

Pecyn Dogfen Gyhoeddus

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



Swyddog Cyswllt:
Sharon Thomas 01352 702324
sharon.b.thomas@flintshire.gov.uk

At: Allan Rainford (Cadeirydd)

Y Cyngorwyr: Bernie Attridge, Glyn Banks, Allan Marshall, Ted Palmer,
Andrew Parkhurst a Linda Thomas

Aelodau Cyfetholedig:

Sally Ellis a Brian Harvey

15 Tachwedd 2023

Annwyl Gynghorydd

RHYBUDD O GYFARFOD RHITHIOL
PWYLLGOR LLYWODRAETHU AC ARCHWILIO
DYDD MERCHER, 22AIN TACHWEDD, 2023 AM 10.00 AM

Yn gywir

Steven Goodrum
Rheolwr Gwasanaethau Democratiadd

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

Os oes gennych unrhyw ymholiadau, cysylltwch ag aelod o'r Tîm Gwasanaethau 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 5 - 12)

Pwrpas: I gadarnhau, fel cofnod cywir gofnodion y cyfarfod ar 27 Medi 2023.

4 LLYTHYR BLYNYDDOL 2022-23 OMBWDSMON GWASANAETHAU CYHOEDDUS CYMRU A CHWYNION A WNAED YN ERBYN GWASANAETHAU CYNGOR SIR Y FFLINT YN HANNER CYNTAF 2023-24 (Tudalennau 13 - 28)

Adroddiad Prif Swyddog (Llywodraethu) -

Pwrpas: Rhannu Llythyr Blynyddol 2022-23 Ombwdsmon Gwasanaethau Cyhoeddus Cymru. Mae'r adroddiad hefyd yn rhoi trosolwg o'r cwynion a dderbyniwyd gan bob portffolio o'r Cyngor yn hanner cyntaf 2023-24.

5 DATGANIAD LLYWODRAETHU BLYNYDDOL 2022/23 ADRODDIAD CYNNYDD CANOL BLWYDDYN (Tudalennau 29 - 56)

Adroddiad Prif Swyddog (Llywodraethu) -

Pwrpas: Darparu diweddariad i'r Pwyllgor Llywodraethu ac Archwilio o'r cynnydd a wnaed yn erbyn rheoli'r materion a nodwyd o fewn Datganiad Llywodraethu Blynyddol 2022/23.

6 ADOLYGIAD CANOL BLWYDDYN RHEOLI'R TRYSORLYS 2023/24 A DIWEDDARIAD CHWARTEROL 2 (Tudalennau 57 - 88)

Adroddiad Rheolwr Cyllid Corfforaethol - Aelod Cabinet Cyllid, Cynhwysiant, Cymunedau Cryf gan gynnwys Gwerth Cymdeithasol a Chaffael

Pwrpas: Cyflwyno drafft o'r Adolygiad Canol Blwyddyn Rheoli'r Trysorlys 1 Ebrill-30 Medi 2023 am sylwadau ac argymhelliad i'w gymeradwyo i'r Cabinet.

7 GWAREDU ASED AU A DERBYNIADAU CYFALAF A GYNHYRCHWYD 2022/23 (Tudalennau 89 - 96)

Adroddiad Rheolwr Corfforaethol, Rhaglen Gyfalaf ac Asedau -

Pwrpas: Adrodd ar waredu asedau a chyfalaf a dderbyniwyd ac a gynhyrchwyd yn ystod 2022/23.

8 **CAMAU ARCHWILIO HEB EU CWBLHAU** (Tudalennau 97 - 132)

Adroddiad Rheolwr Archwilio Mewnol, Perfformiad a Rheoli Risg -

Pwrpas: Rhoi'r wybodaeth ddiweddaraf i Aelodau, fel y gofynnwyd, am gynnydd camau archwilio heb eu cwblhau yn yr adran Tai a Chymuned a Gwasanaethau Stryd a Chludiant.

9 **ADRODDIAD BLYNYDDOL Y PWYLLGOR LLYWODRAETHU AC ARCHWILIO** (Tudalennau 133 - 170)

Adroddiad Cadeirydd y Pwyllgor Llywodraethu ac Archwilio

Pwrpas: I adrodd ar weithgareddau'r Pwyllgor yn ystod 2022/23.

10 **OLRHAIN GWEITHRED** (Tudalennau 171 - 176)

Adroddiad Rheolwr Archwilio Mewnol, Perfformiad a Rheoli Risg -

Pwrpas: Rhoi gwybod i'r Pwyllgor am y camau gweithredu sy'n codi o'r pwyntiau a godwyd mewn cyfarfodydd Pwyllgor Llywodraethu ac Archwilio blaenorol.

11 **RHAGLEN GWAITH I'R DYFODOL** (Tudalennau 177 - 182)

Adroddiad Rheolwr Archwilio Mewnol, Perfformiad a Rheoli Risg -

Pwrpas: Ystyried Rhaglen Gwaith i'r Dyfodol yr Adran Archwilio Mewnol.

DEDDF LLYWODRAETH LEOL (MYNEDIAD I WYBODAETH) 1985 - YSTYRIED GWAHARDD Y WASG A'R CYHOEDD

Mae'r eitem a ganlyn yn cael ei hystyried yn eitem eithriedig yn rhinwedd Paragraff(au) 14, 18 Rhan 4 Atodiad 12A o Ddeddf Llywodraeth Leol 1972 (fel y cafodd ei diwygio).

Mae'r adroddiad yn ymwneud â materion ariannol neu fusnes ac mae budd y cyhoedd i gelu'r wybodaeth yn drech na budd y cyhoedd mewn datgelu'r wybodaeth. Mae'r wybodaeth yn ymwneud â champau a gymerwyd yn gysylltiedig ag atal troseddu ac mae budd y cyhoedd i gelu'r wybodaeth yn drech na budd y cyhoedd mewn datgelu'r wybodaeth.

12 **CYFRINACHOL - ADRODDIAD AR YR YMCHWILIAD I HONIADAU DIENW A DDERBYNIWYD** (Tudalennau 183 - 192)

Adroddiad Rheolwr Archwilio Mewnol, Perfformiad a Rheoli Risg -

Pwrpas: Darparu crynodeb i'r aelodau o'r ymchwiliad a gynhaliwyd ar ôl i ddau o'r Cynghorwyr dderbyn galwadau ffôn dienw.

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

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 3

GOVERNANCE AND AUDIT COMMITTEE **27 SEPTEMBER 2023**

Minutes of the Governance and Audit Committee of Flintshire County Council held as a remote attendance meeting on Wednesday, 27 September 2023

PRESENT: Allan Rainford (Chair)

Councillors: Bernie Attridge, Glyn Banks, Allan Marshall, Andrew Parkhurst and Linda Thomas

Co-opted members: Sally Ellis and Brian Harvey

IN ATTENDANCE: Councillor Paul Johnson (Cabinet Member for Finance, Inclusion, Resilient Communities), Councillor Billy Mullin (Cabinet Member for Governance & Corporate Services), Chief Executive, Chief Officer (Governance), Internal Audit, Performance & Risk Manager, Corporate Finance Manager and Democratic Services Officer

Mike Whiteley and Carwyn Rees from Audit Wales

For minute number 30

Chief Officer (Education & Youth) and Strategic Finance Manager (Schools)

28. DECLARATIONS OF INTEREST

Sally Ellis declared a personal interest on agenda item 4 (School Reserve Balances) due to her son being employed by a school in Flintshire. As a school governor, Brian Harvey declared a personal interest on the same item.

29. MINUTES

The minutes of the meeting held on 26 July 2023 were approved, as moved and seconded by Councillors Bernie Attridge and Andrew Parkhurst.

RESOLVED:

That the minutes be approved as a correct record.

30. SCHOOL RESERVE BALANCES YEAR ENDING 31 MARCH 2023

The Strategic Finance Manager (Schools) presented the annual report on reserves held by Flintshire schools together with the risks and internal processes associated with schools in deficit. The report had been shared with all Headteachers and had been considered by the Schools Budget Forum and the Education, Youth & Culture Overview & Scrutiny Committee.

In comparison with the previous year, there was an overall reduction of 42.31% in reserve levels across all sectors at 31 March 2023, as expected, due to a range of factors. A breakdown of the position showed that most schools had used a significant proportion of their reserves resulting in a lower level of reserves

held than at the same stage last year. The report also focussed on the challenges for schools in setting their balanced budgets for 2023/24 resulting in a number of voluntary redundancies and ten schools applying for a licensed deficit, with projections for an increase in deficits by the end of the financial year.

The Chief Officer (Education & Youth) said that whilst good progress had been made in managing the reduction in school deficits (in line with the Estyn recommendation), there were significant concerns about the financial position of some schools and the difficulties faced by Head teachers and governors in managing their budgets effectively, given the ongoing impacts of the pandemic and inflationary pressures. She thanked the Finance teams and school accountants for the additional support and spoke about the effects of the Council's projected budget gap for 2024/25 on school delegated funding and resources.

In response to a question from Brian Harvey on areas of economic and social deprivation, reference was made to the wider effects on families, learners and schools, together with work on the funding formula for the secondary sector which aimed to target support in the most effective way.

As requested by Councillor Bernie Attridge, explanation was given on engagement with the ten schools reporting a deficit position. It was estimated that this work would be concluded by the end of October, however the impact on school budgets for 2024/25 would need to be considered at a later stage.

In response to a query, Councillor Allan Marshall was advised that the anticipated reduction in the total level of reserves to around £2m at 31 March 2024 was based on a range of known information at this stage. In addition, the Corporate Finance Manager provided clarity on the reporting of school reserves earlier in the year.

Following comments from Councillor Glyn Banks on comparison with the position five years ago, the Chief Officer spoke about the difficulties in projecting outcomes and the likelihood that there would be no WG education grants awarded late in the financial year to influence the final position.

The Chair thanked the officers for the detailed report. In response to questions, information was provided on the approved process for redundancies and associated cost implications, together with supporting schools on medium-term financial planning.

On a question by Sally Ellis, the Chief Officer said that whilst there was no redeployment policy, there was engagement with schools to mitigate the potential for compulsory redundancies.

The recommendation was moved and seconded by Sally Ellis and Councillor Linda Thomas.

RESOLVED:

That the level of school reserves as at 31 March 2023 and overview of schools' current financial position be noted.

31. AUDIT WALES - FLINTSHIRE COUNTY COUNCIL DETAILED AUDIT PLAN 2023

Mike Whiteley introduced the Audit Wales Plan for 2023 comprising proposed financial and performance audit work for the Council including timescales, costs and responsibilities.

In summarising key sections of financial audit work, attention was drawn to the management override of controls which was a default significant risk present in all Audit Plans, along with other risk areas involving complex issues not specific to Flintshire. On the audit of financial statements, changes to the timetable meant that the audit would not commence until November 2023 due to slippage in the work of Audit Wales and ongoing recruitment challenges. In recognising the impact of this delay, Audit Wales colleagues were engaging with the Finance team to identify areas for early sample testing and were committed to a staged return to the earlier deadline over the next two to three years.

The Chair expressed concerns about risks associated with the slippage in the financial audit timetable in respect of officer resources and potential impact on budget-setting for 2024/25, particularly in view of the increase in audit fee. His concerns were echoed by Councillor Bernie Attridge.

Mike Whiteley referred to the impact of the revised auditing standard ISA 315 on the financial audit approach and the expectation for the audit of the 2023-24 financial statements to be undertaken at an earlier stage than this year. Councillor Attridge was provided with information on the local project on Planning Services on which similar work at other councils had helped to identify improvements to service delivery.

The Chair commented on the timeliness of the thematic review on the financial sustainability of local government across Wales, given the increased media focus on councils across the UK. Carwyn Rees reported that work was in the initial stages with a view to sharing the findings by June 2024.

Councillor Andrew Parkhurst asked whether the thematic review on commissioning and contract management would look at the effectiveness of managing potential conflicts of interest to ensure that the Council achieved value for money. Carwyn Rees was unable to confirm this specific point as scoping work was not yet concluded, however the review would focus on arrangements for the commissioning of contract services taking into consideration the achievement of value for money.

In response to a query from Sally Ellis on value for money arrangements as part of assurance and risk assessment work, Carwyn Rees explained the approach to identifying areas of focus. The Internal Audit, Performance & Risk

Manager confirmed that a recent report by Audit Wales would be brought to this Committee, following consideration by Cabinet and the Climate Change Committee, in line with the reporting protocol.

Mike Whiteley noted the concerns raised by the Committee on the revised financial audit timetable and would pass these back to his colleagues as requested by the Chair.

The recommendation was moved and seconded by Councillor Bernie Attridge and Brian Harvey.

RESOLVED:

That the Audit Wales, Flintshire County Council - Detailed Audit Plan 2023 be approved.

32. CORPORATE SELF-ASSESSMENT 2022/23

The Chief Executive and Internal Audit, Performance & Risk Manager presented the report on the Corporate Self-Assessment for 2022/23 which summarised feedback from consultation and stakeholder engagement on the findings from analysis against the eight themes. A number of improvements had been made to the process since the pilot undertaken for 2021/22. Improvement areas set out within the report were currently being actioned.

Sally Ellis welcomed the improvements which reflected feedback from consultation. In response to questions, it was explained that the Welsh Local Government Association peer assessment model would inform future peer reviews and that benchmarking opportunities were being explored through the Council's membership with the Association for Public Service Excellence (APSE).

In response to comments from Brian Harvey on further improvements to the process year on year, explanation was given on the work of the Performance team in aligning to the Annual Government Statement and overall performance framework. This was one of a number of corporate documents subject to rigorous challenge through the committee process to drive performance improvement.

The Chair welcomed the changes which made the report easier to read. In response to questions on improvement opportunities, the Chief Executive said that the implementation of a robust new pay model would help towards addressing recruitment issues experienced in the current challenging market. On another action, plans to develop a cultural values-based approach across the organisation would be supported by a workforce training and engagement programme.

The recommendations were moved and seconded by Brian Harvey and Councillor Linda Thomas.

RESOLVED:

- (a) That the findings of the Corporate Self-Assessment 2022/23 be accepted and approved; and
- (b) That the opportunities for improvement identified in the Corporate Self-Assessment 2022/23 be approved.

33. INTERNAL AUDIT PROGRESS REPORT

The Internal Audit, Performance & Risk Manager presented the update on progress against the Plan, final reports issued, action tracking, performance indicators and current investigations. Since the last update, one Amber Red (some assurance) report had been issued on School Funding - Tŷ Ffynnon. There was a slight variation in overdue actions and follow-up arrangements were continuing including escalation to the Chief Officer team.

As requested by the Chair, the Housing service would be asked to provide a report on actions relating to Maes Gwern, to give assurance to the Committee that progress was being made.

Councillor Bernie Attridge sought information on the current status of actions relating to SARTH including reference to developing a plan for homelessness. The officer agreed to liaise with Housing colleagues and share an update with the Committee.

Sally Ellis thanked the team and Chief Officers for the update on overdue actions. On high and medium overdue actions, she raised concerns about the number of those with a revised due date and suggested that an update from Housing & Communities and Streetscene & Transportation be shared with the Committee. It was agreed that this combined update would be included as an agenda item for the next meeting.

On that basis, the recommendations were moved and seconded by Councillors Bernie Attridge and Andrew Parkhurst.

RESOLVED:

- (a) That the report be accepted;
- (b) That the Housing service share a report on progress with outstanding actions from the audit on Maes Gwern Contractual Arrangements; and
- (c) That an item on the current status of overdue actions under Housing & Communities and Streetscene & Transportation be shared at the next meeting.

34. ACTION TRACKING

The Internal Audit, Performance & Risk Manager presented an update on actions arising from previous meetings.

Whilst noting the response to his query on unvalued artefacts held in the Archives, Councillor Andrew Parkhurst questioned whether there was a process to identify missing items as well as considering the financial implications. He acknowledged the response on how the accounts reflected senior managers' remuneration where they were also directors of companies doing business with the Council. However he said that this would only apply where the individual's salary was above the reporting threshold and therefore his concerns about transparency remained.

The Corporate Finance Manager said that the response which had been shared detailed the prescribed format used for the accounts.

On the process for dealing with officers' interests, the Chief Officer (Governance) advised that a recent review by Internal Audit had identified the need for further training. When followed correctly, the process prevented interests from impacting on Council functions.

During the discussion, Councillor Parkhurst commented on a particular case on which he felt the Committee should have oversight, particularly as information was available elsewhere in the public domain. The Chief Officer explained that the process enabled managers to manage the interests of their staff. His suggestion to discuss further with Councillor Parkhurst and the Corporate Finance Manager outside the meeting was accepted.

The recommendation was moved and seconded by Brian Harvey and Sally Ellis.

RESOLVED:

That the report be accepted.

35. FORWARD WORK PROGRAMME

The Internal Audit, Performance & Risk Manager presented the current Forward Work Programme for consideration and confirmed that the Statement of Accounts would be moved to April 2024 following the earlier agenda item.

As an action arising from the Committee's self-assessment, arrangements would be made for the Chair and Vice-Chair to meet with the Leader of the Council.

On that basis, the recommendations were moved and seconded by Councillor Linda Thomas and Sally Ellis.

RESOLVED:

- (a) That subject to the changes, the Forward Work Programme be accepted;
and
- (b) That the Internal Audit, Performance & Risk Manager, in consultation with the Chair and Vice-Chair of the Committee, be authorised to vary the Forward Work Programme between meetings, as the need arises.

36. ATTENDANCE BY MEMBERS OF THE PRESS AND PUBLIC

None.

(The meeting started at 10am and finished at 12 noon)

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Chair

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 4



GOVERNANCE AND AUDIT COMMITTEE

Date of Meeting	Wednesday 22 November 2023
Report Subject	Public Services Ombudsman for Wales Annual Letter 2022-23 and complaints made against Flintshire County Council during the first half of 2023-24
Report Author	Chief Officer (Governance)
Category	Operational

EXECUTIVE SUMMARY

The purpose of this report is to share the Public Services Ombudsman for Wales Annual Letter 2022-23 for Flintshire County Council.

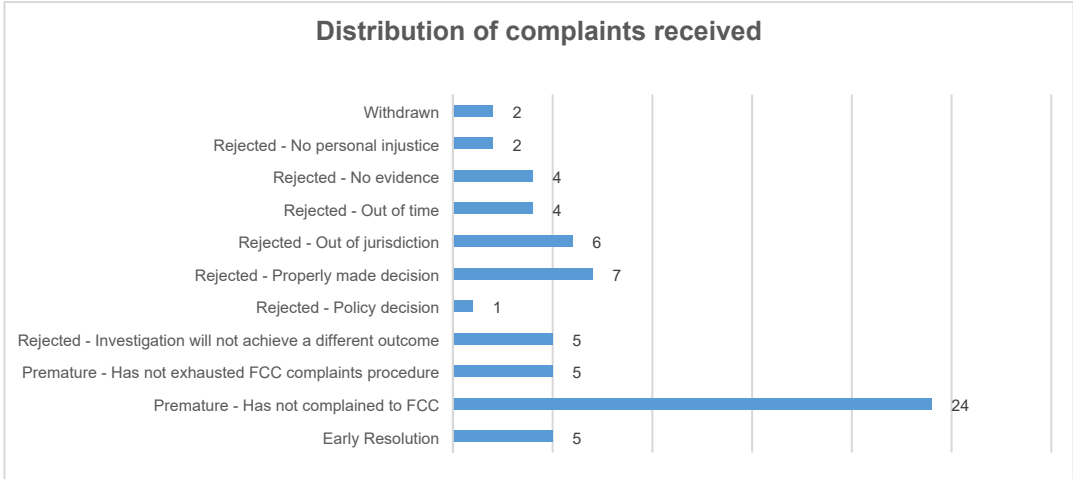
The Ombudsman's Annual Letter provides an overview of the annual performance of the Council in relation to complaints received between 1 April 2022 – 31 March 2023.

This report also provides an overview of complaints received by each portfolio of the Council between 1 April 2023 – 30 September 2023.

RECOMMENDATION

1	That Governance and Audit Committee notes the improving annual performance of the Council in respect of complaints made to the Public Services Ombudsman for Wales during 2022-23.
2	That Governance and Audit Committee notes the half year performance of the Council (2023-24) in respect of complaints made against services in line with the concerns and complaints procedure.
3	That Governance and Audit Committee supports the priorities outlined in paragraph 1.24 to continuously improve complaints handling.

REPORT DETAILS

1.00	THE PUBLIC SERVICES OMBUDSMAN FOR WALES ANNUAL LETTER 2022-23																								
1.01	Michelle Morris, Public Services Ombudsman for Wales (“Ombudsman”) published her Annual Letter 2022-23 in August 2023. The Annual Letter deals with complaints relating to maladministration and service failure, complaints relating to alleged breaches of the Code of Conduct for Members and the actions being taken to improve public services across Wales.																								
1.02	The Annual Letter coincides with the Ombudsman’s Annual Report which highlights the number of people asking her office for help increased by 3% compared to the previous year. The Ombudsman reports that her office now receives double the number of cases than a decade ago and she acknowledges the current climate continues to provide challenges for public services.																								
1.03	The number of complaints against local authorities across Wales reduced by 11% in 2022-23 compared to the previous year and the Ombudsman intervened (upheld, settled or resolved at an early stage) with 13% of complaints, a reduction from 18% the year before.																								
1.04	Appended to this report is a link to the Annual Letter detailing Flintshire’s performance and comparative data. The following paragraphs provide a summary of performance and additional context in response to the findings.																								
1.05	<p>Section A - 65 complaints were made against Flintshire in 2022-23 which is a reduction of 65.65% compared to the previous year (99). Whilst the number of complaints recorded against Flintshire remains higher than the Welsh average (46), it is important to put this in perspective. 92.31% (60) of all complaints against Flintshire were premature, rejected or withdrawn resulting in no action against the Council. Chart 1 illustrates the distribution of complaints by outcome:</p> <p>Chart 1</p>  <table border="1" data-bbox="301 1485 1378 1962"> <caption>Distribution of complaints received</caption> <thead> <tr> <th>Outcome</th> <th>Count</th> </tr> </thead> <tbody> <tr> <td>Withdrawn</td> <td>2</td> </tr> <tr> <td>Rejected - No personal injustice</td> <td>2</td> </tr> <tr> <td>Rejected - No evidence</td> <td>4</td> </tr> <tr> <td>Rejected - Out of time</td> <td>4</td> </tr> <tr> <td>Rejected - Out of jurisdiction</td> <td>6</td> </tr> <tr> <td>Rejected - Properly made decision</td> <td>7</td> </tr> <tr> <td>Rejected - Policy decision</td> <td>1</td> </tr> <tr> <td>Rejected - Investigation will not achieve a different outcome</td> <td>5</td> </tr> <tr> <td>Premature - Has not exhausted FCC complaints procedure</td> <td>5</td> </tr> <tr> <td>Premature - Has not complained to FCC</td> <td>24</td> </tr> <tr> <td>Early Resolution</td> <td>5</td> </tr> </tbody> </table>	Outcome	Count	Withdrawn	2	Rejected - No personal injustice	2	Rejected - No evidence	4	Rejected - Out of time	4	Rejected - Out of jurisdiction	6	Rejected - Properly made decision	7	Rejected - Policy decision	1	Rejected - Investigation will not achieve a different outcome	5	Premature - Has not exhausted FCC complaints procedure	5	Premature - Has not complained to FCC	24	Early Resolution	5
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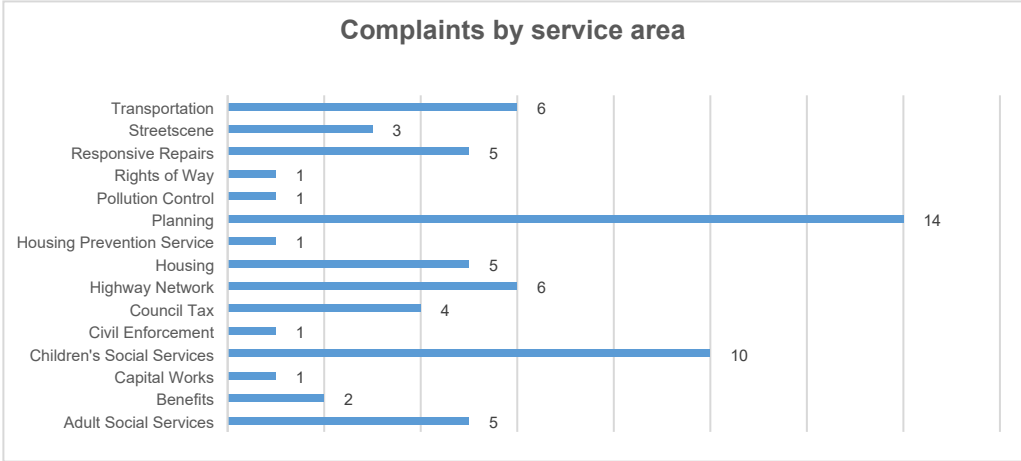
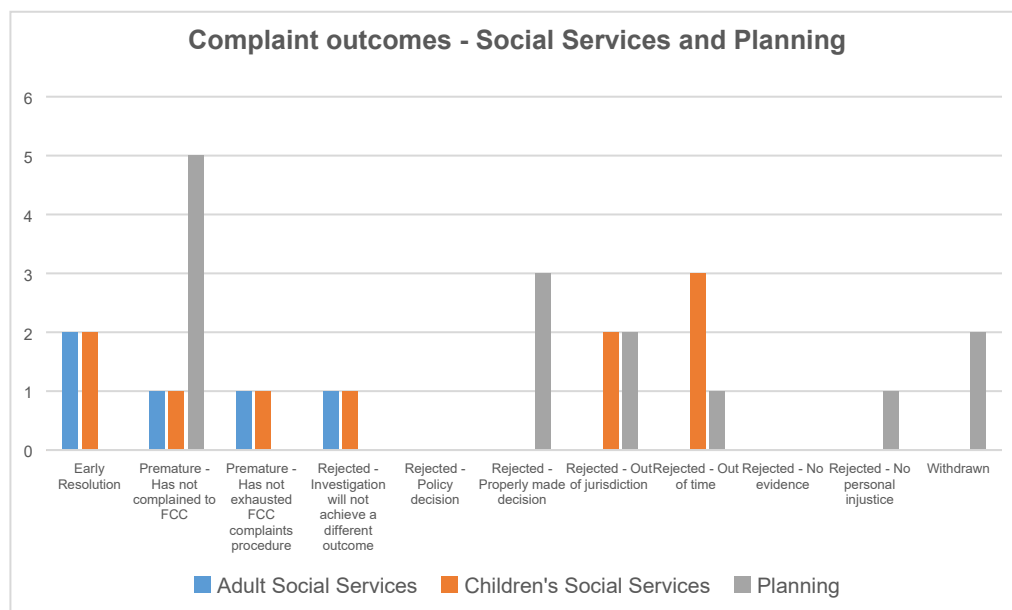
1.06	Chart 1 shows that 36.92% (24) of all complaints were premature because the complainant had not contacted the Council in the first place. This means complainants had not attempted to access the Council's concerns and complaints procedure in the first instance and opted to approach the Ombudsman instead, a decision outside of the Council's control.																																
1.07	44.62% (29) of all complaints were rejected, of those rejected, 10.77% (7) were rejected due to properly made decisions, indicating an improvement in the quality of Step 1 and Step 2 responses issued by the Council. 3.08% (2) of complaints were withdrawn because the complainant failed to provide evidence to the Ombudsman and nine complaints were from the same three people.																																
1.08	Only five complaints (7.69%) against the Council required intervention and, in every case, an "early resolution" was reached. This figure is lower than the Wales average (13%), an indication on the positive steps taken to improve complaints handling across the Council.																																
1.09	In terms of intervention, four of the complaints related to Social Services who agreed to apologise, review information, or clarify points and in Capital Works the service agreed to apologise for a lack of clarity and time and trouble pursuing a complaint.																																
1.10	Section B - the Ombudsman provides a breakdown of complaints by subject. However, these subjects are universal complaint categories for Councils across Wales and do not accurately reflect local records and organisational structures e.g. a complaint about school transport is categorised as "Education" by the Ombudsman but locally it is "Transportation" who manage school transport applications.																																
1.11	<p>An analysis of the Annual Letter against local data illustrates a more accurate record of complaints by subject:</p> <p>Chart 2</p>  <table border="1" data-bbox="328 1413 1353 1872"> <caption>Complaints by service area</caption> <thead> <tr> <th>Service Area</th> <th>Number of Complaints</th> </tr> </thead> <tbody> <tr><td>Transportation</td><td>6</td></tr> <tr><td>Streetscene</td><td>3</td></tr> <tr><td>Responsive Repairs</td><td>5</td></tr> <tr><td>Rights of Way</td><td>1</td></tr> <tr><td>Pollution Control</td><td>1</td></tr> <tr><td>Planning</td><td>14</td></tr> <tr><td>Housing Prevention Service</td><td>1</td></tr> <tr><td>Housing</td><td>5</td></tr> <tr><td>Highway Network</td><td>6</td></tr> <tr><td>Council Tax</td><td>4</td></tr> <tr><td>Civil Enforcement</td><td>1</td></tr> <tr><td>Children's Social Services</td><td>10</td></tr> <tr><td>Capital Works</td><td>1</td></tr> <tr><td>Benefits</td><td>2</td></tr> <tr><td>Adult Social Services</td><td>5</td></tr> </tbody> </table>	Service Area	Number of Complaints	Transportation	6	Streetscene	3	Responsive Repairs	5	Rights of Way	1	Pollution Control	1	Planning	14	Housing Prevention Service	1	Housing	5	Highway Network	6	Council Tax	4	Civil Enforcement	1	Children's Social Services	10	Capital Works	1	Benefits	2	Adult Social Services	5
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1.12	The data above illustrates that Social Services and Planning received the highest proportion of complaints; the outcome of these cases is illustrated in Chart 3 below:																																

Chart 3



1.13 **Section C** – the preceding paragraphs explain the context and outcomes of complaints more precisely in local context.

1.14 **Section D** - five complaints (7%) required intervention by the Ombudsman as described in paragraph 1.09. This is an improvement on the previous year where 13% of complaints required intervention and is also better than the all Wales average intervention rate (13%).

1.15 **Sections E** - this section of the Annual Letter is the remit of the Standards Committee.

1.16 Reflecting on the Annual Letter 2022-23, Flintshire’s achievements include:

- A reduction in the number complaints made to the Ombudsman – down from 99 to 65 (65.65%);
- A lower intervention rate – down from 13% to 7%;
- A lower-than-average intervention rate compared to the rest of Wales (13%);
- 100% improvement on the number of investigations – from 3 to 0.

