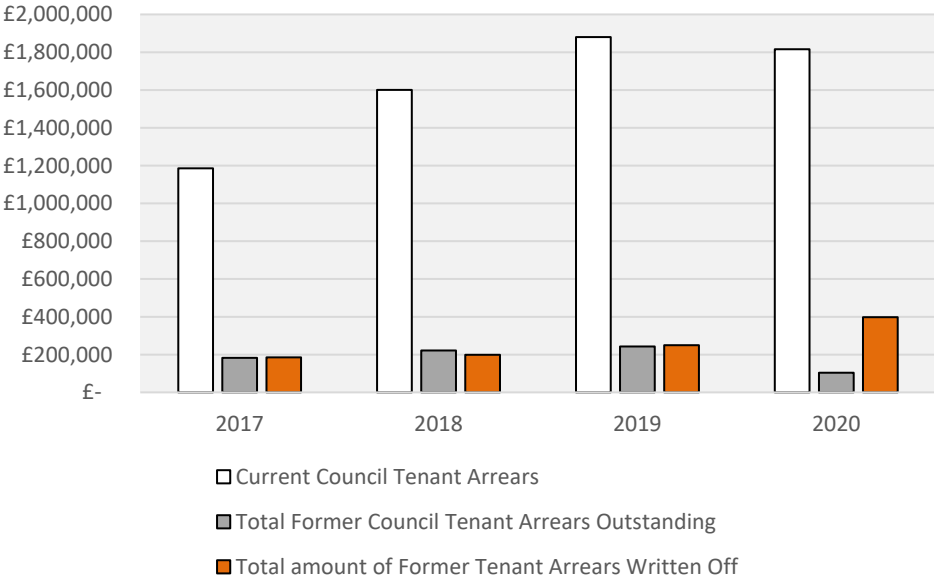


Exhibit source: Flintshire County Council Data

The Council’s current rent arrears data shows a deteriorating performance between 2016-17 and 2018-19, but an improvement in the year-end position for 2019-20. The current rent arrears at 31 March 2020 reduced to £1.815 million compared to the previous year position of £1.880 million, a reduction of £65,000.

² Audit Wales, **Managing the Impact of Welfare Reform Changes on Social Housing Tenants in Wales**, January 2015.

- 6 The Council had by March 2020 successfully stopped the increase in Council tenant current rent arrears. However, the COVID-19 pandemic has inevitably had a negative effect on rent collections, as some tenants have struggled to meet their payment obligations as a result of changes in their circumstances. According to a Council progress report presented to scrutiny in December 2020, the total Rent Arrears up to Monday 23 November 2020 were £2.49 million, compared to £2.31 million at the same point in 2019-20, a rise of £184,000.
- 7 The level of Council tenant rent arrears is reported at least every six months to scrutiny committees and the Cabinet. The reports provide an operational update and the latest rent arrears data on current tenant arrears. There are less frequent reports on the level of former tenant arrears and non-recoverable arrears which are written off. There is no reporting of the overall level of rent collected each year by the Council or benchmarking of performance against the other ten councils in Wales which operate Housing Revenue Accounts. The absence of such key management information may limit the ability of councillors and the public to consider if the Council is achieving overall value for money with its Rent Income Service.
- 8 We found that £398,288 of its Former Tenants Arrears was written off in 2019-20. It is more difficult to recover this debt, and the Council is writing off more each year. The Council should consider including the level of former tenant arrears, and its percentage in relation to the total level of arrears, as part of a suite of indicators. Since our fieldwork, the Council has told us that it is now working on developing additional performance information for 2021-22.
- 9 Reporting performance outcomes against a limited selection of indicators may not present a complete picture of the overall income and rent arrears performance. There is no apparent benchmarking process or comparative data being consistently used in the reporting of Council tenants' arrears. This results in limited contextual information to assist meaningful challenge of performance. The Council should consider enhancing its range of indicators and further develop its approach to benchmarking as a means of driving forward performance improvement.
- 10 The Council has introduced changes to working practices and targeted resources to try to maximise rent incomes and prevent overall arrears levels from escalating further. Before the introduction of Universal Credit, Council tenant rent arrears work was undertaken by officers in the Housing Department. This work is now undertaken by their New Customer Team which focuses on new Council tenants. This focus ensures that pre-tenancy assessments are carried out, and intensive support at the start and first few weeks of new tenancies to help minimise tenancy failures is available.
- 11 The Rent Income Team, part of the Revenues Department, is now responsible for collecting rent and managing rent arrears. The team mainly works with tenants via telephone, email or letters, and some face-to-face contact through interviews and home visits. This face-to-face contact has temporarily ceased during the COVID-19 pandemic.

- 12 In August 2018, the Housing Intervention Team (HIT) was launched to co-ordinate lower-level arrears through early intervention with tenants. This is a co-ordination team of four officers from both the Housing and Rent Income Service. Their role is to understand the nature of the tenant's debt and inform them of the support available.
- 13 In July 2019, the Council introduced MobySoft 'Rent Sense' software to help improve the efficiency of rent arrears work. The software analyses Council tenants' payment patterns, along with a predictive analytical application that then predicts which tenants will and will not pay their rent. It then produces a list for officers of tenants, in priority order, that need contacting regarding their rent payments.
- 14 The Council has clear policies and procedures for its rent income service:
- the Corporate Debt Policy sets out the standard procedures for the collection of debt;
 - the Fair Debt Collection Policy sets out the framework for a consistent and customer sensitive approach to the recovery of debt; and
 - the Housing Strategy sets out the Council's vision: 'to work with key stakeholders to inform and deliver the right type of quality housing and most appropriate support to meet the needs of our population'.
- 15 We understand that a Fair Debt Working Group has been established to monitor the effectiveness of the Fair Debt Collection policy. However, due to little information being provided it is unclear to what extent this working group is achieving its purpose. Some officers we spoke to were unaware of the policy. We would encourage the Council to set a policy review date and ensure that all officers that are involved with Council tenants are made aware of it.
- 16 The Council also collects water rates from its tenants with rent payments rather than expecting tenants to pay these bills separately to Dŵr Cymru. Relatively few councils in Wales offer this service but the tenants we spoke to find the arrangement helpful. The Council believes the commission it receives from Dŵr Cymru covers its administrative costs.

The Council has further opportunities for improving performance but support for tenants is fragmented

- 17 Management information systems are in place to help gather information to enable rent arrears performance to be monitored each week and intervention targeted. The introduction of 'Rent Sense' software enabled early identification and targeted intervention of those tenants at the highest risk of accruing further arrears. Income Officers reported that the software has significantly reduced manual processes, allowing them to focus their resources on supporting tenants more efficiently.
- 18 The Housing Intervention Team (HIT) is an example of joint working across the Council that has enabled early contact with Council tenants to ensure tenancies are sustained by preventing arrears building up.

- 19 The Housing Service and Rent Income Service offer ongoing advice and support to help Council tenants manage their rent arrears. Tenants are also signposted to advice agencies such as the Citizens Advice Bureau (CAB) and Shelter Cymru. This is important as arrears can arise at any stage of a tenancy, due to changes in financial, employment or personal circumstances.
- 20 However, we found that Council tenants could potentially have contact with several different Council officers about their rent, suggesting no clear single point of access for support and that in some respects current arrangements are fragmented:
- Housing Service:
 - New Customer team
 - Secure Tenancies Team
 - Supporting People
 - Housing Intervention Team (HIT)
 - Revenues:
 - Welfare Reform Team
 - Rent Income Officers
 - Rent Enforcement Officers
- 21 We understand that monthly case management meetings are set up to discuss issues arising regarding vulnerable tenants. The membership includes officers from the Housing Service, Housing Solutions Team and, more recently, Income Service. However, there are more examples where communication channels could be improved between teams. For example, if Housing Officers have concerns about a tenant's rent situation, they would refer them via the gateway process and not directly to the HIT team. The HIT team only receives referral from the Rent Income Service. This means that tenants might experience delays in getting support. The Council is aware that it needs to improve its current training to ensure that Housing Officers ensure they consistently access communications from Income Officers of notices served to tenants, as well as eviction dates.
- 22 From April 2019, the Department for Work and Pensions (DWP) withdrew funding to councils to provide Universal Support, which included personal budgeting and help with using a computer to make or maintain claims. As a replacement service, the DWP contracted Cheshire West CAB provide a 'Help to Claim Service' for the county. It aims to help people with their claim processes up to when they receive their first Universal Credit payment. Most officers and representatives of the local CAB and Shelter Cymru we spoke to were unaware of how effective the 'Help to Claim Service' is, and there appeared to be little contact with this service by the Council or local advice services.
- 23 Other officers that were aware of the arrangement said that Cheshire West CAB has not provided any information about the numbers of residents accessing the service. Due to the absence of this information, the Council cannot assure itself its residents are being provided with the support they require. Cabinet Report minutes from 18 February 2020 say, 'this was being escalated to ensure that information

was available'. Since April 2020, the provision has shifted to a national call centre which operates a telephone service.

- 24 The 'Help to Claim Service' does not provide personal budgeting support, instead the local Welfare Reform Team provides this. It helps tenants who are affected by Universal Credit and other Welfare Reform changes. Demand for budgeting support has increased since the introduction of Universal Credit. We were also told that Accommodation Support Officers also provided this at the Council's Connect Offices prior to the COVID-19 pandemic. This indicates possible duplication and may cause confusion to those requiring support.
- 25 The New Customer Team focuses on new Council tenants, ensuring that pre-tenancy assessments are carried out and support identified to help minimise tenancy failures. As well as Council tenants migrating from Housing Benefit to Universal Credit when their circumstances change, the impact of the COVID-19 pandemic is an additional challenge. The Council is seeing more of its tenants having to sign up for Universal Credit for the first time, increasing the demands on various Council teams. Waiting times for the first payment of Universal Credit can take as long as five weeks, meaning some Council tenants may find themselves in arrears from the start of their tenancies. Ensuring early support to help Council tenants manage their finances may help to mitigate the impact on rent arrears.
- 26 The Coronavirus Act 2020 ('the 2020 Act') includes a range of powers to both respond to and manage the transmission of the virus. The Act ensures landlords give increased notice³ to tenants facing eviction from rented properties before they can issue proceedings for possession. The effect will be to delay evictions meaning that fewer people face eviction into homelessness. Enforcement activity will be affected because of the Act, and the Council may face additional pressures once proceedings resume.
- 27 The Council recognises it will need to develop a new strategy to address the challenges the COVID-19 pandemic has presented. The Council is developing a corporate Recovery Strategy for the pandemic emergency response. We understand that reviews will take place to assess the ongoing impact of the COVID-19 pandemic on rent arrears.

The Council has taken steps to engage with its tenants but there is opportunity to do more, particularly to understand equality and diversity in the tenant population

- 28 The Council has taken steps to engage with its tenants about rent arrears. As well as the HIT team, Housing Officers and Rent Income Officers are in contact with tenants. However, there is little evidence of regular formal engagement with

³ The regulations now extend eviction notice periods granted under the Housing Act 1988 to six months in most cases, as opposed to the usual three months' notice for notices served in respect of secure tenancies and introductory tenancies. Since the second full lockdown in December 2020, evictions have again been halted.

tenants about the services they receive. It is unclear how the Council is measuring its effectiveness in this area.

- 29 We were told that a survey of Council tenants would be commissioned by the Housing Service, as the most recent survey we saw was undertaken in 2013-14. We were also informed that tenant surveys are undertaken, and the results are reported to the Housing Service Management team. The Rent Income Service does not have any arrangement in place to capture tenants' feedback. There is opportunity to strengthen integrated engagement arrangements to better understand the needs, experiences and aspirations of tenants to inform the delivery of the services in uncertain times.
- 30 Engaging with tenants might indicate where greater support is needed. We found there to be a lack of arrangements in place to gather and share information on vulnerable tenants especially in terms of communication. Information about tenants who have visual or hearing difficulties or English as a second language or a low level of literacy was not available. We found that such information can be captured in tenancy sign-up documents, by the relationships formed with Housing Officers and that their Housing Software system has the capability to record it.
- 31 The Council has identified risks as a result of welfare reforms. Universal Credit places an expectation on tenants to manage their own finances, but many tenants, especially those tenants considered to be vulnerable, cannot cope with the budgeting obligations of paying rent on time. In many cases, tenants with complex needs fall into arrears. More comprehensive equalities monitoring and tenant engagement could help the Council to improve how it supports its tenants.



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We welcome correspondence and telephone calls in Welsh and English.
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

Eitem ar gyfer y Rhaglen 8



CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Thursday, 11 th November 2021
Report Subject	Capital Strategy Including Prudential Indicators 2022/23 to 2024/25
Cabinet Member	Cabinet Member for Finance, Social Value and Procurement
Report Author	Corporate Finance Manager
Type of Report	Strategic

EXECUTIVE SUMMARY

This report updates the Council's Capital Strategy and seeks the Committee's recommendation to Cabinet.

The report explains the need 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 2022/23 – 2024/25.

RECOMMENDATIONS

1	To consider and recommend the Capital Strategy to Cabinet.
2	To consider and recommend to Cabinet:- <ul style="list-style-type: none">• The Prudential Indicators for 2022/23 - 2024/25 as detailed within Tables 1, and 4 – 7 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	CAPITAL STRATEGY 2022 – 2025
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>
1.14	<p>Prudential Code Update</p> <p>CIPFA is looking to strengthen its Code to ensure local authorities' financial plans are affordable, prudent and sustainable. The updated Code is expected to be published by the end of the year. The Code will clarify what constitutes prudential borrowing activities to help stop a number of authorities from misinterpreting its provision.</p> <p>Key changes will include clarification to better define commercial activity and investment and a requirement to incorporate an assessment of risk against levels of resources.</p>

2.00	RESOURCE IMPLICATIONS
2.01	Financial consequences for capital resources are as set out within the report and in Appendix 1.
2.02	Financial consequences for revenue resources are as set out within the report and in Appendix 1.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT								
3.01	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, therefore mitigating the risks involved.								
3.02	<p>Ways of Working (Sustainable Development) Principles Impact</p> <table border="1"> <tr> <td>Long-term</td> <td rowspan="5">The impacts upon sustainable development principles of the Capital Programme which influences the Capital Strategy are listed in the Capital Programme 2022/23 – 2024/25 report included elsewhere on this agenda.</td> </tr> <tr> <td>Prevention</td> </tr> <tr> <td>Integration</td> </tr> <tr> <td>Collaboration</td> </tr> <tr> <td>Involvement</td> </tr> </table>	Long-term	The impacts upon sustainable development principles of the Capital Programme which influences the Capital Strategy are listed in the Capital Programme 2022/23 – 2024/25 report included elsewhere on this agenda.	Prevention	Integration	Collaboration	Involvement		
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Collaboration									
Involvement									
3.03	<p>Well-being Goals Impact</p> <table border="1"> <tr> <td>Prosperous Wales</td> <td rowspan="7">The impacts upon the well-being goals of the Capital Programme which influences the Capital Strategy are listed in the Capital Programme 2022/23 – 2024/25 report included elsewhere on this agenda.</td> </tr> <tr> <td>Resilient Wales</td> </tr> <tr> <td>Healthier Wales</td> </tr> <tr> <td>More equal Wales</td> </tr> <tr> <td>Cohesive Wales</td> </tr> <tr> <td>Vibrant Wales</td> </tr> <tr> <td>Globally responsible Wales</td> </tr> </table>	Prosperous Wales	The impacts upon the well-being goals of the Capital Programme which influences the Capital Strategy are listed in the Capital Programme 2022/23 – 2024/25 report included elsewhere on this agenda.	Resilient Wales	Healthier Wales	More equal Wales	Cohesive Wales	Vibrant Wales	Globally responsible Wales
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Resilient Wales									
Healthier Wales									
More equal Wales									
Cohesive Wales									
Vibrant Wales									
Globally responsible Wales									
3.04	<p>Integrated Impact Assessments</p> <p>The integrated impact assessment of the Capital Programme which influences the Capital Strategy are discussed in the Capital Programme 2022/23 – 2024/25 report included elsewhere on this agenda.</p>								

4.00	CONSULTATIONS REQUIRED / CARRIED OUT
4.01	Any comments from Corporate Resources Overview and Scrutiny Committee on the proposed Capital Strategy will be referred back to the November 2021 meeting of the Cabinet for consideration before the final Capital Strategy for 2022-2025 is considered and approved by County Council in December 2021.

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	<p>Contact Officer: Chris Taylor, Strategic Finance Manager Telephone: 01352 703309 E-mail: christopher.taylor@flintshire.gov.uk</p>

8.00	GLOSSARY OF TERMS
8.01	<p>Capital Expenditure - Expenditure on the acquisition of Non-current Assets or expenditure that extends the life or value of an existing asset</p> <p>Capital 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</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> <p>Prudential Code - The Code of Practice drawn up by the Chartered Institute of Public Finance and Accountancy (CIPFA) to underpin the requirements of the Local Government Act 2003 in respect of an authority's duty to determine the affordability, prudence and sustainability of its capital investment needs</p>

<p>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</p>

<p>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</p>

CAPITAL STRATEGY

2022/23 TO 2024/25

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CAPITAL STRATEGY REPORT 2022/23

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 in tables 1 and, 4 - 7.

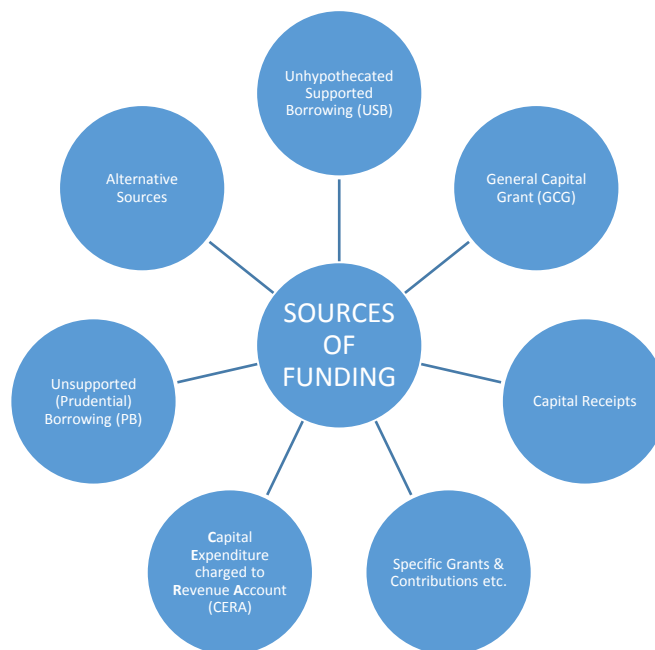
This document updates the capital strategy approved by Council in December 2020. It gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed 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 requirement 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 are 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 including 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. This 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 which 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', redevelopment of Theatr Clwyd, relocation of Tri-ffordd day service provision and the HRA Strategic Housing and Regeneration Programme (SHARP) 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 (to the lessee) substantially 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;
 - Deferred Purchase, and
 - 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, 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 asset’s 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 and Technical Accounting Team, 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 2022/23 to 2024/25 is summarised below:

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

	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Council Fund	37.469	47.350	22.576
Housing Revenue Account	25.074	27.519	27.680
Total	62.543	74.869	50.256

The Council's Capital Programme is due to be approved by Council in December 2021, 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 undertaking redevelopment of Theatr Clwyd; 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; has plans, in conjunction with its partners, to create a new archive building to deliver a single archive service for North East Wales, and is planning to relocate the Tri-ffordd day service provision. More detail is available in the Capital Programme 2022/23 – 2024/25 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 SHARP, as well as bringing its stock into line with the Welsh Housing Quality Standard (WHQS).