1.17 Much of the achievements may be attributed to work over the last 12 months including:

- Positive and productive engagement with the Complaints Standards Authority;
- Collective work with Councils across Wales and the Ombudsman to record complaints performance data to help drive improvement in public services for citizens in Wales;
- Continuing programme of mandatory complaints training for Team Leader+ roles in collaboration with the Ombudsman and Learning & Development;

	<ul style="list-style-type: none"> • Accelerating the programme of mandatory complaints training by “train the trainer” approach; • Internal Audit to identify opportunities to improve complaints handling.
1.18	<p>Own Initiative Investigation</p> <p>Moving forward into 2023-24 the Council has been selected to be part of the Ombudsman’s second wider Own Initiative investigation looking into the administration of carer needs assessments (Part 3 of the Social Services and Wellbeing (Wales) Act 2014). Under section 4 of the Public Services Ombudsman (Wales) Act 2019 the Ombudsman can undertake Own Initiative investigations which do not need to be prompted by a complaint or an individual complainant. The investigation will consider:</p> <ol style="list-style-type: none"> Whether the Council is meeting its statutory duties under the Social Services and Well-being (Wales) Act 2014 and its Code of Practice and The Care and Support (Assessment) (Wales) Regulations 2015; Whether those entitled to a carer’s needs assessment are made aware of and understand their right to request a carer’s needs assessment; Where carers’ needs assessments are commissioned, whether those assessment services are being delivered appropriately and whether local authorities appropriately monitor the contracting arrangements; Whether carers’ needs assessments, including those completed by commissioned service providers, are undertaken in accordance with the Social Services and Well-being (Wales) Act 2014. <p>The own initiative investigation has commenced and the findings are expected in early 2024.</p>
1.19	Flintshire County Council Complaints 1 April – 30 September 2023
1.20	<p>The Council received 448 complaints between 1 April – 30 September 2023 which is slightly higher than the same time last year (421) and 76% were considered within target which is an improvement of 11% compared to 2022. Encouragingly 91% of all complaints were considered within 20 working days which is a further improvement of 5% on the previous year.</p>
1.21	<p>Chart 4 – Summary of complaints performance</p> <p>Frontline services in Housing & Communities and Streetscene & Transportation received the highest proportion of complaints in the first half of 2023-24 which is a normal trend. It should also be noted that the Social Services and Wellbeing Act (Wales) 2014 and Social Services Complaints Procedure Regulations 2014, requires Local Authorities to maintain a separate representations and complaints procedure for social services functions. Social Services’ complaints report for 2022-23 is reported to the Social and Health Care Overview and Scrutiny Committee.</p> <p><i>*Complainants informed that their complaint will take longer than 10 working days to investigate.</i></p>

Summary: 1 April – 30 September 2023	Overall	E&Y	Gov	H&C	PE&E	SS	S&T
Total number of complaints received	448	11	33	128	40	14	222
Number of complaints closed within target	339 75.67%	8 72.73%	32 96.97%	94 73.44%	28 70.00%	13 92.86%	164 73.87%
Number of complaints open and pending*	9 2.01%	0 0.00%	0 0.00%	5 3.91%	2 5.00%	0 0.00%	2 0.90%
Number of complaints closed after 10 working days	91 20.31%	3 27.27%	1 3.03%	29 22.66%	8 20.00%	1 7.14%	49 22.07%
Number of complaints open and overdue	9 2.01%	0 0.00%	0 0.00%	0 0.00%	2 5.00%	0 0.00%	7 3.15%

1.22 The following charts provide an overview of complaint themes and outcomes so far in 2023 compared to the previous year. A further breakdown by portfolio is provided in Appendix 1.

Chart 5

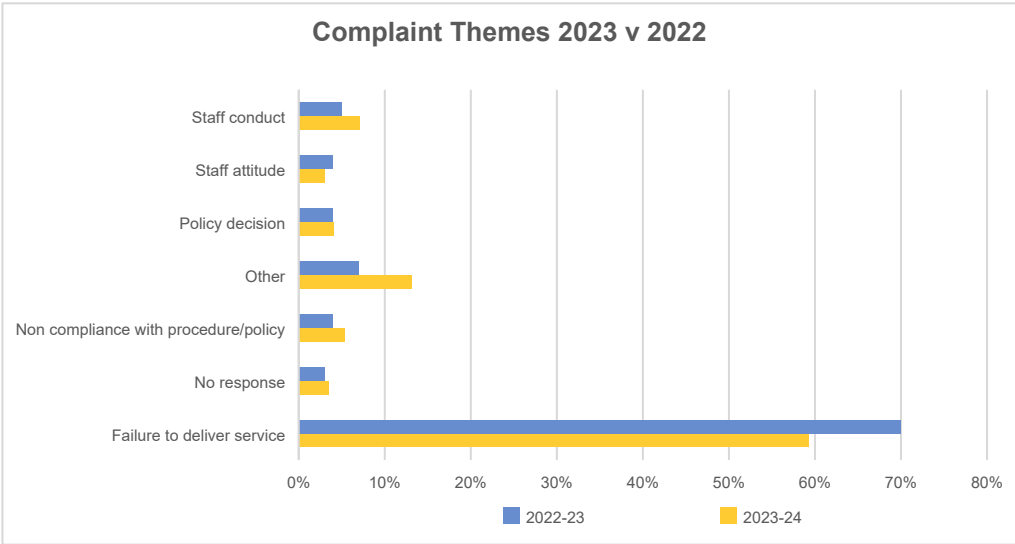


Chart 6

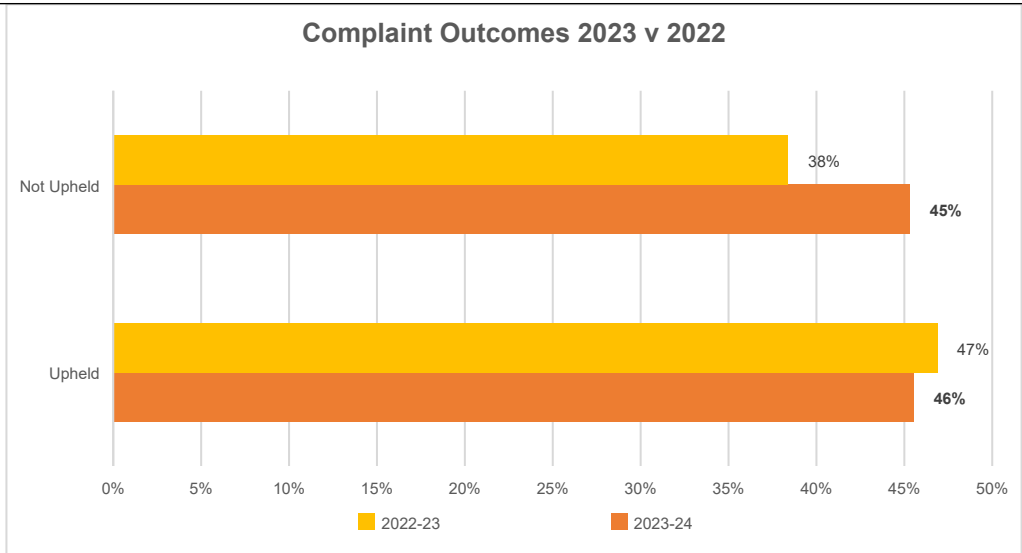
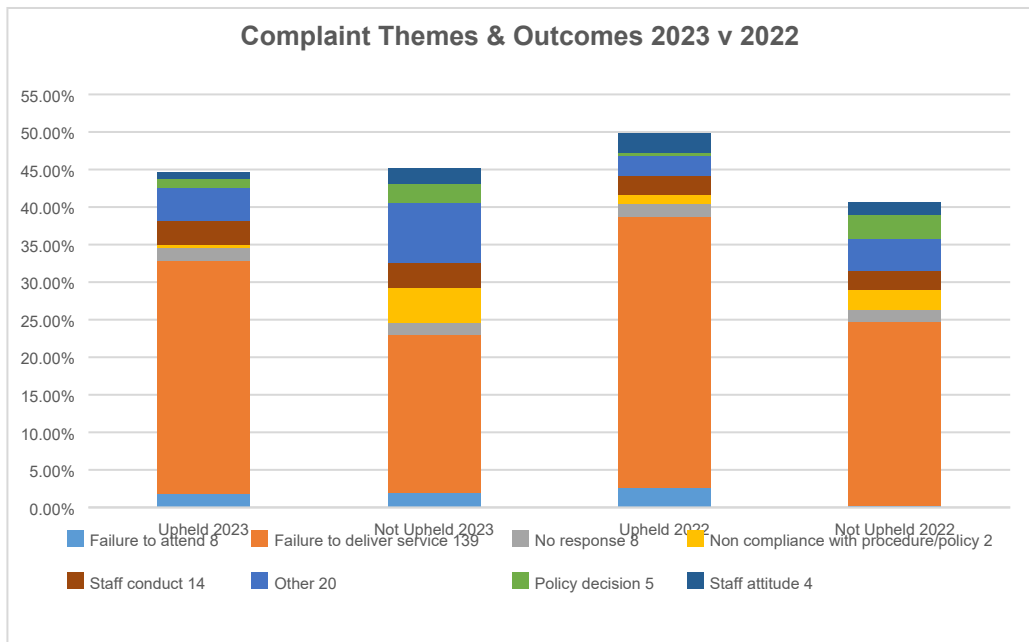


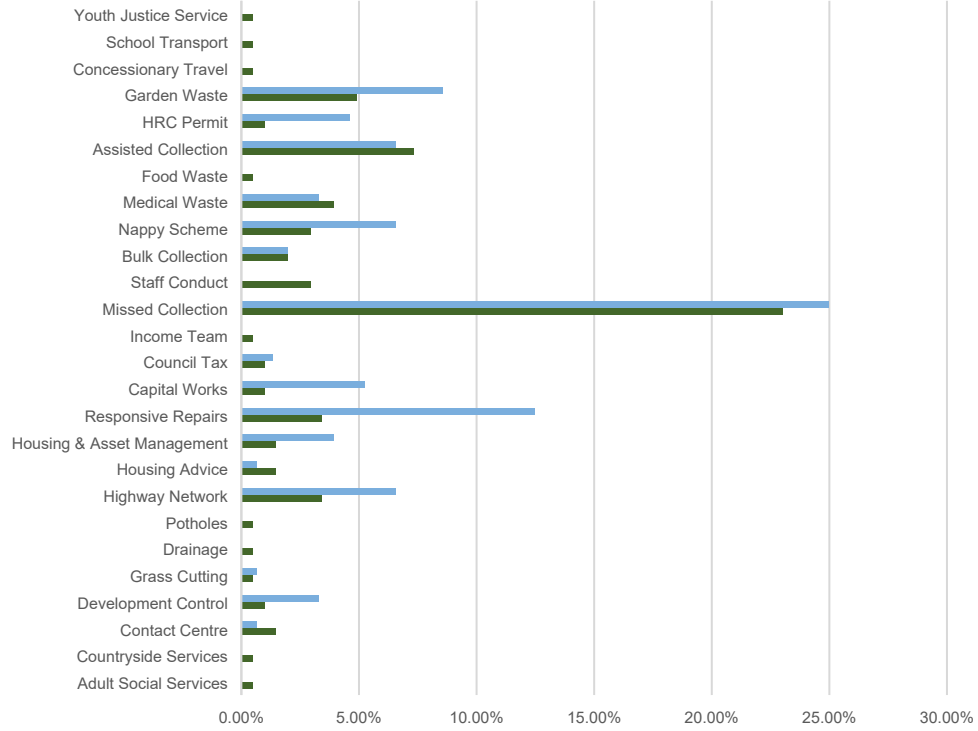
Chart 7



1.23 The data in the above charts illustrates that “failing to deliver a service” accounts for most upheld complaints against Council services. This year performance is improving with fewer upheld complaints in areas such as Streetscene where 37.25% of upheld complaints relate to missed waste and recycling collections including assisted collections, bulk collections and garden waste compared to 42% in 2022. Similarly, Responsive Repairs improved with only 3.43% of complaints upheld compared to 12.50% in 2022.

Chart 8

Where services failed to deliver a service in 2023 v 2022



**Data based on upheld complaints*

1.24 Conclusion and priorities

Overall, portfolios are making good progress to improve complaints handling as greater awareness is led from the most senior officers of the Council. The following actions will be taken forward to further improve complaints handling across the organisation:

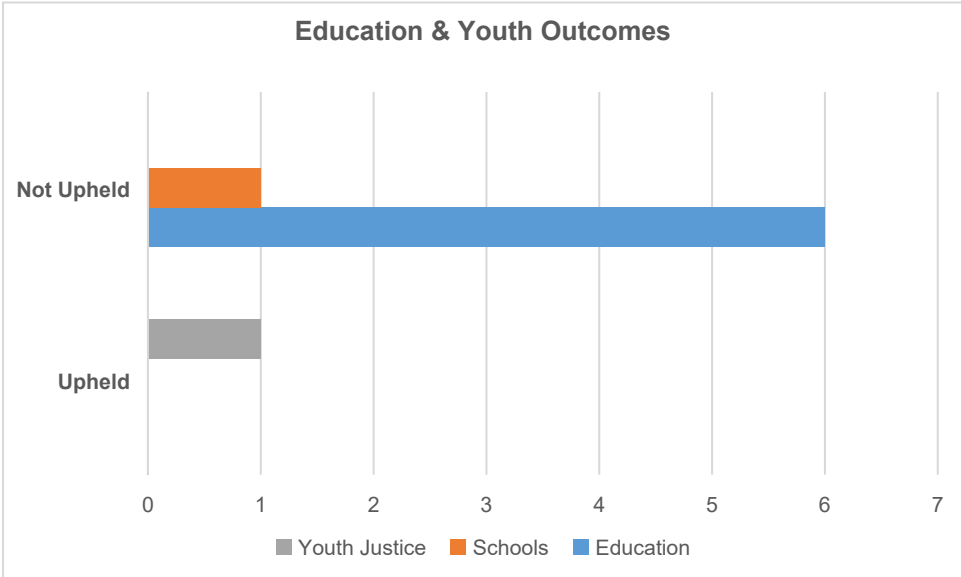
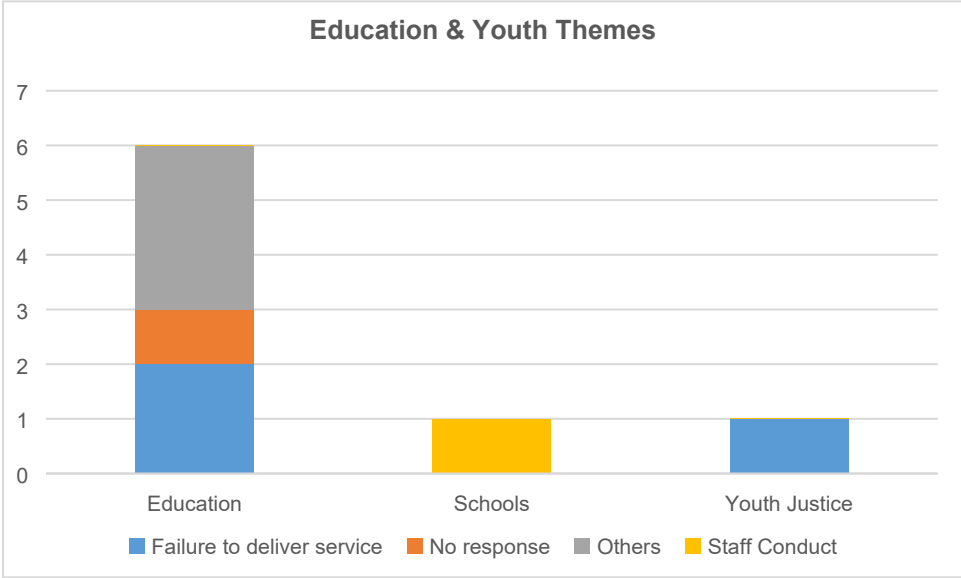
- Maintaining positive and productive engagement with the Complaints Standards Authority;
- Continuing work with Councils across Wales and the Ombudsman to record complaints performance data to help drive improvement in public services for citizens in Wales;
- Continuing programme of mandatory complaints training for Team Leader+ roles:
 - 261 employees trained
 - 68% of target audience trained so far
- Implementation of all recommendations following an internal audit inspection in 2022-23;
- Redesign of the electronic system used to record complaints to ensure it is fit for purpose;
- Develop a toolkit for Schools and elected Members on how to manage unacceptable behaviour on social media;
- Support to all services through regular sharing of performance data to help manage casework and keep complainants informed where targets are not achievable.

2.00	RESOURCE IMPLICATIONS
2.01	None.
3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	None.
4.00	RISK MANAGEMENT
4.01	None as a result of this report.
5.00	APPENDICES
5.01	Appendix 1 – Flintshire County Council complaint themes, outcomes and actions by portfolios 2023-24.
6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>A copy of the Annual Letter is published on the Ombudsman’s website – https://tinyurl.com/35c6znh9</p> <p>Contact Officer: Rebecca Jones, Customer Contact Service Manager Telephone: 01352 702413 E-mail: rebecca.jones@flintshire.gov.uk</p>
7.00	GLOSSARY OF TERMS
7.01	<p>Public Services Ombudsman for Wales – investigates complaints against public service providers in Wales where people believe they have suffered an injustice through maladministration on the part of the public service provider e.g. a local authority.</p> <p>Complaints Standards Authority – a team within the Public Services Ombudsman for Wales’ office focused on ensuring the procedures to complain to public service providers in Wales are complainant focused, simple, fair and objective, timely and effective, accountable and committed to continuous improvement.</p>

Mae'r dudalen hon yn wag yn bwrpasol

Complaint Themes, Outcomes and Actions by Portfolio 2023-24

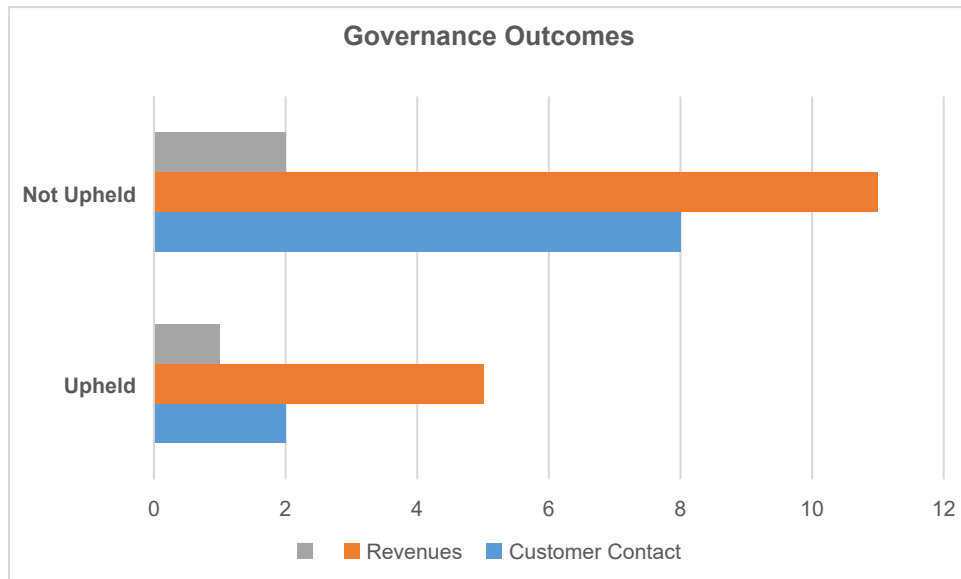
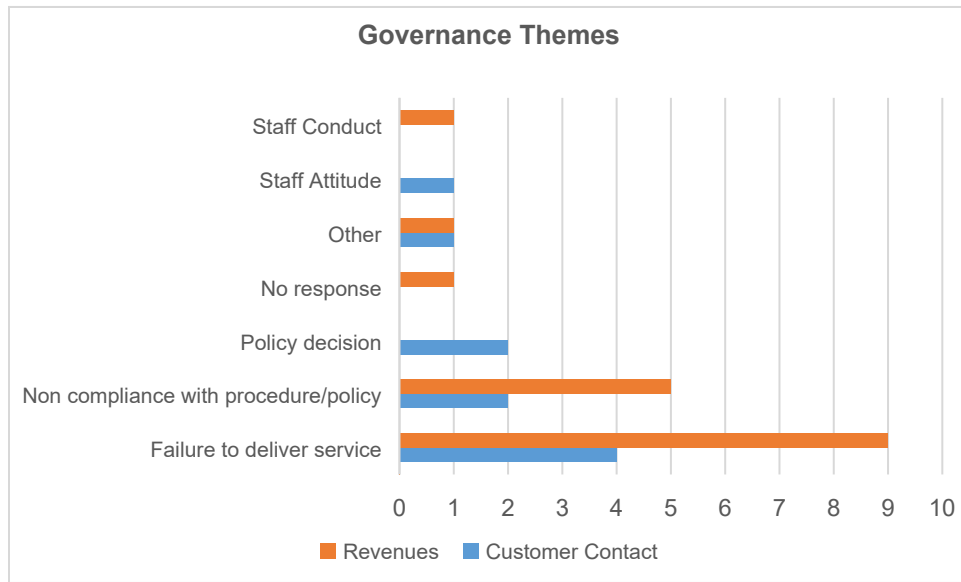
Education & Youth



Actions and lessons learned:

- Review of processes to improve communications.

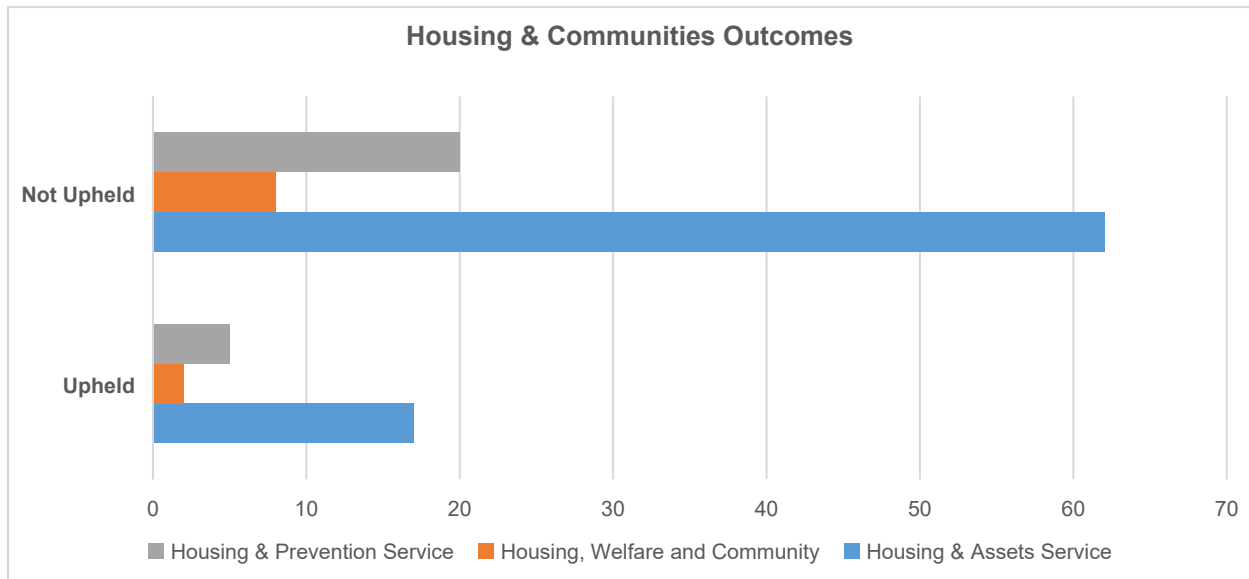
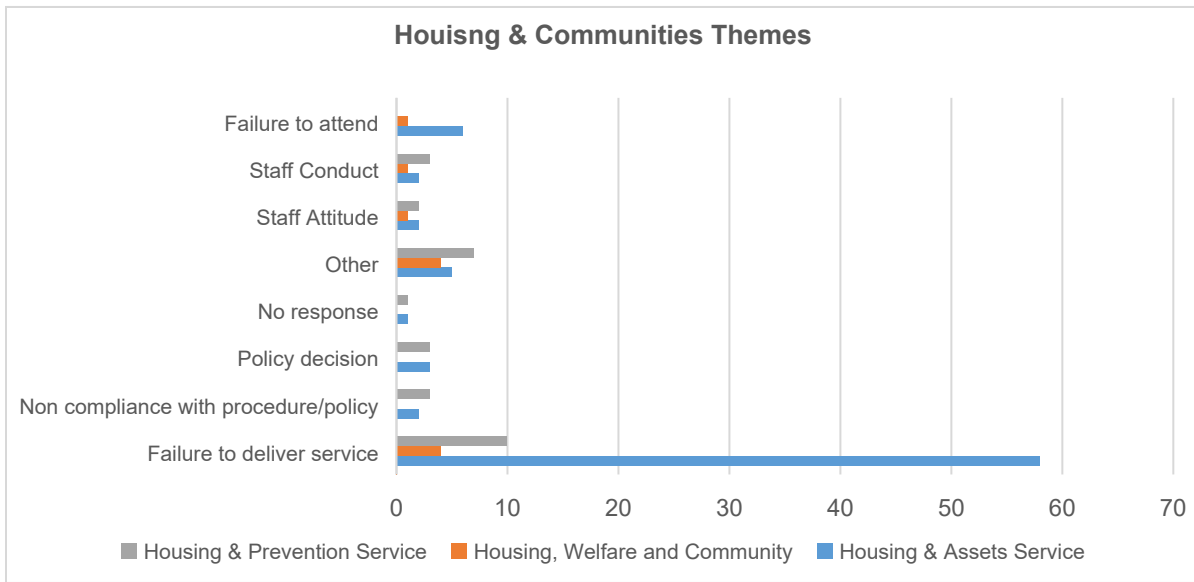
Governance



Actions and lessons learned:

- Apology and explanation.
- Review of Council Tax account and corrections.
- Advice issued to employee.

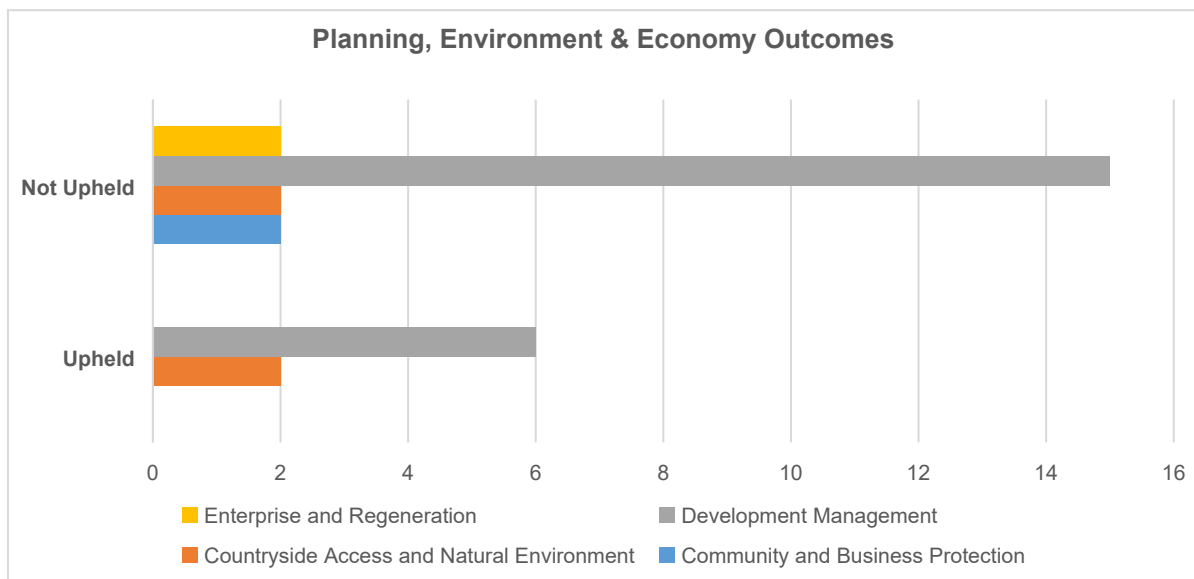
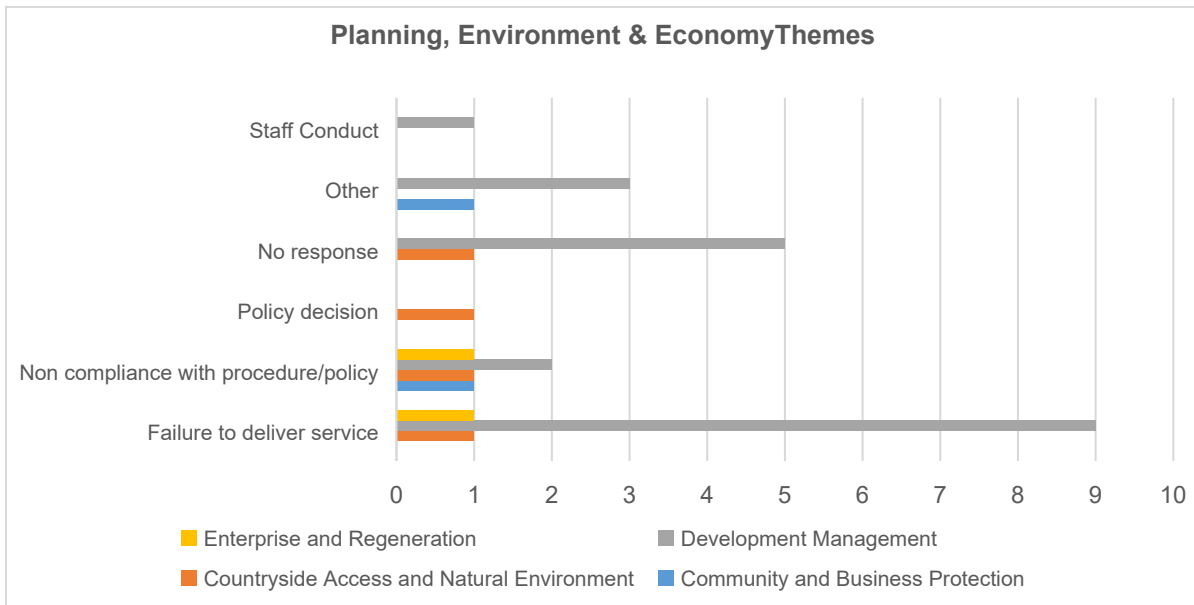
Housing & Communities



Actions and lessons learned:

- Apology and explanation.
- Advice issued to employee.