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 Ltd (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:

Table 2: Capital Financing in £ millions

	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Council Fund			
<u>External Sources</u>			
USB	4.040	4.040	4.040
GCG	2.492	2.492	2.492
Specific Grants/Contrib's/Loans	24.131	23.853	9.141
<u>Own Resources</u>			
Capital Receipts	3.463	0.000	0.000
CERA	0.000	0.000	0.000
<u>Debt</u>			
Prudential Borrowing	3.343	16.965	6.903
Sub Total - Council Fund	37.469	47.350	22.576

Housing Revenue Account			
<u>External Sources</u>			
MRA	4.968	4.968	4.968
Specific Grants/Contrib's/Loans	0.400	0.400	0.400
<u>Own Resources</u>			
Capital Receipts	0.000	0.000	0.000
CERA	10.898	11.385	11.731
Othe contns	0.000	0.000	0.000
<u>Debt</u>			
Prudential Borrowing	8.808	10.766	10.581
Sub Total - HRA			
	25.074	27.519	27.680
TOTAL			
	62.543	74.869	50.256

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

	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Council Fund	3.282	3.460	3.871
Housing Revenue Account	1.590	1.740	1.929

Local authorities are required to set a policy for MRP each financial year. The Council sets its annual MRP policy in February each year and this 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

	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Council Fund	230.815	252.856	263.646
Housing Revenue Account	138.710	149.991	158.839
Total	369.525	402.847	422.485

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 2021) has £288m long term borrowing at an average interest rate of 4.61%, and £17m short term borrowing at an average interest rate at 0.02%. It also has £17m treasury investments at an average interest rate of 0.016%.

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 0.03%) and long-term fixed rate loans where the future cost is known but higher (currently 2.15% to 2.51%).

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

	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Debt (Incl Leases)	364.075	398.584	420.461
Capital Financing Requirement	369.525	402.847	422.485

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

	2022/23 Limit	2023/24 Limit	2024/25 Limit
Authorised Limit - Borrowing	411	433	448
Authorised Limit - Other long term liabilities	35	35	35
Authorised Limit - Total External Debt	446	468	483
Operational Boundary - Borrowing	391	413	428
Operational Boundary - Other long term liabilities	20	20	20
Operational Boundary - Total External Debt	411	433	448

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 Governance and Audit Committee. The Governance and 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 £288m detailed above, the Council is committed to making future payments to cover its pension fund deficit (valued at £431m). It has also set aside £1m to cover the risks associated with the aftercare of former landfill sites, and £3.4m 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 34 of the Council's 2020/21 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

	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Council Fund	4.40%	4.58%	4.90%
HRA	18.35%	19.03%	19.30%

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 advisors. 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 9



CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Thursday, 11 th November 2021
Report Subject	Capital Programme 2022/23 – 2024/25
Cabinet Member	Cabinet Member for Finance, Social Value and Procurement
Report Author	Chief Executive Corporate Finance Manager
Report Type	Strategic

EXECUTIVE SUMMARY

This report presents the proposed Capital Programme for the period 2022/23 – 2024/25.

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, care homes and day centres), 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 consider and support the allocations and schemes in Table 3 (paragraph 1.09) for the Statutory/Regulatory and Retained Assets sections of the Council Fund Capital Programme 2022/23 - 2024/25.
2	To consider and support the schemes included in Table 4 (paragraph 1.29) for the Investment section of the Council Fund Capital Programme 2022/23 - 2024/25.
3	To note that the shortfall in funding of schemes in 2022/23, 2023/24 and 2024/25 in Table 5 (paragraph 1.38) 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 2022/23, and included in future Capital Programme reports.
4	To consider and support the schemes included in Table 6 (paragraph 1.44) for the specifically funded section of the Council Fund Capital Programme which will be funded in part through borrowing.
5	To consider the report and feedback any comments for Cabinet to consider before the Capital Programme 2022/23 – 2024/25 report is considered by Council.

REPORT DETAILS

1.00	EXPLAINING THE CAPITAL PROGRAMME 2022/23 – 2024/25
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, care homes and day centres), 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 Strategic 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 2021/22 – 2023/24 Update</p> <p>The Council’s Capital Strategy divides the Capital Programme into three parts as follows.</p> <ol style="list-style-type: none">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.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.

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 2021/22 – 2023/24 as reported at Month 6 2021/22:

Table 1

ESTIMATED FUNDING 2021/22 - 2023/24				
	2021/22	2022/23	2023/24	Total
	£m	£m	£m	£m
Funding				
Un-hypothecated Supported Borrowing (USB) ¹	4.040	4.040	4.040	12.120
General Capital Grant (GCG) ¹	2.492	2.492	2.492	7.476
Additional General Capital Grant (GCG) ¹	1.559	0.000	0.000	1.559
Surplus B/Fwd	4.004	0.000	0.000	4.004
Total Funding	12.095	6.532	6.532	25.159
Expenditure				
Total Capital Programme 2021/22 - 2023/24	8.632	6.502	5.878	21.012
	8.632	6.502	5.878	21.012
Surplus / (Shortfall)	3.463	0.030	0.654	4.147
¹ As per 21/22 Final Settlement				

1.04 Table 1 shows the current position of the Capital Programme 2021/22 – 2023/24 as reported at Month 6 to Cabinet and Corporate Resources Overview and Scrutiny Committee an overall surplus in funding of £4.147m, with a surplus in 2021/22 of £3.463m.

When the budget was set in December 2020, there was a shortfall in funding of schemes in 2021/22 and surplus in 2022/23 and 2023/24. 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 2021/22.

1.05 Given the current position in setting the Capital Programme for the next 3 years 2022/23 – 2024/25, 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

Projected General Funding Available 2022/23 - 2024/25

Table 2 below shows the general capital funding currently projected to be available to fund the Capital Programme over the next 3 years (2022/23 - 2024/25).

Table 2

ESTIMATED AVAILABLE FUNDING 2022/23 - 2024/25				
	2022/23	2023/24	2024/25	Total
	£m	£m	£m	£m
Funding (Excluding Specific Funding)				
Un-hypothecated Supported Borrowing (USB) ¹	4.040	4.040	4.040	12.120
General Capital Grant (GCG) ¹	2.492	2.492	2.492	7.476
Surplus B/Fwd from 2021/22	3.463	0.000	0.000	3.463
Total	9.995	6.532	6.532	23.059
1 As per 21/22 Final Settlement				

1.07

Table 2 assumes that the Un-hypothecated Supported Borrowing allocation and the General Capital Grant received from WG in the years 2022/23 to 2024/25 remains the same as included in the information provided in the 2021/22 final Financial Settlement for Welsh local government. The 2022/23 Provisional Settlement for Welsh local government announcement has been provisionally set for the 20th December.

1.08

The figures in Table 2 relate to the Council Fund (CF) only, with the HRA Capital Programme being reported separately.

General Capital Programme 2022/23 – 2024/25

1.09

Statutory / Regulatory and Retained Asset Allocations – 2022/23 – 2024/25

Table 3 shows the proposed allocations for the period 2022/23 - 2024/25 for the Statutory / Regulatory and Retained Asset sections of the Capital Programme.

Table 3

PROPOSED ALLOCATIONS 2022/23 - 2024/25				
	2022/23	2023/24	2024/25	Total
	£m	£m	£m	£m
Statutory / Regulatory Section				
Equalities Act - Individual pupils	0.500	0.500	0.500	1.500
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	0.050	0.050	0.000	0.100
School safeguarding works	0.100	0.100	0.100	0.300
Target Hardening	0.030	0.030	0.030	0.090
Total Statutory / Regulatory	2.780	2.780	2.730	8.290
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	1.000	1.000	1.000	3.000
Play areas	0.200	0.200	0.200	0.600
ICT - Equipment at Datacentres	0.050	0.000	0.510	0.560
ICT - Server Technology	0.210	0.000	0.070	0.280
ICT - Laptop / PC Replacements	0.103	0.104	0.092	0.299
Works to the Greenfield Valley Reservoirs	0.038	0.000	0.000	0.038
Base Provision for Leisure and Libraries Estate	0.200	0.200	0.200	0.600
All Weather Pitches	0.300	0.195	0.000	0.495
Public Space CCTV Upgrades	0.045	0.033	0.000	0.078
New Street Car Park - Retaining Wall / Attenuation	0.144	0.000	0.000	0.144
Shredder replacement at Greenfield HRC	0.400	0.000	0.000	0.400
'Headroom'	0.350	0.350	0.350	1.050
Total Retained Assets Section	4.740	3.782	4.122	12.644

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 1.28 below.

1.11 Equalities Act – Individual pupils

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.

The budget as it currently stands, does not meet the demands for the physical adaptations required. It is proposed to increase the allocation by

	£0.200m, to £0.500m, for 2022/23 to 2024/25 to enable continued delivery of school adaptation works, to meet the needs of pupils with disabilities.
1.12	<p><u>Disabled Facilities Grants (DFG)</u></p> <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 2022/23 to 2024/25.</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 2022/23 to 2024/25.</p>
1.14	<p><u>School building works</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. When building new schools or extending current ones, the Council takes the approach to upgrade to the current standards at that time.</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 2022/23 to 2024/25.</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</p>

	<p>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 2022/23 to 2024/25.</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>No changes are proposed for 2022/23 to 2023/24.</p>
1.17	<p><u>School safeguarding works</u></p> <p>There is a requirement for a three year funding allocation to carry out works/adaptations at schools, to address safeguarding concerns raised about access at main entrances. These works are required to ensure both children and adults can attend schools in a safe and secure environment.</p> <p>New scheme included in 2022/23 – 2024/25</p>
1.18	<p><u>Target Hardening</u></p> <p>The Target Hardening budget requires replenishment over the next three year period to prevent unauthorised use of land or buildings within the County.</p> <p>New scheme included in 2022/23 – 2024/25</p>
1.19	<p><u>Highways Asset Management Plan (HAMP)</u></p> <p>An annual allocation of £1m to fund the HAMP which includes resurfacing of the classified Highway Network, replacement programme for street lighting columns and structural maintenance, with £0.100m to be top sliced for 'streetscape' improvements.</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 (£0.954m in 2019/20, £0.950m in 2020/21 and £0.949m in 2021/22).</p> <p>See paragraph 1.55 for more detail in regard to the position on the potential development of the HAMP.</p> <p>It is proposed to increase the annual allocation by £0.400m, to £1m, for 2022/23 to 2024/25.</p>
1.20	<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</p>

	<p>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 2022/23 to 2024/25.</p>
1.21	<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 - £0.170m had previously been approved in the programme for the replacement of equipment such as High Volume Air Conditioning units and batteries to ensure the power supply to data centres is not interrupted. <p>£0.390m is proposed in 2024/25, to replace outdated systems with the technologies required to deliver effective datacentres and improve connection to end users devices. Without these technologies the Council will be unable to run either of the datacentres resulting in the requirement to switch off IT systems hosted within these facilities. As there is a high reliance on IT Business Systems and services across the whole of the authority, the impact on Council wide service delivery would be significant.</p> <ul style="list-style-type: none"> • ICT Server Technologies (Business Systems and SQL Servers) - £0.210m had previously been approved 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. <p>It is proposed that the servers used to support Business systems that utilise SQL as a database technology are replaced in 2024/25, at a cost of £0.070m.</p> <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 three year programme.</p>

1.22	<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 2022/23.</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 2022/24 to 2024/25.</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.</p> <p>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> <p>No changes are proposed for 2022/24 to 2023/24.</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 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> <p>No changes are proposed for 2022/24 to 2023/24.</p>
1.26	<p><u>New Street Car Park - Retaining Wall / Attenuation</u></p> <p>Urgent flood prevention works relating to the creation of a retaining wall/barrier from New Street Car Park will be carried out in 2021/22 and will require funding from ‘headroom’ in the current programme.</p> <p>The second phase relates to the potential creation of a large attenuation tank underneath the car park to slow flows into the main drainage system and reduce impact of flooding in this area of Mold, which will take place in 2022/23.</p> <p>New scheme included in 2022/23.</p>
1.27	<p><u>Shredder replacement at Greenfield Household Recycling Centre</u></p> <p>Funding required to replace the existing shredder at the Greenfield composting site. The machine has become increasingly expensive to repair annually, and the purchase of a new machine would improve site efficiencies and reduce maintenance costs. Ongoing breakdowns are impacting on the operational management of the service in line with legal requirements.</p> <p>New scheme included in 2022/23.</p>
1.28	<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 2022/23 to 2024/25.</p>
1.29	<p>Investment Section of the Capital Programme 2022/23 – 2024/25</p> <p>Table 4 below shows the proposed schemes for the period 2022/23 - 2024/25 for the Investment section of the Capital Programme. Details are provided in paragraphs 1.30 to 1.37.</p>

Table 4

PROPOSED INVESTMENT SCHEMES 2022/23 - 2024/25				
	2022/23	2023/24	2024/25	Total
	£m	£m	£m	£m
Investment Section				
<u>Previously Approved</u>				
Historic Building Conservation	0.050	0.000	0.000	0.050
Foster carers home adaptations	0.060	0.000	0.000	0.060
Joint Archive Facility, FCC and DCC	0.000	1.419	1.364	2.783
	0.110	1.419	1.364	2.893
<u>New Schemes for Approval</u>				
Improvements to Standard Yard Waste Transfer Station	1.475	0.000	0.000	1.475
Penyffordd CP School Extension	0.257	0.000	0.000	0.257
Decarbonisation of the Vehicle Fleet	0.500	0.000	0.000	0.500
Croes Atti Residential Care Home	0.650	0.000	0.000	0.650
Relocation of Tri-ffordd Day Service Provision	0.270	2.430	0.000	2.700
	3.152	2.430	0.000	5.582
Total Investment Section	3.262	3.849	1.364	8.475

1.30

Historic Building Conservation

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.

Direct Cost:

- £0.050m per annum is utilised from the Council's capital programme budget

Direct Benefits:

- 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
- 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,

	<p>thereby reducing scope for more complex and costly repairs if left to a later stage of deterioration</p> <ul style="list-style-type: none"> • 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 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 • 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

	<ul style="list-style-type: none"> • 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 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>The funding application for Heritage Horizon Award was unsuccessful, with the project board now seeking alternative grant funding from the National Lottery Fund Wales, however this will be at a significantly reduced funding level. Further work will continue to deliver a scaled back scheme, within the funding envelope, which still delivers against the business case for both authorities.</p> <p>Expressions of interest for funding are due to be submitted by the end of November 2021, and a decision on the outcome of this expected in March 2022.</p> <p>Direct Costs:</p> <ul style="list-style-type: none"> • Estimated funding available for the project is £10.363m, with £5.3m from grant funding, £3.028m from Flintshire County Council and £2.035m from Denbighshire County Council • 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 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. • 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.

	<ul style="list-style-type: none"> The overall revenue impact is an estimated saving of £11,647 per annum once the new building is open, 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>Improvements to Standard Yard Waste Transfer Station</u></p> <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>Funding of £3.325m has already been secured for the scheme based on costs that were estimated in 2019/20. Over the last 12-18 months, significant work has been undertaken to progress the scheme through the necessary planning consents and environmental permitting processes.</p> <p>However, due to the delays incurred owing to COVID-19, increased costs for design work and planning consultation, along with the complexities around ground investigation work, gas mitigation measures and drainage, additional funding of £1.475m is being requested to ensure that the scheme can be completed.</p> <p>The total cost of the scheme is estimated to be £4.8m.</p> <p>Direct Benefits:</p> <ul style="list-style-type: none"> Development of the site will ensure that we achieve the 70% target set by WG for recycling, and accommodate increased recyclable materials in the future 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 new facility will increase recycling rates further, reduce material contamination and increase the quality of the recyclable materials, thereby maximising potential income for recyclable materials for the Council

	<ul style="list-style-type: none"> • Renewing the baling machine, plant and equipment, and introducing increased automated processing on site, with less manual processing. This will increase the efficiency of the site operations • Reduced revenue costs for repairs and maintenance at the site, will increase capacity and resilience, resulting in increased productivity and reduced downtime <p>Indirect Benefits:</p> <ul style="list-style-type: none"> • Improved welfare facilities for operatives – resulting in increased job satisfaction and contributes to their well-being • Construction of a new access road to adoptable highway standards will enable improved access for businesses on the industrial estate and allow the WTS to operate over one single site rather than the current operation of both sides of the access road, which has its limitations • Improved hauliers access for processing operations, which in turn would reduce downtime when haulage companies collect baled materials and increase productivity for processing operators
1.34	<p><u>Penyffordd CP School Extension</u></p> <p>A new replacement school for Penyffordd C.P. was constructed and opened in September 2019. At the time, planning permission was approved to future proof the school for an additional 60 pupil place extension, as a consequence of housing developments in the area. Forecasts indicate that by 2025 the school will be full without any flexibility to accommodate additional pupils from local housing developments. The extension will provide a sufficient number of school places to meet the demands of the local area, with a level of accommodation that meets both School Modernisation and 21st Century schools standards.</p> <p>Direct Costs:</p> <ul style="list-style-type: none"> • Capital investment required is £0.600m, with £0.343m being funded from Section 106 contributions <p>Direct Benefits:</p> <ul style="list-style-type: none"> • Enabling 57% of external investment in the school • Remove the requirement for the provision of two mobile classrooms, along with the associated revenue implications • Provide a sufficient number of school places to meet the demands of the local area, with a level of accommodation that meets both School Modernisation and 21st Century schools standards. <p>Indirect Benefits:</p> <ul style="list-style-type: none"> • Will respond to the needs of the Authority’s Local Development Plan for additional school places in the Flintshire area as a result of approved housing developments • Improving learner outcomes by ensuring that school buildings are effective in creating the conditions for learners to succeed

1.35	<p><u>Decarbonisation of the Vehicle Fleet</u></p> <p>Investment will be directed to develop Electric Vehicle (EV) Infrastructure at viable County Offices and Depots. Initial investigations are underway to identify capacity and usage at existing sites, and this is being compared against options for operating models of electric vehicles. This work is required to aid the transition to Ultra Low Emission Vehicle (ULEV) fleet to support the County's Carbon Reduction ambitions.</p> <p>Direct Costs:</p> <ul style="list-style-type: none"> • Capital investment required is £0.500m <p>Direct Benefits:</p> <ul style="list-style-type: none"> • Pump-prime the transition to EVs • Proposals are part of the Council's Plan under the theme 'Green Council' for sustainable development and environmental management • Reduction in fuel usage and costs • Reduction in Greenhouse Gas emissions <p>Indirect Benefits:</p> <ul style="list-style-type: none"> • Promote the wider use of Electric Vehicles • Promote Flintshire as a Green Council
1.36	<p><u>Croes Atti Residential Care Home</u></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 increasingly 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.</p> <p>The Council has recently been awarded ICF grant, to fund feasibility works for a potential new build which will increase capacity for a further 25</p>

placements. The new facility is being developed with Betsi Cadwaladr University Health Board (BCUHB) and it is anticipated that support for the scheme will be received from WG, however the value of funding, at this stage, is yet to be confirmed.

Detailed design and development works needs to take place following the feasibility study, which is expected to cost £0.650m. These works will result in detailed costings being completed, which will be used to support a formal application for funding to be submitted to WG for the scheme.

Following clarity on funding obligations, all partners will need to make a decision on the next steps. There may be a need to consider low and sustainable levels of long term borrowing to ensure the scheme is delivered. Should the project not go ahead then the Council's design and development of £0.650m cannot be capitalised and would be a charge to the Council's revenue account.

Direct Costs:

- £0.650m required for the design and development stage
- Estimated total costs of the scheme is assessed at £15m
- Following the design and development stage of the project, construction would begin in 2023/24 over a two year period. Funding will be sought from a mix of WG grants, FCC capital receipts and prudential borrowing

Direct Benefits:

- Additional provision of residential care placements and through release of placements 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
- Increase in placements for citizens living in the west of Flintshire to link to acute service provision, supporting greater choice and ability to be in a location of their choosing

Indirect Benefits:

- Integrated provision of multi-professional support needed to reduce organisational boundaries and improve outcomes for individuals
- Discharge to Reable and Assess ethos and 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

1.37

Relocation of Tri-ffordd Day Service Provision

Tri-ffordd is a day service provision in a horticultural environment set on 1.09 acres in Broughton for adults who have a learning disability, providing an opportunity for meaningful work orientated activity. The individuals who attend have a range of abilities and require varying levels of support and encouragement throughout the day to engage in activities and assist them with their daily needs.

The current building at Tri-ffordd are farm houses, knocked through in to one, with restricted internal space for service users. The site is located on a busy road, and offers no opportunity for further development. Social Services need to relocate the provision to provide a high quality service, taking in to account the needs of the individuals and of the service, in to the future.

Through an options appraisal, a 10 acre site on the outskirts of Mold has been identified as a potential new location for Tri-ffordd's activities, alongside further service developments.

Direct Costs:

- Capital investment required is £2.7m, for the development of new workshop buildings, alongside an office and other necessary facilities, toilets, boot room, garage for equipment
- It has been assumed that borrowing will be required to fund this project. The estimated revenue costs associated with borrowing £2.7m over 50 years totals £7.4m. In year 1 revenue debt costs are estimated to be £0.126m, rising to £0.179m in year 50, with an average of £0.149m over 50 years

Direct Benefits:

- Improved offer for people with Learning Disabilities in a purpose built facility to meet the needs of people with learning disabilities, including those with mobility issues
- The development of workshops for people supported to undertake their activities safely
- The development of a 'staff' area, with office, meeting space and breakout spaces for those attending. Here those attending undertake other activities. This also includes a reception where the service can sell the items produced at the site, such as plants and hanging baskets, alongside other products made across learning disability services, including crafts and refurbished bikes
- Provision of a 'changing places' facility in the Mold area

Indirect Benefits:

- The new site presents an opportunity for service development. There is potential for services to be offered 7 days a week, providing additional support to individuals and families in Flintshire. Primarily, an additional development on the site could include local day services for autistic individuals. Many autistic individuals current access day provision on Wirral, as provision is not available locally

- There is scope for the wider site to develop in to a community asset, not only for the people supported, but for other members of the local community
- Location of a service in Mold would provide a balance of the learning disability day/work opportunities offer across the county, complimenting sites in Queensferry (Hwb Cyfle), Flint (Abbey Upcycling, charity shop and Project SEARCH), Shotton (Rowleys Cafe) and Greenfield (Hwb Dyffryn and Freshfields Café)
- The Tri-ffordd site will be freed up for other uses

1.38

Summary (Generally funded) Capital Programme 2022/23 – 2024/25

Table 5 below summarises the generally funded Capital Programme and available funding.

Table 5

SUMMARY (GENERALLY FUNDED) CAPITAL PROGRAMME 2022/23 - 2024/25				
	2022/23	2023/24	2024/25	Total
	£m	£m	£m	£m
Statutory / Regulatory Section	2.780	2.780	2.730	8.290
Retained Assets Section	4.740	3.782	4.122	12.644
Investment Section	3.262	3.849	1.364	8.475
Total (All Sections)	10.782	10.411	8.216	29.409
Estimated available general funding ¹	9.995	6.532	6.532	23.059
Total	9.995	6.532	6.532	23.059
Surplus / (Shortfall) - no borrowing	(0.787)	(3.879)	(1.684)	(6.350)
Schemes requiring funding by borrowing:				
Joint Archive Facility, FCC and DCC	0.000	1.419	1.364	2.783
Relocation of Tri-ffordd Day Service Provision	0.270	2.430	0.000	2.700
Total	0.270	3.849	1.364	5.483
Surplus / (Shortfall) - with borrowing	(0.517)	(0.030)	(0.320)	(0.867)

¹ As per 21/22 Final Settlement

1.39

Table 5 shows that before any prudential borrowing is considered there is an overall shortfall in projected funding of £6.350m over the 3 year period, with an estimated shortfall of £0.787m in 2022/23.

Given the size of the shortfall, in particular in 2023/24 and 2024/25, it is recommended that the new large investment schemes being proposed are funded from borrowing with the associated costs of borrowing included as revenue pressures within the Medium Term Financial Strategy (MTFS).

	Table 5 above shows which schemes would be funded from borrowing.
1.40	<p>Table 5 shows that after prudential borrowing is considered, there is an overall shortfall in projected funding of £0.867m over the 3 year period, with an estimated shortfall of £0.517m in 2022/23.</p> <p>The Council's contribution towards the construction works at Croes Atti Residential Care Home, will need to be built into next year's programme following confirmation of WG grant funding for the scheme.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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 the three years, or if necessary, long term to fund the overall shortfall.</p>
1.41	<p>Specific Grants and Borrowing</p> <p>21st Century Schools Band B</p> <p>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).</p> <p>The current revised financial forecast for the Band B programme is projecting a total cost of £104m against the approved funding envelope from WG of £85m. Discussions have taken place with WG and the national</p>

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.

Over the last number of years, the following 21st Century Schools Band B schemes have been included within the Council capital programme, those being at Connah's Quay High School, Queensferry CP/Plas Derwen PRU, Ysgol Croes Atti, Shotton, Ysgol Croes Atti, Flint, Saltney / Broughton Area and Mynydd Isa Area (MIM project).

In recent months the Council have been reviewing the final individual projects for inclusion in the Band B tranche of funding. These are schemes at Drury Primary School and Elfed High School, Buckley.

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	5.500	3.575	1.925
Saltney / Broughton Area	25.000	16.250	8.750
Mynydd Isa Area*	2.718	1.767	0.951
Drury CP	3.650	2.372	1.278
Elfed HS	4.488	2.917	1.571
Total	54.406	35.864	18.542

* 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 signed the Strategic Partnering Agreements. The WEPco (Welsh Education Partnership Company), which is the vehicle being used by WG to deliver MIM projects, was 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's 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 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
- At Drury CP, the removal of mobile classrooms and increase in permanent capacity to meet local demand
- Ysgol Croes Atti, Flint, will be Flintshire's first new build Welsh Medium primary school and is strategically linked to the Council's Welsh Education Strategic Plan (WESP).
- For Elfed High, the removal of suitability and condition issues through investment
- Energy efficiency improvements

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
Conna'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
	Drury CP	0.060	0.085	0.070
	Buckley Elfed HS	0.074	0.104	0.086
	Total	0.866	1.225	1.016
	<p>Indirect Benefits:</p> <ul style="list-style-type: none"> • 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 • Provision of appropriate capacity of school network • Economic benefits of local contractor and sub-contractor spend 			
1.42	<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 £38m.</p> <p>The Council will receive significant levels of external funding for the construction stage of the scheme, with £22m expected to be awarded from WG, £5m from the Arts Council of Wales (ACW) and £4m from Theatr Clwyd. The Council will contribute £7m towards the scheme through low and sustainable levels of long term borrowing. Flintshire's contribution equates to 20% of the scheme costs which indicates the low level of debt to equity on the project.</p> <p>The planned construction start date for the project is April 2022.</p> <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.</p> <p>Direct Costs:</p> <ul style="list-style-type: none"> • Capital investment of £38m required with funding commitments shared between WG (£22m), ACW (£5m), Theatr Clwyd (£4m) and the Council (£7m), as detailed above. • The estimated revenue costs associated with borrowing £7m over 50 years totals £19.2m. In year 1 revenue debt costs are estimated 			

	<p>to be £0.328m, rising to £0.463m in year 50, with an average of £0.385m over 50 years</p> <p>Direct Benefits:</p> <ul style="list-style-type: none"> • Enabling 80% external investment in Theatr Clwyd • 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 <p>Indirect Benefits:</p> <ul style="list-style-type: none"> • 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) <p>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.</p>
1.43	<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. This is the final year of the three year funding.</p>
1.44	<p>Details of schemes specifically funded by specific grant and borrowing is shown in Table 6 below:</p>

Table 6

SPECIFICALLY FUNDED SCHEMES 2022/23 - 2024/25				
	2022/23	2023/24	2024/25	Total
	£m	£m	£m	£m
Specifically Funded Schemes				
21st Century Schools - Band B	7.303	17.939	14.360	39.602
Theatr Clwyd Redevelopment	19.000	19.000	0.000	38.000
Mockingbird Family Model	0.384	0.000	0.000	0.384
Total Schemes	26.687	36.939	14.360	77.986
Funding				
Specific Capital Grants	23.747	19.853	9.141	52.741
Unsupported (Prudential) Borrowing	2.556	13.086	5.219	20.861
Theatr Clwyd Contribution	0.000	4.000	0.000	4.000
Innovate to Save Loan	0.384	0.000	0.000	0.384
Total Schemes	26.687	36.939	14.360	77.986

1.45 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 2022/23 Capital Programme monitoring reports.

1.46 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.

1.47 **Summary Total Council Fund Capital Programme 2022/23 - 2024/25**
Table 7 summarises the total proposals for the 2022/23 - 2024/25 Capital Programme.

Table 7

SUMMARY CAPITAL PROGRAMME 2022/23 - 2024/25				
	2022/23	2023/24	2024/25	Total
	£m	£m	£m	£m
Expenditure				
Statutory / Regulatory Section	2.780	2.780	2.730	8.290
Retained Assets Section	4.740	3.782	4.122	12.644
Investment Section	3.262	3.849	1.364	8.475
Specific Section	26.687	36.939	14.360	77.986
Total Programme (All Sections)	37.469	47.350	22.576	107.395
Funding				
General Funding ¹	9.995	6.532	6.532	23.059
Grant Funding	23.747	19.853	9.141	52.741
Unsupported (Prudential) Borrowing	2.826	16.935	6.583	26.344
Theatr Clwyd Contribution	0.000	4.000	0.000	4.000
Innovate to Save Loan	0.384	0.000	0.000	0.384
Total Projected Funding	36.952	47.320	22.256	106.528
Surplus / (Shortfall)	(0.517)	(0.030)	(0.320)	(0.867)
1 As per 21/22 Provisional Settlement				

Potential future schemes

- 1.48 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).
- 1.49 **21st Century Schools & Colleges Investment Programme - Band C**
- The WG schools investment programme is expected to continue into Band C, with the expectation is that this will run from 2025 to 2030.
- Unknown's at this stage are the WG intervention rates and also whether WG will be using MIM funding in Band C, although the Strategic Partnering Agreement set up to deliver MIM projects in Wales has a ten year duration.
- WG are also likely to introduce additional criteria for Net Zero Carbon (NZC) in construction and, or operation for new build schools with the next phase of the programme. To this end, early industry indications are that this is likely to increase construction costs by 10% in construction and 20% in operation.
- Whilst there are a lot of unknowns currently, early modelling work is already being undertaken in forming the Councils potential Band C programme. This work will be presented at a later date.

1.50	<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>
1.51	<p>Children’s in-house Residential Care Home</p> <p>Three properties have been acquired by the Council using a capital grant from WG. Further grant in 2021/22 has been approved to cover the costs of the refurbishment of the properties. Where possible, the Council will continue to look at other potential in-house residential care opportunities going forward.</p>
1.52	<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 is currently being undertaken to provide a range of options with high level cost estimates around effective building solutions. As an alternative option to a Council funded solution, it would be prudent to consider whether ALN transformation could be included as a project (or series of projects) from 2024. For larger value cost options it would be prudent to consider 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>
1.53	<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 was completed in November 2020. The site has huge potential being framed within a mature semi-rural landscape; with work on a comprehensive plan currently ongoing.</p>

1.54	<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.</p> <p>The Council is currently undertaking a detailed review of two of our industrial estates. This will be a detailed study of various options which will then be explored in more detail. Various factors will be considered such as regeneration, employment opportunities, sustainability and economic viability. This will then form a template approach for the review of the remainder of our industrial portfolio.</p>
1.55	<p>Highways Asset Management Plan</p> <p>The core Capital Programme includes £1m per annum for the HAMP. In 2021/22, 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 £3.2m per annum, an increase of £2.2m per annum. The Council are awaiting an announcement from WG on the level of funding from the Public Highways Refurbishment Grant for the 2022/23 financial year.</p>
1.56	<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

1.57	<p>Deeside Leisure Centre</p> <p>Deeside Leisure Centre (DLC) is 50 years old and 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 partially occupied by the Health Board at present with the ice rink arena currently being used as a COVID-19 vaccination centre until March 2022. Once the need for additional health care services in North Wales is over, the leisure centre will be returned to full use. The Council is in ongoing discussions with WG regarding 1) financial support to reinstate the facilities at DLC following its initial use as a field hospital, and 2) financial support during the period of phased recovery (loss of income).</p> <p>The Council, and its strategic partner Aura, has recently undertaken 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>
1.58	<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>
1.59	<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</p>

	<p>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>
1.60	<p>Net Zero Carbon Aims</p> <p>WG has set out its legal commitment to achieve net zero emissions by 2050 and work towards a net zero public sector in Wales by 2030. One of the Council’s key priorities within the Council Plan is to become a NZC Council by 2030 and to support wider decarbonisation actions across the County. The capital works programme plays a vital role in accelerating the shift towards achieving the NZC target. The Council has been investing in low carbon and renewable energy systems and energy efficiency for over 10 years which has led to a 51% reduction in scope 1 and 2 greenhouse gas emissions against a 2007/08 baseline year.</p> <p>Inclusion of this priority within the programme reinforces our commitment to tackling climate change and acknowledges that we have a significant role to play in further reducing our own greenhouse gas emissions. This commitment values energy efficiency, low carbon and smart technologies as a fundamental requirement of reaching net zero for across a multitude of Council services, acting as an important contributing factor towards decarbonisation.</p>
1.61	<p>Schools IT Networking Infrastructure (2025 – 2034)</p> <p>Flintshire, along with all other authorities in Wales were awarded by WG a significant amount of money to replace old and outdated networking infrastructures within all school. This has provided the schools with a sound digital platform to deliver the curriculum for a number of years. The school infrastructures formed part of the Hwb programme (WG programme) and subsequent funding has been directed towards end users devices.</p> <p>A condition of the grant was that Local Authorities put in place sustainability plans to fund replacement infrastructures when they need replacement.</p>

1.62	<p>Abbey Upcycling</p> <p>Abbey Upcycling is part of the services operated by Hft for people with Learning Disabilities on behalf of the Council.</p> <p>The service is split into three projects: bike upcycling, electronics and woodwork. This is working well as people are able to choose which activity they want to do the most and which they are enjoying the most. Abbey Upcycling now work in partnership with Sandycroft Household Recycling Centre, where operatives put aside discarded bikes, which are then collected.</p> <p>The site is located in Heinz Park, Flint with the building continuing to deteriorate. It will require structural repairs in the future to enable the service to continue to occupy the premises.</p>
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2.00	RESOURCE IMPLICATIONS																																
2.01	Financial consequences for capital resources are as set out within the report.																																
2.02	<p>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.</p> <p>Assuming the shortfall is as estimated (£0.867m), 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 the Joint Archive Facility have been built into the current MTFS. Pressures for the shortfall in Council funding, along with new school schemes, Theatr Clwyd and Tri-ffordd will be built into future MTFS calculations as necessary.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">Pressure in Year 1</th> <th style="text-align: center;">Pressure in Year 50</th> <th style="text-align: center;">Average Annual Pressure</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> </tr> </thead> <tbody> <tr> <td>Shortfall in Council Funding (£0.867m)</td> <td style="text-align: center;">0.041</td> <td style="text-align: center;">0.057</td> <td style="text-align: center;">0.048</td> </tr> <tr> <td>Drury CP</td> <td style="text-align: center;">0.060</td> <td style="text-align: center;">0.085</td> <td style="text-align: center;">0.070</td> </tr> <tr> <td>Buckley Elfed HS</td> <td style="text-align: center;">0.074</td> <td style="text-align: center;">0.104</td> <td style="text-align: center;">0.086</td> </tr> <tr> <td>Theatr Clwyd</td> <td style="text-align: center;">0.328</td> <td style="text-align: center;">0.463</td> <td style="text-align: center;">0.385</td> </tr> <tr> <td>Tri-Ffordd</td> <td style="text-align: center;">0.126</td> <td style="text-align: center;">0.179</td> <td style="text-align: center;">0.149</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">0.629</td> <td style="text-align: center;">0.888</td> <td style="text-align: center;">0.738</td> </tr> </tbody> </table> <p>The table does not include the Mockingbird Family Model as the loan will be repaid from revenue savings generated as a result.</p>		Pressure in Year 1	Pressure in Year 50	Average Annual Pressure		£m	£m	£m	Shortfall in Council Funding (£0.867m)	0.041	0.057	0.048	Drury CP	0.060	0.085	0.070	Buckley Elfed HS	0.074	0.104	0.086	Theatr Clwyd	0.328	0.463	0.385	Tri-Ffordd	0.126	0.179	0.149	Total	0.629	0.888	0.738
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3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT	
3.01	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.	
3.02	Ways of Working (Sustainable Development) Principles Impact	
Long-term	<p>The development a new facility Joint Archive Facility will provide a sustainable archive repository for the region along with providing annual revenue savings once the service is running.</p> <p>The Theatr Clwyd building is nearing the end of its life. Investment in the building will allow long term sustainability which will support the local economy.</p> <p>The Standard Waste Transfer Station facility is at a critical point and significant investment is required to ensure the continued viability of the site and accommodate future growth in processing capacity and increasing amounts of high-quality recycling which can help stimulate domestic reprocessing and remanufacture necessary for the circular economy – bringing associated environmental impacts and helping develop the domestic green economy.</p> <p>Capital funding assists in securing the future of schools in their local communities.</p>	
Prevention	<p>Works to be completed on the reservoirs at Greenfield Valley to ensure there is no increased risk to public safety and that reservoir maintenance is carried out before further deteriorating.</p> <p>Target Hardening budget prevents unauthorised use of land or buildings within the County.</p> <p>Works at Croes Atti will give additional provision of short term beds in a community setting to allow for more appropriate assessment of need for</p>	

		individual and as a viable alternative to a hospital admission/delayed discharge.
	Integration	<p>The investment on the Highway Network is required to enable maintenance of good transportation infrastructure to support the local economy and public transport links for commuters. This includes school pupils attending schools where the Council is also investing in order to improve the quality of education being delivered. Investment in IT infrastructure supports the Council to deliver these changes along with school digital connectivity and broadband improvements.</p> <p>Development of the Croes Atti residential care home is a joint venture with close working required from both Flintshire County Council and Betsi Cadwaladr University Health Board. The success of the project and operational model will be essential to achieving both bodies' well-being goals.</p>
	Collaboration	<p>The Joint Archive Facility identifies collaboration between both Flintshire County Council and Denbighshire County Council to meet the need and demand of the two local Councils archive services. This will allow a sustainable and improved service via the creation of a single shared service and it will improve knowledge and skill sharing between both.</p> <p>The Council have worked closely with WRAP to develop our waste rounds to maximise efficiency and recycling performance levels. This work has been extended to the facility to ensure the project at the WTS supports the Council with meeting the national recycling target of 70% by 2024/25.</p> <p>Working in partnership with the Council's Planning Department to address the requirements of the Local Development Plan.</p>
	Involvement	The Joint Archive Facility will deliver a revolutionary archive offer to the public, which will deliver long-term development of a resilient, relevant service, inspiring