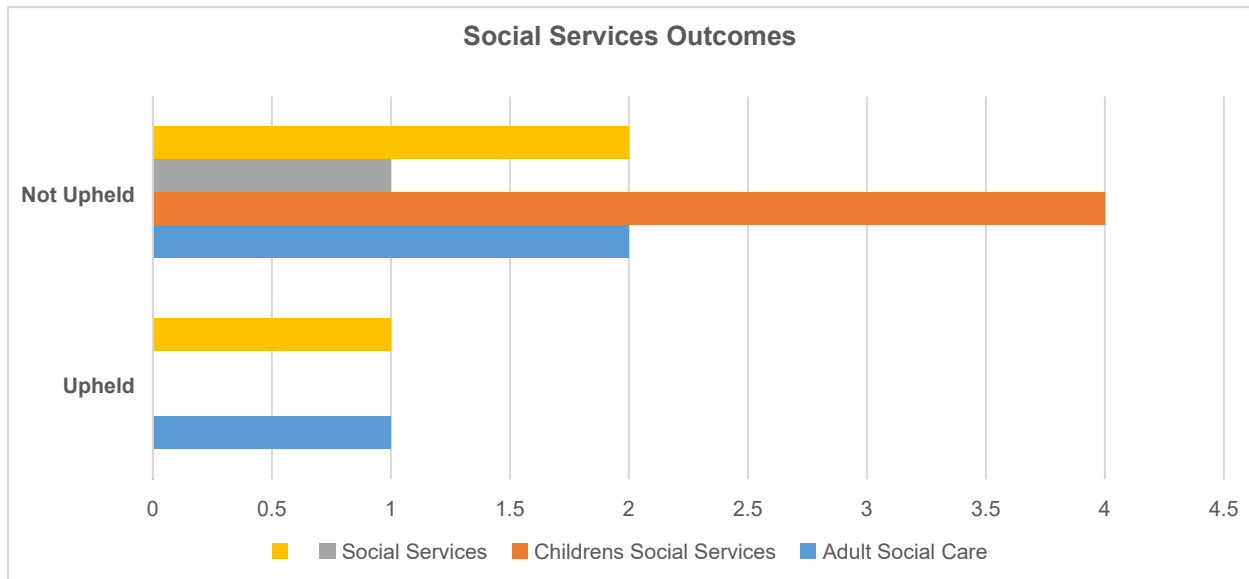
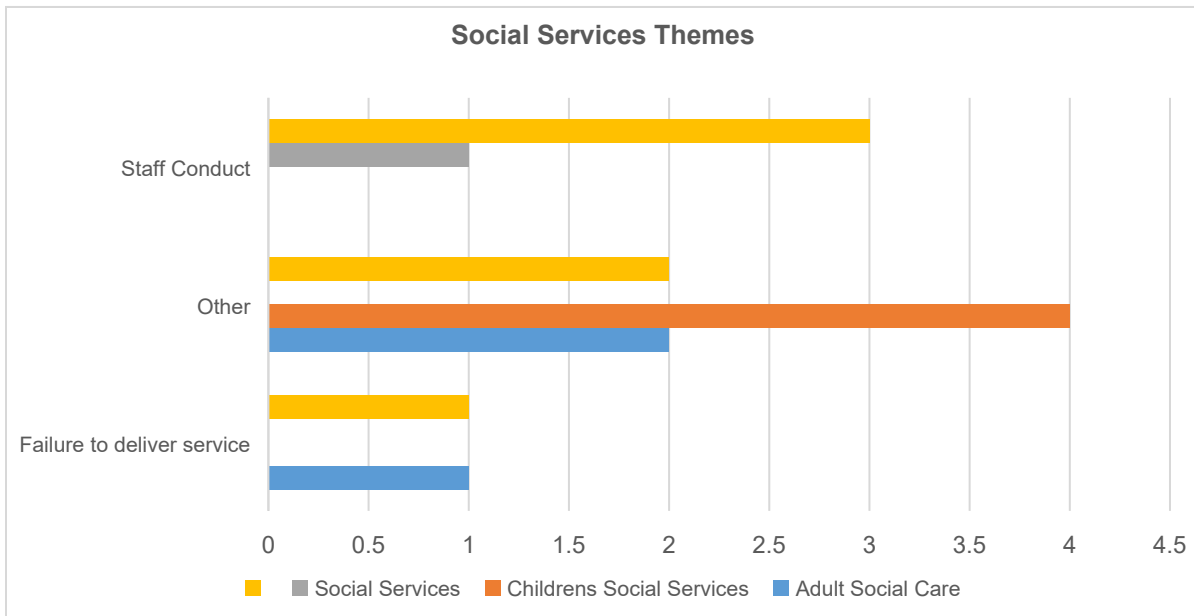
Planning, Environment & Economy



Actions and lessons learned:

- Apology and explanation.

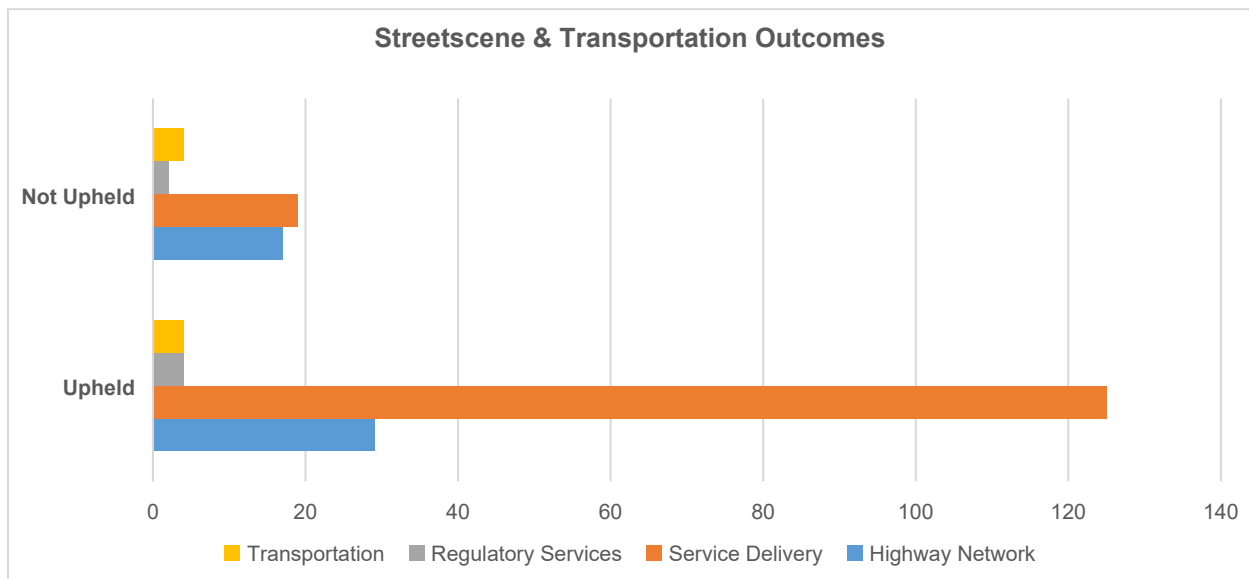
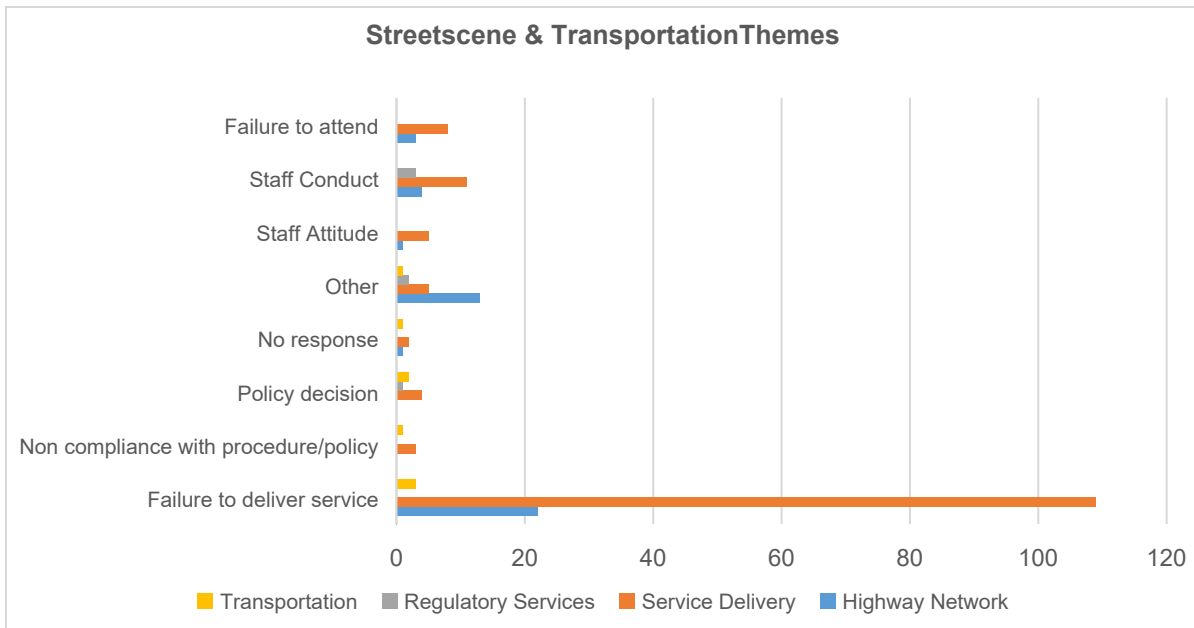
Social Services



Actions and lessons learned:

- Apology.
- Referred to statutory complaints process.
- Subject to legal process.

Streetscene & Transportation



Actions and lessons learned:

- Internal investigation.
- Apology.
- Site inspection / work completed.
- Advice to crew / monitoring.

Eitem ar gyfer y Rhaglen 5



GOVERNANCE AND AUDIT COMMITTEE

Date of Meeting	Wednesday, 22 nd November 2023
Report Subject	Annual Governance Statement 2022/23 - Mid-Year Progress Update Report
Report Author	Chief Officer, Governance
Type of Report	Assurance

EXECUTIVE SUMMARY

Each financial year the Council is required to produce an Annual Governance Statement (AGS) as part of its final accounts. The AGS explains how the Council has complied with its Code of Corporate Governance, in securing good governance and managing its risks.

The AGS for 2022/23 was presented to Governance and Audit Committee in June 2023 with a commitment that the Governance and Audit Committee would receive a mid-year progress update report on the areas identified for improvement within the AGS.

RECOMMENDATIONS

1	To consider and accept the AGS 2022/23 Mid-year Progress Report.
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REPORT DETAILS

1.00	EXPLAINING THE MID-YEAR AGS REPORT
1.01	Under the Accounts and Audit (Wales) Regulations 2018, each local authority must ensure it has a sound system of internal control to ensure good governance and manage risks. Each year they must conduct a review of the effectiveness of the system and prepare an Annual Governance Statement (AGS). The review must be considered and the AGS approved by a Committee or full Council.
1.02	The AGS Mid-year Progress Review Report is reported to Governance and Audit Committee to show what progress has been made against the actions from the assessment of the Council's Corporate Governance Framework

	where areas of best practice and areas for further improvement were identified.																					
1.03	Detailed progress against the significant Governance issues and the significant Strategic issues identified in the AGS can be found in the Mid-year Progress Review (Appendix A) however, please find a brief summary below: <table border="1" data-bbox="300 427 1385 640"> <thead> <tr> <th>Area for Improvement</th> <th>Number</th> <th>Open</th> <th>Closed</th> <th>Progress RAG Green</th> <th>Progress RAG Amber</th> <th>Progress RAG Red</th> </tr> </thead> <tbody> <tr> <td>Governance</td> <td>5</td> <td>5</td> <td>0</td> <td>2</td> <td>3</td> <td>0</td> </tr> <tr> <td>Strategic</td> <td>29</td> <td>28</td> <td>1</td> <td>8</td> <td>13</td> <td>8</td> </tr> </tbody> </table>	Area for Improvement	Number	Open	Closed	Progress RAG Green	Progress RAG Amber	Progress RAG Red	Governance	5	5	0	2	3	0	Strategic	29	28	1	8	13	8
Area for Improvement	Number	Open	Closed	Progress RAG Green	Progress RAG Amber	Progress RAG Red																
Governance	5	5	0	2	3	0																
Strategic	29	28	1	8	13	8																

2.00	RESOURCE IMPLICATIONS
2.01	There are no direct resource implications related to this report.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	The mid-year report has been produced using information from all Statutory and Chief Officers and Service Managers.

4.00	RISK MANAGEMENT
4.01	The Annual Governance Statement lists all the significant governance issues arising from the self-assessment along with any outstanding 'red' strategic risks contained within the Council Plan end of year report. The Statement also describes actions taken against the governance issues reported in last year's Annual Governance Statement.

5.00	APPENDICES
5.01	Appendix A AGS 2022/23 – Mid-Year Progress Report

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>Contact Officer: Sam Perry, Performance and Risk Management Support Officer</p> <p>Telephone: 01352 701476</p> <p>E-mail: Sam.perry@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	<p>Corporate Governance: the system by which Local Authorities direct and control their functions and relate to their communities. It is founded on the basic principles of openness and inclusivity, integrity and accountability together with the overarching concept of leadership. It is an inter-related system that brings together the underlying set of legislative requirements, governance principles and management processes.</p> <p>Risk Management: the process of identifying risks, evaluating their potential consequences and managing them. The aim is to reduce the frequency or likelihood of risk events occurring (wherever this is possible) and minimise the consequences if they occur. Opportunities are managed by identifying strategies to maximise the opportunity or reward for the organisation.</p> <p>Financial Accounts / Statements: The Council's annual finance report providing details of the Council's financial performance and position at the end of the financial year. The format is prescribed to enable external comparison with other public and private entities.</p> <p>Wales Audit Office: works to support the Auditor General as the public sector watchdog for Wales. They aim to ensure that the people of Wales know whether public money is being managed wisely and that public bodies in Wales understand how to improve outcomes.</p>

Mae'r dudalen hon yn wag yn bwrpasol

2022/23

Flintshire County Council
Annual Governance Statement

Mid-Year Progress Update

Version 3

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What is the purpose of this document?

This document details our progress made against the actions from the assessment of Council’s Corporate Governance Framework where areas of best practise and areas for further improvement were identified.

Areas for Improvement

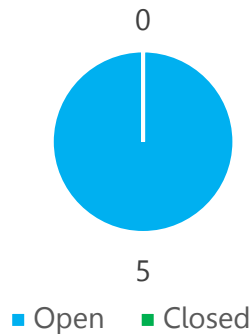
Area for Improvement	
Principle A	(A1) Ensure members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the Organisation
Principle B	(B17, B18, B21, B23, B24, B25) Circumstances have curtailed our ability to consult and engage, but not the willingness to do so. Further planning required following the legislation on Local Government and Elections (Wales) Act 2021.
Principle C	(C29, C32) Delivering defined outcomes on a sustainable basis within the resources that will be available and considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision.
Principle E	(E51, E53, E57, E61) Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how the authority’s resources are allocated so that outcomes are achieved effectively and efficiently.
Principle F	(F66, F73, F74) An Internal Audit review of the Risk Management Framework and Risk Register was undertaken during 2022/23 and has highlighted some areas for improvement to build upon the risk management framework and processes going forward.

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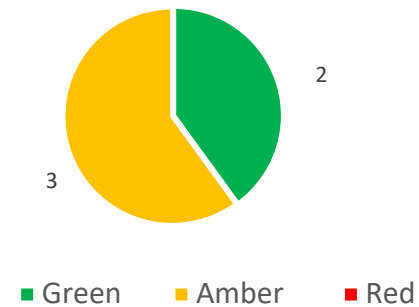
Dashboard overview for significant Governance Issues reported in the 2022/23 AGS

The charts below give a high-level overview of the progress made for the areas identified of significance for Governance issues as identified as part of the AGS review.

Total number of issues



Progress RAG

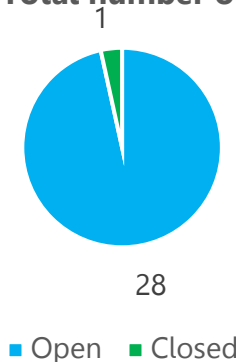


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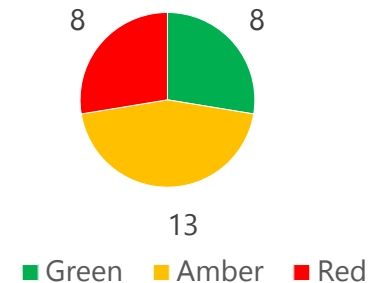
Dashboard overview for significant Strategic Issues reported in the 2022/23 AGS

The charts below give a high-level overview of the progress made for the areas identified of significance for Strategic issues.

Total number of Issues



Progress RAG



Progress updates for significant governance issues identified during 2022/23

The review of the effectiveness of the Council’s governance framework identified the following significant internal governance issues during 2022/23. Progress updates of how the issue has been addressed and if it remains open is provided below:

Internal Council Governance issues	Mitigation Actions	Current Status	Progress Update	Progress RAG
(A1) Ensure members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the Organisation	<ul style="list-style-type: none"> Action plan for to enhance new Members understanding of their role Workshop for Members to provide relevant training and learning opportunities 	<p style="text-align: center;">Open</p>	<p>The induction program delivered in May, June and July 2022 provided a detailed introduction to the role of a Councillor, including behaviors and expectations associated with the role.</p> <p>This is continually evolving, with the intention that over the course of the current term, more specific training will be delivered to Members appropriate to their roles. For example, Chairing Skills training was targeted at <u>all</u> Chairs and Vice-Chairs in September 2023 to help improve meeting management. A Scrutiny Questioning Skills session was delivered for members of our scrutiny committees in October 2023 to help ensure Members are aware of the role of scrutiny.</p> <p>A session on communication, behavior, the use of social media etc. is being developed following a recommendation from the Standards Committee.</p>	<p style="text-align: center;">Amber</p>
(B17, B18, B21, B23, B24, B25) Circumstances have curtailed our ability to consult and engage, but not the willingness to do so. Further planning required following the legislation on Local Government and Elections (Wales) Act 2021	<ul style="list-style-type: none"> Appointment of Customer Services and Engagement Manager Creating a Customer and Engagement and Public Participation Strategies Improving the Council’s presence on social media platforms 	<p style="text-align: center;">Open</p>	<p>Customer Service and Communications Manager was appointed in July 2023.</p> <p>A Consultation and Engagement Strategy is to be developed this year.</p> <p>The concerns and complaints policy applies to all services and performance data is regularly shared with COT and portfolio leads to monitor trends</p>	<p style="text-align: center;">Green</p>

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Internal Council Governance issues	Mitigation Actions	Current Status	Progress Update	Progress RAG
	<ul style="list-style-type: none"> Use of Council’s complaints and feedback for continued service improvement 			
<p>(C29, C32) Delivering defined outcomes on a sustainable basis within the resources that will be available and considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision.</p>	<ul style="list-style-type: none"> Review of the pay model Integrated Impact Assessments to be utilised and happen consistently across all portfolio’s Review the challenges with vacancy management 	Open	<p>The Pay Model review remains ongoing and the group responsible are making strong progress with respect to a recommended model. The RAG status should be amber on the basis the recommendation would need to be agreed by COT and Elected Members before the adoption of a new pay model (Amber).</p> <p>A Pilot Project of a new Integrated Impact Assessment Tool is taking place with Manchester University. First workshop has been held with Officers who have used the tool to make further amendments. Further testing and evaluation of the tool to take place between November 2023 and March 2024 (Green).</p> <p>Still proactively reviewing vacancies as part of the vacancy management protocol. The criteria for vacancy management will be reviewed in December to ensure the protocol is fit for purpose.</p>	Amber
<p>(E51, E53, E57, E61) Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how the authority’s resources are allocated so that outcomes</p>	<ul style="list-style-type: none"> Develop the use of APSE Career conversation to form part of the appraisal A review of the Member Development 	Open	<p>This is currently in progress. APSE continues to be used by some services however, further work is required to raise the profile of APSE with other key services.</p> <p>Whilst career conversations are asked as part of the current appraisal process this is due to be reviewed to ensure it becomes timely and relevant.</p>	Amber

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Internal Council Governance issues	Mitigation Actions	Current Status	Progress Update	Progress RAG
<p>are achieved effectively and efficiently.</p>			<p>The Member Development program is currently being reviewed to ensure all Members have appropriate and suitable skills to undertake their roles.</p> <p>It will lead to a 'curriculum' that Members can then use to assist their development and skills. We will be working with external partners and other Local Authorities to ensure it is fit for purpose and that the right topics are covered.</p> <p>A final version will be presented to the Constitution and Democratic Services Committee who have oversight of training and development of Members in January 2024.</p>	
<p>(F66, F73,) An Internal Audit review of the risk management framework and risk register was undertaken during 22/23 and has highlighted some areas for improvement to build upon the risk management framework and processes going forward.</p>	<ul style="list-style-type: none"> • Continue to embed the Risk Management Framework • The development and implementation of InPhase • Roll out of the E-learning risk management training module 	<p>Open</p>	<p>Work to embed the Risk Management Framework and develop risk within InPhase is progressing well.</p> <p>Risk Registers for all Portfolios are now in InPhase and Portfolio Risk Reports have been developed within InPhase. A Risk User Guide has been developed and Risk demonstrations and training has been offered to all Portfolios. Training will continue on a rolling basis for new users and anyone who has not currently taken up the offer.</p> <p>Portfolios are now providing their risk updates in InPhase on a monthly basis. Monthly reports are provided to COT on the movement of risks.</p> <p>Development of the new E-learning risk management training module is progressing well and will be rolled out November/December 2023.</p>	<p>Green</p>

Progress updates for significant strategic issues reported in the 2022/23 AGS

The review of the effectiveness of the Council’s governance framework identified 29 strategic issues during 2022/23. Progress updates of how the issues have been addressed and if it remains open is provided below:

Strategic issues for 2022/23	Current Risk Score	Mitigation Actions	Current Status	Progress Update	Progress RAG
<p>REY01 Secondary schools are not financially viable due to insufficient base funding and falling pupil numbers</p>	15	<ul style="list-style-type: none"> • Challenge and support meetings with Headteacher/School Business Manager and regular budget monitoring sessions with schools to confirm adherence to licensed deficit protocol • Financial Performance Monitoring Group meetings • Schools’ pupil funding Formula review • Local Authority approval mechanisms for recruitment in schools with budget deficits 	Open	<p>The Authority continues to work with schools through its Protocol for Schools in Financial Difficulty which provides for an appropriate level of challenge and support to help schools set a balanced budget/ and or a recovery plan that sets out the action the school will take to achieve a sustainable financial position over an agreed period of time.</p> <p>Challenge remains in that 2 of the 11 schools were in a deficit position at the end of 22/23 although deficits amounted to £0.366m compared with £0.745m the previous year.</p> <p>Actions have been reported through Cabinet and Education, Youth Culture Overview and Scrutiny Committee and Schools Budget Forum.</p>	Green
<p>REY06 Insufficient funding to deliver new archive premises</p>	12	<ul style="list-style-type: none"> • Archive Project Board of senior officers and political leaders meets regularly to monitor progress of the bid • Cabinet and Executive support for the bid to National Lottery Heritage Fund (NLHF) with formal commitment to provide capital funding to top up the scheme and 	Open	<p>Denbighshire County Council approved in October support for submission of a joint funding bid with Flintshire County Council to the National Lottery Heritage Fund (NLHF) Wales, seeking a capital grant value of £7m to fund a new purpose-build net carbon zero building on the Theatr Clwyd campus.</p>	Green

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		<p>reporting through the Cabinet cycle</p> <ul style="list-style-type: none"> • Effective project plan, project risk registers and Project Manager in place ensures project is progressing within budget and timescales with regular reports to Archive Project Board to track progress • Effective working with the Museums and Libraries Division of Welsh Government who are providing expert advice • Support from The National Archive for the bid and partnership working in place – gives the bid credence. The project is fully supported by Welsh Government and The National Archive • Expert consultant procured with significant expertise in developing heritage funding bids 		<p>Capital funding from Denbighshire County Council as match towards the new joint archive facility, is subject to the NLHF funding bid being successful.</p>	
<p>REY13 Inability to fully deliver on Welsh Government's Sustainable Communities for Learning Programme due to financial, workforce and contractor implications</p>	15	<ul style="list-style-type: none"> • Effective project plans, project risk register and Project Officers in place ensure projects are progressing within budget and timescales with regular reports to Education programme and Capital and Assets Programme Boards to track progress • Regular reporting and dialogue with Welsh Government • Regular dialogue with North Wales Construction Partnership contractors and supply chain 	Open	<p>The Sustainable Communities for Learning Programme is designed to be delivered over a number of waves, or 'bands' of investment, currently in Band B (2019-2024) the Council has agreed with Welsh Government a total investment of circa 85 million for 2019-2024. Three projects identified within Band B have been delivered, four are currently progressing, one is at initial scoping phase, two at design development and one is currently in construction.</p>	Green
<p>REY36 External Grants for Revenue Expenditure</p>	15	<ul style="list-style-type: none"> • Monitoring through monthly Portfolio Finance Meetings; Education programme Board 	Open	<p>The level of grant funding received to date is similar to last year but is slightly higher than pre pandemic levels, due to grants for new initiatives and 'catch up' programmes.</p> <p>Levels of grant funding/allocations are presented to Schools Budget Forum Planning</p>	Amber

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				for potential funding reductions in future years and assessing the sustainability of new grant streams remains a risk.	
RGV01 (CG02) Significant Loss of Corporate data and systems due to security / environmental / Technical incident	15	<ul style="list-style-type: none"> • Maintain a valid PSN and prepare for Cyber Essentials Accreditation. • Participation in National Security Groups, such as Warp, and constant review of National Cyber Security Centre guidance. • Use of Citrix technologies provides a secure environment which delivers the majority of our business systems. • Maintain a second active datacentre allows for the continual provision of critical systems. • Utilise strong security controls, vulnerability management and delivery mechanism to reduce this risk. • Development of Cyber incident response and recovery plan. • Regular review and testing of IT Disaster Recovery Plan. • Identify list of critical business applications. • Complete full review on IT Security Policies 	Open	Most of the mitigating actions are proceeding as expected and progress is to plan and on track. The Cyber Incident response and recovery plan is in draft and currently being updated following consultation. This risk remains high but the overall score has reduced following recent action which has positively affected the assessed likelihood. In motion work to implement 'ransomware' countermeasures should lead to a downwardly revised risk impact score in the coming months.	Green
RGV21 (CC01) Non-compliance of the Welsh Language Standards	9	<ul style="list-style-type: none"> • Commitment to advertise Welsh language as an essential skill first time when recruiting to frontline posts to ensure compliance with Welsh Language Standards and Welsh speakers can access services in their preferred language • Recruit a percentage of fluent Welsh speakers 	Open	<p>The first action is now complete.</p> <p>The Council has increased the number of Welsh speakers which has reduced the risk likelihood and the current score now meets the target.</p>	Green
RGV03 Failure to meet agreed	15	<ul style="list-style-type: none"> • Investigate the potential for automation to free up resource within the IT Service. • Continue with the DSB prioritisation 	Open	The ability to achieve deadlines within the Digital Strategy is dependent on capacity within the Portfolio leading the project as well as both	Amber

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<p>deadlines within the Digital Strategy</p>		<p>process to reduce burden at any one time</p>		<p>IT services. It is also impacted by the actions of external suppliers, regional partners and other stakeholders, as well as the Authority's ability to invest financially. Opportunities to release capacity in some areas of IT through automation are being explored but have been delayed due to resource constraints. A funding bid has been put forward to support this.</p> <p>Work to prioritise new projects proposed via the Digital Strategy Board continues but implementation timescales are often protracted as no additional resource accompanies these pieces of work. New resource management approaches and software tools are being investigated within IT services to help with planning, streamlining and customer expectations.</p>	
<p>RGV25 (CF14) Impact on the Housing Revenue Account (HRA) of a sustained loss of housing rent due to the financial position of tenants</p>	<p>12</p>	<ul style="list-style-type: none"> • Continuous review of Bad Debt Provisions for Housing rents • Provision rates are set high for aged debt; therefore, it is assumed that the provision calculations are adequate at this stage, but this will be reviewed regularly" • Fortnightly case review panel to identify and track cases of serious arrears and identify and coordinate responses across the portfolio 	<p>Open</p>	<p>The collection of rent continues to be a high risk for the HRA, however the budget set in the HRA is still sufficient to cover any additional losses of collection. Marginal improvements in collections in the latter end of Q2 are attributable to the stabilisation of resources and recent recruitment to vacancies.</p> <p>The service also continues to hold regular panel meetings to discuss cases where contract holders are accruing arrears and not engaging. This intensive and prolonged work is starting to result in many positive outcomes for contract holders and the Council, and more importantly, also ensures the Council reduces evictions and homelessness.</p>	<p>Amber</p>

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				Planned amendments to the Corporate Debt Recovery Policy in Q3 will help improve the collection rates as legal action will be taken automatically after 12 weeks of arrears and where contract holders are not engaging with the Housing service.	
RHC09 (NR03) The Council is unable to meet its homelessness statutory obligations due to shortages in staff, budgetary pressures, and lack of available accommodation	15	<ul style="list-style-type: none"> • Monitor demand for homeless services with a view to informing workforce, prevention activities and homeless accommodation planning • Monitor levels of emergency accommodation with a view to informing workforce, move-on activities and homeless accommodation planning 	Open	<p>Demand for homeless services continues to be significant. Numbers of s.62 homeless assessments at half year point was 634. Total for last year was 911, so a significant uplift projected for year end. Officer caseloads are, however, manageable at present.</p> <p>Placements in emergency housing at the half year point continue to be an operational and budgetary concern (141 households in hotel and holiday lets).</p> <p>A Paper will go to Informal Cabinet and Overview and Scrutiny Committee in November 2023 to outline options to ease pressures on homeless accommodation and budgets.</p>	Red
RHC10 (NR04) The Council does not have access to sufficient / adequate / right type of housing supply to meet the demands of those individuals on the common housing register and due to the increase in the levels of	15	<ul style="list-style-type: none"> • Monitoring Common Housing Register data to ensure the Local Authority has strategic oversight for housing needs to include future build plans and redevelopment of housing stock and/or future policy changes • Ensure Common Allocations Policy adhered to when assessing housing needs and eligibility for Common Housing Register • Use Common Housing Register data to inform Housing Strategy and 	Open	<p>Register data continues to show far greater demand than the annual social housing supply. Data is routinely used to inform affordable house build plans and the Annual Housing Prospectus.</p> <p>Casework for Register service is performing well and Regional SARTH Compliance Officer now in post.</p> <p>Work progressing on purchasing properties on</p>	Red