	<p>communities in North East Wales. The facility will secure historic collections, diversify audiences, volunteers and depositors.</p> <p>The proposed schools projects will help promote greater community integration/use/involvement.</p>
Well-being Goals Impact	
Prosperous Wales	<p>Investment in schools will improve learner outcomes by ensuring that school buildings are effective in creating the conditions for learners to succeed which develops a skilled and well-educated population in the economy.</p> <p>Capital investment directly benefits local supply chain/economy. A percentage of local expenditure is a requirement of the grant funding for school investment.</p>
Resilient Wales	<p>Use of sustainable and recycled materials during construction, more energy efficient, potential reduction in carbon emissions.</p>
Healthier Wales	<p>The Council is investing in residential care, 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>Improved physical infrastructure and facilities at schools will positively impact on the wellbeing of the school and its community.</p>
More equal Wales	<p>Educational opportunities will enabling people to develop the skills and knowledge to be fulfilled.</p>
Cohesive Wales	<p>Allocation to the Highways Network includes resurfacing, street lighting improvements and structural maintenance which allows residents in the County to travel in safe conditions.</p>

		Investment in foster care home adaptations will help to provide security and stability for children in a safe environment.
	Vibrant Wales	<p>Investment in Welsh Medium schools that supports the Council's Welsh Education Strategic Plan (WESP) and enables continued support and potential growth for Welsh Medium provision.</p> <p>Target Hardening will ensure that facilities are available for Community.</p> <p>Investment in historic building conservation to ensure the Council promotes and protects the heritage within the County and preserves it for future generations.</p>
	Globally responsible Wales	<p>Development of the waste transfer station to accommodate the growth in recycling rates, achieved through the Council educating the public around the importance of recycling. This will help to ensure statutory recycling targets are achieved, along with an increased resilience and processing capacity, for future waste streams.</p> <p>Schools capital investment, delivers a more sustainable product, local spend and added benefits for apprenticeships, work experience in construction.</p>
	<p>The impacts above include a range across several of the schemes the Council are looking at investing in over the next three years. The main body of the report breaks down the benefit for each scheme separately.</p>	
3.03	<p>Integrated Impact Assessments</p> <p>An integrated impact assessment is not required for statutory / regulatory and retained assets elements of the capital programme, as this investment is required to meet specific obligations (for example improvements and adaptations to private sector homes (Disabled Facilities Grants), adaptations to schools for children with disabilities and works required to keep buildings open by meeting Health and Safety standards) and to ensure business continuity.</p> <p>Individual integrated impact assessments have not been completed for each investment scheme as these programmes of works will be brought back to Cabinet for approval and the integrated impact assessments will be completed as part of the scheme specific reports.</p>	

4.00	CONSULTATIONS REQUIRED / CARRIED OUT
4.01	Any comments from Corporate Resources Overview and Scrutiny Committee on the proposed Capital Programme will be referred back to the November 2021 meeting of the Cabinet for consideration before the final Capital Programme for 2022/23 – 2024/25 is considered and approved by County Council in December 2021.

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	Contact Officer: Chris Taylor, Strategic Finance Manager Telephone: 01352 703309 E-mail: christopher.taylor@flintshire.gov.uk

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>

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

Regulation and Inspection of Social Care (Wales) Act 2016 (RISCA) - The act builds on the success of regulation in Wales and reflects the changing world of social care. It places service quality and improvement at the heart of the regulatory regime and strengthens protection for those who need it. Regulation will move beyond compliance with minimum standards, and focus more on the quality of services and the impact which they have on people receiving them

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 10



CORPORATE RESOURCES OVERVIEW AND SCRUTINY

Date of Meeting	Thursday, 11th November 2021
Report Subject	Revenue Budget Monitoring 2021/22 Month 6 and Capital Programme 2021/22 Month 6
Cabinet Member	Cabinet Member for Finance, Social Value and Procurement
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

The purpose of this report is to provide Members with the Revenue Budget Monitoring 2021/22 (Month 6) Report and the Capital Programme 2021/22 (Month 6).

RECOMMENDATIONS

1	That the committee considers and comments on the Revenue Budget Monitoring 2021/22 (Month 6) report. Any specific matters for attention will be noted and reported back to the Cabinet when it considers the report.
2	That the committee considers and comments on the Capital Programme 2021/22 (Month 6) report. Any specific matters for attention will be noted and reported back to the Cabinet when it considers the report.

REPORT DETAILS

1.00	EXPLAINING THE REVENUE BUDGET MONITORING POSITION 2021/22 (MONTH 6), CAPITAL PROGRAMME 2021/22 (MONTH 6)
1.01	The Revenue Budget Monitoring 2021/22 (Month 6) report will be presented to Cabinet on Tuesday 16 th November, 2021. A copy of the report is attached as Appendix A to this report.
1.02	The Capital Programme 2021/22 (Month 6) report will be presented to Cabinet on Tuesday 16 th November, 2021. A copy of the report is attached as Appendix B to this report.

2.00	RESOURCE IMPLICATIONS
2.01	As set out in Appendix A; Revenue Budget Monitoring 2021/22 (Month 6), Appendix B; Capital Programme 2021/22 (Month 6).

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	As set out in Appendix A; Revenue Budget Monitoring 2021/22 (Month 6), in Appendix B; Capital Programme 2021/22 (Month 6).

4.00	CONSULTATIONS REQUIRED / CARRIED OUT
4.01	None required.

5.00	APPENDICES
5.01	Appendix A; Revenue Budget Monitoring 2021/22 (Month 6) Appendix B; Capital Programme 2021/22 (Month 6)

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None required.

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Dave Ledsham, Finance Manager</p> <p>Telephone: 01352 704503</p> <p>E-mail: dave.ledsham@flintshire.gov.uk</p>

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

Mae'r dudalen hon yn wag yn bwrpasol

CABINET

Date of Meeting	Tuesday, 16 th November 2021
Report Subject	Revenue Budget Monitoring 2021/22 (Month 6)
Cabinet Member	Cabinet Member for Finance, Social Value and Procurement
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

This monthly report provides the latest detailed revenue budget monitoring position in 2021/22 for the Council Fund and Housing Revenue Account for the financial year and presents the position, based on actual income and expenditure, as at Month 6.

This report projects how the budget would stand at the close of the financial year, without new actions to reduce cost pressures and/or improve the financial return on efficiency planning and cost control is:

Council Fund

- An operating surplus of (£0.227m) (excluding the impact of the pay award which will be met by reserves), which is a favourable movement of (£0.045m) from the surplus figure of (£0.182m) reported at Month 5.
- A projected contingency reserve balance as at 31st March, 2022 of £6.322m

Housing Revenue Account

- Net in-year revenue expenditure forecast to be £0.755m higher than budget
- A projected closing balance as at 31st March, 2022 of £3.717m

To assist with managing risks and mitigating the overall projected overspend, the review of non-essential spend and a vacancy management process continues.

RECOMMENDATIONS

1	To note the report and the estimated financial impact on the 2021/22 budget.
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REPORT DETAILS

1.00	EXPLAINING THE REVENUE BUDGET MONITORING 2021/22																																																				
1.01	<p>Council Fund Projected Position</p> <p>The projected year end position, without mitigation to reduce cost pressures and improve the yield on efficiency planning, is as follows:</p> <ul style="list-style-type: none"> • An operating surplus of (£0.227m) (excluding the impact of the pay award which will be met by reserves) • A projected contingency reserve available balance as at 31 March 2022 of £6.322m. <p>To assist with managing risks and mitigating the overall projected overspend, the review of non-essential spend and a vacancy management process continues.</p> <p>Our ability to mitigate financial risks arising from the pandemic largely depends on the continuation of funds for hardship and income loss by Welsh Government which is now confirmed to March 2022, which includes some changes to eligibility criteria.</p>																																																				
1.02	<p>Table 1. Projected Position by Portfolio</p> <p>The table below shows the projected position by portfolio:</p> <table border="1" data-bbox="320 1189 1334 2089"> <thead> <tr> <th data-bbox="320 1189 772 1384">Portfolio/Service Area</th> <th data-bbox="772 1189 970 1384">Approved Budget £m</th> <th data-bbox="970 1189 1163 1384">Projected Outturn £m</th> <th data-bbox="1163 1189 1334 1384">In-Year Over / (Under) spend £m</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 1384 772 1440">Social Services</td> <td data-bbox="772 1384 970 1440">70.627</td> <td data-bbox="970 1384 1163 1440">70.922</td> <td data-bbox="1163 1384 1334 1440">0.295</td> </tr> <tr> <td data-bbox="320 1440 772 1496">Out of County Placements</td> <td data-bbox="772 1440 970 1496">12.921</td> <td data-bbox="970 1440 1163 1496">13.772</td> <td data-bbox="1163 1440 1334 1496">0.851</td> </tr> <tr> <td data-bbox="320 1496 772 1552">Education & Youth</td> <td data-bbox="772 1496 970 1552">9.030</td> <td data-bbox="970 1496 1163 1552">8.649</td> <td data-bbox="1163 1496 1334 1552">(0.381)</td> </tr> <tr> <td data-bbox="320 1552 772 1608">Schools</td> <td data-bbox="772 1552 970 1608">101.937</td> <td data-bbox="970 1552 1163 1608">101.937</td> <td data-bbox="1163 1552 1334 1608">0.000</td> </tr> <tr> <td data-bbox="320 1608 772 1664">Streetscene & Transportation</td> <td data-bbox="772 1608 970 1664">31.466</td> <td data-bbox="970 1608 1163 1664">32.078</td> <td data-bbox="1163 1608 1334 1664">0.612</td> </tr> <tr> <td data-bbox="320 1664 772 1720">Planning Env & Economy</td> <td data-bbox="772 1664 970 1720">6.160</td> <td data-bbox="970 1664 1163 1720">6.100</td> <td data-bbox="1163 1664 1334 1720">(0.061)</td> </tr> <tr> <td data-bbox="320 1720 772 1776">People & Resources</td> <td data-bbox="772 1720 970 1776">4.631</td> <td data-bbox="970 1720 1163 1776">4.395</td> <td data-bbox="1163 1720 1334 1776">(0.236)</td> </tr> <tr> <td data-bbox="320 1776 772 1832">Governance</td> <td data-bbox="772 1776 970 1832">10.223</td> <td data-bbox="970 1776 1163 1832">9.586</td> <td data-bbox="1163 1776 1334 1832">(0.637)</td> </tr> <tr> <td data-bbox="320 1832 772 1888">Strategic Programmes</td> <td data-bbox="772 1832 970 1888">4.648</td> <td data-bbox="970 1832 1163 1888">4.641</td> <td data-bbox="1163 1832 1334 1888">(0.007)</td> </tr> <tr> <td data-bbox="320 1888 772 1944">Housing & Assets</td> <td data-bbox="772 1888 970 1944">17.172</td> <td data-bbox="970 1888 1163 1944">16.790</td> <td data-bbox="1163 1888 1334 1944">(0.382)</td> </tr> <tr> <td data-bbox="320 1944 772 2000">Chief Executive</td> <td data-bbox="772 1944 970 2000">2.350</td> <td data-bbox="970 1944 1163 2000">2.257</td> <td data-bbox="1163 1944 1334 2000">(0.093)</td> </tr> <tr> <td data-bbox="320 2000 772 2089">Central & Corporate Finance</td> <td data-bbox="772 2000 970 2089">26.292</td> <td data-bbox="970 2000 1163 2089">26.103</td> <td data-bbox="1163 2000 1334 2089">(0.189)</td> </tr> </tbody> </table>	Portfolio/Service Area	Approved Budget £m	Projected Outturn £m	In-Year Over / (Under) spend £m	Social Services	70.627	70.922	0.295	Out of County Placements	12.921	13.772	0.851	Education & Youth	9.030	8.649	(0.381)	Schools	101.937	101.937	0.000	Streetscene & Transportation	31.466	32.078	0.612	Planning Env & Economy	6.160	6.100	(0.061)	People & Resources	4.631	4.395	(0.236)	Governance	10.223	9.586	(0.637)	Strategic Programmes	4.648	4.641	(0.007)	Housing & Assets	17.172	16.790	(0.382)	Chief Executive	2.350	2.257	(0.093)	Central & Corporate Finance	26.292	26.103	(0.189)
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	Total	297.457	297.230	(0.227)
1.03	The reasons for the favourable net movement of (£0.045m) from the previous month are shown in Appendix 1. The reasons for the overall projected variances are summarised within Appendix 2 showing the detail of all variances over £0.050m and a summary of minor variances for each portfolio.			
	Significant Movements from Month 5			
1.04	Social Services £0.098m			
	The adverse movement in the projected overspend is as a result of a number of factors :			
	<ul style="list-style-type: none"> • <u>Adult Social Care - Older People £0.059m</u> The movement represents an increased demand for Council provided Homecare. • <u>Adult Social Care - Adults of Working Age £0.078m</u> The movement represents an increase in the cost of care packages. • Minor movements across the Portfolio account for the remainder (£0.039m) 			
1.05	Out of County Placements £0.171m			
	<u>Children's Services £0.172m</u>			
	<ul style="list-style-type: none"> • Increased costs of 2 new placements (£0.124m) with the remainder mainly due to rate changes and some offsetting reductions due to an existing placement change 			
	<u>Education & Youth (£0.001m)</u>			
	<ul style="list-style-type: none"> • Minor reduction in placements costs. 			
1.06	Education & Youth (£0.053m)			
	<u>Integrated Youth Provision (£0.033m)</u>			
	<ul style="list-style-type: none"> • Vacancy savings due to delayed recruitment 			
	Minor movements across the Portfolio account for the remainder (£0.020m)			
1.07	Housing & Assets (£0.095m)			
	<u>Centralised Costs (£0.072m)</u>			
	<ul style="list-style-type: none"> • A positive movement follows the reduced consumption on Gas, Electric and Water. The expenditure will be closely monitored over the winter months. 			
	<u>Benefits (£0.046m)</u>			

	<ul style="list-style-type: none"> A positive movement is the reflection of continuing funding support from the Welsh Government COVID-19 Hardship Fund for additional staffing costs for the period October to March, 2022. <p>Minor adverse variances across the Portfolio account for the remainder of £0.023m.</p>
1.08	<p>Governance (£0.096m)</p> <p><u>Revenues (£0.071m)</u></p> <ul style="list-style-type: none"> The favourable movement is due to an increase in the projected potential surplus on the Council Tax Collection Fund at the half year stage (£0.025m) Higher than anticipated fee income from Council Tax Fines (£0.033m) Vacancy savings (£0.013m) <p>Minor movements across the Portfolio account for the remainder (£0.025m).</p>
1.09	<p>Tracking of In-Year Risks and Emerging Issues</p> <p>Members were made aware when setting the budget that there were a number of open risks that would need to be kept under close review. An update on these is provided below.</p>
1.10	<p>Council Tax Income</p> <p>57.23% of Council Tax has been collected up to month 6 and latest projections indicate this as being 0.1% ahead of monthly targets to eventually achieve an outturn collection rate of at least 97.6% by 31st March 2022. Collection rates are steadily improving and are on track to achieve targets for 2021/22, although they still remain 0.53% lower than pre-pandemic levels. Collection levels, along with write off levels, continue to be tracked on a monthly basis.</p>
1.11	<p>Pay Award (Teacher and Non Teacher)</p> <p>Based on the UK Government position on public sector pay no general provision was included in the 2021/22 budget other than funding to reflect the intention to provide for those staff earning less than £0.024m.</p> <p><u>NJC (Green Book)</u></p> <p>National negotiations are ongoing and the initial offer by Employers of a 1.5% uplift would add a minimum further £0.160m to the pay bill for schools and £0.799m for non-schools. In the absence of any further funding being made available this will need to be met from the Contingency Reserve and built into the base budget from 2022/23. This offer has been increased to 1.75% which will further increase the impact on reserves.</p> <p>Teachers</p>

	<p>The September 2021 national pay award for Teachers has now been confirmed at 1.75% which adds a further £0.736m to the pay bill for schools in 2021/22, with the full year impact in 2022/23 being £1.282m. The Minister for Education in announcing the pay award, also confirmed additional funding of £6.4m across Wales to support the cost of the pay award in schools. The Council's share of the allocation is £0.304m for schools and £0.019m for Post 16. This additional funding will fund the pay award in part and as in previous years the Council will share the shortfall in costs in 2021/22 equally with schools.</p>
1.12	<p>Council Tax Reduction Scheme</p> <p>Based on current demand, costs are currently projected to be within budget although there is potential for a surge in demand from October when the UK Government furlough scheme ends.</p> <p>No additional funding is currently anticipated from Welsh Government in 2021/22 although this is expected to be subject to review in the event of significant pressures emerging across Wales in the second half of the year.</p>
1.13	<p>Social Care Grant Funding</p> <p>Further details are awaited from Welsh Government following an additional funding announcement for Social Care and Health totalling £42.72m across Wales. The grant will support Children's Services, Integrated Health and Social Care, unpaid carer direct payments, early intervention and prevention, along with improved advertising and recruitment for social care. It is anticipated that some of this funding can be assigned to existing cost pressures within the Portfolio which will have a positive impact on the outturn – updates will be provided in future reports.</p>
1.14	<p>Other Tracked Risks</p> <p>In addition, there are a number of risks being tracked that may be subject to change and these are summarised below:</p>
1.15	<p>Medium Term Financial Strategy (MTFS) Impact</p> <p>Stage 1 of the Budget Process 2022/23 was concluded in July and an additional budget requirement of £16.750m was reported to Cabinet and Corporate Resources Overview and Scrutiny Committee. This is expected to rise significantly due to the recent announcement of increases to National Insurance employer contributions.</p> <p>Stage 2 of the budget process was undertaken through September and October with feedback from all Overview and Scrutiny Committees reported to Cabinet and this Committee in October.</p> <p>Stage 3 will be undertaken following receipt of the Welsh Government Provisional Settlement which is due to be received on 21st December.</p>

	<p>All Portfolios will continue to consider their financial position, the risks within their service and the impacts over the Medium Term on a monthly basis as part of their Portfolio Management Team meetings.</p>
1.16	<p>Out of County Placements</p> <p>There continues to be significant pressure on this volatile budget arising from the full year impacts of new placements made during 2020/21, including several new high cost placements which were agreed in March after the budget for 2021/22 had been set.</p> <p>A contribution of £0.500m has been made from the Social Care Recovery Fund which leaves a projected overspend of £0.851m for the remainder of the year. However, this is likely to increase with another 6 months of the year remaining.</p>
1.17	<p>Homelessness</p> <p>There is a risk that demands on the service will continue to increase with the impacts of removal of restrictions on landlords to seek repossessions.</p> <p>In addition, the economic impacts on residents in the rented sector and owner occupiers following the end of the furlough scheme at the end of September continue to cause concern.</p> <p>There is additional support in place with strategic use of the increased Housing Support Grant funding, but this may still not be sufficient.</p>
1.18	<p>Achievement of Planned In-Year Efficiencies</p> <p>The 2021/22 budget contains £2.363m of specific efficiencies which are tracked and monitored throughout the year. In 2020/21 the level of efficiency achievement was 100% which was an improvement on the 90% achieved during the previous year. The Council aims to achieve a 95% rate in 2021/22 as reflected in the MTFS KPI's.</p> <p>The current assessment of the efficiencies to be achieved in 2021/22 shows that 100% of the efficiencies will be achieved. The risk remains that any under-achievement of efficiencies will have a negative impact on the 2021/22 budget. Further details on the current status on efficiencies can be seen in Appendix 3.</p>
1.19	<p>Emergency Funding</p> <p>The Local Government Hardship fund was initially allocated £206.6m to support local government for the first six months of 2021-22 in the Welsh Government Final Budget 2021-22. In addition £23.3m was allocated to support free school meals during the school holidays.</p> <p>A further £97.5m has subsequently been allocated until the end of the financial year based on spend patterns to date, any changes to policy approaches (for example tapering of social care uplifts and void payments) and the current alert level.</p>

	<p>The Principles and Guidance for the Hardship Fund have been revised by WG from 1st October with changes impacting on eligibility for various service areas including schools costs, additional waste tonnages (reduced to 50%) and vehicle costs due to social distancing being removed from eligibility altogether. Costs for additional cover where staff are off sick due to COVID or self-isolating are eligible until December, pending further review. The potential significant impacts of this will be reflected in future reports, although where able mitigating actions will be put in place.</p> <p>During 2021/22 to date, additional cost claims for April to September have totalled £5.009m and Quarter 1 and 2 Income Loss claims were £1.096m (which include claims for Aura, Newydd and Cambrian Aquatics).</p>
1.20	<p>Unearmarked Reserves</p> <p>The final level of Council Fund Contingency Reserve brought forward into 2021/22 was £5.973m as detailed in the 2020/21 outturn report. However, this increased to £6.444m when taking account of the budgeted contribution to Reserves in the 2021/22 budget. This is the amount available for general purposes following the set-aside of £3.0m for a COVID-19 Emergency Funding.</p> <p>However, there will be a requirement to meet the unfunded impacts of the pay awards from the Contingency Reserve as detailed in para 1.11 following the outcome of the national pay award negotiations.</p> <p>Taking into account the projected in-year position and previously agreed allocations the amount remaining within the Contingency Reserve is £6.322m (prior to the impact of pay awards) (Appendix 4).</p> <p>The £3m emergency ring-fenced fund would have an amount of £2.009m remaining after allowing for currently known ineligible items. However, there are still a number of holding items and income loss claims still being considered by the Grants Panel. In addition, the impacts of the grant eligibility criteria changing from the 1st October will also need to be factored in.</p>
1.21	<p>Housing Revenue Account</p> <p>The 2020/21 Outturn Report to Cabinet on 13 July 2021 showed an un-earmarked closing balance at the end of 2020/21 of £5.039m and a closing balance of earmarked reserves of £1.869m.</p>
1.22	<p>The 2021/22 budget for the HRA is £37.825m which includes a movement of £0.566m to reserves.</p>
1.23	<p>The adverse movement this month of £0.122m is as a result of :</p> <ul style="list-style-type: none"> • increase in void losses £0.031m • increased insurance premium costs £0.054m • early recruitment of new posts £0.035m <p>Minor movements account for the remainder £0.002m</p>

1.24	The monitoring for the HRA is projecting in year expenditure to be £0.755m higher than budget and a closing un-earmarked balance as at 31 March 2022 of £3.717m, which at 9.73% of total expenditure satisfies the prudent approach of ensuring a minimum level of 3%. Appendix 5 provides further detail.
1.25	The budget contribution towards capital expenditure (CERA) is £13.442m.

2.00	RESOURCE IMPLICATIONS
2.01	As set out within the report.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	The Revenue Budget Monitoring Report reflects the three categories of risks covered in the main section of the report. These are in-year risks and emerging issues, achievement of planned in-year efficiencies and other tracked risks. These risks are included from paragraph 1.04 to 1.17.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	None specific.

5.00	APPENDICES
5.01	Appendix 1: Council Fund – Movement in Variances from Month 5 Appendix 2: Council Fund – Budget Variances Appendix 3: Council Fund – Programme of Efficiencies Appendix 4: Council Fund – Movement on Un-earmarked Reserves Appendix 5: Housing Revenue Account Variances

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Various budget records.

7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Dave Ledsham Strategic Finance Manager Telephone: 01352 704503 E-mail: dave.ledsham@flintshire.gov.uk

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8.00	GLOSSARY OF TERMS
	<p>Budget: a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p> <p>Council Fund: the fund to which all the Council's revenue expenditure is charged.</p> <p>Financial Year: the period of twelve months commencing on 1 April.</p> <p>Housing Revenue Account: the Housing Revenue Account (HRA) is a local authority account showing current income and expenditure on housing services related to its own housing stock. The account is separate from the Council Fund and trading accounts and is funded primarily from rents and government subsidy.</p> <p>Intermediate Care Fund: Funding provided by Welsh Government to encourage integrated working between local authorities, health and housing.</p> <p>Projected Outturn: projection of the expenditure to the end of the financial year, made on the basis of actual expenditure incurred to date.</p> <p>Reserves: these are balances in hand that have accumulated over previous years and are held for defined (earmarked reserves) and general (general reserves) purposes. Councils are required to regularly review the level and purpose of their reserves and to take account of the advice of the Chief Finance Officer.</p> <p>Revenue: a term used to describe the day-to-day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.</p> <p>Variance: difference between latest budget and actual income or expenditure. Can be to date if reflecting the current or most up to date position or projected, for example projected to the end of the month or financial year.</p> <p>Virement: the transfer of budget provision from one budget head to another. Virement decisions apply to both revenue and capital expenditure heads, and between expenditure and income, and may include transfers from contingency provisions. Virements may not however be approved between capital and revenue budget heads.</p>

Budget Monitoring Report
Council Fund Variances

MONTH 6 - SUMMARY

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £0.025m
Social Services		
Older People		
Resources & Regulated Services	0.059	Increased demand for Council provided homecare
Minor Variances	-0.021	
Adults of Working Age		
Resources & Regulated Services	0.078	Increased care package costs
Minor Variances	-0.022	
Children's Services		
Minor Variances	0.017	
Safeguarding & Commissioning		
Impact of Covid-19	-0.009	
Minor Variances	-0.006	
Total Social Services (excl Out of County)	0.098	
Out of County		
Children's Services	0.172	In the main, this is due to 2 new placements totalling £0.124m, with the remainder relating to rate changes and some offsetting reductions due to a placement change.
Education & Youth	-0.001	
Total Out of County	0.171	
Education & Youth		
Integrated Youth Provision	-0.033	Vacancy savings due to delayed recruitment to a vacant position
Minor Variances	-0.020	
Total Education & Youth	-0.053	
Schools	-0.000	
Streetscene & Transportation		
Service Delivery	0.083	Increase in Workforce due to agency costs driven by high sickness rates and cover for absent staff.
Transportation	-0.027	School Transport and Social Services transport costs reduced due to a reduced demand in services required.
Regulatory Services	-0.073	Positive movement due to improving market rates for the sale of recyclable materials.
Impact of Covid-19		
Other Minor Variances	-0.010	
Total Streetscene & Transportation	-0.027	
Planning, Environment & Economy		
Development	-0.023	Higher than anticipated fee income within Development Management
Minor Variances	0.003	
Total Planning & Environment	-0.020	
People & Resources		
HR & OD	-0.024	Minor movements across the service
Corporate Finance	0.004	
Impact of Covid-19	-0.000	
Total People & Resources	-0.020	
Governance		
Internal Audit	-0.023	Minor movements across the service
Customer Services	-0.024	Minor movements across the service
Revenues	-0.071	Favourable Movement due to increase in the projected potential surplus on the Council Tax Collection Fund (£0.025m) at the half year stage; increase in anticipated fee income from Fines (£0.033m); minor movements across the service
Minor Variances	0.022	
Total Governance	-0.096	

Budget Monitoring Report
Council Fund Variances

MONTH 6 - SUMMARY

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £0.025m
Strategic Programmes		
ADM's & CAT's	-0.002	
Total Strategic Programmes	-0.002	
Housing & Assets		
Centralised Costs	-0.072	Reduced consumption on Gas, Electric and Water contributing to the positive variance. To be monitored closely over the winter months.
Benefits	-0.046	Improvement is due to the reflection of continuing funding support from the WG COVID-19 Hardship fund for additional staffing costs from October to March
Minor Variances	0.023	
Total Housing & Assets	-0.095	
Chief Executive's	-0.006	
Impact of Covid-19		
Central & Corporate Finance	0.003	
Impact of Covid-19		
Grand Total	-0.045	

Budget Monitoring Report
Council Fund Variances

MONTH 6 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Social Services							
Older People							
Localities	19.316	19.175	-0.142		-0.138	The net cost of residential care is reporting an overspend of £0.077m. This includes the cost of residential care placements net of the income received for this service, such as property charges and contributions from health. Day care is £0.025m under budget and will not resume until safe to do so, this is currently assumed to be at the beginning of January 2022. Domiciliary and Direct Payments are reporting a combined underspend of £0.078m. The Localities staff budget is underspent by £0.075m due to temporary vacancies and not all staff being paid top of grade. The Minor Adaptations budget is £0.030m underspent based on current demand.	
Resources & Regulated Services	8.627	8.355	-0.272		-0.330	The Councils in-house care provision is projected to underspend by £0.272m. Day care is underspent by £0.010m, day centres are closed and will only reopen once safe to do so. Homecare is £0.066m overspent and there continues to be a growing demand for this service. Residential care is expected to underspend by £0.259m although there is an assumption that ICF slippage and Winter Pressure funding will occur this year and contributions from these are included within the financial projections. Extra care is underspent by £0.069m due to service demand.	
Impact of Covid-19	0.000	0.000	0.000	0.000	0.000		
Minor Variances	1.235	1.205	-0.029		-0.011		
Adults of Working Age							
Resources & Regulated Services	26.875	27.058	0.183		0.104	The overspend is the cost of social care for people with learning disabilities or physical disabilities. These costs include nursing and residential care, domiciliary care and Direct Payments which are required to meet their care needs.	
Professional and Administrative Support	0.339	0.267	-0.072		-0.062	Not all staff are currently paid at top of grade and there are also some staff who are seconded from this service.	
Residential Placements	1.791	2.139	0.349		0.353	The overspend is the cost of social care for people within the Mental Health service. These costs include nursing and residential care, domiciliary care and Direct Payments.	
Minor Variances	4.038	3.954	-0.084		-0.077		
Children's Services							
Family Placement	2.700	2.826	0.126		0.129	The overspend is due to service demand from the number of foster placements. In some instances these avoid having to make expensive Out of County placements. The main pressures are payments to foster carers, foster agencies and special guardianship payments.	

Budget Monitoring Report
Council Fund Variances

MONTH 6 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Grants	0.268	0.210	-0.059		-0.059	There is an assumption that the Welsh Government will allow for a flexible approach in the use of grants, similar to that which occurred in 2020/21, which would result in some costs within this service to be funded from grant.	
Legal & Third Party	0.210	0.563	0.353		0.349	Legal costs are overspent due to the number of cases going through the courts and use of some external legal professionals. Direct Payments have also increased in demand.	
Residential Placements	0.549	0.443	-0.106		-0.104	This is an in-year underspend associated with the opening of a registered Childrens Home within Flintshire, in-year grant funding from the Young People and Childrens Services Transformation Fund is being used to offset start-up costs.	
Professional Support	5.387	5.723	0.335		0.325	To support adequate levels of child protection, the established staffing structure needs to be at a sufficient level to meet mandatory safeguarding standards. Vacancies are therefore minimised and additional temporary posts are sometimes required.	
Minor Variances	0.843	0.864	0.021		0.013		
Safeguarding & Commissioning							
Impact of Covid-19	0.000	-0.309	-0.309	-0.309	-0.300	Welsh Government is providing financial assistance, through the hardship funding, for the Councils in-house residential, supported living, homecare and extra care services. Most additional costs incurred due to Covid are staff costs which are reported within their respective service areas.	
Minor Variances	-1.552	-1.551	0.001		0.009		
Total Social Services (excl Out of County)	70.627	70.922	0.295	-0.309	0.197		
Out of County							
Children's Services	8.417	9.284	0.868		0.695	The projected overspend reflects the costs of the current cohort of placements with the budget pressure being influenced by the full year impacts in 2021/22 of significant numbers of new placements made in the latter part of 2020/21. This has continued during 2021/22 with a further influx of new placements. The true pressure level has been partly mitigated by an allocation of one-off grant income of £0.500m from the WG Social Care Recovery Fund.	
Education & Youth	4.504	4.488	-0.016		-0.015		
Total Out of County	12.921	13.772	0.851	0.000	0.680		
Education & Youth							

Budget Monitoring Report
Council Fund Variances

MONTH 6 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Inclusion & Progression	4.462	4.386	-0.076		-0.071	Favourable variance due to in year efficiencies identified within the MEAG (Minority Ethnic Achievement Grant) service and Education Psychology service. The MEAG service received £200k more in WG funding for 2021-22, which has been used to recruit temporary posts, resulting in core budget being underspent. The Education Psychology service have recruited 3 Assistant EPs. The saving here has arisen due to posts not being at full year cost. Underspend also due to minor variances across all services within Inclusion.	
Integrated Youth Provision	1.018	1.018	0.000		-0.059	Due to savings on building cleaning at Youth Centres closed due to the COVID-19 pandemic	
School Improvement Systems	1.823	1.671	-0.152		-0.155	The underspend in Early Entitlement includes the maximisation of the Early Years Pupil Deprivation Grant (EYPDG) by allocating existing staff against the grant - £18,500. An efficiency of £0.100m has been identified in relation to WG top-up funding for non-maintained settings, releasing core budget of £0.095m and resources mitigated by utilising EYPDG £0.005m. £0.050m contingency remains within the budget to cover any increased Spring Term 22 costs.	
Minor Variances	1.726	1.573	-0.153		-0.044		
Total Education & Youth	9.030	8.649	-0.381	0.000	-0.328		
Schools	101.937	101.937	-0.000		0.000		
Streetscene & Transportation							
Service Delivery	8.696	8.792	0.096		0.013	The service has a recurring revenue pressure of £0.050m for security costs following vandalism at the Household Recycling Centres. Plant hire and repairs incurring additional costs of £0.050m, which is attributable to aging plant and equipment. Street lighting is also incurring a £0.120m revenue pressure on the Community Council Income Budget. However, this has largely been offset by workforce agency costs, which have been recovered through Covid Hardship funding claims.	
Highways Network	7.847	7.939	0.091		0.101	Highways service area incurred overspend in excess of £0.050m in staff costs relating to flooding and drainage costs. There are also cumulative minor variances totalling £0.037m across the service, including some additional staff recharges.	

Budget Monitoring Report
Council Fund Variances

MONTH 6 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Transportation	9.750	9.854	0.104		0.132	Local bus services incurred a revenue pressure of: £0.100m as a result of the Service 5 reprourement and £0.115m implementation of the Deeside Shuttle Bus Service at the new DIP Park and Ride. Also, additional costs incurred of £0.049m due to the increased number of school days, 7 days as opposed to budgeted 5 additional school days. The total additional costs have been partially offset by projected Underspend of (£0.149) in Social Services Transport has offset some of the overspend as not all services have returned to full operation following the pandemic. However, this underspend could significantly reduce, once services start to resume.	Risk that the cost of the reprourement of Service 5 could increase further.
Regulatory Services	5.173	5.173	0.001		0.073	Car parking income currently reflects a loss of £0.239m, through maximising eligible funding from the WG Income Loss fund. There has been a positive movement of (£0.073m) due to improving market rates for the sale of recyclable materials. The service has been largely offset by savings in recruitment and maintenance costs of parking machines.	
Impact of Covid-19	0.000	0.320	0.320	0.320	0.320	Service Delivery has a recurring revenue pressure of £0.050m for additional cleaning and maintenance costs in Alltami depot as a result of the pandemic. Waste operations are showing additional costs of £0.090m in receptacles due to higher demand in waste collections as an impact of people working from home. This service area is also experiencing additional an revenue pressure of £0.090m in plant hire, maintenance and repairs. Additional costs of £0.090m incurred in contractors spend and Traffic Management, as the service was unable to provide the required training and has also faced recruitment delays during the Covid-19 Pandemic.	
Total Streetscene & Transportation	31.466	32.078	0.612	0.320	0.639		
Planning, Environment & Economy							
Community	0.883	0.993	0.110		0.093	Adverse variance due to the shortfall in Fee Income in Licensing and Pest Control Services	
Development	0.019	-0.037	-0.056		-0.033	Favourable variance following higher than anticipated Fee Income for Development Management and Land Charges	
Management & Strategy	1.311	1.188	-0.123		-0.111	Staff savings due to vacant posts	
Impact of Covid-19	0.000	-0.000	-0.000	0.116	0.000		
Minor Variances	3.947	3.955	0.008		0.009		
Total Planning & Environment	6.160	6.100	-0.061	0.116	-0.041		
People & Resources							

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Budget Monitoring Report
Council Fund Variances

MONTH 6 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
HR & OD	2.465	2.315	-0.149		-0.126	Favourable variance is due to the projected income from the agreed recharge for overheads claimed for the Test, Trace, Project Project for hosting the service on behalf of the region to March, 2022	
Corporate Finance	2.166	2.080	-0.086		-0.090		
Impact of Covid-19	0.000	0.000	0.000	0.000	0.000		
Total People & Resources	4.631	4.395	-0.235	0.000	-0.216		
Governance							
Democratic Services	2.125	2.033	-0.092		-0.098	The majority of the favourable variance follows the reduced take up of Members Allowances and savings from travel expenses due to remote meetings, together with commitment challenge across the service	
Customer Services	1.030	0.943	-0.087		-0.063	Favourable variance is due to higher than anticipated fee income levels resulting from the resumption of Ceremonies following the relaxation of COVID restrictions	
Revenues	0.475	0.127	-0.348		-0.277	Favourable variance is in the main due to the projected potential surplus on the Council Tax Collection Fund (£0.193m), Welsh Government Lockdown Admin Grant and minor variances across the service	
Impact of Covid-19	0.000	0.000	0.000	0.038	0.000		
Minor Variances	6.593	6.483	-0.110		-0.103	Cumulative minor variances across the portfolio	
Total Governance	10.223	9.586	-0.637	0.038	-0.541		
Strategic Programmes							
ADM's & CAT's	4.648	4.641	-0.007		-0.006		
Total Strategic Programmes	4.648	4.641	-0.007	0.000	-0.006		
Housing & Assets							
Caretaking & Security	0.262	0.200	-0.062		-0.057	Projected underspend is due to salary savings on vacant posts	
Industrial Units	-1.237	-1.467	-0.230		-0.230	Additional unbudgeted income from new power generation lease	
Centralised Costs	2.783	2.585	-0.197		-0.125	Underspend on Gas and Electric due to continued reduced consumption	
Minor Variances	15.364	15.472	0.107		0.125		
Total Housing & Assets	17.172	16.790	-0.382	0.000	-0.287		
Chief Executive's							
Staff savings due to vacant posts	2.350	2.257	-0.093		-0.087		
Impact of Covid-19	0.000	-0.000	-0.000	-0.000	-0.000		