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homelessness		<p>redevelopment and new build plans for affordable housing as annually through the Housing Prospectus</p> <ul style="list-style-type: none"> • Monitor notices from within the private sector resulting in homeless presentations to inform future engagement strategies for landlords and agents and scope for purchase options on the back of recent changes from Welsh Local Government Association (WLGA) on the Social Housing Grant (SHG) programme • Monitor expenditure on homeless emergency accommodation with a view to informing financial risk and MTFS / budget planning 		<p>notice, off private landlords through use of Welsh Government funding and HRA funds.</p> <p>Option for alternative use of Council Homes to ease pressures on homeless service going to Informal Cabinet and Scrutiny Committee in November 2023.</p>	
<p>RHC11 (NR05) Delays in pre-construction process due to planning and Sustainable Drainage Approval Body (SABS) applications</p>	16	<ul style="list-style-type: none"> • Monitor programme deliverables in line with agreed timescales and budget • Delivery risks to be highlighted at regular intervals to Housing Programme Board, Assets Board and Chief Officer of Housing and Communities and any mitigating actions identified and implemented • Key milestones in pre-construction to be monitored on a scheme-by-scheme basis with the development teams for Flintshire County Council (FCC) projects and Registered Social Landlords (RSL) partners for the PDP (Planned Development Programme). These will be WLGA technical approval, planning approval, SABS approval, contractor appointment and scheme approval • Mitigations will be realistic time assumptions for SABS, WLGA technical approval and planning processes, resource, redeployment to address "pinch points" 	Open	<p>Risk has been reduced to 16. The blockage in development approvals caused by the phosphate issues, particularly around Buckley, and the part of the Council that drains into the river Alyn has in part been resolved. This should see several large schemes come forward for planning approval. Additionally, the establishment of the SABS Team is being strengthened which should mean the processing of SABS will be quicker.</p> <p>The actions set out in the risk mitigations remain as is and are being actively pursued to ensure all Welsh Government funding allocated to the County (around £13+ million) are being utilised.</p>	Red

		and adjustment to PDP to bring forward alternative schemes to maximise SHG allocations to FCC			
RHC02 (HA06) loss of income based on delayed / non recovery of housing benefit of overpayment	10	<ul style="list-style-type: none"> Financial monitoring – Budget and Income Contacting customers to arrange to repayment plans at a level which suits their new income Offering customers support and advice to claim available benefits 	Open	<p>We are below the £450k target therefore, the risk score has decreased. The current projection for Housing Benefits Over Payment (HBOP) Recovery is £330,081.57 which is £119,918.43 below the target of £450k.</p> <p>Recovery is still at a slower rate than pre-pandemic. This is partly due to the current financial situation and rising cost of living, but also due to the reduction in the Housing Benefit Caseload and staff resource being diverted to support other service pressures.</p> <p>It is also important to note, there has been a significant decrease in the value of Housing Benefit Overpayments being created so it is inevitable that the value recovered would also decrease. The target of £450k is therefore, much harder to achieve now than it was in 2019/20 when £839,396 of HBOP was created.</p>	Red
RPE12 The implications of Ash Dieback on finances and reputation of the Council due to the scale of the problem and the ability to make safe trees on or adjacent to Highways and Council amenity land which pose a risk	12	<ul style="list-style-type: none"> The timetable has been revised for planned surveys that could not be carried out whilst in lockdown to make best use of the limited survey window between July and September and to enable planned remedial works to be carried out October to February, to make safe those areas identified in the survey During the survey period we have established sites that will require further investigation, and this will be built into future work programmes 	Open	The adopted 2018 Ash dieback action plan provides a framework of action to mitigate the effects of the disease. Legal Counsel advised on the plan, Risk Assessments and inspection regime, and found it to be appropriate and reasonable. Internal audit reviewed the systems and processes in 2022 and measure were put in place to improve. Surveys and inspections are ongoing and will track the higher risk trees and put in place measure to make safe. Progress against targets are reported to Environment Overview and Scrutiny Committee each year. A	Red

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<p>to life or property</p>		<ul style="list-style-type: none"> • Prioritised surveys on Highway Routes and other FCC land with public access and school grounds as areas that have the highest risk rating for injury or damage • Engaged with external Legal Counsel to advise on Ash Die Back plan, Risk Assessments and inspection regime, to test for appropriateness and reasonableness. 		<p>pressure bid was submitted and approved for additional funding 2023 to recruit a further tree officer and a technical support officer.</p> <p>The April to September surveys and inspection of trees on land adjacent to the highway (priority roads), school grounds and countryside sites were completed.</p> <p>An update report went to Environment Overview and Scrutiny Committee on 12th September 2023.</p> <p>An unsuccessful recruitment of the additional posts has caused a delay to progress action to mitigate risk in the winter season, additionally the current admin support has moved into another role within the Council and the Ash dieback lead officer is off on long term sickness absence.</p> <p>There is an increasing red risk associated with this issue.</p>	
<p>RPE33 Prevent delays in development proceeding by mitigating the impact of Phosphates</p>	<p>2</p>	<ul style="list-style-type: none"> • The Local Development Plan (LDP) has a backstop policy (EN6) to ensure that new development cannot be improved without suitable mitigation being identified and/or put in place • The Dee Catchment Phosphorous Reduction Strategy (DCPRS) measures will be sufficient to allow the Inspector to conclude that the plan can be adopted, but it is critical that the Council then follow this recommendation and adopt the LDP • Further work is underway to ensure that the 	<p>Open</p>	<p>Following the publication of revised permits by Natural Resources Wales, in collaboration with Dwr Cymru Welsh Water, for the Mold, Buckley and Hope wastewater treatment works there is now capacity to accommodate the proposed development within the adopted Local Development Plan without harming the Bala Lake and River Dee Special Area of Conservation. There is therefore no need for mitigation measures in respect of phosphates at this time.</p>	<p>Green</p>

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		<p>Council, as a responsible body under the Habitat Regulations, can identify suitable and deliverable phosphate mitigation. This involves assessing the feasibility of developing wetlands downstream of wastewater treatment works, as well as developing a short-term local action plan to assist developers and the Council to facilitate new development in affected areas of the County</p> <ul style="list-style-type: none"> The Council should agree to be represented on the forthcoming Nutrient Management Board when it is convened (Wrexham CBC taking the lead) and use its membership to engage with other key catchment stakeholders as well as seeking to hold those also responsible for mitigating phosphates to account 			
<p>RPE34 Failure to update the Council's Flood Risk Management Strategy to mitigate the flood risk to vulnerable communities</p>	<p>4</p>	<ul style="list-style-type: none"> The present strategy was produced in 2013 and does not identify areas at risk or an action plan to mitigate this risk. It was produced as a high-level document that mainly identified the respective responsibilities of the Council as Lead Local Flood Authority (LLFB), and those of other flood risk management organisations such as Welsh Water and Natural Resources Wales The Council's approach to dealing with flooding and flood risk is presently reactive in the main, responding to the consequences of severe weather events. There is also no single team that deals with all aspect of drainage and flood risk and whilst work is co-ordinated between the Flood Risk Management Team and Street 	<p>Open</p>	<p>Work is underway on updating the strategy produced in 2013. Key issues are being identified as well as objectives and measures to focus the strategic priorities on. This work will form the basis to update COT and Informal Cabinet before carrying out stakeholder and Member engagement on the strategy and its priorities and direction.</p>	<p>Green</p>

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		<p>Scene, severe recruitment difficulties in the former team mean that there is currently no internal technical officer capability to deal with the roles of LLFA and SAB</p> <ul style="list-style-type: none"> The Council has developed a three-year support contract with a specialist Hydrological Consultancy which is allowing the Council to fulfil its SAB role and still respond to its flood investigation role. Even when the Council is successful with internal recruitment, it is recommended that this relationship is maintained in some form or other going forward 			
<p>RPE42 Slow progress with the Strategic Development Plan (SDP) fails to set context for Local Development Plan 2</p>	4	<ul style="list-style-type: none"> Discuss progress on SDP with Welsh Government and North Wales LPAs 	Open	<p>Progress needs to be made with a Strategic Development Plan (SDP) to set any useful context to inform the next update of the Local Development Plan (LDP). The first Annual Monitoring Report on the performance of the LDP can also assess the stage reached with the SDP.</p>	Amber
<p>RSS01 Expenditure on out of county placements increases as placement costs increase in a demand led market</p>	16	<ul style="list-style-type: none"> Working with local providers to reshape the residential market Maximising local housing options 	Open	<p>We are developing in house residential care services for children with complex needs who would otherwise need to be placed out of county. We are also growing our inhouse fostering service to support more looked after children within Flintshire. This risk is monitored through the Out of County budget.</p> <p>We have 3 of the 5 new homes successfully registered with Care Inspectorate Wales (CIW). We continue to work with CIW around the registration process for one of the homes and we are working on the documentation in readiness for applying for registration for other</p>	Amber

				<p>home. Within the service we are continuing to recruit to the roles and this is something that is a challenge in the current climate. We are working with We Care Wales and local providers such as Job Centre Plus as well as in house teams and departments such as our HR partners.</p> <p>The work force continues to develop their skills and attend all learning and development opportunities available to them where possible.</p>	
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Tudalen 49</p> <p>RSS09 Insufficient numbers of residential and nursing beds to meet demand because of the long-term fragility and instability of the care home sector and challenges in the recruitment of staff</p>	9	<ul style="list-style-type: none"> • Ensure that ongoing actions are maintained to manage the inherent instability in the residential and nursing care market, including approaches to marketing and recruitment • Continue to work with corporate colleagues re. capital investment to support the development of in-house provision for individuals with dementia or learning disabilities, and Extra Care provision • Continue to build resilience in the services to maintain and increase the current level of provision • Working with providers to identify potential business viability issues due to loss of income as a result of COVID-19 • Continue to utilise the additional capacity established in the independent sector as a service response to COVID-19 (The Oaks) • Impact assessment of need for additional capacity provided by Ty Treffynnon to continue post-recovery (in house service response) 	Open	<p>Risk has reduced to Amber in line with Welsh Government Checkpoint reporting and fortnightly Health and Care system data.</p> <p>We are still finding it difficult to source enough capacity externally to be able to meet the residential need. However, we have stabilised the market with only one home currently in Escalating Concerns. The Croes Atti 2 development will increase our internal capacity, and an independent sector home that was previously closed will be reopening in January, providing capacity for EMI nursing and possibly some residential care.</p>	Amber

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<p>RSS10 Insufficient capacity to provide the quantities and levels of care to clients at home and in the community because of challenges in recruitment of direct care workers and instability in the care market</p>	<p>9</p>	<ul style="list-style-type: none"> • Utilising the Care@Flintshire portal to promote vacancies • Working with providers to establish appropriate fee rates • Regional Domiciliary Care Agreement in place • Value Based recruitment 	<p>Open</p>	<p>Risk has reduced to Amber in line with Welsh Government Checkpoint reporting and fortnightly Health and Care system data.</p> <p>The domiciliary inbox remains high with individuals having to wait for care in some cases. We have been successful in purchasing a block hours contract in Holywell and are looking at other areas where care is difficult to source; expressions of interest for block hours contracts are going out to the Framework. The ongoing development of Microcare is helping to alleviate the situation; there have been an additional 7 Micro-Carers setup during this financial year, increasing the number of active Micro-Carers to 38. We have directly commissioned with 3 Micro-Care providers this year for personal care services, and 4 for well-being services, and we are actively seeking to develop more direct commissioning.</p>	<p>Amber</p>
<p>RSS22 An insufficient supply of placements leads to young people being placed in unregistered settings</p>	<p>16</p>	<ul style="list-style-type: none"> • Implement Multiagency Support Team to work with families of young people on the edge of care and prevent placement breakdown • Combat exploitation through the Strategic and Operational MET (Missing, Exploitation, Trafficking) group • Develop policies and models to attract new foster carers and expand the type of placements offered • Working with local providers to reshape the residential market • Maximising local housing options 	<p>Open</p>	<p>We are developing in house residential care services for children with complex needs who would otherwise need to be placed out of county. We are also growing our inhouse fostering service to support more looked after children within Flintshire. This risk is monitored through the number of children placed in settings without registration (Paris report).</p> <p>We have 3 of the 5 new homes successfully registered with Care Inspectorate Wales (CIW). We continue to work with CIW around the registration process for one of the homes and we are working on the documentation in readiness for applying for registration for other home. Within the service we are continuing to</p>	<p>Amber</p>

				recruit to the roles and this is something that is a challenge in the current climate. We are working with We Care Wales and local providers such as Job Centre Plus as well as in house teams and departments such as our HR partners. The work force continue to develop their skills and attend all learning and development opportunities available to them where possible.	
RSS29 Insufficient capacity in the social care workforce (social work and occupational therapy) is a risk to the reputation of the Council and its ability to fulfil its statutory and essential functions with respect and care	N/A	<ul style="list-style-type: none"> The social work staffing structure has been reviewed to provide better opportunities for recruitment and retention and reduce the need for agency staff, with a view to create experience and capacity in the workforce with a competitive pay structure and mitigate the risk of escalating agency costs 	Closed	Risk closed for whole service – Open risk for Children’s Services workforce is dealt with in RSS048	Green
RST07 Inability to achieve national recycling targets due to increased residual waste tonnages collected	12	<ul style="list-style-type: none"> Undertake a review of the Council Waste Strategy to identify improve service delivery methods to minimise residual waste disposal and increase recycling 	Open	<p>The statutory recycling target for 2023/24 is 64%, increasing to 70% in 2024/25. Our year end recycling performance for 2022/23 fell short of the 64% target resulting in potential additional infraction fines by Welsh Government.</p> <p>A review of the Waste Strategy is currently ongoing with the Waste and Resource Action Programme (WRAP) and Local Partnerships (commissioned by Welsh Government) as recent compositional analysis of the residual waste bins shows that a high proportion of waste put in them could be collected via the</p>	Red

				weekly recycling service. They are focusing on four workstreams: waste strategy, infrastructure, decarbonisation and workplace recycling reforms. The outcome of this review will be known in the coming months. A report will then be represented with options to deliver a robust and evidenced achievable waste strategy.	
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RHR09 The Pay model and associated costing may increase/decrease depending on when a) agreement is reached and b) when the new pay model is implemented due to changes in structure and/or headcount	12	<ul style="list-style-type: none"> Pay modelling will be undertaken with an up-to-date set. An aspirational implementation date is 01/10/2023 to minimise cost in year (half year effect) 	Open	<p>The current pay model has not been reviewed since 2019 (which was implemented to accommodate changes to the nationally agreed pay model). Increases in the National Living Wage over the last few years in addition to known/anticipated changes which continue to erode the bottom of the existing pay structure.</p> <p>A joint planning group with Trade Unions have met several times to progress what is a complex piece of work, which is ongoing. Discussions are progressing positively, and we are optimistic of achieving an agreed variation to our current collective agreement and create a new pay model, for employees on Green Book Terms and Conditions. We do not anticipate anyone being in pay detriment.</p>	Amber
RHR24 Changes to holiday pay calculations and practices in light of the Supreme Court Judgement in Harper Trust and Brazel	12	<ul style="list-style-type: none"> An alternative term time calculation (which applies to those employees who work less than 52.14 weeks a year) was implemented with effect from 1 April 2023. This calculation is deemed to be compliant with the outcome of the Harper Trust and Brazel supreme court judgment and incorporates the permanent increase of one day (pro rata for part-timers) to their annual leave entitlement provided for in the Local 	Open	<p>In addition to the term time calculation, we need to identify employees who regularly work additional hours (overtime, or on a rota for standby, sleep-in etc) which could be deemed regular and settled and review our holiday entitlement calculations for those employees as they may:</p> <p>a) have been entitled to additional payment when taking leave and</p>	Amber

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		<p>Government Services Pay Agreement 2022-23</p> <ul style="list-style-type: none"> Other elements (including compensation in lieu of back pay) are being worked through by a joint working group (HR, Finance, TUs) 		<p>b) be eligible to bring a claim for underpayment of holiday pay.</p> <p>The government has consulted on changing the legislation on which the Supreme Court judgement in Harpur Trust v Brazel was based. We are awaiting Government's response on whether and how it will take forward its proposals further to a period of consultation which ran from 12th January 2023 to 9th March 2023.</p>	
<p>RCF18 Impact on the stability of the Medium-Term Financial Plan of increases in service demand, high inflation and reduced future Welsh Government Local Government Settlements</p>	20	<ul style="list-style-type: none"> Regular monitoring and reporting of the financial impact across the organisation Analysis of future funding announcements by Welsh Government in line with above Regular engagement with Society of Welsh Treasurers (SWT) to gain all Wales position Regular liaison with WLGA contacts regarding escalation with Welsh Government 	Open	<p>Report to Cabinet in September 2023 set out the latest financial position for 2024/25 onwards which showed an additional budget requirement of £32m with funding solutions identified to date of around £18m.</p> <p>The Council has a number of workstreams underway to identify the remainder but will be a major challenge.</p> <p>The Council will be notified of its funding allocation from Welsh Government on 20 December 2023.</p> <p>Further reports will be prepared throughout the budget setting process.</p>	Red
<p>RCPA01 Impact of restructuring and efficiency savings over time. Resulting in reduction in HR to point where fulfilling</p>	9	<ul style="list-style-type: none"> Explore options to commission service delivery if/when necessary Explore different ways of working Review workload/demand and resource 	Open	<p>Ongoing monitoring and implementation of mitigating actions.</p>	Amber

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current and increasing service demand is untenable					
RCPA12 Key contractual arrangements coming to an end, further work in-year required to prevent any financial, reputational, legal, or service implications.	9	<ul style="list-style-type: none"> Commission work to inform decision making and seek specialist support/advice where needed to progress action. Liaison with appropriate parties. Progress reporting. 	Open	<p>The mitigating actions are being deployed and are helping to manage the risk.</p> <p>Progress is being made however, there is some slippage on time to achieve key milestones.</p>	Amber
RCPA13 Lack of resource to respond swiftly to increasing demand of capital projects with grant funding requiring swift/in-year spend. May result in loss of grant funding and/or high-profile project failure	15	<ul style="list-style-type: none"> Commissioning services need to challenge via established routes 	Open	<p>Ongoing, meetings with Commissioning Services and external stakeholders are being held to seek clarity.</p> <p>Current score of 15 and target of 12 remains unchanged.</p>	Red
RCPA17 Impact of workload demand on employees	12	<ul style="list-style-type: none"> Review services and workload Consider recruitment business case for vacant posts where high demand/lack of resource 	Open	<p>Linked to RCPA01</p> <p>Ongoing monitoring and implementation of mitigating actions.</p>	Amber

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Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 6



GOVERNANCE AND AUDIT COMMITTEE

Date of Meeting	Wednesday 22 nd November 2023
Report Subject	Treasury Management Mid-Year Review 2023/24 & Quarter 2 update
Report Author	Corporate Finance Manager

EXECUTIVE SUMMARY

This report presents the draft Treasury Management Mid-Year Report 2023/24 for review and comment and the Committee are also asked to identify any matters that need to be brought to the attention of Cabinet at its meeting in December.

The report also provides an update on matters relating to the Council's treasury management activity during the period 1st June to 30th September 2023.

RECOMMENDATIONS

1	Members review the draft Treasury Management Mid-Year Report 2023/24 and identify any matters to be drawn to the attention of Cabinet at its meeting in December.
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REPORT DETAILS

1.0	EXPLAINING THE MID YEAR REVIEW
1.01	The Council has nominated the Governance and Audit Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies. The Governance and Audit Committee has previously agreed to include treasury management as a standing item on each quarterly agenda to receive an update.

1.02	On 23 rd February 2023, the Council approved the Treasury Management Strategy 2023/24, following the recommendation of the Cabinet and consideration by the Governance and Audit Committee.
	<u>Treasury Management Mid-Year Report 2023/24</u>
1.03	The draft Treasury Management Mid-Year Report for 2023/24 is attached as Appendix 1 for review. As required by the Council's Financial Procedure Rules, this review will also be reported to the Cabinet prior to formal approval by County Council.
	<u>Summary of Key Points</u>
1.04	<p>UK inflation remained stubbornly high over much of the period compared to the US and euro zone, keeping expectations elevated of how much further the Bank of England (BoE) would hike rates compared to the regions.</p> <p>However, inflation data published in the latter part of the period undershot expectations, causing financial markets to reassess the peak in the BoE Bank Rate. This was followed very soon after by the BoE deciding to keep Bank Rate on hold at 5.25% in September, against the expectation for another 0.25% rise.</p> <p>Following the September MPC meeting, Arlingclose, the Council's treasury adviser, modestly revised its interest forecast to reflect the central view that 5.25% will now be the peak in Bank Rate.</p>
1.05	<p>No new borrowing was undertaken during the period, while £0.870m of existing loans were allowed to mature without replacement. This strategy enabled the Council to reduce net borrowing costs and reduce overall treasury risk.</p> <p>The Council continues to regularly review the position on its long-term borrowing requirement in conjunction with advice from Arlingclose.</p> <p>The borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio.</p> <p>Section 4 provides more information on borrowing and debt management during the period.</p>
1.06	The average investment balance for the period was £48.4m and the average rate of return was 4.58%. Section 5 of the report provides more information on the Council's investments.
1.07	The treasury function has operated fully within the limits detailed in the Treasury Management Strategy 2023/24.
	Treasury Management 2023/24 – Quarter 2 update
1.08	<p><u>Investments Update</u></p> <p>A statement setting out the Council's investments as at 30th September 2023 is attached at Appendix 2. The investment balance at this time was £33m, spread across 9 counterparties. The average interest rate for the period was 5.08%.</p>

1.09	<p><u>Borrowing Update</u></p> <p>Appendix 3 shows the Council's long-term borrowing as at 30th September 2023. The total amount of loans outstanding was £293m with an average interest rate payable of 4.51%. No long-term borrowing was arranged during the quarter.</p> <p>Appendix 4 shows the Council's short-term borrowing as at 30th September 2023. There were no loans outstanding during this period.</p>
1.10	<p>The Council's capital expenditure plans will continue to be monitored throughout 2023/24 to inform and assess the Council's long-term borrowing need. This is to ensure that the Council does not commit to long-term borrowing too early and refinance unnecessarily which will be costly and have significant revenue implications. The continued use of short-term borrowing will assist with this.</p>
1.11	<p>The MPC held Bank Rate at 5.25% in September and Arlingclose believe this is the peak for Bank Rate. The Council will continue to monitor forecasts closely with Arlingclose.</p> <p>The affordability of long-term borrowing in the short term needs to be balanced against the savings made over the life of the loan. For the moment, the advice is to use short-term borrowing which will be more flexible and have cash flow benefits compared to long-term borrowing.</p>
1.12	<p><u>Member Training – Treasury Management</u></p> <p>A treasury management Member training workshop has been arranged for 8th December 2023, 10am – 12pm to be presented by Arlingclose Ltd. The session will be hosted by the Governance and Audit Committee but will be open to all Members, via online video conferencing.</p>

2.00	RESOURCE IMPLICATIONS
2.01	Financial implications are addressed in the report; no other resource implications directly as a result of this report.

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

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

5.00	APPENDICES
5.01	<ol style="list-style-type: none"> 1. Draft Treasury Management Mid-Year Report 2023/24 2. Investment Portfolio as at 30th September 2023 3. Long-term borrowing as at 30th September 2023 4. Short-term borrowing as at 30th September 2023

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

7.00	GLOSSARY OF TERMS
7.01	<p>Authorised Limit: A statutory limit that sets the maximum level of external debt for the Council.</p> <p>Balances and Reserves: Accumulated sums that are held, either for specific future costs or commitments (known as earmarked) or generally held to meet unforeseen or emergency expenditure.</p> <p>Bank Rate: The official interest rate set by the Bank of England's Monetary Policy Committee and what is generally termed at the "base rate".</p> <p>Basis Point: A unit of measure used in finance to describe the percentage change in the value or rate of a financial instrument. One basis point is equivalent to 0.01% (1/100th of a percent). In most cases, it refers to changes in interest rates and bond yields. For example, if interest rates rise by 25 basis points, it means that rates have risen by 0.25% percentage points.</p> <p>Bond: A certificate of debt issued by a company, government, or other institution. The bond holder receives interest at a rate stated at the time of issue of the bond. The price of a bond may vary during its life.</p> <p>Capital Expenditure: Expenditure on the acquisition, creation or enhancement of capital assets.</p> <p>Capital Financing Requirement (CFR): The Council's underlying need to borrow for capital purposes representing the cumulative capital expenditure of the local authority that has not been financed.</p> <p>Certificates of Deposits (CD's): A savings certificate entitling the bearer to receive interest. A CD bears a maturity date, a specified fixed interest rate and can be issued in any denomination. CDs are generally issued by commercial banks. The term of a CD generally ranges from one month to five years.</p>

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

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

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

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

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

Debt Management Office (DMO): The DMO is an Executive Agency of His Majesty's Treasury and provides direct access for local authorities into a government deposit facility known as the Debt Management Account Deposit Facility (DMADF). All deposits are guaranteed by HM Government and therefore have the equivalent of a sovereign credit rating.

Federal Reserve: The US central bank, the equivalent of the Bank of England. (Often referred to as "the Fed").

Financial Instruments: Financial instruments are tradable assets of any kind. They can be cash, evidence of an ownership interest in an entity, or a contractual right to receive or deliver cash or another financial instrument

Gilts: Gilts are bonds issued by the UK Government. They take their name from 'gilt-edged'. They are deemed to be very secure as the investor expects to receive the full face value of the bond to be repaid on maturity.

IFRS: International Financial Reporting Standards.

LIBID: The London Interbank Bid Rate (LIBID) is the rate bid by banks on Eurocurrency deposits (i.e. the rate at which a bank is willing to borrow from other banks).

LIBOR: The London Interbank Offered Rate (LIBOR) is the rate of interest that banks charge to lend money to each other. The British Bankers' Association (BBA) work with a small group of large banks to set the LIBOR rate each day. The wholesale markets allow banks who need money to borrow from those with surplus amounts. The banks with surplus amounts of money are keen to lend so that they can generate interest which it would not otherwise receive.

LOBO: Stands for Lender Option Borrower Option. The underlying loan facility is typically very long-term - for example 40 to 60 years - and the interest rate is fixed. However, in the LOBO facility the lender has the option to call on the facilities at pre-determined future dates. On these call dates, the lender can propose or impose a new fixed rate for the remaining term of the facility and the borrower has the 'option' to either accept the new imposed fixed rate or repay the loan facility.

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

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

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

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

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

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

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

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

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

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

Prudential Indicators: Indicators determined by the local authority to define its capital expenditure and asset management framework. They are designed to support and record local decision making in a manner that is

publicly accountable; they are not intended to be comparative performance indicators

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

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

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

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

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

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

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

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

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

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

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

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

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

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



FLINTSHIRE COUNTY COUNCIL

DRAFT TREASURY MANAGEMENT

MID YEAR REPORT 2023/24

1.00 PURPOSE OF REPORT

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

2.00 BACKGROUND

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

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

- 2.05 In addition, the Welsh Government (WG) issues guidance on local authority investments that requires the Council to approve an investment strategy before the start of each financial year.
- 2.06 This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the WG Guidance.
- 2.07 The Council approved the 2023/24 Treasury Management Strategy at its meeting on 23rd February 2023.

3.00 ECONOMIC & INTEREST RATE REVIEW APRIL – OCTOBER 2023.

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

Economic background: UK inflation remained stubbornly high over much the period compared to the US and euro zone, keeping expectations elevated of how much further the Bank of England (BoE) would hike rates compared to the regions. However, inflation data published in the latter part of the period undershot expectations, causing financial markets to reassess the peak in BoE Bank Rate. This was followed very soon after by the BoE deciding to keep Bank Rate on hold at 5.25% in September, against expectation for another 0.25% rise.

Economic growth in the UK remained relatively weak over the period. In calendar Q2 2023, the economy expanded by 0.2%. However, monthly GDP data showed a 0.5% contraction in July, the largest fall to date in 2023 and worse than the 0.2% decline predicted which could be an indication the monetary tightening cycle is starting to cause recessionary or at the very least stagnating economic conditions.

July data showed the unemployment rate increased to 4.3% (3mth/year) while the employment rate rose to 75.5%. Pay growth was 8.5% for total pay (including bonuses) and 7.8% for regular pay, which for the latter was the highest recorded annual growth rate. Adjusting for inflation, pay growth in real terms were positive at 1.2% and 0.6% for total pay and regular pay respectively.

Inflation continued to fall from its peak as annual headline CPI declined to 6.7% in July 2023 from 6.8% in the previous month against expectations for a tick back up to 7.0%. The largest downward contribution came from food prices. The core rate also surprised on the downside, falling to 6.2% from 6.9% compared to predictions for it to only edge down to 6.8%.

The Bank of England's Monetary Policy Committee continued tightening monetary policy over most of the period, taking Bank Rate to 5.25% in August. Against expectations of a further hike in September, the Committee voted 5-4 to maintain Bank Rate at 5.25%. Each of the four dissenters were in favour of another 0.25% increase.

Financial market Bank Rate expectations moderated over the period as falling inflation and weakening data gave some indication that higher interest rates were working. Expectations fell from predicting a peak of over 6% in June to 5.5% just ahead of the September MPC meeting, and to then expecting 5.25% to be the peak by the end of the period.

Following the September MPC meeting, Arlingclose, the Council's treasury adviser, modestly revised its interest forecast to reflect the central view that 5.25% will now be the peak in Bank Rate. In the short term the risks are to the upside if inflation

increases again, but over the remaining part of the time horizon the risks are to the downside from economic activity weakening more than expected.

The lagged effect of monetary policy together with the staggered fixed term mortgage maturities over the next 12-24 months means the full impact from Bank Rate rises are still yet to be felt by households. As such, while consumer confidence continued to improve over the period, the GfK measure hit -21 in September, it is likely this will reverse at some point. Higher rates will also impact business and according to S&P/CIPS survey data, the UK manufacturing and services sector contracted during the quarter with all measures scoring under 50, indicating contraction in the sectors.

The US Federal Reserve increased its key interest rate to 5.25-5.50% over the period, pausing in September following a 0.25% rise the month before, and indicating that it may have not quite completed its monetary tightening cycle.