Budget Monitoring Report
Council Fund Variances

MONTH 6 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Central & Corporate Finance	26.292	26.103	-0.189		-0.192	Over recovery of planned pension contributions recouped against actuarial projections based on the level of contributions received during the year. Projected outturn on Matrix rebates and inflation pressures anticipated, but not required to date.	
Impact of Covid-19	0.000	0.000	0.000	0.000	0.000		
Grand Total	297.457	297.230	-0.227	0.165	-0.182		

2021/22 Efficiencies Outturn Tracker - M6

Efficiency Description	Accountable Officer	Efficiency Target	Projected Efficiency	(Under)/Over Achievement	Efficiency Open/Closed (O/C)	Confidence in Achievement of Efficiency Based on (see below) R = High Assumption A = Medium Assumption G = Figures Confirmed
		2021/22 £m	2021/22 £m	2021/22 £m		
Portfolio						
Corporate						
Employer Pension Contributions	Reduced requirement due to recovery	Rachel Parry Jones	0.300	0.300	0.000	C G
Workforce - Vacant Post	Reduction of Post	Rachel Parry Jones	0.030	0.030	0.000	C G
Remote Working Impacts	Reduced Operating Costs	Rachel Parry Jones	0.070	0.070	0.000	C G
Remote Working Impacts	Reduced Travel	All	0.200	0.200	0.000	C G
Price Inflation	Removal of Price Inflation	Rachel Parry Jones	0.113	0.113	0.000	C G
Total Corporate Services			0.713	0.713	0.000	
Housing & Assets						
Property Savings (inc Demolition of Phases 3&4; utility savings)		Neal Cockerton	0.450	0.450	0.000	C G
NDR Inflationary Savings		Neal Cockerton	0.120	0.120	0.000	C G
Climate Change Levy		Neal Cockerton	0.295	0.295	0.000	C G
Total Housing & Assets			0.865	0.865	0.000	
Social Services						
Vacancy Management Saving	Appropriate Vacancy Management	Neil Ayling	0.030	0.030	0.000	O G
Strategic Use of Grant Funding	Core Funding Replacement Solution	Neil Ayling	0.060	0.060	0.000	O G
Social Care Workforce Grant		Neil Ayling	0.430	0.430	0.000	O G
Total Social Services			0.520	0.520	0.000	
Education & Youth						
Integrated Youth Provision	Youth Centres - Premises	Claire Homard	0.020	0.020	0.000	O G
Total Education & Youth			0.020	0.020	0.000	
Streetscene & Transportation						
Discretionary Transport Review - Post 16 Transport	Joint with Education	Steve O Jones	0.200	0.200	0.000	O R
Total Streetscene & Transportation			0.200	0.200	0.000	
Planning, Environment & Economy						
Planning Policy	Reduction of Post	Andy Roberts	0.045	0.045	0.000	C G
Total Planning, Environment & Economy			0.045	0.045	0.000	
Total 2021/22 Budget Efficiencies			2.363	2.363	0.000	

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	%	£
Total 2021/22 Budget Efficiencies	100	2.363
Total Projected 2021/22 Budget Efficiencies Underachieved	0	0.000
Total Projected 2021/22 Budget Efficiencies Achieved	100	2.363
Total 2021/22 Budget Efficiencies (Less Previously agreed Decisions)		
Total Projected 2021/22 Budget Efficiencies Underachieved	0	0.000
Total Projected 2021/22 Budget Efficiencies Achieved	0	0.000

Corporate Efficiencies Remaining from Previous Years

Income Target Remaining	£m
Income Target Efficiency remaining from Previous Years	All Portfolios 0.051
Total Income Efficiency Remaining	0.051 (0.051)

Movements on Council Fund Unearmarked Reserves

	£m	£m
Total Reserves as at 1 April 2021	14.061	
Less - Base Level	(5.769)	
Total Reserves above base level available for delegation to Cabinet		8.292
Add - Transfer to Reserve Budget 2021/22		0.471
Add - Transfer from Earmarked Reserves (approved Month 5)		0.585
Less - COVID-19 Emergency Funding Allocation*		(2.317)
Less - Investment in Change (approved Month 2)		0.400
Less - Severe Weather (approved Month 2)		0.250
Less - Organisational Capacity Estimate (approved month 5)		0.103
Less - Childrens Services Social Work Costs (approved Month 5)		0.183
Add - Month 6 projected outturn		(0.227)
Less - projected national pay award increase		
Total Contingency Reserve available for use		6.322

Budget Monitoring Report
Housing Revenue Account Variances

MONTH 6 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Housing Revenue Account						
Income	(37.259)	(36.728)	0.530	0.500	We are currently projecting a pressure of £0.441m due to loss of income in relation to vacant properties. Of this, £0.311m relates to void properties, £0.056m relates to the utilities charges on void properties and £0.074m relates to void garages. There is also a pressure of £0.083m relating to an assumed reduction in rental income on new build properties which were included in the Business Plan. There are other minor variances of £0.006m.	
Capital Financing - Loan Charges	8.047	8.047				
Estate Management	1.931	1.938	0.006	(0.028)	Minor variances	
Landlord Service Costs	1.469	1.505	0.036	0.036	Minor variances	
Repairs & Maintenance	10.431	10.414	(0.017)	(0.020)	Minor variances	Early indications from our supplier suggest an increase in the costs of some sourced Materials, this will be monitored closely over the next couple of months.
Management & Support Services	2.658	2.857	0.199	0.145	Efficiency in respect of salary costs of (£0.059m). Additional cost of the IT project work £0.050m. Pressure in relation to insurance costs of £0.208m.	
Capital Expenditure From Revenue (CERA)	13.442	13.442				
HRA Projects	(0.153)	(0.152)	0.001	0.001	Minor variances	
Contribution To / (From) Reserves	(0.566)	(0.566)				
Total Housing Revenue Account	(0.000)	0.755	0.755	0.633		

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CABINET

Date of Meeting	Tuesday, 16 th November 2021
Report Subject	Capital Programme Monitoring 2021/22 (Month 6)
Cabinet Member	Cabinet Member for Finance, Social Value and Procurement
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

The report summarises changes made to the Capital Programme 2021/22 since it was set in December 2020 to the end of Month 6 (September 2021), along with expenditure to date and projected outturn.

The Capital Programme has seen a net decrease in budget of £2.174m during the period which comprises of:-

- Net budget increase in the programme of £2.435m (See Table 2 - Council Fund (CF) £6.200m, Housing Revenue Account (HRA) (£3.765m));
- Carry Forward to 2022/23, approved at Month 4 of (£4.099m) (all CF)
- Identified savings at Month 6 of (£0.510m) (CF).

Actual expenditure was £37.698m (See Table 3).

Capital receipts received in the second quarter of 2021/22, along with savings identified, total £1.352m. This gives a revised projected surplus in the Capital Programme at Month 6 of £4.147m (from a Month 4 funding position surplus of £2.795m) for the 2021/22 – 2023/24 Capital Programme, prior to the realisation of additional capital receipts and/or other funding sources.

RECOMMENDATIONS

	Cabinet are requested to:
1	Approve the overall report.
2	Approve the carry forward adjustments, as set out in 1.14.
3	Approve the additional allocations, as set out in 1.16.

REPORT DETAILS

1.00	EXPLAINING THE CAPITAL PROGRAMME MONITORING POSITION – MONTH 6 2021/22																																																																																																																				
1.01	<p>Background</p> <p>The Council approved a Council Fund (CF) Capital Programme of £12.706m for 2021/22 at its meeting on 8th December 2020 and a Housing Revenue Account (HRA) Capital Programme of £34.835m for 2021/22 at its meeting on 16 February 2021.</p>																																																																																																																				
1.02	For presentational purposes the Capital Programme is shown as a whole, with sub-totals for the CF and HRA. In reality the HRA programme is ‘ring fenced’ and can only be used for HRA purposes.																																																																																																																				
1.03	<p>Changes since Budget approval</p> <p>Table 1 below sets out how the programme has changed during 2021/22. More detailed cumulative information relating to each Portfolio is provided in Appendix A:-</p> <p>Table 1</p> <table border="1"> <thead> <tr> <th rowspan="2">REVISED PROGRAMME</th> <th>Original Budget 2021/22</th> <th>Carry Forward from 2020/21</th> <th colspan="3">2021/22 Previously Reported</th> <th>Savings - This Period</th> <th>Changes - This Period</th> <th>Revised Budget 2021/22</th> </tr> <tr> <th>£m</th> <th>£m</th> <th>Changes</th> <th>Carry Forward to 2022/23</th> <th>Savings</th> <th>£m</th> <th>£m</th> <th>£m</th> </tr> </thead> <tbody> <tr> <td>People & Resources</td> <td>0.350</td> <td>0.260</td> <td>0.000</td> <td>0.000</td> <td>0.000</td> <td>0.000</td> <td>(0.070)</td> <td>0.540</td> </tr> <tr> <td>Governance</td> <td>0.422</td> <td>0.505</td> <td>0.004</td> <td>(0.095)</td> <td>0.000</td> <td>0.000</td> <td>0.000</td> <td>0.836</td> </tr> <tr> <td>Education & Youth</td> <td>5.877</td> <td>7.570</td> <td>2.993</td> <td>0.200</td> <td>0.000</td> <td>0.000</td> <td>4.264</td> <td>20.904</td> </tr> <tr> <td>Social Services</td> <td>1.020</td> <td>0.598</td> <td>1.551</td> <td>0.000</td> <td>0.000</td> <td>(0.450)</td> <td>0.315</td> <td>3.034</td> </tr> <tr> <td>Planning, Environment & Economy</td> <td>0.168</td> <td>0.850</td> <td>1.162</td> <td>(0.572)</td> <td>0.000</td> <td>(0.060)</td> <td>0.138</td> <td>1.686</td> </tr> <tr> <td>Streetscene & Transportation</td> <td>2.015</td> <td>2.527</td> <td>14.292</td> <td>(1.976)</td> <td>(0.400)</td> <td>0.000</td> <td>1.417</td> <td>17.875</td> </tr> <tr> <td>Strategic Programmes</td> <td>0.550</td> <td>1.425</td> <td>1.200</td> <td>(0.959)</td> <td>0.000</td> <td>0.000</td> <td>0.018</td> <td>2.234</td> </tr> <tr> <td>Housing & Assets</td> <td>2.304</td> <td>1.900</td> <td>0.773</td> <td>(0.697)</td> <td>0.000</td> <td>0.000</td> <td>0.118</td> <td>4.398</td> </tr> <tr> <td>Council Fund Total</td> <td>12.706</td> <td>15.635</td> <td>21.975</td> <td>(4.099)</td> <td>(0.400)</td> <td>(0.510)</td> <td>6.200</td> <td>51.507</td> </tr> <tr> <td>HRA Total</td> <td>34.835</td> <td>0.000</td> <td>(7.615)</td> <td>0.000</td> <td>0.000</td> <td>0.000</td> <td>(3.765)</td> <td>23.455</td> </tr> <tr> <td>Programme Total</td> <td>47.541</td> <td>15.635</td> <td>14.360</td> <td>(4.099)</td> <td>(0.400)</td> <td>(0.510)</td> <td>2.435</td> <td>74.962</td> </tr> </tbody> </table>	REVISED PROGRAMME	Original Budget 2021/22	Carry Forward from 2020/21	2021/22 Previously Reported			Savings - This Period	Changes - This Period	Revised Budget 2021/22	£m	£m	Changes	Carry Forward to 2022/23	Savings	£m	£m	£m	People & Resources	0.350	0.260	0.000	0.000	0.000	0.000	(0.070)	0.540	Governance	0.422	0.505	0.004	(0.095)	0.000	0.000	0.000	0.836	Education & Youth	5.877	7.570	2.993	0.200	0.000	0.000	4.264	20.904	Social Services	1.020	0.598	1.551	0.000	0.000	(0.450)	0.315	3.034	Planning, Environment & Economy	0.168	0.850	1.162	(0.572)	0.000	(0.060)	0.138	1.686	Streetscene & Transportation	2.015	2.527	14.292	(1.976)	(0.400)	0.000	1.417	17.875	Strategic Programmes	0.550	1.425	1.200	(0.959)	0.000	0.000	0.018	2.234	Housing & Assets	2.304	1.900	0.773	(0.697)	0.000	0.000	0.118	4.398	Council Fund Total	12.706	15.635	21.975	(4.099)	(0.400)	(0.510)	6.200	51.507	HRA Total	34.835	0.000	(7.615)	0.000	0.000	0.000	(3.765)	23.455	Programme Total	47.541	15.635	14.360	(4.099)	(0.400)	(0.510)	2.435	74.962
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1.04	<p>Carry Forward from 2020/21</p> <p>Carry forward sums from 2020/21 to 2021/22, totalling £15.635m (CF £15.635m, HRA £0.000m), were approved as a result of the quarterly monitoring reports presented to Cabinet during 2020/21.</p>																																																																					
1.05	<p>Changes during this period</p> <p>Funding changes during this period have resulted in a net increase in the programme total of £2.435m (CF £6.200m, HRA (£3.765m)). A summary of the changes, detailing major items, is shown in Table 2 below:-</p> <p>Table 2</p> <table border="1" data-bbox="336 595 1369 1731"> <thead> <tr> <th colspan="3" style="text-align: center;">CHANGES DURING THIS PERIOD</th> </tr> <tr> <th></th> <th style="text-align: center;">Para</th> <th style="text-align: center;">£m</th> </tr> </thead> <tbody> <tr> <td colspan="3"><u>COUNCIL FUND</u></td> </tr> <tr> <td colspan="3">Increases</td> </tr> <tr> <td>School Modernisation</td> <td style="text-align: center;">1.06</td> <td style="text-align: right;">2.249</td> </tr> <tr> <td>Primary Schools</td> <td style="text-align: center;">1.07</td> <td style="text-align: right;">1.982</td> </tr> <tr> <td>Highways</td> <td style="text-align: center;">1.08</td> <td style="text-align: right;">0.866</td> </tr> <tr> <td>Secondary Schools</td> <td style="text-align: center;">1.09</td> <td style="text-align: right;">0.584</td> </tr> <tr> <td>Other Aggregate Increases</td> <td></td> <td style="text-align: right;">0.719</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">6.400</td> </tr> <tr> <td colspan="3">Decreases</td> </tr> <tr> <td>Other Aggregate Decreases</td> <td></td> <td style="text-align: right;">(0.200)</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">(0.200)</td> </tr> <tr> <td>Total</td> <td></td> <td style="text-align: right;">6.200</td> </tr> <tr> <td colspan="3"><u>HRA</u></td> </tr> <tr> <td colspan="3">Increases</td> </tr> <tr> <td>Other Aggregate Increases</td> <td></td> <td style="text-align: right;">0.400</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">0.400</td> </tr> <tr> <td colspan="3">Decreases</td> </tr> <tr> <td>SHARP</td> <td style="text-align: center;">1.10</td> <td style="text-align: right;">(2.701)</td> </tr> <tr> <td>Other Aggregate Decreases</td> <td></td> <td style="text-align: right;">(1.464)</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">(4.165)</td> </tr> <tr> <td>Total</td> <td></td> <td style="text-align: right;">(3.765)</td> </tr> </tbody> </table>	CHANGES DURING THIS PERIOD				Para	£m	<u>COUNCIL FUND</u>			Increases			School Modernisation	1.06	2.249	Primary Schools	1.07	1.982	Highways	1.08	0.866	Secondary Schools	1.09	0.584	Other Aggregate Increases		0.719			6.400	Decreases			Other Aggregate Decreases		(0.200)			(0.200)	Total		6.200	<u>HRA</u>			Increases			Other Aggregate Increases		0.400			0.400	Decreases			SHARP	1.10	(2.701)	Other Aggregate Decreases		(1.464)			(4.165)	Total		(3.765)
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1.08	There has also been an introduction of grant funding from WG, relating to the highways service, for charging infrastructure points and the purchase of electric shuttle buses.																																																																																																																								
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1.10	Re-profiling of prudential borrowing for the Strategic Housing and Regeneration Programme (SHARP), due to delays in the number of schemes programmed in for this financial year.																																																																																																																								
1.11	<p>Capital Expenditure compared to Budget</p> <p>Expenditure as at Month 6, across the whole of the Capital Programme, was £37.698m. The breakdown of expenditure is analysed in Table 3, along with the percentage spend against budget.</p> <p>This shows that 50.29% of the budget has been spent (CF 52.37%, HRA 45.73%). Corresponding figures for Month 6 2020/21 were 29.61% (CF 27.13%, HRA 34.00%).</p>																																																																																																																								
1.12	<p>The table also shows a projected underspend (pending carry forward and other adjustments) of £0.939m on the Council Fund and a break even position on the HRA.</p> <p>Table 3</p> <table border="1"> <thead> <tr> <th>EXPENDITURE</th> <th>Revised Budget</th> <th>Cumulative Expenditure Month 6</th> <th>Percentage Spend v Budget</th> <th>Projected Outturn</th> <th>Variance Budget v Outturn (Under)/Over</th> </tr> <tr> <th></th> <th>£m</th> <th>£m</th> <th>%</th> <th>£m</th> <th>£m</th> </tr> </thead> <tbody> <tr> <td>People & Resources</td> <td>0.540</td> <td>0.000</td> <td>0.00</td> <td>0.540</td> <td>0.000</td> </tr> <tr> <td>Governance</td> <td>0.836</td> <td>0.414</td> <td>49.52</td> <td>0.828</td> <td>(0.008)</td> </tr> <tr> <td>Education & Youth</td> <td>20.904</td> <td>13.773</td> <td>65.89</td> <td>20.811</td> <td>(0.093)</td> </tr> <tr> <td>Social Services</td> <td>3.034</td> <td>2.355</td> <td>77.62</td> <td>3.034</td> <td>0.000</td> </tr> <tr> <td>Planning, Environment & Economy</td> <td>1.686</td> <td>0.851</td> <td>50.47</td> <td>1.661</td> <td>(0.025)</td> </tr> <tr> <td>Streetscene & Transportation</td> <td>17.875</td> <td>6.991</td> <td>39.11</td> <td>17.875</td> <td>0.000</td> </tr> <tr> <td>Strategic Programmes</td> <td>2.234</td> <td>1.137</td> <td>50.90</td> <td>1.807</td> <td>(0.427)</td> </tr> <tr> <td>Housing & Assets</td> <td>4.398</td> <td>1.451</td> <td>32.99</td> <td>4.012</td> <td>(0.386)</td> </tr> <tr> <td>Council Fund Total</td> <td>51.507</td> <td>26.972</td> <td>52.37</td> <td>50.568</td> <td>(0.939)</td> </tr> <tr> <td>Buy Back / Strategic Acquisition</td> <td>0.400</td> <td>0.400</td> <td>100.00</td> <td>0.400</td> <td>0.000</td> </tr> <tr> <td>Disabled Adaptations</td> <td>0.850</td> <td>0.323</td> <td>38.00</td> <td>0.850</td> <td>0.000</td> </tr> <tr> <td>Energy Schemes</td> <td>0.960</td> <td>1.372</td> <td>142.92</td> <td>1.372</td> <td>0.412</td> </tr> <tr> <td>Major Works</td> <td>0.726</td> <td>0.219</td> <td>30.17</td> <td>0.726</td> <td>0.000</td> </tr> <tr> <td>Accelerated Programmes</td> <td>0.561</td> <td>0.289</td> <td>51.52</td> <td>0.561</td> <td>0.000</td> </tr> <tr> <td>WHQS Improvements</td> <td>15.958</td> <td>8.046</td> <td>50.42</td> <td>15.546</td> <td>(0.412)</td> </tr> <tr> <td>SHARP Programme</td> <td>4.000</td> <td>0.077</td> <td>1.93</td> <td>4.000</td> <td>0.000</td> </tr> <tr> <td>Housing Revenue Account Total</td> <td>23.455</td> <td>10.726</td> <td>45.73</td> <td>23.455</td> <td>(0.000)</td> </tr> <tr> <td>Programme Total</td> <td>74.962</td> <td>37.698</td> <td>50.29</td> <td>74.023</td> <td>(0.939)</td> </tr> </tbody> </table>	EXPENDITURE	Revised Budget	Cumulative Expenditure Month 6	Percentage Spend v Budget	Projected Outturn	Variance Budget v Outturn (Under)/Over		£m	£m	%	£m	£m	People & Resources	0.540	0.000	0.00	0.540	0.000	Governance	0.836	0.414	49.52	0.828	(0.008)	Education & Youth	20.904	13.773	65.89	20.811	(0.093)	Social Services	3.034	2.355	77.62	3.034	0.000	Planning, Environment & Economy	1.686	0.851	50.47	1.661	(0.025)	Streetscene & Transportation	17.875	6.991	39.11	17.875	0.000	Strategic Programmes	2.234	1.137	50.90	1.807	(0.427)	Housing & Assets	4.398	1.451	32.99	4.012	(0.386)	Council Fund Total	51.507	26.972	52.37	50.568	(0.939)	Buy Back / Strategic Acquisition	0.400	0.400	100.00	0.400	0.000	Disabled Adaptations	0.850	0.323	38.00	0.850	0.000	Energy Schemes	0.960	1.372	142.92	1.372	0.412	Major Works	0.726	0.219	30.17	0.726	0.000	Accelerated Programmes	0.561	0.289	51.52	0.561	0.000	WHQS Improvements	15.958	8.046	50.42	15.546	(0.412)	SHARP Programme	4.000	0.077	1.93	4.000	0.000	Housing Revenue Account Total	23.455	10.726	45.73	23.455	(0.000)	Programme Total	74.962	37.698	50.29	74.023	(0.939)
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1.13	Details of the variances for individual programme areas are listed in Appendix B, which includes the reasons, and remedial actions which may be required, where those variances exceed +/- 10% of the revised budget. In addition, where carry forward into 2022/23 has been identified, this is also included in the narrative.																																										
1.14	<p>Carry Forward into 2022/23</p> <p>During the quarter, carry forward of £0.939m (all CF) has been identified which reflects reviewed spending plans across all programme areas; these amounts can be split into 2 areas, those required to meet the cost of programme works and/or retention payments in 2022/23.</p>																																										
1.15	<p>Information relating to each programme area is contained in Appendix B and summarised in Table 4 below:</p> <p>Table 4</p> <table border="1" data-bbox="336 752 1385 1335"> <thead> <tr> <th rowspan="3">CARRY FORWARD INTO 2022/23</th> <th colspan="2"></th> <th>Total</th> </tr> <tr> <th>Month 4</th> <th>Month 6</th> <th></th> </tr> <tr> <th>£m</th> <th>£m</th> <th>£m</th> </tr> </thead> <tbody> <tr> <td>Governance</td> <td>0.095</td> <td>0.008</td> <td>0.103</td> </tr> <tr> <td>Education & Youth</td> <td>(0.200)</td> <td>0.093</td> <td>(0.107)</td> </tr> <tr> <td>Planning, Environment & Economy</td> <td>0.572</td> <td>0.025</td> <td>0.597</td> </tr> <tr> <td>Streetscene & Transportation</td> <td>1.976</td> <td>0.000</td> <td>1.976</td> </tr> <tr> <td>Strategic Programmes</td> <td>0.959</td> <td>0.427</td> <td>1.386</td> </tr> <tr> <td>Housing & Assets</td> <td>0.697</td> <td>0.386</td> <td>1.083</td> </tr> <tr> <td>Council Fund</td> <td>4.099</td> <td>0.939</td> <td>5.038</td> </tr> <tr> <td>TOTAL</td> <td>4.099</td> <td>0.939</td> <td>5.038</td> </tr> </tbody> </table>	CARRY FORWARD INTO 2022/23			Total	Month 4	Month 6		£m	£m	£m	Governance	0.095	0.008	0.103	Education & Youth	(0.200)	0.093	(0.107)	Planning, Environment & Economy	0.572	0.025	0.597	Streetscene & Transportation	1.976	0.000	1.976	Strategic Programmes	0.959	0.427	1.386	Housing & Assets	0.697	0.386	1.083	Council Fund	4.099	0.939	5.038	TOTAL	4.099	0.939	5.038
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1.16	<p>Additional Allocations</p> <p>Additional allocations have been identified in the programme in this quarter as follows:</p> <ul style="list-style-type: none"> • Ewloe Green CP School - £0.090m. An opportunity presented itself to purchase a parcel of land to the rear of the school to facilitate development of the site, to meet the current and future demand for pupil places in the area. • B5101 – Ffrith Land Slip - £0.120m. Adverse weather during the first quarter of the year caused landslips on the B5101, Ffrith. Funding is required to complete remedial works and install remote alert systems at the site, to monitor any future movements within the embankment, allowing the highway to be reopened. • New Street Car Park, Mold - £0.048m. Urgent flood prevention works requiring immediate action. A long term solution has been identified in the 2022/23 capital programme. 																																										

	<ul style="list-style-type: none"> Northop Hall CP School - £0.092m. Funding to support a permanent classroom extension at the school, in place of providing a mobile classroom provision. The school will contribute an additional £0.053m towards the project. <p>All can be funded from within the current 'headroom' provision.</p> <ul style="list-style-type: none"> Target Hardening works - £0.035m. Funding required for a programme of target hardening works in year. <p>This can be funded from within the current health and safety provision.</p>																														
1.17	<p>Savings</p> <p>The following savings have been identified in the programme in this quarter.</p> <ul style="list-style-type: none"> Marleyfield House Residential Care Home - £0.450m. A saving has been identified on the scheme now all works have been completed, which can be released back into the capital programme. Group Repair Scheme - £0.060m. A budget provision was set to resolve any legacy issues arising from the historic group repair programmes. It is deemed that this budget is no longer required. 																														
1.18	<p>Funding of 2021/22 Approved Schemes</p> <p>The position at Month 6 is summarised in Table 5 below for the three year Capital Programme between 2021/22 – 2023/24:-</p> <p>Table 5</p> <table border="1" data-bbox="432 1301 1369 1973"> <thead> <tr> <th colspan="3">FUNDING OF APPROVED SCHEMES 2021/22 - 2023/24</th> </tr> <tr> <th></th> <th>£m</th> <th>£m</th> </tr> </thead> <tbody> <tr> <td>Balance carried forward from 2020/21</td> <td></td> <td>(1.968)</td> </tr> <tr> <td>Increases</td> <td></td> <td></td> </tr> <tr> <td>Shortfall in 2021/22 to 2023/24 Budget</td> <td>1.317</td> <td>1.317</td> </tr> <tr> <td>Decreases</td> <td></td> <td></td> </tr> <tr> <td>Additional GCG - 2021/22 Confirmed</td> <td>(1.461)</td> <td></td> </tr> <tr> <td>Actual In year receipts</td> <td>(1.125)</td> <td></td> </tr> <tr> <td>Savings</td> <td>(0.910)</td> <td>(3.496)</td> </tr> <tr> <td>Funding - (Available)/Shortfall</td> <td></td> <td>(4.147)</td> </tr> </tbody> </table>	FUNDING OF APPROVED SCHEMES 2021/22 - 2023/24				£m	£m	Balance carried forward from 2020/21		(1.968)	Increases			Shortfall in 2021/22 to 2023/24 Budget	1.317	1.317	Decreases			Additional GCG - 2021/22 Confirmed	(1.461)		Actual In year receipts	(1.125)		Savings	(0.910)	(3.496)	Funding - (Available)/Shortfall		(4.147)
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1.19	<p>The final outturn funding surplus from the 2020/21 – 2022/23 Capital Programme was £1.968m.</p>																														

	<p>The 2021/22 – 2023/24 Capital Programme was approved on the 8th December 2020, with a funding deficit of £1.317m. Following the final local government settlement, the Council received additional funding and this resulted in the programme being in a surplus position of £0.144m over the three year period. This surplus carry forward led to an opening funding position surplus of £2.112m.</p> <p>Capital receipts received in the second quarter of 2021/22, along with savings identified, total £1.352m. This gives a revised projected surplus in the Capital Programme at Month 6 of £4.147m (from a Month 4 funding position surplus of £2.795m) for the 2021/22 – 2023/24 Capital Programme, prior to the realisation of additional capital receipts and/or other funding sources.</p>																																												
1.20	<p>Investment in County Towns</p> <p>At its meeting on 12th December 2017, the Council approved a Notice of Motion relating to the reporting of investment in county towns. The extent and format of the reporting was agreed at the Corporate Resources Overview and Scrutiny Committee on 14th June 2018.</p>																																												
1.21	<p>Table 6 below shows a summary of the 2020/21 actual expenditure, the 2021/22 revised budget and budgets for future years as approved by Council at its meeting of 8th December, 2020. Further detail can be found in Appendix C, including details of the 2021/22 spend to Month 6.</p> <p><u>Table 6</u></p> <table border="1" data-bbox="347 1131 1359 1825"> <thead> <tr> <th colspan="4">INVESTMENT IN COUNTY TOWNS</th> </tr> <tr> <th></th> <th>2020/21 Actual £m</th> <th>2021/22 Revised Budget £m</th> <th>2022 - 2024 Budget £m</th> </tr> </thead> <tbody> <tr> <td>Buckley / Penyffordd</td> <td>10.157</td> <td>2.899</td> <td>5.598</td> </tr> <tr> <td>Connah's Quay / Shotton</td> <td>1.412</td> <td>2.286</td> <td>3.442</td> </tr> <tr> <td>Flint / Bagillt</td> <td>2.181</td> <td>0.738</td> <td>8.144</td> </tr> <tr> <td>Holywell / Caerwys / Mostyn</td> <td>1.457</td> <td>6.038</td> <td>4.060</td> </tr> <tr> <td>Mold / Treuddyn / Cilcain</td> <td>5.655</td> <td>6.438</td> <td>7.346</td> </tr> <tr> <td>Queensferry / Hawarden / Sealand</td> <td>5.825</td> <td>9.954</td> <td>3.878</td> </tr> <tr> <td>Saltney / Broughton / Hope</td> <td>4.841</td> <td>4.832</td> <td>0.000</td> </tr> <tr> <td>Unallocated / To Be Confirmed</td> <td>1.256</td> <td>3.450</td> <td>17.676</td> </tr> <tr> <td>Total</td> <td>32.784</td> <td>36.635</td> <td>50.144</td> </tr> </tbody> </table>	INVESTMENT IN COUNTY TOWNS					2020/21 Actual £m	2021/22 Revised Budget £m	2022 - 2024 Budget £m	Buckley / Penyffordd	10.157	2.899	5.598	Connah's Quay / Shotton	1.412	2.286	3.442	Flint / Bagillt	2.181	0.738	8.144	Holywell / Caerwys / Mostyn	1.457	6.038	4.060	Mold / Treuddyn / Cilcain	5.655	6.438	7.346	Queensferry / Hawarden / Sealand	5.825	9.954	3.878	Saltney / Broughton / Hope	4.841	4.832	0.000	Unallocated / To Be Confirmed	1.256	3.450	17.676	Total	32.784	36.635	50.144
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1.22	<p>The inclusion of actuals for 2020/21 and approved schemes for future years allows a slightly fuller picture of investment plans. However, expenditure which has occurred in years' prior to 2020/21 has not been included, and the expenditure and budgets reported should be considered in that context.</p>																																												

1.23	There are two significant factors which increase allocations to particular areas, these are homes developed under SHARP, and new or remodelled schools. The impact of these can be seen in the detail shown in Appendix C.																											
1.24	Some expenditure cannot yet be allocated to specific towns as schemes are not yet fully developed or are generic in nature and not easily identifiable to one of the seven areas. As such schemes are identified the expenditure will be allocated to the relevant area.																											
1.25	Information on the split between internal and external funding can be found in Appendix C.																											
1.26	<p>In addition to the information contained in Appendix C, there is also considerable capital expenditure on the HRA Welsh Housing Quality Standard (WHQS), which was originally outside the scope of this analysis. A summary is provided in Table 7 below, albeit using a slightly different catchment area basis.</p> <p>Table 7</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="3" style="text-align: left;">WHQS Programme</th> </tr> <tr> <th></th> <th style="text-align: center;">2020/21 Actual £m</th> <th style="text-align: center;">2021/22 Budget £m</th> </tr> </thead> <tbody> <tr> <td>Holywell</td> <td style="text-align: center;">0.136</td> <td style="text-align: center;">4.930</td> </tr> <tr> <td>Flint</td> <td style="text-align: center;">0.189</td> <td style="text-align: center;">3.130</td> </tr> <tr> <td>Deeside & Saltney</td> <td style="text-align: center;">2.151</td> <td style="text-align: center;">2.730</td> </tr> <tr> <td>Buckley</td> <td style="text-align: center;">3.568</td> <td style="text-align: center;">3.630</td> </tr> <tr> <td>Mold</td> <td style="text-align: center;">1.160</td> <td style="text-align: center;">3.030</td> </tr> <tr> <td>Connah's Quay & Shotton</td> <td style="text-align: center;">0.632</td> <td style="text-align: center;">0.877</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">7.836</td> <td style="text-align: center;">18.327</td> </tr> </tbody> </table>	WHQS Programme				2020/21 Actual £m	2021/22 Budget £m	Holywell	0.136	4.930	Flint	0.189	3.130	Deeside & Saltney	2.151	2.730	Buckley	3.568	3.630	Mold	1.160	3.030	Connah's Quay & Shotton	0.632	0.877	Total	7.836	18.327
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2.00	RESOURCE IMPLICATIONS
2.01	Financial implications - As set out in the body of the report.
2.02	Personnel implications - None directly as a result of this report.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	The impact of the pandemic will continue to be monitored closely during this financial year. Due to the re-profiling of schemes from the 2020/21 and resources available to manage and deliver schemes, the levels of planned

	<p>expenditure in 2021/22 may be affected, resulting in a high level of carry forward requests to re-phase budgets into the 2022/23 programme.</p> <p>In addition to the above, there are currently indications that material supplies, and demand, are being impacted by overseas supply market disruption leading to potential cost increases, higher tender prices and project delays.</p> <p>Grants received will also to be closely monitored to ensure that expenditure is incurred within the terms and conditions of the grant. The capital team will work with project leads to report potential risks of achieving spend within timescales and assist in liaising with the grant provider.</p> <p>The Council has 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. Due to the pandemic, there may be a delay in obtaining capital receipts as the timing of these receipts are also subject to market forces outside of the Council's control. In line with current policy, no allowance has been made for these receipts in reporting the Council's capital funding position.</p>
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4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	No consultation is required as a direct result of this report.

5.00	APPENDICES
5.01	Appendix A: Capital Programme - Changes during 2021/22
5.02	Appendix B: Variances
5.03	Appendix C: Investment in Towns

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Capital Programme monitoring papers 2021/22.

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

8.00	GLOSSARY OF TERMS
8.01	<p>Budget Re-profiling: Capital schemes are very dynamic and a number of factors can influence their timing and funding. Budget re-profiling assures that the correct resources are available in the correct accounting period to finance the actual level of expenditure.</p> <p>Capital Expenditure: Expenditure on the acquisition of non-current assets or expenditure which extends the useful life 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 Receipts: Receipts (in excess of £10,000) realised from the disposal of assets.</p> <p>Carry Forward: Carry forward occurs when schemes due to be completed in a given financial year are delayed until a subsequent year. In this case the relevant funding is carried forward to meet the delayed, contractually committed expenditure.</p> <p>CERA: Capital Expenditure charged to Revenue Account. The Council is allowed to use its revenue resources to fund capital expenditure. However the opposite is not permissible.</p> <p>Council Fund (CF): The fund to which all the Council's revenue and capital expenditure is charged.</p> <p>Housing Revenue Account (HRA): The fund to which all the Council's revenue and capital expenditure relating to its housing stock is charged.</p> <p>MRA: Major Repairs Allowance. A general capital grant from WG for HRA purposes.</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> <p>Section 106: Monies are received from developers/contractors pursuant to Section 106 of the Town & Country Planning Act 1990. These sums are available for use once the relevant terms of the individual agreement have been met. The monies are most commonly used for educational enhancement, play areas, highways and affordable housing.</p> <p>Target Hardening: Measures taken to prevent unauthorised access to Council sites.</p> <p>Unhypothecated Supported Borrowing (USB), commonly referred to as Supported Borrowing - Each year Welsh Government provide Councils with a Supported Borrowing allocation. Councils borrow to fund capital expenditure equivalent to that annual allocation, Welsh Government then include funding to cover the revenue costs associated</p>

with the borrowing for future years within the Revenue Support Grant. The Council decides how this funding is spent.