Having fallen throughout 2023, annual US inflation started to pick up again in July 2023, rising from 3% in June, which represented the lowest level since March 2021, to 3.2% in July and then jumping again to 3.7% in August, beating expectations for a rise to 3.6%. Rising oil prices were the main cause of the increase. US GDP growth registered 2.1% annualised in the second calendar quarter of 2023, down from the initial estimate of 2.4% but above the 2% expansion seen in the first quarter.

The European Central Bank increased its key deposit, main refinancing, and marginal lending interest rates to 4.00%, 4.50% and 4.75% respectively in September, and hinted these levels may represent the peak in rates but also emphasising rates would stay high for as long as required to bring inflation down to target.

Although continuing to decline steadily, inflation has been sticky, Eurozone annual headline CPI fell to 5.2% in August while annual core inflation eased to 5.3% having stuck at 5.5% in the previous two months. GDP growth remains weak, with recent data showing the region expanded by only 0.1% in the three months to June 2023, the rate as the previous quarter.

Financial markets: Financial market sentiment and bond yields remained volatile, with the latter generally trending downwards as there were signs inflation, while still high, was moderating and interest rates were at a peak. Gilt yields fell towards the end of the period. The 5-year UK benchmark gilt yield rose from 3.30% to peak at 4.91% in July before trending downwards to 4.29%, the 10-year gilt yield rose from 3.43% to 4.75% in August before declining to 4.45%, and the 20-year yield from 3.75% to 4.97% in August and then fell back to 4.84%. The Sterling Overnight Rate (SONIA) averaged 4.73% over the period.

Credit review: Having completed a review of its credit advice on unsecured deposits at UK and non-UK banks following concerns of a wider financial crisis after the collapse of Silicon Valley Bank purchase of Credit Suisse by UBS, as well as other well-publicised banking sector issues, in March Arlingclose reduced the advised maximum duration limit for all banks on its recommended counterparty list to 35 days. This stance continued to be maintained at the end of the period.

During the second quarter of the period, Moody's revised the outlook on Svenska Handelsbanken to negative from stable, citing concerns around the Swedish real estate sector.

Having put the US sovereign rating on Rating Watch Negative earlier in the period, Fitch took further action in August, downgrading the long-term rating to AA+, partly around ongoing debt ceiling concerns but also an expected fiscal deterioration over the next couple of years.

Following the issue of a Section 114 notice, in September Arlingclose advised against undertaking new lending to Birmingham City Council, and later in the month cut its recommended duration on Warrington Borough Council to a maximum of 100 days.

Arlingclose continued to monitor and assess credit default swap levels for signs of ongoing credit stress and although no changes were made to recommended durations over the period, Northern Trust Corporation was added to the counterparty list.

Heightened market volatility is expected to remain a feature, at least in the near term and, as ever, the institutions and durations on the Council's counterparty list recommended by Arlingclose remains under constant review.

Outlook for the remainder of 2023/24

The MPC held Bank Rate at 5.25% in September. Arlingclose believe this is the peak for Bank Rate.

The MPC will cut rates in the medium term to stimulate the UK economy but will be reluctant to do so until it is sure there will be no lingering second round effects. Arlingclose see rate cuts from Q3 2024 to a low of around 3% by early 2026.

The immediate risks around Bank Rate lie to the upside, but these diminish over the next few quarters and shift to the downside before balancing out, due to the weakening UK economy and dampening effects on inflation.

Arlingclose expects long-term gilt yields to eventually fall from current levels reflecting the lower medium-term path for Bank Rate. However, yields will remain relatively higher than in the past, partly due to quantitative tightening, with continued elevated volatility.

	Current	Dec 23	Mar 24	Jun 24	Sept 24	Dec 24	Mar 25	Jun 25	Sept 25	Dec 25	Mar 26	Jun 26	Sept 26
Upside Risk (%)	0.00	0.25	0.50	0.50	0.75	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Interest Rate (%)	5.25	5.25	5.25	5.25	5.00	4.75	4.25	4.00	3.75	3.50	3.25	3.00	3.00
Downside Risk (%)	0.00	0.00	-0.25	-0.50	-0.75	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00

4.00 BORROWING

4.01 CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement and so may lead to new borrowing, unless directly and primarily related to the functions of the Council. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield unless these loans are for refinancing purposes.

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

BORROWING STRATEGY & ACTIVITY

4.02 Borrowing Strategy

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

There was a substantial rise in the cost of both short- and long-term borrowing over the last 18 months. Bank Rate rose by 1% from 4.25% at the beginning of April to 5.25% at the end of September. Bank Rate was 2% higher than at the end of

September 2022.

UK gilt yields were volatile, mainly facing upward pressure since early April following signs that UK growth had been more resilient, inflation stickier than expected, and that the Bank of England saw persistently higher rates through 2023/24 as key to dampening domestic demand. Gilt yields, and consequently PWLB borrowing rates, rose and broadly remained at elevated levels. On 30th September, the PWLB certainty rates for maturity loans were 5.26% for 10 year loans, 5.64% for 20-year loans and 5.43% for 50-year loans. Their equivalents on 31st March 2023 were 4.33%, 4.70% and 4.41% respectively.

A new PWLB HRA rate which is 0.4% below the certainty rate was made available from 15th June 2023. Initially available for a period of one year, this discounted rate is to support local authorities borrowing for the Housing Revenue Account and for refinancing existing HRA loans, providing a window of opportunity for HRA-related borrowing.

The Council submitted its application for access to PWLB lending 2023/24 (including access to HRA and certainty rates) in April 2023.

In keeping with the Council's objectives, no new borrowing was undertaken, while £0.870m of existing loans were allowed to mature without replacement. This strategy enabled the Council to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk.

4.03 The long-term borrowing outstanding at 30th September 2023 totals £292.97million.

4.04 Loans with the Public Works Loans Board are in the form of fixed rate (£269.55m). £18.95m is variable in the form of LOBOs (Lender's Option, Borrower's Option) and £4.47m are interest free loans from government. The Council's average long-term borrowing rate is currently 4.51%.

	Balance 01/04/2023 £m	Debt Maturing £m	New Debt £m	Balance 30/09/2023 £m
Long Term Borrowing	290.49	(1.99)	0.00	288.50
Government Loans	4.71	(0.24)	0.00	4.47
TOTAL BORROWING	295.20	(2.23)	0.00	292.97
Other Long Term Liabilities *	2.75	0.00	0.00	2.75
TOTAL EXTERNAL DEBT	297.95	(2.23)	0.00	295.72
Increase/ (Decrease) in Borrowing £m				(2.23)

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

- 4.05 No new long or short-term borrowing was undertaken during the period.
- 4.06 The Council has £18.95m LOBO loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. These loans all have call dates within the next 12 months. The Council has liaised with Arlingclose over the likelihood of the options being exercised. If the option is exercised and an increased rate proposed, the Council will repay the LOBO loans with available cash or by borrowing from other local authorities or the PWLB.

4.07 Debt Rescheduling

The premium charge for early repayment of PWLB debt remained relatively expensive for the loans in the Council's portfolio and therefore unattractive for debt rescheduling activity. No rescheduling activity was undertaken as a consequence.

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

5.0 INTERIM INVESTMENT AND PERFORMANCE REPORT

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

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

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

- 5.02 The maximum investments the Council had on deposit at any one time totalled £62m. The average investment balance for the period was £48.4m and the average rate of return was 4.58%, generating investment income of £1.11m.
- 5.03 Both the CIPFA Code and government guidance require the Council to invest its

funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

As demonstrated by the liability benchmark in this report (paragraph 6.01), the Council expects to be a long-term borrower and new treasury investments are therefore primarily made to manage day-to-day cash flows using short-term low risk instruments. The existing portfolio of strategic pooled funds will be maintained to diversify risk into different asset classes and boost investment income.

- 5.04 Up to 30th September, investments were made in the Debt Management Office Deposit Account, banks, other local authorities and money market funds.
- 5.05 The average of long-term borrowing was £294.04m generating interest payable of £6.659m, in line with budget forecasts to date.

	Investments		Long Term Borrowing		Short Term Borrowing	
	Interest received £k	Interest rate %	Interest paid £k	Interest rate %	Interest paid £k	Interest rate %
2023/24 Apr - Sept	1,112	4.58	6,659	4.51	0	n/a
2022/23 Apr - Sept	304	1.05	6,655	4.53	0	n/a
Difference	808		4			

Year-end projections are as follows:

	Investments		Long Term Borrowing		Short Term Borrowing	
	Interest received £k	Interest rate %	Interest paid £k	Interest rate %	Interest paid £k	Interest rate %
2023/24 est.	1,700	4.58	13,438	4.51	980	5.95
2022/23 act	940	1.87	13,297	4.53	14	4.55
Difference	760		141		866	

5.06 Credit Risk (security)

Counterparty credit quality was assessed and monitored with reference to credit ratings (the Council's minimum long-term counterparty rating for institutions defined as having "high credit quality" is A- across rating agencies Fitch, S&P and Moody's); credit default swap prices, financial statements, information on potential government support and reports in the quality financial press.

5.07 Liquidity

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

5.08 Yield

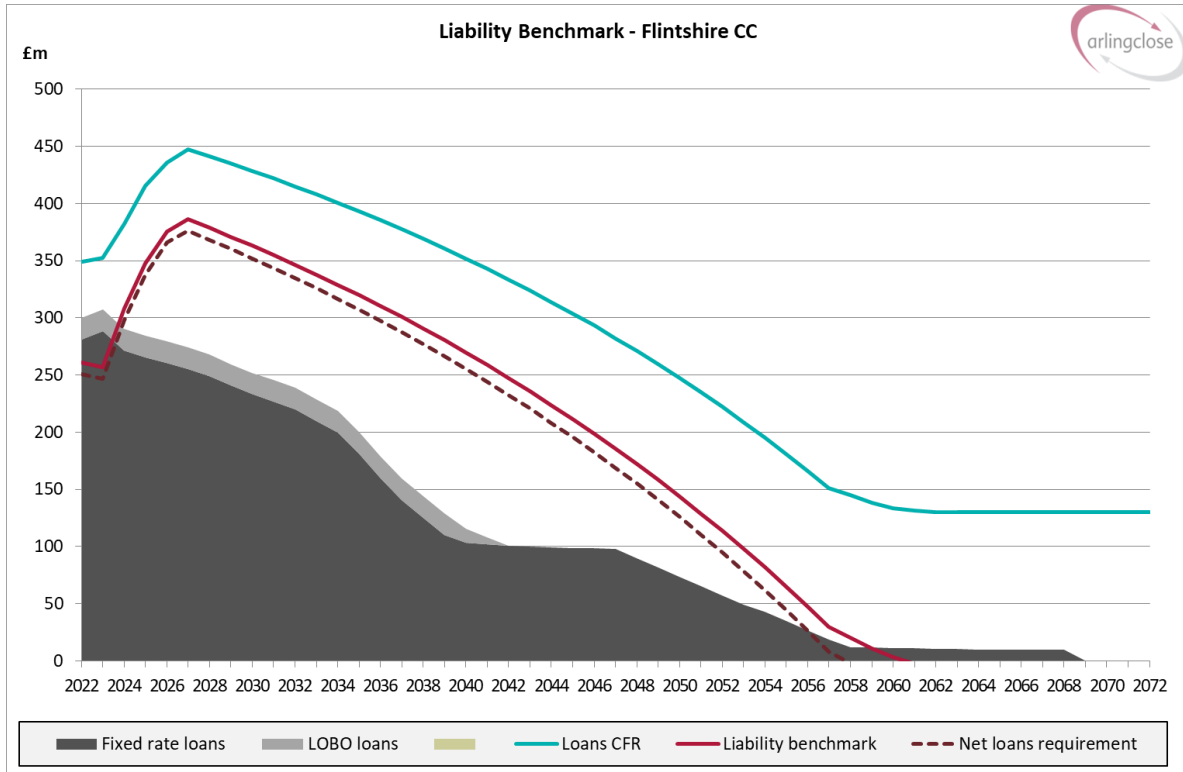
The Council sought to optimise returns commensurate with its objectives of security and liquidity. The Council's investment yield is outlined in 5.0.2.

6.00 TREASURY MANAGEMENT PRUDENTIAL INDICATORS

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

6.01 Liability Benchmark

This new indicator compares the Council's actual existing borrowing against a liability benchmark that has been calculated to show the lowest risk level of borrowing. The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. It represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.



6.02 Interest rate exposures

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

Interest rate risk indicator	30.06.23 £'000	30.09.23 £'000
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	30.2	44.0
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	99.5	101.0

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

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

6.03 Maturity structure of borrowing

This indicator is set to control the Council’s exposure to refinancing risk. The upper

and lower limits on the maturity structure of fixed rate borrowing will be:

	Lower	Upper	Actual as at 30.09.23
Under 12 months	0%	20%	1.65%
12 months and within 24 months	0%	20%	2.15%
24 months and within five years	0%	30%	6.41%
Five years and within 10 years	0%	50%	14.75%
10 years and above	0%	100%	75.04%

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

6.04 Long-term treasury management investments:

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

Price risk indicator	2023/24 Limit	30.09.23 Actual
Limit on total principal invested beyond year end	£5m	£0m

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

6.05 Borrowing Limits

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

	2023/24 Limit	30.09.23 Actual
Operational Boundary	£403m	£297.67m
Authorised Limit	£438m	£297.67m

7.00 OTHER ITEMS

7.01 Other treasury management related activities that took place during April – September 2023 included:

- Statutory override: In April 2023 the Department for Levelling Up, Housing and Communities published the full outcome of the consultation on the extension of the

statutory override on accounting for gains and losses on pooled investment funds. The override has been extended for two years until 31st March 2025 and is unlikely to be extended beyond this date. The Council will discuss with Arlingclose the implications for the investment strategy and what action may need to be taken.

- The Treasury Management Annual Report 2022/23 was reported to Governance and Audit Committee on 26th July 2023, Cabinet on 19th September 2023 and Council on 24th October 2023.
- The Quarter 1 Treasury Management update was reported to the Governance and Audit Committee.

8.00 COMPLIANCE

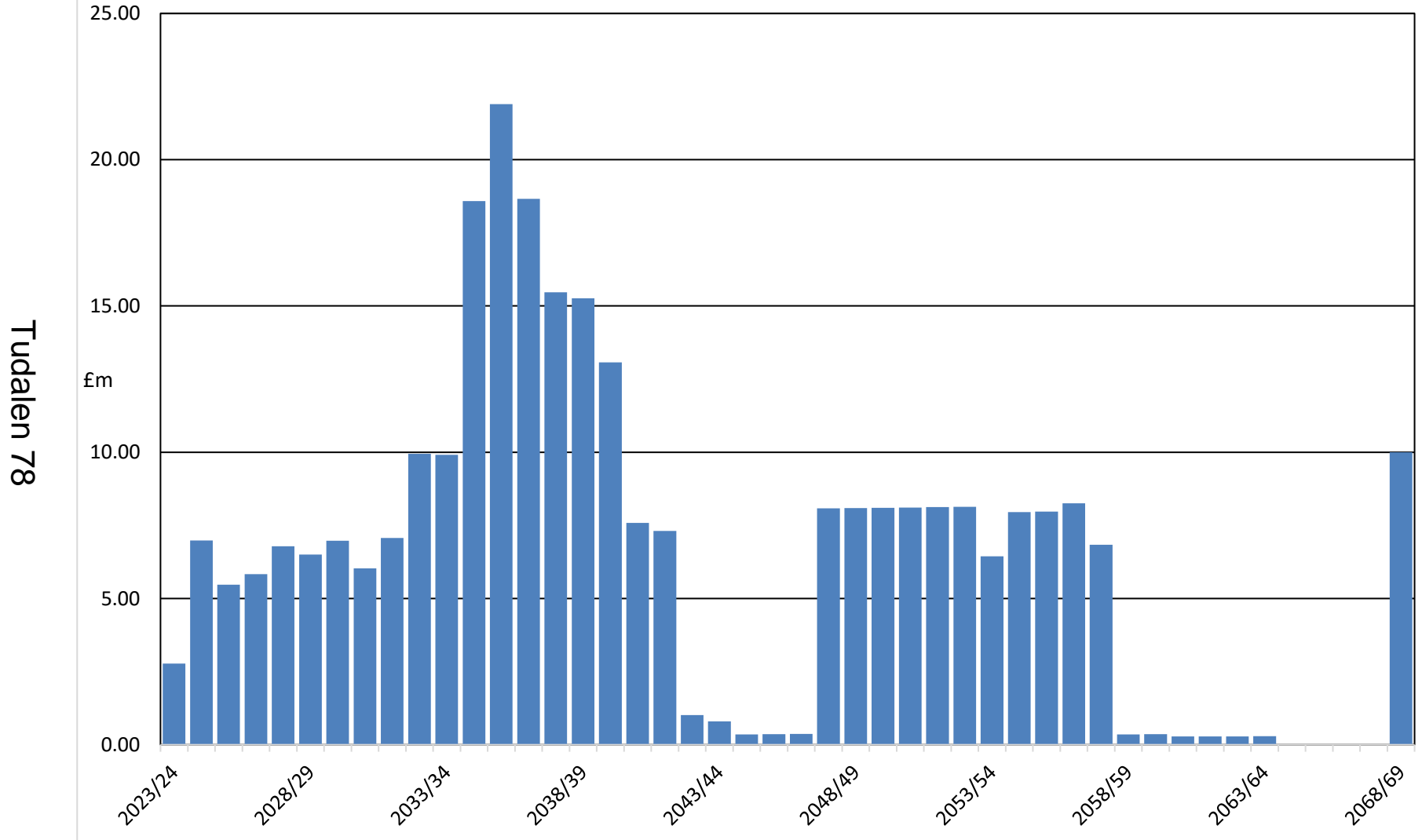
8.01 The Corporate Finance Manager reports that all treasury management activities undertaken during the quarter complied fully with the principles in the Treasury Management Code and the Council's approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in Section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

8.00 CONCLUSION

8.01 In compliance with the requirements of the CIPFA Code of Practice this report provides Members with a summary report of the treasury management activity during the first half of 2023/24.

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

Debt Maturity Profile - Sept 2023



APPENDIX A NON-TREASURY INVESTMENTS

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

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

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

1.02 Wholly Owned Companies

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

- The Council has embarked on an ambitious house building programme as part of its Strategic Housing and Regeneration Programme (SHARP). Over a 5-year period 500 new homes will be built at a range of sites across the county, a mixture of new council houses and affordable homes, alongside commissioning a range of linked regeneration initiatives and community benefits.
- Affordable homes are being developed through the Council's wholly owned subsidiary North East Wales Homes Limited (NEW Homes) in partnership with the Council. Affordable homes for rent are built or purchased by NEW Homes funded by loans from the Council. New affordable homes for rent have been built in Flint, Penyffordd (Holywell), Dobshell, Bryn-y-Baal, Northop and Saltney.

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

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

Yield (net profit)

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

1.03 Investment Properties

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

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

Fair Value of Investment Properties

	31.03.2023 £m	31.3.2022 £m	31.3.2021 £m	31.3.2020 £m	31.3.2019 £m
Fair Value Inv. Properties	28.8	27.6	25.2	25.0	25.2

Yield (net profit)

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

Proportionality of Investment Properties

	2022/23 Actual £m	2023/24 Budget £m	2024/25 Budget £m
Net Revenue Budget	326.683	352.121	359.807
Net Investment income	1.67	1.65	1.65
Proportion	0.51%	0.47%	0.46%

Mae'r dudalen hon yn wag yn bwrpasol

FLINTSHIRE COUNTY COUNCIL - INVESTMENT PORTFOLIO

At 30th September 2023

APPENDIX 2

Counterparty Name	Amount Invested £m	Start Date	Maturity Date	Interest Rate	Investment Interest £	Type of Investment	Period to Maturity
DEBT MANAGEMENT OFFICE	5.0	06/06/23	06/12/23	4.79%	120,078	UK GVT	1 - 3 months
DEBT MANAGEMENT OFFICE	5.0						
AVIVA INVESTORS	4.0	01/04/23	31/10/23	5.32%	124,182	MMF	1 month or less
AVIVA INVESTORS	4.0						
FEDERATED INVESTORS	4.0	01/04/23	31/10/23	5.36%	125,116	MMF	1 month or less
FEDERATED INVESTORS	4.0						
HSBC STERLING ESG FUND	4.0	01/04/23	31/10/23	5.19%	121,147	MMF	1 month or less
HSBC STERLING ESG FUND	4.0						
INSIGHT LIQUIDITY FUND	4.0	01/04/23	31/10/23	5.28%	123,248	MMF	1 month or less
INSIGHT LIQUIDITY FUND	4.0						
INVESCO AIM STIC	4.0	01/04/23	31/10/23	5.32%	124,182	MMF	1 month or less
INVESCO AIM STIC	4.0						
LLOYDS BANK	3.0	01/04/23	31/10/23	5.14%	89,985	UK BANK	1 month or less
LLOYDS BANK	3.0						
MORGAN STANLEY	4.0	01/04/23	31/10/23	5.23%	122,081	MMF	1 month or less
MORGAN STANLEY	4.0						
NATIONAL WESTMINSTER BANK	1.0	01/04/23	31/10/23	1.55%	9,045	UK BANK	1 month or less
NATIONAL WESTMINSTER BANK	1.0						
TOTALS	33.0			5.08%	959,065		
PREVIOUS REPORTS TOTALS (30th June 2023)	33.6			4.74%	568,143		
PREVIOUS YEARS REPORTS TOTALS (30th September 2022)	41.3			1.71%	396,938		

FLINTSHIRE COUNTY COUNCIL - INVESTMENTS SUMMARISED BY TYPE & MATURITY

At 30th September 2023

APPENDIX 2

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Type of Investment	Total Amount Invested £m	% of Total Portfolio	Period to Investment Maturity			
			1 month or less £m	1 - 3 months £m	3 months + £m	12 months + £m
Debt Management Office (DMO)	5.0	15%		5.0		
UK Bank	4.0	12%	4.0			
UK Building Society (UK BS)	0.0	0%				
Overseas	0.0	0%				
Local Authorities	0.0	0%				
CD's	0.0	0%				
T-Bills	0.0	0%				
Money Market Funds (MMF)	24.0	73%	24.0			
Total (£)	33.0		28.0	5.0	0.0	0.0
Total (%)		100%	85%	15%	0%	0%

FLINTSHIRE COUNTY COUNCIL - LONG TERM BORROWING ANALYSIS

30th SEPTEMBER 2023

APPENDIX 3

Loan Start Date	Principal Loan Outstanding £	Interest Rate %	Annual Interest £	Loan Maturity Date
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PWLB Fixed Rate Maturity Loans				
20/03/86	2,436,316	9.50	231,450	30/11/25
01/04/86	1,392,181	9.13	127,036	30/11/23
24/03/88	696,090	9.13	63,518	30/11/27
25/08/88	696,090	9.50	66,129	31/03/28
26/05/89	1,044,135	9.50	99,193	31/03/25
26/05/89	1,044,135	9.50	99,193	31/03/29
28/09/95	561,642	8.25	46,335	30/09/32
28/09/95	181,120	8.63	15,622	30/09/32
28/09/95	348,045	8.25	28,714	30/09/27
28/09/95	696,090	8.25	57,427	30/09/28
28/09/95	1,740,226	8.25	143,569	30/09/29
28/09/95	1,740,226	8.25	143,569	30/09/30
28/09/95	1,740,226	8.25	143,569	30/09/31
28/09/95	696,090	8.25	57,427	30/09/24
28/09/95	1,740,226	8.25	143,569	30/09/26
18/04/97	2,000,000	7.75	155,000	18/10/27
18/04/97	2,000,000	7.75	155,000	18/10/28
18/04/97	2,000,000	7.75	155,000	18/10/29
18/04/97	2,000,000	7.75	155,000	18/10/30
17/07/97	4,000,000	7.13	285,000	31/03/55
17/07/97	4,000,000	7.13	285,000	31/03/56
17/07/97	4,492,873	7.13	320,117	31/03/57
17/07/97	3,500,000	7.00	245,000	31/03/55
17/07/97	3,500,000	7.00	245,000	31/03/56
17/07/97	3,278,252	7.00	229,478	31/03/57
20/05/98	1,333,332	5.75	76,667	18/04/31
20/05/98	1,050,000	6.00	63,000	18/04/26
09/06/98	2,000,000	5.75	115,000	30/09/32
09/06/98	3,000,000	5.75	172,500	30/09/33
09/06/98	4,000,000	5.75	230,000	30/09/34
17/09/98	3,850,000	5.25	202,125	31/03/58
08/12/98	1,200,000	4.75	57,000	31/03/54
08/12/98	2,500,000	4.75	118,750	31/03/58
08/12/98	4,800,000	4.50	216,000	31/03/54
01/04/99	6,000,000	4.63	277,500	31/03/53
22/04/99	4,000,000	4.50	180,000	31/03/52
10/08/99	1,700,000	4.50	76,500	31/03/53
10/08/99	3,700,000	4.50	166,500	31/03/52
10/08/99	7,700,000	4.50	346,500	31/03/51
10/08/99	7,700,000	4.50	346,500	31/03/50
10/08/99	7,700,000	4.50	346,500	31/03/49
10/08/99	7,700,000	4.50	346,500	31/03/48
05/04/01	2,500,000	4.75	118,750	31/03/25
02/08/05	1,700,000	4.45	75,650	18/04/31
02/08/05	4,900,000	4.45	218,050	18/04/32
02/08/05	4,600,000	4.45	204,700	18/04/33
02/08/05	1,800,000	4.45	80,100	18/04/34
02/08/05	2,244,611	4.45	99,885	18/04/35
02/04/15	10,800,000	4.11	443,880	02/10/34
02/04/15	9,000,000	4.13	371,700	02/04/35
02/04/15	9,000,000	4.14	372,600	02/10/35
02/04/15	9,000,000	4.16	374,400	02/04/36
02/04/15	8,000,000	4.17	333,600	02/10/36
02/04/15	7,000,000	4.18	292,600	02/04/37
02/04/15	7,000,000	4.19	293,300	02/10/37
02/04/15	7,000,000	4.20	294,000	02/04/38
02/04/15	7,000,000	4.21	294,700	02/10/38
02/04/15	5,448,094	4.22	229,910	02/04/39
06/12/18	10,000,000	2.64	264,000	06/12/68
Total	224,450,000	5.08	11,395,280	

PWLB Fixed Rate Annuity Loans				
06/12/18	7,126,697	2.79	198,835	06/01/63
07/01/20	556,390	3.06	17,026	07/01/60
30/03/20	281,440	2.65	7,458	30/03/60
30/03/20	1,023,618	2.65	27,126	30/03/60
02/11/20	1,346,956	2.53	34,078	02/11/57
09/02/21	2,427,968	1.79	43,461	09/02/58
30/04/21	563,379	2.15	12,113	30/04/61
Total	13,326,447	2.55	340,096	

PWLB Fixed Rate Equal Instalment of Principal Loans				
16/12/20	4,431,818	1.16	51,409	16/12/42
01/04/19	7,333,333	1.65	121,000	01/04/34
13/08/19	5,833,333	1.28	74,667	13/08/37
28/01/22	9,318,182	2.07	192,886	28/01/44
10/02/23	4,861,111	3.91	190,069	10/02/41
Total	31,777,778	1.98	630,032	

Market Fixed Rate Loans (LOBOS)				
24/07/07	6,350,000	4.48	284,480	24/01/40
24/07/07	6,300,000	4.53	285,075	24/01/41
24/07/07	6,300,000	4.58	288,540	24/01/42
Total	18,950,000	4.53	858,095	

Other Government Loans				
23/03/18	1,721,020	0.00	0.00	01/10/28
27/03/19	887,380	0.00	0.00	01/04/29
18/01/22	41,450	0.00	0.00	01/10/25
04/04/22	43,000	0.00	0.00	01/04/28
12/07/22	27,400	0.00	0.00	01/04/29
29/03/23	25,699	0.00	0.00	01/03/27
21/10/15	460,000	0.00	0.00	31/03/30
20/10/16	400,000	0.00	0.00	31/03/31
05/05/20	461,500	0.00	0.00	31/03/26
09/07/21	103,000	0.00	0.00	31/03/29
29/12/22	300,000	0.00	0.00	31/03/29
Total	4,470,449	0	0	

Totals				
Fixed Rate	269,554,225		12,365,408	
LOBOs	18,950,000		858,095	
Other	4,470,449		0	
Grand Total	292,974,674	4.51	13,223,503	

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FLINTSHIRE COUNTY COUNCIL - SHORT TERM BORROWING

At 30th September 2023

APPENDIX 4

Counterparty Name	Amount Borrowed £m	Start Date	Maturity Date	Interest Rate	Interest due £	Brokerage due £	Period to Maturity
No loans outstanding							
TOTAL	0.0			0.00%	0	0	
PREVIOUS REPORTS TOTALS (30th June 2023)	0.0			0.00%	0	0	
PREVIOUS YEARS REPORTS TOTALS (30th September 2022)	0.0			0.00%	0	0	

SHORT TERM BORROWING SUMMARISED BY TYPE & MATURITY

At 30th September 2023

APPENDIX 4

SHORT TERM BORROWING TYPE	Total Amount Borrowed £m	% of Total Portfolio	Period to Maturity			
			1 month or less £m	1 - 3 months £m	3 months + £m	12 months + £m
UK Bank	0.0	0%				
UK Building Society (UK BS)	0.0	0%				
Local Authorities	0.0	0%				
Total (£)	0.0		0.0	0.0	0.0	0.0
Total (%)		0%	0%	0%	0%	0%

Eitem ar gyfer y Rhaglen 7



GOVERNANCE AND AUDIT COMMITTEE

Date of Meeting	Wednesday, 22 nd November 2023
Report Subject	Asset Disposal and Capital Receipts Generated 2022/23
Report Author	Corporate Manager – Capital Programme and Assets

EXECUTIVE SUMMARY

In relation to the report and attached information, this flows from interest received from Committee members a number of years ago in land disposals and the realisation of capital receipts.

Capital receipts arise when operational Council assets are declared surplus to requirements and are put forward for disposal, or where it is felt appropriate to dispose of assets from the non-operational estate.

Total asset disposals in 2022/23 amounted to £1.966m, of which £0.700m was from general properties, £1.195m from the agricultural estate and £0.071m from the repayment of loans. Corresponding figures for 2021/22 were £1.935m (£1.120m general, £0.273m agricultural estates and £0.542m from repayments of loans and release of covenants).

The information in this report refers to Council Fund (CF) capital receipts only.

RECOMMENDATIONS

1	Members are requested to note the report.
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REPORT DETAILS

1.00	EXPLAINING THE ASSET DISPOSALS
1.01	Background The Council's Capital Programme is set according to the Council's strategic objectives and priorities, ensuring that the Council's capital assets are aligned to current and future service delivery, operating in the most cost efficient way.
1.02	Capital expenditure creates revenue implications for the longer term in the form of running costs and loan repayments if that expenditure is funded from borrowing and must therefore be considered carefully within the wider strategic context.
1.03	In recent years the availability of capital resources has diminished with Welsh Government reducing the amount of support for capital expenditure that Councils receive. For Flintshire, this support has reduced from £10.364m in 2010/11 to £6.794m in 2022/23, a percentage reduction over this period of 34%. Capital receipts generated from the Councils own asset disposals (assets and land) are therefore a key capital resource and are critical to the Council in supporting its overall strategic priorities.
1.04	Capital receipts, together with other sources of funding, are aggregated and applied to fund the capital programme as a whole regardless of where they have been generated or by which service and are not therefore 'ring-fenced' to any particular portfolio.
1.05	When considering the disposal of an asset, its best and most valuable disposal method is considered with advice including a valuation sought from either the District Valuer or the private sector. When this has been received the optimum method of disposal is reported to the Capital and Asset Programme Board. Once support is received, the sale is progressed generally through the Council's in house team.
1.06	The Council's current policy regarding the Agricultural Estate is to sell to existing sitting tenants only, or on the open market if the property is already vacant.
1.07	In line with current Council Policy, capital receipts are only available to fund capital expenditure once the asset has been disposed of and the receipt has been realised.
	Considerations
1.08	In relation to the report and attached information, this flows from interest received from Committee members a number of years ago in land disposals and the realisation of capital receipts.

1.09	Appendix 1 lists assets disposed of in financial years 2020/21 to 2022/23, by Ward and within bands of the capital receipt value realised. This layout is consistent with previous reports; more detailed reports regarding capital expenditure and capital schemes are reported at Corporate Resource Overview and Scrutiny Committee.
1.10	Sale proceeds for individual disposals are not included as they can be commercially sensitive, particularly if future disposals are being considered for similar assets.

2.00	RESOURCE IMPLICATIONS
2.01	Further details on the resource implications of capital receipts can be found in the Capital Programme Monitoring 2022/23 (Outturn) report to Cabinet on 18 th July, 2023.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	None as a result of this report.

4.00	RISK MANAGEMENT
4.01	Whilst the realisation of capital receipts continues to be a risk for the future funding of the capital programme, the information provided in this report is retrospective and therefore carries no future risk.
4.02	Asset disposals involve an element of risk, especially during times of property market volatility, however, the Council has a rigorous process which it follows when assets are disposed of, with careful consideration given to the strategic long term future service needs and the assets needed to deliver those services. This consideration includes references to Business Plans, Improvement Plans and the Medium Term Financial Strategy.

5.00	APPENDICES
5.01	Appendix 1 – Capital Receipts 2020/21 – 2022/23

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>Capital Programme 2022/23 monitoring papers.</p> <p>Contact Officer: Chris Taylor, Strategic Finance Manager Telephone: 01352 703309 E-mail: christopher.taylor@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	<p>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>Council Fund: The fund to which all the Council's revenue and capital expenditure is charged.</p> <p>District Valuer: The District Valuer is a member of staff within the District Valuer Services (DVS). The DVS is the specialist property arm of the Valuation Office Agency (VOA). It provides independent valuation and professional property advice to bodies across the entire public sector, and where public money or public functions are involved.</p> <p>Financing: The process of allocating resources to meet the cost of capital expenditure, which can be done on a project, asset or whole programme basis. This contrasts with making the invoice payments relating to capital expenditure, which should be managed within the authority's overall treasury management policy.</p> <p>Non-current Asset: A resource controlled (but not necessarily owned) by an authority, from which economic benefits or service potential are expected to flow to the authority for more than 12 months.</p> <p>Unhypothecated Supported Borrowing (USB), commonly referred to as Supported Borrowing: Each year Welsh Government provide Council's with a Supported Borrowing allocation. Council's borrow to fund capital expenditure equivalent to that annual allocation, Welsh Government then include funding to cover the revenue costs associated with the borrowing for future years within the Revenue Support Grant. The Council decides how this funding is spent.</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>

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VALUE £000	2020/21		2021/22		2022/23	
	ASSET	AREA	ASSET	AREA	ASSET	AREA
Up to £100k	Land	Mold			Land	Shotton
	Land	Hope			Repayments of loans and release of covenants	
£100k - £150k						
£150k - £200k	Land & Property	Flint			Land & Property	Saltney
£200k - £250k			Land	Buckley		
£250k - £300k			Land & Property	Holywell		
£300k - £350k						
£350k - £400k					Land	Holywell
£400k - £450k	Repayments of loans and release of covenants					
£450k - £500k						
£500k - £550k			Repayments of loans and release of covenants			
£550k - £600k						
£600k - £650k					Land	Mold
£650k - £700k	Land & Property	Sealand			Land	Queensferry
£700k - £750k						
£750k - £800k	Land	Mold				
£800k - £850k						
£850k+			Land	Mold		
Annual Total (£k)		1,977		1,935		1,966

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Eitem ar gyfer y Rhaglen 8



GOVERNANCE AND AUDIT COMMITTEE

Date of Meeting	Wednesday, 22 nd November 2023
Report Subject	Audit Action Tracking Outstanding
Report Author	Internal Audit, Performance and Risk Manager
Category	Advisory

EXECUTIVE SUMMARY

During the Governance and Audit Committee in September 2023 members discussed the outstanding portfolio audit actions as part of the Internal Audit Progress report. The review focused on those actions open for a period of time or overdue.

To provide assurance to committee members it was requested an update report be prepared by Housing & Community and Streetscene and Transportation for the next committee meeting.

RECOMMENDATIONS

1	The Committee is requested to accept the report and Appendix A.
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REPORT DETAILS

1.00	EXPLAINING THE OUTSTANDING AUDIT ACTIONS REPORT
1.01	<p>During the Governance and Audit Committee in September 2023 members discussed the outstanding audit actions as part of the Internal Audit Progress report. The review placed focus on those actions which have been open for a period or overdue.</p> <p>To provide assurance to committee members it was requested an update report be prepared for the next committee meeting by Housing & Community and Streetscene and Transportation in relation to the following actions:</p>

	<p>1) Housing & Community:</p> <ul style="list-style-type: none"> ▪ Maes Gwern ▪ Homelessness and Temporary Accommodation ▪ SARTH ▪ Housing Demand <p>2) Streetscene and Transportation:</p> <ul style="list-style-type: none"> ▪ Loss of Licence ▪ Highways Structures ▪ Statutory Training ▪ Statutory Obligations for Schools <p>In addition to the update from Housing & Community, clarity was also sought over the reference to the Homeless Plan under SARTH action 3010.</p>
1.02	<p>Separate meetings have also taken place between Housing and Community and Internal Audit to progress the follow up reviews on Maes Gwern and Homelessness and Temporary Accommodation. Officers at the meeting confirmed that there would be limited value to the Service in undertaking these reviews at this time.</p> <p>Where actions are shown as completed, evidence has not been received to close these actions down.</p>

2.00	RESOURCE IMPLICATIONS
2.01	None as a result of this report.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	Action owners contacted to provide an update on their actions.

4.00	RISK MANAGEMENT
4.01	None as a result of this report.

5.00	APPENDICES
5.01	Appendix A – Audit Actions Outstanding. Appendix B – Temp Accommodation Service Improvement Plan

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>1) Housing and Community OSC – 11 Oct 2023 – Temporary Accommodation and Homelessness Audit Report:</p> <p>https://committeemeetings.flintshire.gov.uk/documents/s500002767/Temporary%20Accommodation%20Homelessness%20Audit%202021%20Findings%20Report.pdf?LLL=0</p> <p>2) Environment and Economy OSC – 10 Oct 2023 – Highways Structures Audit Covering Report and Action Plan</p> <p>https://committeemeetings.flintshire.gov.uk/documents/s77929/Highway%20Structures%20Audit%20Report.pdf?LLL=0</p> <p>https://committeemeetings.flintshire.gov.uk/documents/s77930/Appendix%201%20-%20Highway%20Structures%20Audit%20Report.pdf?LLL=0</p> <p>3) Environment and Economy OSC – 14 Nov 2023 – Operator License Covering Report and Audit Report</p> <p>https://committeemeetings.flintshire.gov.uk/documents/s78524/Flintshire%20County%20Council%20Operator%20License.pdf?LLL=0</p> <p>https://committeemeetings.flintshire.gov.uk/documents/s78525/Enc.%2001%20for%20Flintshire%20County%20Council%20Operator%20License.pdf?LLL=0</p> <p>Contact Officer: Lisa Brownbill, Internal Audit, Performance and Risk Manager Telephone: 01352 702231 E-mail: lisa.brownbill@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	None.

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Portfolio: Housing and Community

URN / Priority	Control Issue	Agreed Action / Recommendation (R)	Due Date	Revised Due Date	Service Update to Governance and Audit Committee 22 November 2023
3140	21/22 Maes Gwern Contractual Arrangement- Overage sum calculation not being monitored as per the development agreement	A process to be introduced to monitor the overage sum in line with the agreed calculation stated in the overarching agreement.	29-Oct-21	31-Jul-23	<p>The review group of housing, finance and QS reviewed the development framework and recognised that the overage agreement specified in the documents was not the key focus, and that reliance in the sales receipt records between forecast and actual sales data was being relied upon incorrectly.</p> <p>Useful as this data was, the overage calculation formula was the proper focus of attention. It was also recognised that this calculation could only be completed at the end of the process. We still await that final data from the developer.</p>
3159	21/22 Maes Gwern Contractual Arrangements- Changes to unit type have an impact on capital receipts	A process and a process owner to be devised and introduced to identify any discrepancies in changes to property type and chase any remaining funds and interest due to the Council since the completion date. Any risks to the achievement of the agreed capital receipts should be considered and escalated to Chief Officer.	29-Oct-21	30-Jun-23	<p>A group from Finance, QS services and housing was set up, chaired by the SHARP project manager. A process was set up to monitor overseen by the SHARP project manager to identify any changes to the property types by cross referencing the property schedule of property types recorded in the original planning documents to the schedule of property types recoding sales receipts. One house type was identified as having changed its internal layout following a non-material alteration approved by planning. No discrepancies in house types have been identified.</p> <p>Completed</p> <p><i>To date evidence has not been provided to IA to close action down</i></p>

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3174	21/22 Maes Gwern Contractual Arrangements- The finance process in place to monitor capital receipts is not adequate.	A review to be complete of all current processes and these be aligned with the requirements stipulated in the Development Agreement. Management information to be reviewed at established governance routines to ensure programme deliverables are on track in line with Development Agreement. Identified changes to capital receipts should be escalated to the Chief Officer of Housing and Assets.	29-Oct-21	31-Jul-23	<p>The review group ensured that the recording of sales receipts was refined in line with the terms of the development agreement. Finance identified various minor discrepancies to receipts and a process was developed for recording and checking outstanding amounts due with the contractor. This included recording the date of the sale and the date of the receipt of the payments due. This in turn enabled a claim to be formulated using criterion from the agreement to calculate interest due to FCC for late payment.</p> <p>As previously reported the risk to not receiving the full amount due seemed unlikely, so escalation to the Chief Officer was not necessary.</p> <p>All properties for private sale have been sold, and all receipts due received by FCC and the £2.85 million receipts achieved. A small sum of over- payment has been identified and a forthcoming meeting with Wates set up to correct this error.</p> <p>Completed</p> <p><i>To date evidence has not been provided to IA to close action down</i></p>
3234	Homelessness & Temporary Accommodation 21/22- A homelessness/Temporary accommodation policy is not in place.	The response will be delivered in 2 stages –medium and longer term. All actions are assigned to the Service manager to be delegated across team. Medium term (June 2022) Restructure of Housing Support and Homeless Prevention Service and create a specific team for Property Management to take the management of Temporary Accommodation out of the Homeless Team. Restructure has been approved, job descriptions are being devised and recruitment to begin in April 2022. Long Term (Dec 2022)	30-Dec-22	30-Sep-23	<p>All actions on homelessness and temporary accommodation reported to Community and Housing Overview and Scrutiny Committee in October 2023. Progress is outlined below:</p> <p>Restructure within the Housing & Prevention Service and separation of Temporary Accommodation management from the Homeless Team functions:</p> <ul style="list-style-type: none"> • There have been several staff changes and ongoing challenges regarding staffing capacity in the Housing and Prevention Service. This has included changes in management personnel, prolonged sickness absences and turnover within core staff for temporary accommodation. • The restructure of the Housing and Prevention Service although delayed will see the creation of a new Homefinder Team. Homeless Accommodation will be managed through

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		Homelessness Accommodation Policy to be devised which will guide all processes and ensure delivery of all ambitions identified in the soon to be revised Housing Support Programme Strategy which comes in force 1st April 2022.			<p>the Homefinder Team and the Housing Register Manager will assume the role of Homefinder Manager with responsibility for:</p> <ol style="list-style-type: none"> 1) Housing Advice 2) Common Housing Register 3) Homeless Accommodation 4) Move On Support <p>Develop Homeless Accommodation Policy</p> <ul style="list-style-type: none"> • Homeless Accommodation Policy in final draft and to be adopted when all elements of Back Office functionality are in place and Staff Guidance and Procedural notes updated to reflect system changes. <p>Changes in process to respond to the Renting Homes Wales Act 2016 already adopted June 2023.</p>
3237	Homelessness & Temporary Accommodation 21/22- Processes are not adequate to deal with increase in demand.	<p>The response will be delivered in 3 stages – immediate, medium and longer term. All actions are assigned to the Service manager to be delegated across team.</p> <p>Short term (March 2022) SLAs to be introduced between all areas which have a direct impact in service delivery. Including Responsive repairs through FCC, Void Property Turnaround, Cleaning Contracts, Fire Safety Regime A process to be defined to deal with refused offers of permanent accommodation. A process to be defined to review lease agreements prior to their renewal/expiration date. A process for take on of new properties into the Temporary Accommodation portfolio.</p> <p>Medium term (June 2022) Rental Charge Policy to be define to oversee rent income, arrears and write off.</p>	31-Mar-23	30-Sep-23	<p>Develop procedures for repairs and maintenance of Temporary Accommodation and ensure processes in place for:</p> <ul style="list-style-type: none"> ○ property inspections ○ repairs for service ○ repairs for landlords ○ health & safety compliance <ul style="list-style-type: none"> • Core repairs responsibilities identified. • Temporary Accommodation guidance and procedural notes in place for all aspects of repairs and maintenance. • Repairs liabilities for Service and Landlords clearly stipulated in Lease Agreement (if unfulfilled by landlord process in place to be actioned by HRA and recharged to landlords. • Contractor for Fire Safety Compliance appointed through HRA contract to deliver services for all Temporary Accommodation. • Contractor for CCTV identified and linked into HRA processes and monitored where possible through FCC CCTV suite (Swan Inn). • Routine Inspection regime developed and to be implemented across all homeless accommodation once staff capacity allows (HMO settings already prioritized).

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		<p>Review the performance information needed for management oversight when the Policy is in place.</p> <p>Longer term (March 2023) The full end to end temporary accommodation process to be mapped to assign roles and responsibilities, identify process delays and inefficiencies as well as document controls.</p>			<ul style="list-style-type: none"> • Service Level Agreement for Responsive Repairs awaiting sign off. • Workflow process and prompting for H&S compliance (Gas and Elec Certs) to be actioned within Back Office and management oversight in place. <p>Develop procedures relating to Void Management for Temporary Accommodation including Service Level Agreement as required with:</p> <ul style="list-style-type: none"> ○ FCC Housing Assets Service ○ Cleaning contracts <ul style="list-style-type: none"> • Voids standard developed in line with the Renting Homes Wales Act 2016 requirements (Homes Fit for Habitation). • Temporary Accommodation guidance and procedural notes in place for all aspects of void property maintenance. • HRA Repairs team continue to deliver and where possible fast track Temporary Accommodation Void Works. • Service Level Agreement for Voids Maintenance awaiting sign off. • Actively testing market at “point of purchase” for property furnishings (beds, sofas, blinds, whitegoods) as required through range of suppliers for value for money and availability. <p>Develop procedures relating to Repairs for Temporary Accommodation including Service Level Agreement as required with:</p> <ul style="list-style-type: none"> ○ FCC Housing Assets Service ○ Cleaning contracts ○ Fire Safety Services ○ Leased Landlords <ul style="list-style-type: none"> • Core repairs responsibilities identified • Contractor for Fire Safety identified and included on HRA contracts and where needed (HMO settings) • Contractor for CCTV identified and linked into HRA processes and monitored where possible through FCC CCTV suite (Swan Inn)

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					<ul style="list-style-type: none"> • Service Level Agreement for Responsive Repairs awaiting sign off. <p>Review reasons for refusal of permanent accommodation and develop process to manage 'unreasonable refusals'</p> <ul style="list-style-type: none"> • Refusal reasons identified as in significant part due to lack of guidance on Offer Process and inappropriate offers in regard to "suitability assessment". • Suitability Checklist now in place along with Direct Lets Nomination Form. • Clear process for Homeless Direct Lets now in place with dedicated officer leading the matching process. • Nominations report and suitability assessment requiring management sign off in place. • Refusals managed through the statutory instrument of Housing (Wales) Act 2014 s.85 Right to Review and "Independent Reviewer" appointed. <p>Develop clear processes for Renewal and Review of Leases for the Temporary Accommodation portfolio.</p> <ul style="list-style-type: none"> • Ongoing dialogue with Landlords underway for Lease Renewals and cost implications factored into budgets. • Lease Renewal Decision Record developed with management approval process in place. • Lease Agreement refreshed to reflect the Renting Homes Wales Act 2016 • Expired leases "rolled over" whilst negotiating new lease costs. <p>Review arrangements for "Take On" of FCC and Housing Partners properties for use as Temporary Accommodation through a Memorandum of Understanding or Management Agreement.</p> <ul style="list-style-type: none"> • Additional properties taken on from HRA successfully and processes developed.

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					<ul style="list-style-type: none"> ○ The Swan Inn (6 flats purchased and refurbished to HRA standard with WGOV Phase 2 Grant – Handover April 2022) ○ Duke Street (2 flats built to HRA standard with WGOV Phase 2 Grant – Handover June 2023) ○ Park Lane (4 flats built to HRA standard with WGOV Phase 2 Grant – Handover Sept 2023) • Memorandum of Understanding for refresh and sign off for HRA properties. <p>Develop Policy for Income Management relating to the Temporary Accommodation Portfolio to include:</p> <ul style="list-style-type: none"> ○ Rent Collection ○ Service Charge Collection ○ Arrears management ○ Income Maximisation and Support ○ Arrears Write Off <ul style="list-style-type: none"> • Staff procedural guidance notes in place • Homeless Accommodation Policy in Draft with sections on Income Management activity to enable 1 Policy for all aspects of Homeless Accommodation Management • Awaiting the development of the Accounts Payable and Accounts Receivable feature within the Back Office for Income Collection • Performance Dashboard for Income Maximization to be implemented through Back Office <p>Develop “Homeless Accommodation – Temporary and Emergency Policy” for the Homeless Service</p> <ul style="list-style-type: none"> • Homeless Accommodation Policy in final draft and to be adopted when all elements of Back Office functionality in place and Staff Guidance and Procedural notes updated to reflect system changes • Changes in process to respond to the Renting Homes Wales Act 2016 already adopted June 2023

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					<p>Complete full “end to end temporary accommodation process mapping” to assign roles and responsibilities, identify process delays and inefficiencies as well as document controls</p> <ul style="list-style-type: none"> • Full “end to end process mapping” to be completed once all aspects of Back Office functionality are in place • System and process training to be completed with all staff who support delivery of the homeless accommodation placements, management and support: <ul style="list-style-type: none"> ○ Homeless Team requesting placement – HOMELESSNESS SHOULD BE RARE ○ Homefinder Team managing accommodation and housing management functions – HOMELESSNESS SHOULD BE BREIF <p>Housing Support Team delivering bespoke housing related support for Move on Support – HOMELESSNESS SHOULD BE UNREPEATED</p>
3255	Homelessness & Temporary Accommodation 21/22- Management information is not available or unreliable to monitor the achievement of the Homelessness Strategy and policy	<p>The response will be delivered in the medium term. All actions are assigned to the Service manager to be delegated across team.</p> <p>Medium term (June 2022) Introduce management information to: Monitor performance timescales at the various stages in Void Management Process. Information to be timely reviewed to identify and address process impediments/ opportunities for improvement. Provide oversight of all offers for permanent accommodations, those that were declined and the reason for decline. Oversee length of stays in interim accommodation which is being developed in In-Phase.</p>	30-Jun-22	30-Sep-23	<p>Improve and enhance excel spreadsheet to capture all information in relation to temporary accommodation.</p> <ul style="list-style-type: none"> • Spreadsheets updated for data capture. • Additional tabs on spreadsheets for collection of data relating to Performance Information for length of stay. • HB Monitoring information linked to TA placements spreadsheets. <p>Move away from Spreadsheets for accommodation casework and adopt Back Office</p> <ul style="list-style-type: none"> • Migration over to the Back Office system for management of all forms of homeless accommodation – commenced May 2023 • Complete training for all staff working on Back Office functionality for Temp Accom Staff once system implemented. • Performance Management functionality to be developed for reporting via Back Office

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		Oversee rent collection activities. Monitor SLA agreement KPIs.			<p>Review reasons for refusal of permanent accommodation and develop process to manage “unreasonable refusals”.</p> <ul style="list-style-type: none"> • Refusal reasons identified as in significant part due to lack of guidance on Offer Process and inappropriate offers in regard to “suitability assessment”. • Suitability Checklist in place along with Direct Lets Nomination Form • Clear process for Homeless Direct Lets now in place with dedicated officer leading the matching process • Performance management dashboard to be developed once full migration of all processes complete within Back Office system and all SLAs in place. <p>Develop Policy for Income Management relating to the Temporary Accommodation Portfolio to include:</p> <ul style="list-style-type: none"> ○ Rent Collection ○ Service Charge Collection ○ Arrears management ○ Income Maximisation and Support ○ Arrears Write Off <ul style="list-style-type: none"> • Staff procedural guidance notes in place • Homeless Accommodation Policy in draft with sections on Income Management activity to enable one policy for all aspects of Homeless Accommodation Management • Awaiting the development of the Accounts Payable and Accounts Receivable feature within the Back Office for Income Collection • Performance Dashboard for Income Maximization to be implemented through Back Office

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3008	SARTH Follow Up 2019/20 - The number of overrides remains high	<p>Management Response</p> <p>As a sub-regional activity (the Common Allocations Policy operates across Conwy Denbighshire and Flintshire Council areas) it is important that some issues are managed collectively across the SARTH partners as well as at the local level. Overrides is an issue that is a challenge across Conwy Denbighshire and Flintshire. In response to this the Regional Operational Panel for SARTH which meets monthly, reviews levels of overrides to collectively understand the system challenges. Close monitoring at the local level is also a necessary management control.</p> <p>Overrides are part of the allocations matching process but it is acknowledged that when excessive in numbers, this can be an indicator of a bigger problem. Reasons for overrides will usually be 1) inaccurate application data 2) user error when using the system for property matching 3) system specific issues 4) property specific issues. Lengthy waiting times for social housing (27 months was noted in the Audit sample) are predominantly an indicator of limited social housing stock and a disparity between supply of homes and the local housing need. Some applicants will have housing needs that are not easily resolved with the limited supply of social housing available within Flintshire. Examples include: There are specific challenges around limited 1 bed general needs accommodation. Not all properties will meet the needs of</p>	31-Jul-21	30-Sep-23	<p>A regional compliance officer has now been appointed by Cartrefi Conwy on behalf of the SARTH Partnership (June 2023). The Compliance Officer has started to review the number and reasons for overrides for the period April – Sept 2023 across all SARTH partners in Flintshire, Conwy and Denbighshire.</p> <p>Once the report is finalised the findings will be shared with Operational Panel and SARTH Steering Group and discussed with the relevant housing partners to identify any training needs and system flaws. Routine quarterly reporting will then be produced.</p> <p>Issues around repeat overrides identified and unable to resolve through Open Housing System. This will be reflected in the Regional Compliance Officers reports.</p> <p>All new starters within the SARTH Partnership trained by senior staff within Housing Partner organisations for correct allocations processes and procedures. Compliance Officer to complete further training as outlined above.</p>

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		<p>households with disabled adaptations requirements resulting in lengthier waiting times for significantly adapted properties Large families also wait a significant time due to the limited availability of larger family homes (4bed+).</p> <p>Agreed Actions Ensure that there is regional oversight for “overrides” through the SARTH Operational Panel, and that opportunities for service improvement are identified for action at the local level.</p> <p>Explore opportunities for improvements within the Open Housing System to reduce the number of overrides through changes or enhancements to the Allocations Module.</p> <p>Ensure all staff allocating properties via SARTH (FCC and Housing Partners), have regular training on the matching process. When overrides are necessary they should be recorded accurately with reason codes and detailed narrative for justification.</p>			

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3009	SARTH Follow Up 2019/20 - Applicant reviews are not being carried out on a regular basis	<p>Management Response</p> <p>There have been significant resource issues within the Housing Register Team which have posed challenges in terms of service capacity and staff continuity. The periodic review process has therefore fallen behind. This will now be progressed and become routine within the teams approach to register management. Embedding the review process within the Housing Register Team's routine activity and exploring opportunities for utilising technology to create efficiencies within this process are welcomed suggestions and had been on management's radar for areas of service improvement for the Housing Register Team.</p> <p>Management are eager to explore opportunities to embrace technology for processes linked to Housing Register, but also mindful that not all applicants would want to make use of technology for the periodic review process. Striking a balance between efficient processes for the Housing Register Team that make use of technology and support principles of "channel shift" (moving away from telephone contacts as the norm), whilst also retaining a person centred approach will be important when considering the use of technology. Approx. 1 in 4 applicants are "older people" and the use of technology may not be their preferred method of contact.</p> <p>Agreed Actions</p> <p>Embed the periodic review process within</p>	31-Jul-21	31-Jul-23	<p>Periodic reviews are now routinely completed by Housing Register, Connects and Call Centre staff.</p> <p>Functionality of text messaging reminders and booking of appointments now in place for housing triage assessment and to be rolled out further to include the prompt and scheduling of periodic reviews.</p> <p>Opportunities for utilising the My Account functionality within the Councils Website to enable online applications for the Common Housing Register and completion of review information for existing applicants being explored, but subject to IT colleagues' capacity.</p> <p>Management information routinely produced for purposes of oversight of reviews outstanding.</p>

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		<p>routine operational practice of the Housing Register Team. Explore opportunities to use technology such as text, and online engagement to assist with the applications and periodic review process. Ensure robust management oversight of periodic reviews through monthly monitoring reports and a clearly documented process.</p>			
3010	SARTH Follow Up 2019/20 - Not all band 1 tenancies have had pre-tenancy checks or landlord references evidenced	<p>Management Response</p> <p>Pre tenancy assessment and a focus on supporting new tenants to start their tenancy on a strong footing are key to achieving sustainable long term housing and reducing the risks of homelessness. The Housing & Prevention Service delivers and commissions a range of housing related support services through Housing Support Grant. Previous tenancy history as evidenced through landlord references is potentially 1</p>	31-Jul-21	31-Dec-21	<p>A universal pre-tenancy process extends to gathering of supporting information for the application verification process and where possible identification of applicant support needs and risk assessment information where available. However, it is acknowledged that each housing partner within SARTH operates independent pre-tenancy processes when issuing offers of accommodation. SARTH Operational Panel to document procedures relating to pre-tenancy approach now regional Compliance Officer in post.</p> <p>Those applicants offered social housing via the Homeless Direct Lets nominations process (50% homeless quota) have support</p>

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		<p>indicator of an applicant's suitability as a prospective tenant, but it is widely acknowledged that some applicants, particularly those from the Private Rented Sector, will often not want their current landlord to be contacted about their application for rehousing. The fear of "revenge eviction" or creating instability with the landlord tenant relationship is a genuine concern for a great many people so finding other ways to evidence tenancy conduct.</p> <p>Agreed Actions</p> <p>Review the pre tenancy approach with SARTH Partners to develop a consistent way of undertaking "pre tenancy checks". Clearly document the outcome of any changes to practice and formalise through a documented procedure</p> <p>Develop an internal transfer's procedure for FCC, which picks up on those applicants who are existing FCC tenants, in order to assess their suitability for a move (not housing need, but picking up on arrears and property condition) as well as helping tenants to prepare for a move.</p> <p>Develop a Tenancy Ready / Home Starter Support Matrix which will identify households who may require additional support with setting up home and managing the practicalities of a move in order to target support services at those with greatest support needs</p>			<p>needs identified by Homeless Team and are allocated Support Workers as required for move on support to exit homelessness. Limited capacity within the Housing Register Service means this cannot be offered to all applicants and where support needs are identified at the point of offer, the housing partner is required to refer the applicant to the Housing Support Gateway.</p> <p>Rent arrears above value of £500.00 triggers a reduced priority of Band 4 on the Common Housing Register, significantly reducing the likelihood of offer of rehousing. Housing Management to document processes for assessing rent arrears levels and inspections of FCC properties with consideration of suspension of application for those with significant arrears and property damage which would necessitate suspension of housing application and stop any offers of rehousing.</p> <p>Principles of Homestarter Support Matrix identified including: first time tenancy, history of failed tenancies, significant support needs, one or more unmet support needs, limited finances to enable positive tenancy start-up. Where available Housing Support services will be provided to support positive tenancy start up and support needs also identified at property offer stage.</p>