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

CAPITAL PROGRAMME - CHANGES DURING 2021/22

	Original Budget 2021/22	Carry Forward from 2020/21	2021/22 Previously Reported			Savings (Current)	Changes (Current)	Revised Budget 2021/22
			Changes	Carry Forward to 2022/23	Savings			
	£m	£m	£m	£m		£m	£m	£m
Council Fund :								
People & Resources								
'Headroom'	0.350	0.210	0.000	0.000	0.000	0.000	(0.070)	0.490
Corporate Finance - H & S	0.000	0.050	0.000	0.000	0.000	0.000	0.000	0.050
	0.350	0.260	0.000	0.000	0.000	0.000	(0.070)	0.540
Governance								
Information Technology	0.422	0.505	0.004	(0.095)	0.000	0.000	0.000	0.836
	0.422	0.505	0.004	(0.095)	0.000	0.000	0.000	0.836
Education & Youth								
Education - General	0.445	3.454	(0.515)	0.000	0.000	0.000	(0.351)	3.033
Primary Schools	1.400	0.400	0.680	0.000	0.000	0.000	1.982	4.462
Schools Modernisation	3.525	0.217	1.504	0.000	0.000	0.000	2.249	7.495
Secondary Schools	0.207	3.400	0.884	0.000	0.000	0.000	0.584	5.075
Special Education	0.300	0.099	0.440	0.200	0.000	0.000	(0.200)	0.839
	5.877	7.570	2.993	0.200	0.000	0.000	4.264	20.904
Social Services								
Services to Older People	0.656	0.506	0.000	0.000	0.000	(0.450)	0.158	0.870
Children's Services	0.364	0.092	1.551	0.000	0.000	0.000	0.157	2.164
	1.020	0.598	1.551	0.000	0.000	(0.450)	0.315	3.034
Planning, Environment & Economy								
Closed Landfill Sites	0.000	0.250	0.000	(0.250)	0.000	0.000	0.000	0.000
Engineering	0.038	0.372	0.075	(0.262)	0.000	0.000	0.000	0.223
Energy Services	0.000	0.000	0.711	0.000	0.000	0.000	0.000	0.711
Ranger Services	0.040	(0.022)	0.000	0.000	0.000	0.000	0.000	0.018
Townscape Heritage Initiatives	0.050	0.180	0.173	(0.060)	0.000	0.000	0.001	0.344
Private Sector Renewal/Improv't	0.040	0.070	0.203	0.000	0.000	(0.060)	0.137	0.390
	0.168	0.850	1.162	(0.572)	0.000	(0.060)	0.138	1.686
Streetscene & Transportation								
Waste	1.150	1.230	2.216	(1.930)	(0.400)	0.000	0.122	2.388
Cemeteries	0.265	0.000	0.000	0.000	0.000	0.000	0.000	0.265
Highways	0.600	1.234	1.178	0.000	0.000	0.000	0.866	3.878
Local Transport Grant	0.000	0.017	10.898	0.000	0.000	0.000	0.429	11.344
Solar Farms	0.000	0.046	0.000	(0.046)	0.000	0.000	0.000	0.000
	2.015	2.527	14.292	(1.976)	(0.400)	0.000	1.417	17.875

	Original Budget 2021/22	Carry Forward from 2020/21	2021/22 Previously Reported			Savings (Current)	Changes (Current)	Revised Budget 2021/22
			Changes	Carry Forward to 2022/23	Savings			
	£m	£m	£m	£m	£m	£m	£m	£m
Strategic Programmes								
Leisure Centres	0.250	0.107	0.000	0.000	0.000	0.000	0.000	0.357
Play Areas	0.200	0.350	0.000	0.000	0.000	0.000	0.018	0.568
Libraries	0.000	0.009	0.000	0.000	0.000	0.000	0.000	0.009
Theatr Clwyd	0.100	0.959	1.200	(0.959)	0.000	0.000	0.000	1.300
	0.550	1.425	1.200	(0.959)	0.000	0.000	0.018	2.234
Housing & Assets								
Administrative Buildings	0.644	0.424	0.000	0.000	0.000	0.000	0.070	1.138
Community Asset Transfers	0.000	0.697	0.000	(0.697)	0.000	0.000	0.000	0.000
Affordable Housing	0.000	0.000	0.582	0.000	0.000	0.000	0.000	0.582
Disabled Facilities Grants	1.660	0.779	0.191	0.000	0.000	0.000	0.048	2.678
	2.304	1.900	0.773	(0.697)	0.000	0.000	0.118	4.398
Housing Revenue Account :								
Buy Back / Strategic Acquisition	0.000	0.000	0.000	0.000	0.000	0.000	0.400	0.400
Disabled Adaptations	1.114	0.000	-0.264	0.000	0.000	0.000	0.000	0.850
Energy Schemes	0.510	0.000	0.450	0.000	0.000	0.000	0.000	0.960
Major Works	0.726	0.000	0.000	0.000	0.000	0.000	0.000	0.726
Accelerated Programmes	0.561	0.000	0.000	0.000	0.000	0.000	0.000	0.561
WHQS Improvements	16.530	0.000	-0.450	0.000	0.000	0.000	(0.122)	15.958
Modernisation / Improvements	1.342	0.000	0.000	0.000	0.000	0.000	(1.342)	0.000
SHARP Programme	14.052	0.000	(7.351)	0.000	0.000	0.000	(2.701)	4.000
	34.835	0.000	(7.615)	0.000	0.000	0.000	(3.765)	23.455
Totals :								
Council Fund	12.706	15.635	21.975	(4.099)	(0.400)	(0.510)	6.200	51.507
Housing Revenue Account	34.835	0.000	(7.615)	0.000	0.000	0.000	(3.765)	23.455
Grand Total	47.541	15.635	14.360	(4.099)	(0.400)	(0.510)	2.435	74.962

PEOPLE & RESOURCES

Capital Budget Monitoring 2021/22 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
'Headroom'	0.490	0.000	0.490	0.000	0	0.000		Corporate provision - to be allocated as requested and approved.	Any unspent allocation will be the subject of a carry forward request at outturn.
Corporate Finance - Health & Safety	0.050	0.000	0.050	0.000	0	0.000		Corporate provision - to be allocated as requested and approved.	Any unspent allocation will be the subject of a carry forward request at outturn.
Total	0.540	0.000	0.540	0.000	0	0.000			

GOVERNANCE

Capital Budget Monitoring 2021/22 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Information Technology	0.836	0.414	0.828	(0.008)	-1	(0.095)	Air conditioning replacement retentions will fall into 2022/23.	Carry Forward - Request approval to move funding of £0.008m to 2022/23.	
Total	0.836	0.414	0.828	(0.008)	-1	(0.095)			

Variance = Budget v Projected Outturn

EDUCATION & YOUTH

Capital Budget Monitoring 2021/22 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Education - General	3.033	0.648	3.021	(0.012)	-0	0.000	Repairs and maintenance retentions will fall into 2022/23.	Carry Forward - Request approval to move funding of £0.012m to 2022/23.	
Primary Schools	4.462	2.169	4.396	(0.066)	-1	0.000	Glanrafon capital project retention to fall into 2022/23.	Carry Forward - Request approval to move funding of £0.066m to 2022/23.	
Schools Modernisation	7.495	6.576	7.495	0.000	0	0.000			
Secondary Schools	5.075	4.310	5.060	(0.015)	-0	0.000	Mold Alun work retentions will fall into 2022/23.	Carry Forward - Request approval to move funding of £0.015m to 2022/23.	
Special Education	0.839	0.070	0.839	0.000	0	0.200			
Total	20.904	13.773	20.811	(0.093)	-0	0.200			

Variance = Budget v Projected Outturn

SOCIAL SERVICES

Capital Budget Monitoring 2021/22 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Services to Older People	0.870	0.487	0.870	0.000	0	0.000			Saving identified of £0.450m in relation to the scheme at Marleyfield House Residential Home.
Children's Services	2.164	1.867	2.164	0.000	0	0.000			
Total	3.034	2.355	3.034	0.000	0	0.000			

Variance = Budget v Projected Outturn

PLANNING, ENVIRONMENT & ECONOMY

Capital Budget Monitoring 2021/22 - Month 6

Programme Area	Total Budget	Actual Exp.	Projected Outturn	Variance (Under)/ Over	Variance %age	Variance Prev Qtr	Cause of Variance	Action Required	Comments
	£m	£m	£m	£m	%	£m			
Closed Landfill Sites	0.000	0.000	0.000	0.000	0	(0.250)			
Engineering	0.223	0.001	0.223	0.000	0	(0.262)			
Energy Services	0.711	0.272	0.711	0.000	0	0.000			
Ranger Services	0.018	0.002	0.018	0.000	0	0.000			
Townscape Heritage Initiatives	0.344	0.215	0.319	(0.025)	-7	(0.060)	Underspend in relation to the Building Repair Scheme. This is a 2 year project, with progress in year being delayed due to the pandemic.	Carry Forward - Request approval to move funding of £0.025m to 2022/23.	
Private Sector Renewal/Improvement	0.390	0.361	0.390	0.000	0	0.000			Expenditure is driven by demand. Saving identified of £0.060m in relation to the Group Repair Scheme.
Total	1.686	0.851	1.661	(0.025)	-1	(0.572)			

Variance = Budget v Projected Outturn

STREETSCENE & TRANSPORTATION

Capital Budget Monitoring 2021/22 - Month 6

Programme Area	Total Budget	Actual Exp.	Projected Outturn	Variance (Under)/ Over	Variance %age	Variance Prev Qtr	Cause of Variance	Action Required	Comments
	£m	£m	£m	£m	%	£m			
Waste Services	2.388	0.693	2.388	0.000	0	(1.930)			
Cemeteries	0.265	0.001	0.265	0.000	0	0.000			
Highways	3.878	1.159	3.878	0.000	0	0.000			
Local Transport Grant	11.344	5.138	11.344	0.000	0	0.000			
Solar Farms	0.000	0.000	0.000	0.000	0	(0.046)			
Total	17.875	6.991	17.875	0.000	0	(1.976)			

Variance = Budget v Projected Outturn

STRATEGIC PROGRAMMES

Capital Budget Monitoring 2021/22 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Leisure Centres	0.357	0.013	0.207	(0.150)	-42	0.000	Roofing works at Deeside Leisure Centre will not take place in 2021/22 due to the ongoing reinstatement works.	Carry Forward - Request approval to move funding of £0.150m to 2022/23.	
Play Areas	0.568	0.063	0.291	(0.277)	-49	0.000	Funding of £0.210m is unlikely to be spent in 2021/22. Works at Bailey Hill should be completed early next year, however play areas equipment may not be received until next financial year, £0.067m.	Carry Forward - Request approval to move funding of £0.277m to 2022/23.	
Libraries	0.009	0.000	0.009	0.000	0	0.000			
Theatr Clwyd	1.300	1.061	1.300	0.000	0	(0.959)			
Total	2.234	1.137	1.807	(0.427)	-19	(0.959)			

Variance = Budget v Projected Outturn

HOUSING & ASSETS

Capital Budget Monitoring 2021/22 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Administrative Buildings	1.138	0.196	1.138	0.000	0	0.000			
Community Asset Transfers	0.000	0.000	0.000	0.000		(0.697)			
Affordable Housing	0.582	0.582	0.582	0.000	0	0.000			
Disabled Facilities Grants	2.678	0.673	2.292	(0.386)	-14	0.000	Works scheduled to be completed in 2021/22 have been delayed due to a shortage of staff in the team, supply chain issues and a national shortage in social care staff, which has resulted in delayed referrals from occupational therapists. The delayed works are scheduled to be complete in 2022/23.	Carry Forward - Request approval to move funding of £0.386m to 2022/23.	DFG spend is customer driven and volatile.
Total	4.398	1.451	4.012	(0.386)	-9	(0.697)			

Variance = Budget v Projected Outturn

HOUSING REVENUE ACCOUNT

Capital Budget Monitoring 2021/22 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Buy Back / Strategic Acquisition	0.400	0.400	0.400	0.000	0	0.000			
Disabled Adaptations	0.850	0.323	0.850	0.000	0	0.000			
Energy Services	0.960	1.372	1.372	0.412	43	0.450	Energy spend above budget allocation will be met through income generated from the feeding tariffs and potential WHQS underspends.		
Major Works	0.726	0.219	0.726	0.000	0	0.000			
Accelerated Programmes	0.561	0.289	0.561	0.000	0	0.000			
WHQS Improvements	15.958	8.046	15.546	(0.412)	-3	(0.450)	Potential WHQS underspend to be utilised within Energy Services.		
Modernisation / Improvements	0.000	0.000	0.000	0.000					
SHARP	4.000	0.077	4.000	0.000	0	0.000			
Total	23.455	10.726	23.455	(0.000)	-0	0.000			

Variance = Budget v Projected Outturn

SUMMARY

Capital Budget Monitoring 2021/22 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
People & Resources	0.540	0.000	0.540	0.000	0	0.000			
Governance	0.836	0.414	0.828	(0.008)	-1	(0.095)			
Education & Youth	20.904	13.773	20.811	(0.093)	-0	0.200			
Social Services	3.034	2.355	3.034	0.000	0	0.000			
Planning, Environment & Economy	1.686	0.851	1.661	(0.025)	-1	(0.572)			
Streetscene & Transportation	17.875	6.991	17.875	0.000	0	(1.976)			
Strategic Programmes	2.234	1.137	1.807	(0.427)	-19	(0.959)			
Housing & Assets	4.398	1.451	4.012	(0.386)	-9	(0.697)			
Sub Total - Council Fund	51.507	26.971	50.568	(0.939)	-2	(4.099)			
Housing Revenue Account	23.455	10.726	23.455	0.000	0	0.000			
Total	74.962	37.698	74.023	(0.939)	-1	(4.099)			

Variance = Budget v Projected Outturn

INVESTMENT IN COUNTY TOWNS - 2020/21 ACTUAL SPEND

APPENDIX C

TOWN FUNDING	20/21 ACTUAL £000	BUCKLEY		CONNAH'S QUAY		FLINT		HOLYWELL		MOLD		QUEENSFERRY		SALTNEY		UNALLOCATED		TOTALS			
		Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Total £000	
EXPENDITURE																					
HOUSING - HRA																					
SHARP	1,152	122		20		51		187		227		366					179		1,152	0	1,152
EDUCATION & YOUTH																					
Connah's Quay High School	264			69	195														69	195	264
Queensferry Campus	3,303												3,303						0	3,303	3,303
Ysgol Glanrafon	770										770								0	770	770
Castell Alun High School	3,511													3,511					3,511	0	3,511
SOCIAL CARE																					
Marleyfield EPH	8,005	4,225	3,780																4,225	3,780	8,005
PLANNING, ENVIRONMENT & ECONOMY																					
Solar PV Farms	2,058			433		1,625													2,058	0	2,058
STREETSCENE & TRANSPORTION																					
Highways Maintenance	1,259		131		54				398		156		53		243		140	84	140	1,119	1,259
Transport Grant	6,136		45		641		505	164	708		30		2,103		1,087			853	164	5,972	6,136
Improvements to Standard Yard Waste Transfer Station	447		447																0	447	447
STRATEGIC PROGRAMMES																					
Theatr Clwyd - Redevelopment	1,808										1,808								0	1,808	1,808
HOUSING & ASSETS																					
County Hall Demolition	1,042										1,042								1,042	0	1,042
Adaptable Housing	3,029	1,407									1,622								3,029	0	3,029
	32,784	5,754	4,403	522	890	1,676	505	351	1,106	2,891	2,764	366	5,459	3,511	1,330	319	937	15,390	17,394	32,784	
AREA TOTAL			10,157	1,412	2,181	1,457	5,655	5,825	4,841	1,256											

AREA TOTAL

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INVESTMENT IN COUNTY TOWNS - 2021/22 REVISED BUDGET

APPENDIX C (Cont)

TOWN FUNDING	REVISED BUDGET £000	BUCKLEY		CONNAH'S QUAY		FLINT		HOLYWELL		MOLD		QUEENSFERRY		SALTNEY		UNALLOCATED		TOTALS			
		Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Total £000	
EXPENDITURE																					
HOUSING - HRA																					
SHARP	4,000					262		3,738											4,000	0	4,000
EDUCATION & YOUTH																					
Queensferry Campus	6,482											2,166	4,316						2,166	4,316	6,482
Ysgol Glanrafon	2,398									311	2,087								311	2,087	2,398
Castell Alun High School	3,700													3,121	579				3,121	579	3,700
SOCIAL CARE																					
Marleyfield EPH	712		712																712	0	712
Ty Nyth, Children's Residential Care	1,100										1,100								0	1,100	1,100
PLANNING, ENVIRONMENT & ECONOMY																					
Solar PV Farms	699				699														699	0	699
STREETSCENE & TRANSPORTION																					
Improvements to Standard Yard Waste Transfer Station	853		853																0	853	853
Improvements to Greenfield Waste Transfer Station	768							50	718										50	718	768
Highways Maintenance	2,697		28						421		433		180		73	1,562	0		1,562	1,135	2,697
Transport Grant	11,344		1,306		1,587		476	17	1,094		625		3,292		1,059		1,888		17	11,327	11,344
STRATEGIC PROGRAMMES																					
Tŷau'r Cwyt - Redevelopment	1,300									100	1,200								100	1,200	1,300
HOUSING & ASSETS																					
Affordable Housing	582										582								582	0	582
	36,635	712	2,187	699	1,587	262	476	3,805	2,233	993	5,445	2,166	7,788	3,121	1,711	1,562	1,888	13,320	23,315	36,635	
AREA TOTAL			2,899		2,286		738		6,038		6,438		9,954		4,832		3,450				

TOWN FUNDING	ACTUAL TO DATE £000	BUCKLEY		CONNAH'S QUAY		FLINT		HOLYWELL		MOLD		QUEENSFERRY		SALTNEY		UNALLOCATED		TOTALS			
		Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Total £000	
EXPENDITURE																					
HOUSING - HRA																					
SHARP	77					20		57											77	0	77
EDUCATION & YOUTH																					
Queensferry Campus	6,138											1,822	4,316						1,822	4,316	6,138
Ysgol Glanrafon	1,872										1,872								0	1,872	1,872
Castell Alun High School	3,646													3,121	525				3,121	525	3,646
SOCIAL CARE																					
Marleyfield EPH	488	488																	488	0	488
Ty Nyth, Children's Residential Care	12										12								0	12	12
PLANNING, ENVIRONMENT & ECONOMY																					
Solar PV Farms	237			237															237	0	237
STREETSCENE & TRANSPORTION																					
Improvements to Standard Yard Waste Transfer Station	233		233																0	233	233
Improvements to Greenfield Waste Transfer Station	461							461											0	461	461
Highways Maintenance	1,136		28					421			433	180		73					0	1,135	1,135
Transport Grant	5,138		826				447	2	429		451	2,395		572		16			2	5,136	5,138
STRATEGIC PROGRAMMES																					
Theatr Clwyd - Redevelopment	1,061										1,061								0	1,061	1,061
HOUSING & ASSETS																					
Affordable Housing	582									582									582	0	582
	21,081	488	1,087	237	0	20	447	59	1,311	582	3,829	1,822	6,891	3,121	1,170	0	16	6,329	14,751	21,080	

AREA TOTAL

1,575 237 467 1,370 4,411 8,713 4,291 16

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INVESTMENT IN COUNTY TOWNS - 2022- 2024 BUDGET

APPENDIX C (Cont)

TOWN FUNDING	FUTURE BUDGET £000	BUCKLEY		CONNAH'S QUAY		FLINT		HOLYWELL		MOLD		QUEENSFERRY		SALTNEY		UNALLOCATED		TOTALS			
		Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Total £000			
EXPENDITURE																					
HOUSING - HRA																					
SHARP	10,052	968		817		44		4,060		3,285		878							10,052	0	10,052
EDUCATION & YOUTH																					
Ysgol Croes Atti, Shotton	1,125			262	863														262	863	1,125
Ysgol Croes Atti, Flint	5,500					1,925	3,575												1,925	3,575	5,500
Drury County Primary	2,700	945	1,755																945	1,755	2,700
Joint Archive Facility, FCC and DCC	2,783									2,783									2,783	0	2,783
SOCIAL CARE																					
Mockingbird	384																384		384	0	384
STREETSCENE & TRANSPORTION																					
Improvements to Standard Yard Waste Transfer Station	1,930	1,930																	1,930	0	1,930
Highways Asset Management Plan	1,200																1,200		1,200	0	1,200
STRATEGIC PROGRAMMES																					
Theatr Clwyd - Redevelopment	960									960									960	0	960
HOUSING & ASSETS																					
Affordable Housing	23,510			1,500		2,600				318		3,000					16,092		23,510	0	23,510
	50,144	3,843	1,755	2,579	863	4,569	3,575	4,060	0	7,346	0	3,878	0	0	0	0	17,676	0	43,951	6,193	50,144

AREA TOTAL

5,598 3,442 8,144 4,060 7,346 3,878 0 17,676

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