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3137	21/22 Maes Gwern Contractual arrangements- The Abnormal costs being tracked for the development are not in line with the development agreement.	Abnormal costs to be tracked in line with the figure stated in the Development Agreement. Impact to be assessed whether abnormal costs will be met.	29-Oct-21	31-Jul-23	<p>The review group has continued to monitor the build-up of 'abnormal' costs as this could in theory affect the land valuation figure. The figure used to do this is the £2.4 million drawn from the development agreement.</p> <p>Completed</p> <p>As reported previously a final claim for abnormal cost was received earlier this year. Verification data from the contractor is still awaited to vet and analyse. Meeting due 17th November.</p>
3160	21/22 Maes Gwern Contractual arrangements- roles and responsibilities have not been fully defined	A full review to be completed by the newly appointed SHARP Project Manager to ensure contractual requirements are being met and roles and responsibilities have been defined	29-Oct-21	31-Jul-23	<p>A full review has been delayed awaiting the final completion of the sales data (now complete), the overage calculation (data from the contractor) and the abnormal cost.</p> <p>The completion of the highways adoption and play area remain outstanding but should be finished soon. Revised report February 24</p>
3236	Homelessness & temporary Accommodation 21/22- Homelessness levels of accommodation are not monitored over time to ensure adequate temporary accommodation is available.	<p>Agree in part. A weekly review of temporary accommodation capacity and those individuals/families likely to move on (leaving temporary accommodation) takes place. Capacity is increased if required; emergency accommodation can be achieved through booking bed and breakfasts through block booking arrangements.</p> <p>Additional pressures have been observed due to Covid, housing market pressures and the need to increase capacity immediately. Welsh Government Covid Hardship Grant has enabled this as part of the emergency homeless and public health response.</p>	31-Mar-22	30-Sep-23	<p>Review reasons for refusal of permanent accommodation and develop process to manage 'unreasonable refusals'.</p> <ul style="list-style-type: none"> Refusal reasons identified as in significant part due to lack of guidance on Offer Process and inappropriate offers in regards to 'suitability assessment'. Suitability Checklist in place along with Direct Lets Nomination Form Clear process for Homeless Direct Lets now in place with dedicated officer leading the matching process. Nominations report and suitability assessment requiring management sign off in place. Refusals managed through the statutory instrument of Housing (Wales) Act 2014 s.85 Right to Review and Independent Reviewer appointed. <p>COMPLETE AND LIAISING WITH AUDIT TEAM FOR FOLLOW UP TESTING</p>

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		<p>It is not possible to accurately forecast homelessness numbers. Trend analysis prior to Covid19 is not applicable and would deliver limited value due to the significant change the pandemic has had on the landscape.</p> <p>Achievement of deliverables in line with the Rapid Rehousing Transition Plan is the ultimate aim.</p> <p>Short term (March 2022) Identification of reasons for refusal of permanent accommodation and action process to manage “unreasonable refusals” to be documented.</p>			
3256	Homelessness & Temporary accommodation 21/22- The Open Housing system is not being utilised to manage stock, tenancies, repair work or rental income to be able to effectively deliver on service objectives.	<p>The response will be delivered in 3 stages – short, medium and longer term. All actions are assigned to the Service manager to be delegated across team.</p> <p>Short term (March 2022) In the short term, improve and enhance excel spreadsheet to capture all information in relation to temporary accommodation so data can be analysed and interrogated in order to identify efficiencies/opportunities for improvements as well as trends.</p> <p>Medium term (June 2022) Open Housing System Private Sector leasing module is already purchased but not implemented. IT has advised will need to wait for V16 of Open housing and IT capacity means that they will not be able to pick up this project until June 2022 at the</p>	31-Mar-23	30-Sep-23	<p>As reported to Community, Housing & Assets Scrutiny Committee in October 2023, whilst the initial audit action plan focussed on the implementation of the Open Housing Private Sector Module for the ICT system, other portfolio projects has meant limited ICT resources have been available.</p> <p>Further consideration was given to how the existing homeless case management system could be utilised to integrate homelessness systems functionality to seamlessly link with the management of temporary accommodation.</p> <p>Significant work has been done to the ‘back office’ to enable the functionality required by front line staff and to enable case work, management reporting and oversight but further work is required on temporary accommodation. Limited capacity within IT Services has delayed progress.</p> <p>The following is complete or in progress:</p> <p>Improve and enhance excel spreadsheet to capture all information in relation to temporary accommodation.</p>

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		<p>earliest. Ensure detailed scope of works and Project Plan adopted.</p> <p>Longer term (March 2023) Implement the new system and all appropriate functionality to manage the Temporary Accommodation Portfolio in regards to all aspects of housing management.</p>			<ul style="list-style-type: none"> • Spreadsheets updated for data capture • Additional tabs on Spreadsheets for collection of data relating to Performance Information for length of stay • HB Monitoring information linked to TA placements spreadsheets <p>Move away from Spreadsheets for accommodation casework and adopt Back Office</p> <ul style="list-style-type: none"> • Migration over to the Back Office system for management of all forms of homeless accommodation – commenced May 2023 • Complete training for all Staff working on Back Office functionality for Temp Accom Staff once fully implemented • Performance Management functionality to be developed for reporting via Back Office
3491	Housing Demand 22/23-Improvements to processes required when informing strategic objectives	<p>Following completion of the audit, the FCC LDP has now been published to facilitate applications from developers.</p> <p>The commissioned LHMA to be completed and findings to be analysed. Revised housing strategy targets to be defined to incorporate LHMA findings and address backlog of delivery as part of the new housing strategy from 2024 onwards.</p>	31-Dec-23		<p>LHMA currently being commissioned by Planning, Environment and Economy.</p> <p>Framework for LHMA agreed.</p> <p>Deadline for approval of LHMA is end of March 2024. Analysis will be undertaken to inform refresh of Housing Strategy 2024 – 2029.</p> <p>Timeline for renewal of strategy agreed within Housing Strategy update report to Cabinet in October 2023.</p>
3493	Housing Demand 22/23-Management information to oversee delivery is not timely, aligned or sufficiently detailed.	<p>A framework to be developed to define reporting Housing Strategy requirements and timescales.</p> <p>Reporting to be completed in line with timescales defined in framework and presented at various governance routines.</p> <p>Recruitment of a data analyst to assist with coordination and delivery of all</p>	30-Sep-23		<p>Framework for report – a template for the contents of the annual report to Overview and Scrutiny and Cabinet has been developed to include the information recommended by Audit.</p> <p>Reporting – annual update report presented to Communities and Housing Overview and Scrutiny in September 2023 and Cabinet in October 2023 (Cabinet pushed back the report from September).</p>

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		management reports relating to housing demand.			Recruitment of data analyst – awaiting job evaluation of role profile. Current moratorium on job evaluation – need to revise timescale whilst alternatives are being explored.
3494	Housing Demand 22/23- Aggregated risk management is not being completed.	Aggregated delivery risks to be captured on risk register, impact assessed with mitigating actions and remediation timescales identified for those that are within FCCs control. Metrics within PDP to be RAG rated.	30-Sep-23		Two risks captured in the Housing and Communities portfolio risk register (NR05 and NR06) relating to pre-construction and during construction delays. A scheme specific risk register has been developed to identify risks to individual schemes – the register is reviewed and updated monthly to monitor mitigating actions, timescales and emerging risks. The spreadsheet captures the link to the Housing and Communities portfolio risk register. Further work has been identified following feedback from Audit colleagues to provide an overview of current risks.
3562	23/24 Landlord Health and Safety - Fire Risks - The monitoring of Maintenance Works	The service currently procures a number of Surveys and Assessments that require to be reviewed by a competent person(s) so that any actions or concerns can be correctly identified and understood. Following this step, the works required to be raised on the Open Housing System. As part of the new compliance software that is due to commence with system implementation / integration from December 2023, this part of the process (raising of works / actions) will be automated through the use of importing from source using templates etc.. Therefore it is proposed that this action will be fulfilled when the software has been implemented. When these works are raised on the Open Housing System, the service will ensure a review of those actions raised, is completed	30-Nov-23		Compliance software demonstration booked for early December 23. From December 23 the systems team will begin to work on uploading all component compliance data into Capita Open Housing. The Capita compliance module integration is free with the Capita One upgrade. If the Council decide to proceed with the implementation of the compliance module earlier than the Capita One upgrade, the Council will incur significant cost and will be required to deploy resources earlier to support with the implementation. It is therefore proposed to commence with the demonstration, commence with the data upload, (all compliance components and surveys) utilising the existing functions and reporting mechanisms within Capita Open Housing.

URN / Priority	Control Issue	Agreed Action / Recommendation (R)	Due Date	Revised Due Date	Service Update to Governance and Audit Committee 22 November 2023
		each quarter which will include a trend analysis of those actions.			

Streetscene & Transportation

URN / Priority	Control Issue	Agreed Action / Recommendation (R)	Due Date	Revised Due Date	Service Update to GAC 22 November 2023
3423	21/22 Highways Structures - Part 2 Inspection & Preventative Maintenance - COMPLETENESS & ACCURACY OF AMX - Part 1	<p>1. Define and implement process to regularly reconcile ins/outs will be.</p> <p>2. Prioritise on basis of risk to assess whether FCC is liable for unconfirmed assets. Update in AMX</p> <p>3. 3.Introduce use of mobile app so AMX can be updated in real time by inspectors</p> <p>4. Ensure AMX data is the only basis for reporting / measuring performance for regular reporting to HAMP (see actions on defining performance indicators, risk management and reporting)</p>	31-May-23	30-Nov-23	<p>Following the recommendations of the Governance & Audit Committee, a report was taken to the Environment & Economy Overview & Scrutiny Committee on 10.10.2023 to provide members with an overview of the Highway Network service, with particular focus on the management of highways structures, along with assurances regarding the recommended action taken and controls put in place following the audit. The report and the updated action plan in Appendix B is attached.</p> <p>Since the update provided in July 2023, progress has been constrained by annual leave and the conflicting priorities faced by the portfolio to deliver on other major projects (such as 20mph). However, the audit system has been updated with progress to date and evidence has been provided to confirm the closure of actions, with work continuing to improve the record keeping on the dedicated software system AMX. The timescales for the audit action plan had been amended accordingly to reflect the available resources where necessary.</p> <p>Additionally, the highway network team has been experiencing resilience and capacity issues for the technical support for highway structures, due to the secondment of the technical officer who was supporting the operational manager to another temporary role within the portfolio. That technical officer has now returned to the service (with effect from 18th May 2023) and has continued to address the actions agreed in the audit since</p>

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URN / Priority	Control Issue	Agreed Action / Recommendation (R)	Due Date	Revised Due Date	Service Update to GAC 22 November 2023
3437	21/22 Highways Structures - Part 2 Inspection & Preventative Maintenance - INSPECTION	We do not have a dedicated structures team/resource. These responsibilities are part of the role of Operational Manager South and Structures and the resources allocated to him. We will approach action on risk basis – focusing on principal inspections first.	31-May-23	30-Nov-23	<p>returning to the substantive post, whilst transitioning back into the role.</p> <p>Work has continued with the software supplier to integrate a mobile solution that will allow inspection records to be inputted and updated on site, which will improve the timeliness and accuracy of records as well as reduce the admin burden back-office and avoid duplication and manual interventions. Flintshire IT Services have committed to resolving this by the end of September 2023. The reporting function within the software has been enhanced to create dashboards that identify risk and performance standards, which will begin to be reported to the senior management team on a regular basis after September 2023.</p> <p>A review of historical documents, plans, and photographs has been undertaken to create electronic records that will improve asset data held and make the process of retrieving information much more efficient. The work to link this information to the asset register will follow and the timescales for completion will be subject to available resources.</p> <p>A process has been drafted and presented to the operational manager for reconciling both adopted and disposed assets to ensure that the asset register is kept up to date. The existing assets across the county have received principal inspections where appropriate and the general inspections have been allocated across all eight area coordinators. These inspections are being recorded in the asset register for consistent record keeping.</p>
					<p>Flintshire Bridge (our largest and most expensive structure) was inspected during the Spring, and the general inspection and strand testing has been completed, for which we are awaiting the results. Initial indications are that the structure is in good condition.</p> <p>The overall condition of all our structures is recorded below:</p>

URN / Priority	Control Issue	Agreed Action / Recommendation (R)	Due Date	Revised Due Date	Service Update to GAC 22 November 2023
	CYCLE REPAIR AND	<p>Part 1 - URN 03437</p> <p>1. Schedule meeting with AMX to define standard /bespoke KPI reporting available to cover scheduled inspections / completions, asset condition / repair work.</p> <p>2. Produce reports from AMX as basis for all reporting – HAMP, monthly risk and programme Board. Ensure all in team are able to run these reports/datasets.</p>			<p>487 assets with an average Bridge Condition Index (BCI) from General Inspection of 91.89, with the highest being 100 and the lowest being 63</p> <p><u>Breakdown:</u></p> <p>336 - structures fall within the Very Good category</p> <p>120 - structures fall within the Good category</p> <p>30 - structures fall within the Fair category</p> <p>1 - structures fall within the Poor category</p> <p>0 - structures fall within the Very Poor category</p> <p>An annual work programme of capital investment is in place to address those structures with the lowest BCI and the critical elements that require attention.</p> <p>It is planned that as part of the Highway Asset Management Plan (HAMP) review work that is included in the Forward Work Plan for Q4 2023/24 that Annual Status Reports (ASRs) will be presented for our major highway asset groups, including highways structures.</p> <p>The ASR will present a summary of the council's highway structures assets, which will complement the HAMP. It will provide information regarding the status of the structure in terms of condition, the outputs delivered, the standards achieved and an indication of customer satisfaction.</p>
3445	21/22 Highways Structures - Part 2 Inspection & Preventative Maintenance - KEY	<p>1. Schedule meeting with AMX to define standard /bespoke KPI reporting available to cover scheduled inspections / completions, asset condition / repair work.</p> <p>2. Produce reports from AMX as basis for</p>	31-May-23	31-Mar-24	See above 3423 and 3437

URN / Priority	Control Issue	Agreed Action / Recommendation (R)	Due Date	Revised Due Date	Service Update to GAC 22 November 2023
	PERFORMANCE INDICATORS	all reporting – HAMP, monthly risk and programme Board. Ensure all in team are able to run these reports/datasets.			
3526	21/22 Highways Structures - Part 2 Inspection & Preventative Maintenance - INSPECTION CYCLE AND REPAIR WORK - Part 2	We do not have a dedicated structures team/resource. These responsibilities are part of the role of Operational Manager South and Structures and the resources allocated to him. We will approach action on risk basis – focusing on principal inspections first. Principal Inspections & Flint Bridge: 3. Identify available resource to reconcile AMX list of principal Inspections to ensure accurate.	31-May-23	30-Nov-23	See above 3423 and 3437
3527	21/22 Highways Structures - Part 2 Inspection & Preventative Maintenance - INSPECTION CYCLE AND REPAIR WORK - Part 3	We do not have a dedicated structures team/resource. These responsibilities are part of the role of Operational Manager South and Structures and the resources allocated to him. We will approach action on risk basis – focusing on principal inspections first.	31-Jul-23	30-Nov-23	See above 3423 and 3437
3538	22/23 Statutory Obligation for School Transport - Identify, analyse, monitor and report against statutory and non-statutory transport spend	It is agreed that costs for statutory / non-statutory transport should be specifically identified, analysed and reported. An exercise will be undertaken with Audit assistance to identify spend across 2022/23 on statutory and non-statutory transport. A process will be put in place to produce this information on a full termly basis. However, Welsh Government is currently reviewing the Learner Travel Measure, which is likely to impact the eligibility criteria for statutory / non-statutory spend, and data to support analysis is held across the ONE system, Finance and the Integrated Transport Unit	01-Dec-23		Agreed that Internal Audit will work with the portfolio to build a dashboard of reports that can be utilised to review the school transport costs and model on a termly basis. Meeting took place between the portfolio and internal audit on 06.11.2023 to scope the work required and further meetings will now follow to progress this work. Below are the key actions agreed: <ul style="list-style-type: none"> - Internal audit to look back at 22/23 school year and attempt to bring together the various datasets to ascertain whether the current datasets enable the service to distinguish between statutory and non-statutory spend by child/route. - Internal audit will highlight any gaps in data and potential risks presented by the new system. The deadlines are linked to the audit report implementation dates

URN / Priority	Control Issue	Agreed Action / Recommendation (R)	Due Date	Revised Due Date	Service Update to GAC 22 November 2023
		and the exercise may be resource heavy, hence the December 2023 implementation date.			The due date has been extended to 31 Jan 2024 to accommodate this piece of work.
3119	2020/21- Loss of O License- Lack of business continuity due to single person dependency	<p>A documented set of procedures to be drafted to document the end to end process which demonstrates compliance with O Licence requirements. This should also set out roles and responsibilities, timescales for completion of the various processes and will ensure the process is embedded across all transport operations. Through the assignment of roles and responsibilities this will assist with the identification of single person dependencies and support service resilience.</p> <p>Compliance checks to be regular conducted to ensure that the processes are being delivered correctly and in a timely manner.</p> <p>Training to be provided to additional staff in critical roles to ensure business continuity in the event the individual responsible is not available.</p>	31-Jul-21	31-Mar-24	<p>Following a recommendation by the Governance & Audit Committee, a report is being taken to the Environment & Economy Overview & Scrutiny Committee on Tuesday, 14th November (see attached) to provide members with an update on the progress of the action plan.</p> <p>Although there have been significant issues with staff resilience and capacity within the fleet services team previously, this has been overcome in recent months. In March/April 2023, following the unsuccessful appointment of the preferred candidate earlier in the year, we immediately went back out to the market, and an appointment was made with the newly appointed Fleet Manager taking up the post in June 2023, who is currently working through the 6-month probation period.</p> <p>Whilst conducting this recruitment process, the GPFS Contract Manager submitted his resignation in May 2023 and the contractor is currently addressing this position within the contract.</p> <p>The new Fleet Manager will need a period of transition into the role as part of the 6-month probation period and subject to satisfactory completion, beyond this time then is likely to be added to the Operator's Licence as the designated Transport Manager after March 2024.</p> <p>The Chief Officer (Streetscene & Transportation) presented a report to Cabinet in July 2023 on resilience and capacity within Fleet Services, which presented proposals to address the issues within the portfolio in two key areas: fleet services and waste strategy. The recommendations within the report were approved and the service intends to address this issue through the development of two new posts within Fleet Services, which are intended to provide resilience and enable a career pathway and development programme for the team.</p>

URN / Priority	Control Issue	Agreed Action / Recommendation (R)	Due Date	Revised Due Date	Service Update to GAC 22 November 2023
					<p>The new positions would provide additional support and oversight to the fleet services function, ensuring that service delivery is maintained in the event of unexpected disruptions. By creating these new posts, we can establish a clear career advancement pathway for employees within the fleet services function whilst also providing resilience for the Fleet Manager. Both new roles will require investment in terms of personal development, either through mentoring and coaching, approved training courses and on-the-job learning.</p> <p>The Fleet Contract Manager is currently going through a period of familiarisation with the fleet services team and the contractor, as well as the wider portfolio and operational services. Following the support provided through APSE's CPC holder, the new postholder is developing revised processes and agreeing system improvements with the contractor to continue to improve the controls measures across the fleet service area and ensure effective compliance with the undertakings required for the Operator's Licence.</p>
3219	21/22 Statutory Training: There is no specific S&T Training Policy	The Senior Management team are currently developing a People Management Strategy with HR and the Corporate Training team. A training strategy for S&T will be developed in conjunction with this strategy	30-Apr-22	30-Sep-23	Consultation with SMT and trade unions has been completed and any feedback received incorporated into the new draft policy. We have been advised in the last month that the new policy is now being reviewed corporately and by the new HR policy officer to ensure that it feeds into corporate policy. As soon as we have sign-off and agreement, we will adopt the new policy
3422	21/22 Highways Structures - Part 2 Inspection & Preventative Maintenance - POLICY & PROCEDURE	<p>We do not have a dedicated structures team/resource. These responsibilities are part of the role of Operational Manager South and Structures and the resources allocated to him. We will approach action on risk basis – focusing on principal inspections first.</p> <p>Update policy to reflect the above as well as reference to risk management, performance reporting.</p>	31-Jul-23	31-Mar-24	See above 3423 and 3437

URN / Priority	Control Issue	Agreed Action / Recommendation (R)	Due Date	Revised Due Date	Service Update to GAC 22 November 2023
3517	22/23 Statutory Obligation for School Transport - Regular review and approval of the School Transport Model	Streetscene & Transportation assess eligibility and deliver school transport services based on the School Transport Policy, which is led by Education. We agree that the above analysis can be used to provide the evidence for us to present to Education to review the policy. We will share this with the Education and Youth portfolio once complete and support any policy review process. We intend to report to Council Members in Quarter 4 2023/24. We would stress that any changes to the school transport policy will cause significant lead in time.	31-Mar-24		<p>Agreed that Internal Audit will work with the portfolio to build a dashboard of reports that can be utilised to review the school transport costs and model on a termly basis. Meeting took place between the portfolio and internal audit on 06.11.2023 to scope the work required and further meetings will now follow to progress this work. Below are the key actions agreed:</p> <ul style="list-style-type: none"> - Internal audit to look back at 22/23 school year and attempt to bring together the various datasets to ascertain whether the current datasets enable the service to distinguish between statutory and non-statutory spend by child/route. - Internal audit will highlight any gaps in data and potential risks presented by the new system. <p>The deadlines are linked to the audit report implementation dates The due date has been extended to 31 Jan 2024 to accommodate this piece of work.</p>
3537	22/23 Statutory Obligation for School Transport - Completion of pupil eligibility details on the ONE System	The service will review the pupils which did not have an eligibility code recorded on the ONE system. We will also produce a report from the ONE system / new replacement system on a termly basis to identify any pupils on the system without an eligibility code.	31-Jul-23	31-Jan-24	See 3517 above

Temporary Accommodation Service Improvement Plan (Progress @ September 2023)

Task	Lead	Deadline	Completed	Rec Ref	%	Commentary
Identify financial resources and staff capacity needed to deliver on the Service Improvement work to respond to Temporary Accommodation Audit Findings	Service Manager	March 2022	Jan 2022	--	100%	<ul style="list-style-type: none"> ● Funding identified for Service Improvement /Project Manager ● Funding for Restructure in HSG Delivery Plan ● Priority Tasks delegated to Team Leader for Action ● 2 days per week additional officer support for Service Improvement (HJ) ● FURTHER UPDATE ● Ongoing pressures relating to overall implementation of the action plan due to significant service pressures
Review procedures for Out of Hours placements within Temporary and Emergency Accommodation	Service Manager	March 2022	Feb 2022	--	100%	<ul style="list-style-type: none"> ● OOH Staff Group engaged to identify challenges relating to OOH service delivery ● New procedures adopted and clearly documented for all staff and to be reviewed routinely through OOH Staff Group ● FURTHER UPDATE ● Procedures revised to enable Pilot of OOH service delivery with The Wallich from June 2023 ● Service Level Agreement to be signed off with The Wallich subject to successful review of the Pilot in Quarter 3 23-24
Develop procedures for repairs and maintenance of Temporary Accommodation and ensure processes in place for: <ul style="list-style-type: none"> ● property inspections ● repairs for service 	Service Manager	March 2024	IN PROGRESS	2	80%	<ul style="list-style-type: none"> ● Core repairs responsibilities identified ● Temporary Accommodation guidance and procedural notes in place for all aspects of repairs and maintenance ● Repairs liabilities for Service and Landlords clearly stipulated in Lease Agreement (if unfulfilled by landlord process in place to be actioned by HRA and recharged)

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<ul style="list-style-type: none"> repairs for landlords health & safety compliance 						<ul style="list-style-type: none"> Contractor for Fire Safety Compliance appointed through HRA contract to deliver services for all Temporary Accommodation Routine Inspection regime developed and to be implemented across all homeless accommodation once staff capacity allows (HMO settings already prioritized) Service Level Agreement for Responsive Repairs awaiting sign off Workflow process and prompting for H&S compliance (Gas and Elec Certs) to be actioned within Back Office and Open Housing
<p>Develop procedures relating to Void Management for Temporary Accommodation including Service Level Agreement as required with:</p> <ul style="list-style-type: none"> FCC Housing Assets Service Cleaning contracts 	Service Manager	March 2024	IN PROGRESS	2	80%	<ul style="list-style-type: none"> Voids standard developed in line with the Renting Homes Wales Act 2016 requirements (Homes Fit For Habitation – HHSRS) Temporary Accommodation guidance and procedural notes in place for all aspects of void property maintenance HRA Repairs team continue to deliver and where possible fast track Temporary Accommodation Void Works Actively test market at “point of purchase” for property furnishings (beds, sofas, blinds, whitegoods) as required through range of suppliers for vfm and availability as required Service Level Agreement for Voids Maintenance awaiting sign off
<p>Develop procedures relating to Responsive Repairs for Temporary Accommodation including Service Level Agreement as required with:</p>	Service Manager	March 2024	IN PROGRESS	2	80%	<ul style="list-style-type: none"> Core repairs responsibilities identified Contractor for Fire Safety identified and included on HRA contracts and where needed (HMO settings) Contractor for CCTV identified and linked into HRA processes and monitored where possible through FCC CCTV suite (Swan Inn)

<ul style="list-style-type: none"> • FCC Housing Assets Service • Cleaning contracts • Fire Safety Services • Leased Landlords 						<ul style="list-style-type: none"> • Procedure for consideration of new Lease Properties and “take on” in place • Service Level Agreement for Responsive Repairs awaiting sign off
Develop clear processes for Renewal and Review of Leases for the Temporary Accommodation	Service Manager	March 2022	June 2022	2	100%	<ul style="list-style-type: none"> • Ongoing dialogue with Landlords underway for Lease Renewals and cost implications factored into budgets • Lease Renewal Decision Record developed with management approval process in place • Lease Agreement refreshed to reflect the Renting Homes Wales Act 2016 • Expired leases “rolled over” whilst negotiating new lease costs
Review arrangements for “Take On” of FCC and Housing Partners properties for use as Temporary Accommodation through a Memorandum of Understanding or Management Agreement	Service Manager	March 2024	IN PROGRESS	2	80%	<ul style="list-style-type: none"> • Additional properties taken on from HRA successfully and processes developed <ul style="list-style-type: none"> ○ The Swan Inn (6 flats purchased and refurbished to HRA standard with WGOV Phase 2 Grant – Handover April 2022) ○ Duke Street (2 flats built to HRA standard with WGOV Phase 2 Grant – Handover June 2023) ○ Park Lane (4 flats built to HRA standard with WGOV Phase 2 Grant – Handover Sept 2023) • Memorandum of Understanding for refresh and sign off with HRA for properties
Develop Policy for Income Management relating to the Temporary Accommodation Portfolio to include: <ul style="list-style-type: none"> • Rent Collection • Service Charge Collection 	Service Manager	March 2024	IN PROGRESS	2	80%	<ul style="list-style-type: none"> • Staff procedural guidance notes in place • Homeless Accommodation Policy in Draft with sections on Income Management activity to enable 1 Policy for all aspects of Homeless Accommodation Management • Awaiting the development of the Accounts Payable and Accounts Receivable feature within the Back Office for Income Collection

<ul style="list-style-type: none"> • Arrears management – current and former • Income Maximisation and Support • Arrears Write Off 						<ul style="list-style-type: none"> • Performance Dashboard for Income Maximization to be implemented through Back Office
<p>Improve and enhance excel spreadsheet to capture all information in relation to temporary accommodation.</p> <p>ADDITIONAL ELEMNT: Move away from Spreadsheets for accommodation casework and adopt Back Office</p> <p>Target 128</p>	Service Manager	Additional Element March 2024	March 2022	4	100%	<ul style="list-style-type: none"> • Spreadsheet work complete • Additional tabs on Spreadsheets for collection of data relating to Performance Information for length of stay • HB Monitoring information linked to TA placements spreadsheets • ADDITIONAL ELEMENT • Migration over to the Back Office system for management of all forms of homeless accommodation – commenced May 2023 • Complete training for all Staff working on Back Office functionality for Temp Accom Staff • Performance Management functionality to be developed for reporting via Back Office
Review reasons for refusal of permanent accommodation and develop process to manage “unreasonable refusals”	Service Manager	March 2022	March 2023	5	100%	<ul style="list-style-type: none"> • Refusal reasons identified as in significant part due to lack of guidance on Offer Process and inappropriate offers in regards to “suitability assessment” • Suitability Checklist in place along with Direct Lets Nomination Form • Clear process for Homeless Direct Lets now in place with dedicated officer leading the matching process • Nominations report and suitability assessment require management sign off • Refusals managed through the statutory instrument of Housing (Wales) Act 2014 s.85 Right to Review and “Independent Reviewer” appointed • Processes and Homeless Policy Statement demonstrate the commitment to “end evictions into

						homelessness” – Homeless Services to be leading by example
Develop “Tenancy Start Up” Factsheets and Support for residents so they have a clear expectation of what help they will get when accessing Temporary Accommodation	Service Manager	June 2022	August 2023	--	100%	<ul style="list-style-type: none"> Shelter Cymru Guide on Temporary Accommodation issued to those accessing homeless accommodation Support Workers allocated if required to enable people to have dedicated housing related support and “point of contact” whilst occupying homeless accommodation Housing Support Staff working from hotels and B&Bs at least 1 days a week for drop in and advice services
Develop processes in relation to “Accommodation Placements” a ensure a consistent approach and decision making based on roles and responsibilities	Service Manager	March 2022	March 2022	7	100%	<ul style="list-style-type: none"> Accommodation Placement Decision Record created and successfully piloted with Homeless Team since January 2022 Consultation with staff for fine tuning of the process based on staff and management feedback Approval and placement process now integrated into the Back Office system for request and approval processes relating to accepting “interim housing” duties from April 2023 New risk matrix developed for the Back Office to mitigate risks within homeless accommodation and reduce risk of challenge on grounds of “unsuitability” to go live October 2023
Develop procedures relating to “Lease Take On” and promote this housing product to local landlords to increase supply of temporary accommodation	Service Manager	December 2023	IN PROGRESS	2	90%	<ul style="list-style-type: none"> Template for Lease Take On Decision Record Complete Core Offer for Landlords (90% LHA – minimal repairs liability – hassle free management etc) but not attractive enough for many Landlords so needing to negotiate and factor into budgets to secure accommodation due to costly PRS Discussions with interested landlords ongoing Links with Empty Homes Officer in Public Protection developed and processes in place and budgeted for

						<p>“invest to save” property take on process targeting long term empty properties.</p> <ul style="list-style-type: none"> Lease Option and other Landlord Incentives promoted at the Regular Landlord Forum Housing & Prevention Hub webpages to be updated with information about the Lease Scheme for homeless accommodation
<p>Create a specific team for Property Management and Private Rented Sector engagement with responsibility for the sourcing and management of Temporary Accommodation and future Leased Services (PRS Leasing Scheme)</p> <p>130</p>	Service Manager	March 2024	IN PROGRESS	1	50%	<ul style="list-style-type: none"> All Job Descriptions complete for key staff and to be managed through a new “Homefinder Team” <ul style="list-style-type: none"> Homefinder Manager Homefinder Accommodation Officer x2 Private Sector Access Officer x2 Landlord liaison Officer x1 Posts fully costed and accounted for within the Housing & Prevention Service Restructure (Council Fund and Housing Support Grant) Recruitment ongoing following changes in internal personnel and restructure of Service (Job Evaluation process on hold)
<p>Review and refresh Performance Management Framework for all of the following and ensure appropriate routine KPIs captured:</p> <ul style="list-style-type: none"> Portfolio Capacity Income Management Repairs Voids Routine Inspection Tenancy Support Length of Stay 	Service Manager	March 2024	IN PROGRESS	3	50%	<ul style="list-style-type: none"> Initial measures scoped but require method statements and this requires a fully functioning system via the Back Office which is not ready for full adoption

<ul style="list-style-type: none"> • Tenant Move On • Property Compliance H&S • Lease Arrangements 						
Approve implementation plan for move to Open Housing System with IT Support Services	Service Manager	June 2022	March 2023	4	100%	<ul style="list-style-type: none"> • Agreed with IT that this is a priority within the Services Digital Transformation Workstream • No capacity within IT for commencement of work until June 2022 • Further delays due to IT capacity and other competing pressures within portfolio Dec 2022 • Now not using the Open Housing PSL Module and instead moved to the Back Office system
Develop “Homeless Accommodation – Temporary and Emergency Policy” for the Homeless Service	Service Manager	December 2023	IN PROGRESS	1	80%	<ul style="list-style-type: none"> • In final draft and to be adopted when all elements of Back Office functionality in place and Staff Guidance and Procedural notes updated to reflect system changes • Changes in process to respond to the Renting Homes Wales Act 2016 already adopted June 2023
Full migration to new IT system (Open Housing) with all functionality required to manage the Temporary Accommodation Portfolio	Service Manager	March 2024	IN PROGRESS	4	50%	<ul style="list-style-type: none"> • Move to Open Housing Aborted • Back Office system in place but not fully operational for all aspects of service delivery • Also requires work on Back Office for performance management reporting • System set up to populate WGOV periodic performance returns and will save staff time of report burden
Complete full “end to end temporary accommodation process mapping” to be mapped to assign roles and responsibilities, identify process delays and	Service Manager	June 2024	IN PROGRESS	2	0%	<ul style="list-style-type: none"> • To be completed once all aspects of Back Office functionality are in place • System and process training to be completed with all staff who support delivery of the homeless accommodation placements, management and support:

inefficiencies as well as document controls						<ul style="list-style-type: none"> ○ Homeless Team requesting placement - RARE ○ Homefinder Team managing accommodation and housing management functions - BREIF ○ Housing Support Team delivering bespoke housing related support - UNREPEATED
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LEGEND FOR PROGRESS AND TASK MONIOTIRING	RAG
COMPLETE	8
ON TRACK FOR COMPLETION	10
OFF TRACK FOR COMPLETION	--
NOT STARTED – NO CONCERN	1

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GOVERNANCE AND AUDIT COMMITTEE

Date of Meeting	Wednesday, 22 nd November 2023
Report Subject	Governance and Audit Committee Annual Report
Report Author	Chair of the Governance and Audit Committee
Type of Report	Assurance

EXECUTIVE SUMMARY

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

The Governance and Audit Committee's Annual Report for 2022/23 (Appendix A) provides the Council with the necessary information to meet this requirement.

RECOMMENDATIONS

1	The Committee considers and endorses the annual report for 2022/23 prior to its submission to Council for approval on 06 December 2023.
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REPORT DETAILS

1.00	EXPLAINING THE GOVERNANCE AND AUDIT COMMITTEE ANNUAL REPORT
1.01	<p>In accordance with CIPFA's best practice 'Audit Committees – a Practical Guidance for Local Authorities 2018', the Governance and Audit Committee has an important role within the Council's governance structure and in promoting the principles of good governance.</p> <p>An equally significant part of this role is for the Governance and Audit Committee to demonstrate its accountability. Accountability should be considered under three aspects:</p> <ol style="list-style-type: none">1) Supporting the Council's accountability to the public and stakeholders;

	<p>2) Supporting accountability within the Council; and</p> <p>3) Holding the Governance and Audit Committee to account.</p>
1.02	<p>The Governance and Audit Committee's Annual Report (Appendix A) is designed to provide assurance to the Council in holding the Committee to account. In particular:</p> <p>1) Supporting the Council's accountability to the public and stakeholders</p> <ul style="list-style-type: none"> – For the last twelve months each Governance and Audit Committee meeting has been held remotely and webcast with all Committee papers available on the Council's website. <p>2) Supporting accountability within the Council</p> <ul style="list-style-type: none"> – Through the review of those reports received by Governance and Audit Committee, the Committee holds to account those responsible for the implementation of recommendations and action plans. In addition to this, the Committee oversees the process for evaluating and improving governance, risk, financial management and control. <p>3) Holding the Governance and Audit Committee to account</p> <ul style="list-style-type: none"> – The Committee has fulfilled its agreed Terms of Reference and adopted the recommended best practice; – Members of the Governance and Audit Committee have assessed their own development needs and taken the opportunity to attend briefing and training sessions; – The Committee has assessed its own effectiveness in November 2022, developed an action plan and monitors progress; and – The Committee demonstrates they have a positive impact on the improvement of governance, risk, financial management and control within the Council.
1.03	<p>The annual report provides the Council with an overview of the:</p> <ul style="list-style-type: none"> • Work undertaken by the Committee and its effectiveness against the main areas of the Committees' Terms of Reference; • Internal Audit opinion for 2022/23; • Committees membership and attendance; • Training and Development; and • Future Priorities.
1.04	<p>Once the Committee has endorsed this report, the Annual Report will be presented to Council for consideration and approval at the 06 December 2023 meeting.</p>

2.00	RESOURCE IMPLICATIONS
2.01	None as a result of this report.

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

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

5.00	APPENDICES
5.01	Appendix A – Governance and Audit Committee Annual Report.

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

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

Governance and Audit Committee Annual Report



2022/23

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Date	Approved By	Version
22/11/2023	Governance and Audit Committee	Draft
TBC	Flintshire County Council (planned)	Final

1 Foreword by Mr Allan Rainford, Chair of the Governance and Audit Committee

I am pleased to present the Annual Report of the Governance and Audit Committee which outlines the Committees' work and activities for the year ending 31st March 2023. Whilst I was not Chair of the Committee during 2022/23, I was the Vice Chair.

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

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

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

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

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



Mr Allan Rainford
Chair of Governance and Audit Committee

2 Introduction

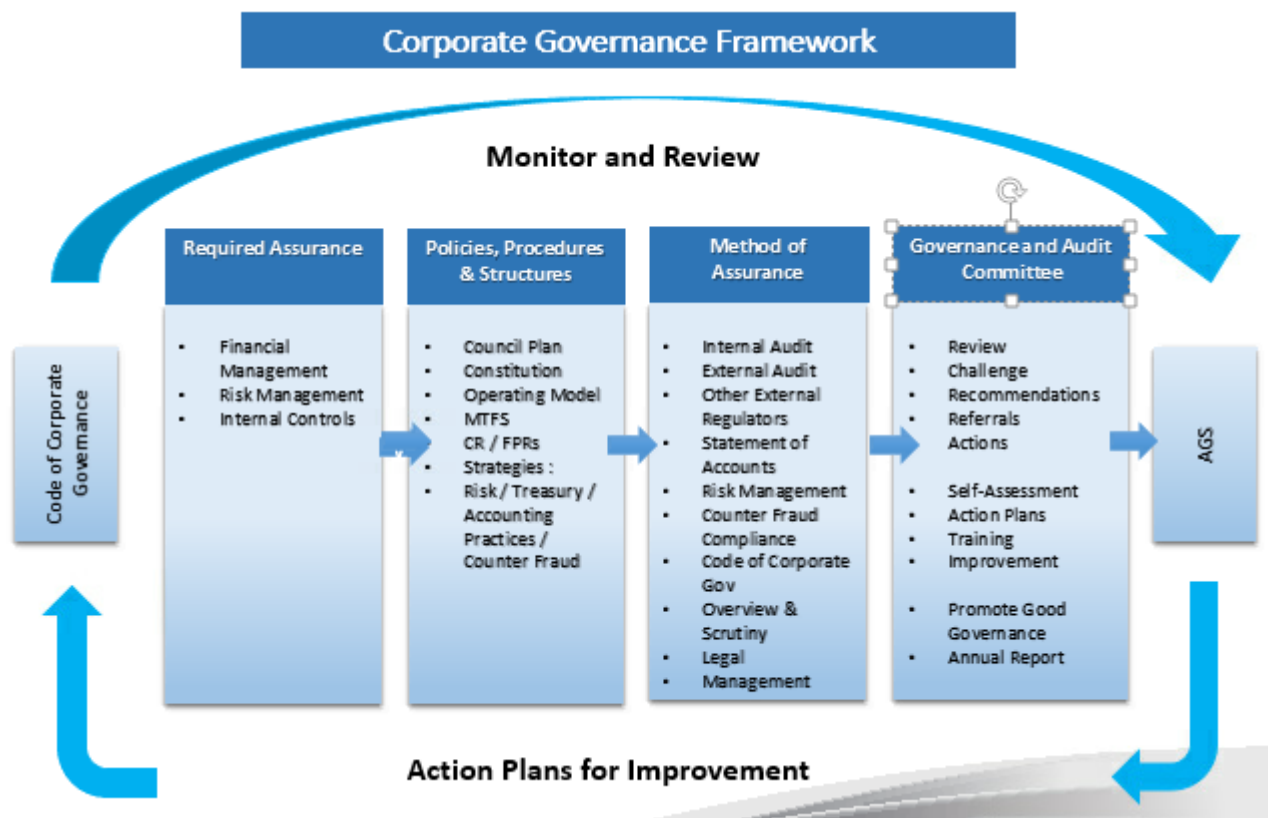
- 2.1 The Governance and Audit Committee is a key part in the Council's Governance Framework. It provides independent governance assurance over the adequacy of the Council's governance and risk management frameworks, the internal control environment, and the integrity of the financial reporting. By overseeing internal and external audit and other regulators, the Committee makes an important contribution by ensuring effective assurance arrangements are in place.
- 2.2 How the Governance and Audit Committee fulfils this role is detailed within the Committee Terms of Reference (March 2021). It states that the Governance and Audit Committee's role and functions will be to:
- A** Review the effectiveness of the Authority's systems of corporate governance, internal control, complaints, performance (self-assessment and peer review) and risk management, and to make reports and recommendations to the County Council on the adequacy and effectiveness of these arrangements.
 - B** Oversee the reporting of the statutory financial statements to ensure the balance, transparency and integrity of published financial information, as well as the review of the financial statements prepared by the authority and recommended to County Council; and

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

3 Work of the Governance and Audit Committee and its Effectiveness

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

Graphic 1 – Corporate Governance Framework



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

Table 1 – Terms of Reference A

TOR A:		
To review the effectiveness of the Authority's systems of corporate governance, internal control, complaints, performance (self-assessment and peer review) and risk management		
Committee Date	Report Received	Committees Resolution
08/06/2022	Care Inspectorate Wales (CIW) – Assurance Check report	<ul style="list-style-type: none"> That the positive feedback received from CIW be noted, following the Assurance Check in April 2021; and That the Committee's thanks be extended to Social Services' teams for their work relating to the inspection and during the pandemic.
08/06/2022	Draft Annual Governance Statement 2021/22	<ul style="list-style-type: none"> That the Annual Governance Statement 2020/21 be attached to the Statement of Accounts and recommended to Council for adoption; and That views from all Committee Chairs will be sought for the next Annual Governance Statement.
08/06/2022	Audit Wales Annual Plan 2022/23	That the Audit Wales Annual Plan be noted.
08/06/2022	Drury Primary School – Financial Management Arrangements	That the report be accepted and a follow-up report scheduled for January 2023.
08/06/2022	Internal Audit Annual Report	That the report and Internal Audit annual opinion be noted.
08/06/2022	Internal Audit Progress Report	That the report is accepted.
28/09/2022	Audit Wales Review of Commissioning Older People's Care Home Placements by North Wales Council's and Betsi Cadwaladr University Health Board	<ul style="list-style-type: none"> That the Committee notes the recommendations in the Audit Wales report on Commissioning of Older People's Care Home Placements by North Wales Councils and Betsi Cadwaladr University Health Board; and That the Committee notes the agreed actions in the Management Response to address these recommendations and receives regular updates on the implementation of the actions going forward.
28/09/2022	School Reserve Balances Year Ending 31 March 2022	That the level of school reserves as at 31 March 2022 be noted.
28/09/2022	Internal Audit Progress Report	That the report is accepted.
14/11/2022	Asset Disposal and Capital Receipts Generated 2021/22	That the report is noted.
14/11/2022	Financial Procedural Rules	That the updated Financial Procedure Rules be endorsed and recommended for submission to Council on 24 January 2023 for approval following consideration by the Constitution and Democratic Services Committee on 12 January.
14/11/2022	Risk Management Framework	That with the inclusion of the two changes, the Risk Management Framework V3 2022 be approved.
14/11/2022	Maes Gwern Contractual Arrangements	That the report and the updated timetable for the remaining actions be noted; and That a cross-authority post-project review meeting be held to ensure that all learning is drawn out and captured.
25/01/2023	Climate Change Strategy	That the Committee notes the contents of the report; <ul style="list-style-type: none"> That the Committee supports the improvement of internal communications to raise awareness of the Council's positive progress in moving to

		<p>achieve its climate change ambitions;</p> <ul style="list-style-type: none"> • That the Committee supports the introduction of embedding carbon measures into procurement processes within a pilot portfolio of the Council; • That the Committee supports the case for an Invest to Save post and resources to introduce Building Management Systems within more of our building assets to improve the management of energy use; and • That the Committee supports the embedding of climate change principles throughout the Council, through delivery of Carbon Literacy training to Elected Members, Senior Managers and other key decision makers.
25/01/2023	Public Services Ombudsman for Wales Annual Letter 2021/22 and Complaints made against Flintshire County Council during the First Half of 2022/23	<ul style="list-style-type: none"> • That the Committee notes the annual performance of the Council in respect of complaints made to the Public Services Ombudsman for Wales during 2021-22; • That the Committee notes the 2022-23 half year performance of the Council in respect of complaints made to services in line with its complaints procedure; • That the Committee supports the actions outlined in paragraph 1.15 to improve complaints handling across the Council; and • That the Committee requests additional information for the next report to demonstrate how community feedback helps to identify changes to improve service delivery.
25/01/2023	Code of Corporate Governance	That the updated Code of Corporate Governance be endorsed for adoption as part of the Council's Constitution.
25/01/2023	Internal Audit Progress Report	That the report be accepted.
25/01/2023	Drury Primary School – Financial Management Follow-Up	That the progress made in implementing the actions from the original report be noted.
22/03/2023	External Regulation Assurance	<ul style="list-style-type: none"> • That the Committee is assured by the Council's response to external regulatory reports; • That a reminder is sent to services that progress reports on action plans should be apolitical; and • To review the external reporting protocol to clarify responsibilities for monitoring progress against action plans after submission to Cabinet and Overview and Scrutiny.
25/03/2023	Corporate Self-Assessment 2021/22	<ul style="list-style-type: none"> • That the findings of the Corporate Self-Assessment 2021/22 be noted; • That the opportunities for improvement identified in Corporate Self-Assessment 2021/22 be noted; and • That the Committee notes the need to make the process more robust and resilient, including wider consultation, in order to drive improvement.
25/03/2023	Annual Governance Statement 2021/22 Mid-Year Progress Report	That the Annual Governance Statement 2021/22 Mid-Year Progress update be accepted.
22/03/2023	Internal Audit Strategic Plan 2023-26	That having considered the areas covered, including those prioritised for the first year, and the level of audit resources, the Committee approves the Flintshire Internal Audit Strategic Plan for 2023-26.
22/03/2023	Internal Audit Progress Report	That the report be accepted.

Table 2 – Terms of Reference B

TOR B: To Oversee the reporting of the statutory financial statement’s process and review and scrutinise the County Council’s financial affairs		
Committee Date	Report Received	Committees Resolution
08/06/2022	Certification of Grants and Returns 2020/21	That the content of the Grant Claim Certification report for 2020/21 be noted.
27/07/2022	Draft Statement of Accounts 2021/22	<ul style="list-style-type: none"> • That the draft Statement of Accounts 2021/22 (which includes the Annual Governance Statement) be noted; and • That Members note the opportunity to discuss any aspect of the Statement of Accounts with officers or Audit Wales from July to August, prior to the final audited version being brought back to the Committee for final approval in November 2022.
27/07/2022	Supplementary Financial Information to Draft Statement of Accounts 2021/22	Report is noted.
27/07/2022	Treasury Management Annual Report 2021/22 and Treasury Management Quarter 1 Update 2022/23	<ul style="list-style-type: none"> • That the draft Treasury Management Annual Report 2021/22 be noted, with no matters to be drawn to the attention of Cabinet in September; and • That the Treasury Management 2022/23 first quarter update be noted.
28/09/2022	School Reserves Balances Year End 31 March 2022	That the school reserve level as at 31 March 2022 be noted.
14/11/2022	Update on the Statement of Accounts 2022	That the Committee notes the report and the reasons for deferring the approval of the Statement of Accounts 2021/22.
14/11/2022	Treasury Management Mid-Year Review and Quarter 2 Update 2023/23	<p>That the Committee notes the draft Treasury Management Mid-Year Report 2022/23 and confirms the following matters to be drawn to the attention of Cabinet at its meeting in December 2022:</p> <ul style="list-style-type: none"> • To note compliance with the Council’s approved prudential indicators; • Key considerations informing borrowing decisions; and • Stability of PWLB rates which had been subject to fluctuations.
14/11/2022	Asset Disposal and Capital Receipts Generated 2021/22	That the report is noted.
25/01/2022	Statement of Accounts 2021/22	<ul style="list-style-type: none"> • That the final version of the Statement of Accounts 2021/22 be approved, incorporating the updated position on emergency grant funding; • That the Audit Wales presentation ‘Audit of the Group Financial Statements 2021/22– Flintshire County Council’ be noted; • That the Letter of Representation be approved. • That the report and the updated timetable for the remaining actions be noted; and • That a cross-authority post-project review meeting be held to ensure that all learning is drawn out and captured.
25/01/2023	Treasury Management Strategy 2023/24 and Quarterly	<ul style="list-style-type: none"> • That having reviewed the draft Treasury Management Strategy 2023/24, the Committee has

	Update 2022/23	no specific issues to be reported to Cabinet on 23 February 2023; and <ul style="list-style-type: none">• That the Treasury Management 2022/23 quarterly update be noted.
22/03/2023	Quarter 4 Treasury Management Update 2022/23	That the Treasury Management 2022/23 quarterly update be endorsed.

Table 3 – Terms of Reference C

TOR C: To monitor the performance and effectiveness of the internal and external audit functions		
Committee Date	Report Received	Committees Resolution
08/06/2022	Audit Wales 2022 Audit Plan	That the draft Audit Wales Plan 2022 be noted.
08/06/2022	Internal Audit Annual Report	That the report and Internal Audit annual opinion be noted.
08/06/2022	Internal Audit Progress Report	That the report is accepted.
28/09/2022	Internal Audit Progress Report	That the report is accepted.
28/09/2022	External Assessment - Public Sector Internal Audit Standards 2022	That the report be noted.
25/01/2023	Public Services Ombudsman for Wales Annual Letter 2021/22 and Complaints made against Flintshire County Council during the First Half of 2022/23	<ul style="list-style-type: none"> • That the Committee notes the annual performance of the Council in respect of complaints made to the Public Services Ombudsman for Wales during 2021-22; • That the Committee notes the 2022-23 half year performance of the Council in respect of complaints made to services in line with its complaints procedure; • That the Committee supports the actions outlined in paragraph 1.15 to improve complaints handling across the Council; and • That the Committee requests additional information for the next report to demonstrate how community feedback helps to identify changes to improve service delivery.
25/01/2022	Internal Audit Progress Report	That the report is accepted.
25/03/2023	Corporate Self-Assessment 2021/22	<ul style="list-style-type: none"> • That the findings of the Corporate Self-Assessment 2021/22 be noted; • That the opportunities for improvement identified in Corporate Self-Assessment 2021/22 be noted; and • That the Committee notes the need to make the process more robust and resilient, including wider consultation, in order to drive improvement.
22/03/2023	Internal Audit Strategic Plan 2023-26	That having considered the areas covered, including those prioritised for the first year, and the level of audit resources, the Committee approves the Flintshire Internal Audit Strategic Plan for 2023-26.
22/03/2023	Internal Audit Progress Report	That the report be accepted.
22/03/2023	Private meeting between members, Internal Audit Manager and Audit Wales	N/A

Table 4 – Terms of Reference D

TOR D: To report to the Council annually, summarising the Committee’s activities and Recommendations (<i>demonstrating the Committees’ effectiveness</i>)		
Date of Committee	Report Received	Committees Resolution
14/11/2022	Governance and Audit Committee Annual Report	That the annual report for 2021/22 be endorsed prior to its submission to Council for approval in 13 December 2022.
22/03/2023	Governance and Audit Committee Self-Assessment	That having considered the findings of the report and on the basis of the discussion, the Chair and Vice-Chair develop a compact action plan to progress actions to inform future development of the Committee.

- 3.4 Any actions raised by Governance and Audit Committee after reviewing and considering these reports are detailed at Appendix B. The level of review and requests for additional information has increased significantly since the last year (38 actions compared to 15 for the previous year) demonstrates the increased level of discussion taking place. Where actions remain open (2 out of 38), these are either ongoing or not due at the point of this report.
- 3.5 In many cases following review by the Committee, the Committee accepted the recommendations made in supporting reports. However, this frequently followed extensive exploration of an issue, detailed questioning and agreed actions. As Appendix B shows the increase in actions from the previous year (38 compared to 15); examples of this included ensuring clear arrangements for follow through after Red/Amber Internal Audit reports, ensuring significant new areas of Council responsibility/risk. Requesting follow updates on red reports and external regulatory reports (e.g. Maes Gwern, Drury Primary School and Commissioning Older People’s Care Home Placements by North Wales Councils and BCUHB
- 3.6 The Committee’s Forward Work programme for 2023/24 is detailed at Appendix C.

4 Internal Audit Opinion

- 4.1 The Internal Audit Service to Flintshire County Council is required to provide the Council (through the Governance and Audit Committee) with an opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. In giving that opinion it should be noted that assurance can never be absolute. The most that the Internal Audit Service can provide to the Council is a reasonable assurance that there are no major weaknesses in risk management, governance, and control processes.
- 4.2 The matters reported in the Internal Audit Annual Report are those which came to our attention during our Internal Audit work and are not necessarily a comprehensive statement..
- 4.3 There have been no limitations made on the scope of Internal Audit coverage during the year.

For the year ending 31 March 2023, based on the work the Internal Audit Service has undertaken my opinion is that Flintshire County Council has an adequate and effective framework of governance, risk management and internal control.

- 4.4 During 2022/23 there were no 'Red / Limited assurance' opinions issued (compared to previous years 2021/22 three audits, 2020/21 zero audits, 2019/20 one audit, 2018/19 two audits, 2017/18 three audits, 2016/17 four audits and 2015/16 six audits), where an urgent system revision was required.
- 4.5 Overall 82% of assurance opinions issued were either Green or Amber Green providing the Committee assurance that of the audits undertaken this year in the main there are effective arrangements in place for governance, risk management and internal control.
- 4.6 In order for the Internal Audit team to be in position to undertake such work and deliver this audit opinion, it has an unfettered high profile role within the Council, and has developed and holds an excellent trusted working relationship with portfolios. The breadth of the work has grown in recent years seeing a significant increase in requests for advisory, consultancy and commissioned work.

5 Governance and Audit Committee Membership and Attendance

- 5.1 For the period of this report, and to comply with Local Government and Elections (Wales) Act 2021 the Council had determined that the membership of its Governance and Audit Committee will consist, from May 2022, of six elected Members and three Independent Lay Members. The Independent Lay Members are usually appointed for a period of five years and Council Members are reappointed annually. The first lay member was appointed in 2017, the second in September 2019 and third in May 2022. To provide some continuity and compliance with the act it was agreed by Council in May 2023 to further extend the lay members term from May 2023 to 31 May 2026.
- 5.2 The Committee is serviced by Council Officers, principally the Chief Executive, the Chief Officer, Governance (Council's Monitoring Officer), the Corporate Finance Manager (Section 151 Officer) and the Internal Audit, Performance and Risk Manager. Representatives from Corporate Finance, Performance and Risk, and Audit Wales also attend Audit Committee.
- 5.3 The Governance and Audit Committee met on six separate occasions during 2022/23. For each meeting, the Committee were quorate and there were sufficient Elected Members to generate an informed discussion on the matters raised. The attendance by members demonstrates their continued commitment to the Governance and Audit Committee by their high attendance rate of 97.9%.

Table 5 – Governance and Audit Committee Meeting 2022/23

Members Attendance / Committee Date	08/06/22	27/07/22	28/09/22	14/11/22	25/01/23	22/03/23	Meetings Attended
S Ellis (Lay Member and Chair)	✓	✓	✓	✓	✓	✓	6
A Rainford (Lay Member and Vice Chair)	✓	✓	✓	✓	✓	✓	6
B Harvey (Lay Member)	✓	✓	✓	✓	✓	✓	6
Cllr B Attridge	Apologies	✓	Apologies	Apologies	✓	✓	3
Cllr G Banks	✓	✓	✓	✓	✓	✓	6
Cllr A Marshall	-	-	✓	✓	✓	✓	4
Cllr A Parkhurst	✓	✓	✓	✓	✓	✓	6
Cllr L Thomas	Observer	✓	✓	✓	✓	Apologies	5
Cllr R Hughes	✓						1
Cllr R McKeown	N/A	✓	✓			✓	3
Cllr R Davies (Sub)	N/A	N/A	✓	N/A	N/A	N/A	1
Cllr T Palmer (Sub)	N/A	N/A	N/A	N/A	N/A	✓	1
Total for Committee	6	8	9	7	8	9	
Other Members Present as Observers	1	1	3	2	2	3	
Attendance Ratio for 2022/23	97.9%						
Attendance Ratio for 2021/22	98.1%						
Attendance Ratio for 2020/21	100%						
Attendance Ratio for 2019/20	97.5%						
Attendance Ratio for 2018/19	95.8%						

Attendance Ratio for 2017/18	87.5%
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5.4 All members of the Committee, including any substitutes have received the required Governance and Audit Committee training prior to attending their first Governance and Audit Committee meeting. All meetings were held remotely, meetings were recorded, and papers are available on the Council’s website. Officers from the Council’s External Auditors, Audit Wales (AW) were present at most of the meetings.

6 Self-Assessment, Training and Development

Governance and Audit Committee Self-Assessment

- 6.1 The last self-assessment was undertaken in December 2022 and considered the new CIPFA guidance for Governance and Audit Committees as part of this assessment. The online self-assessment session was interactive with a positive discussion taking place regarding the delivery of the Committee's core role and function. Following the self-assessment an action plan was developed and approved and presented to Governance and Audit Committee in June 2023. This will be used to monitor performance.
- 6.2 In October 2019, an All-Wales Chair and Vice Chairs of Governance and Audit Committee Network was established and held in Llandrindod Wells. Since 2020 this has operated remotely. During 2022/23, one session has been held and attended by the Chair and Vice Chair of the Governance and Audit Committee and the Internal Audit, Performance and Risk Manager.

Governance and Audit Committee Training and Development

- 6.3 Table 6 provides details of the training courses attended.

Topic	Date	Type of Training	Coverage
Governance and Audit Committee Members Training	25/05/2022 08/07/2022	Role of Governance and Audit Committee	<ul style="list-style-type: none"> Internal and External Audit Governance - Internal Control, Performance, Risk and Financial Management Local Governance and Elections (Wales) Act 2021 Requirements and effectiveness of Governance and Audit Committee
Statement of Accounts	08/06/2022	Accounts	Presentation and explanation of the Statement of Accounts.
Corporate Complaints Training	02/12/2022	Corporate Complaints	Training to enable the Governance and Audit Committee member to fulfil their duties under the new Governance and Audit Committee from the Local Government and Elections (Wales) Act 2021 in relation to Corporate Complaints
Treasury Management	07/12/2022	Financial	Half day external training session provided on the Council's approach to Treasury Management.
Chair and Vice Chairs of Audit Committee Network Seminar	03/10/2022	Governance; Risk Management and Effectiveness of the Governance and Audit Committee	Half-Day Session covering: <ul style="list-style-type: none"> CIPFA's Position Statement and guidance; Assessing your Committee's Effectiveness Tricky Areas New requirements for the Governance and Audit Committee from the Local Government and Elections (Wales) Act 2021
Member specific	22/02/2023	Role of Governance and Audit Committee	Specific training / advice
Annual Governance Statement	22/02/2023	Governance	Presentation and explanation of the Annual Governance Statement

- 6.4 Areas were identified for strengthening the role of the Governance and Audit Committee during the 2022/23 Governance and Audit Committee's self-assessment review. As a means of gathering evidence as to the effectiveness of the Committee and to increase its effectiveness, the Committee approved on 14 June 2023 an action plan which addressed the findings of the previous self-assessment. This will be considered as part of the next self-assessment.

7 Future Priorities

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

Appendix A

Governance and Audit Committee's Terms of Reference

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

7.00 Statement of Purpose:

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

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

7.01 Role:

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

- A.** Review the effectiveness of the Authority's systems of corporate governance, internal control, complaints, performance (self-assessment and peer review) and risk management, and to make reports and recommendations to the County Council on the adequacy and effectiveness of these arrangements;
- B.** Oversee the reporting of the statutory financial statement's process to ensure the balance, transparency and integrity of published financial information, and to review the financial statements prepared by the authority and recommend them to County Council; and

Review and scrutinise the County Council's financial affairs, and to make reports and recommendations on them. The role of the Committee is to assure the budgetary control systems of the Council rather than the scrutiny of the use and value for money of expenditure which is the role of the respective Overview and Scrutiny Committees.
- C.** Monitor the performance and effectiveness of the internal and external audit functions within the wider regulatory context.
- D.** Report to the Council annually, summarising the Committee's activities and recommendations.

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

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

recommendations for changes to the statements made in the draft response to the Council.

14. Keep under review the Council's Anti-Fraud and Corruption Strategy, Fraud Response Plan and Whistleblowing Policy and the assessment of fraud risks and potential harm to the Council from Fraud and Corruption.
15. Consider the Council's arrangements to secure value for money and review assurances and assessment on the effectiveness of these arrangements.
16. Receive reports on all fraud identified and any other special investigations, and action taken.
17. Consider how Senior Accountable Officers are held to account for the security of computer systems and applications to protect against computer fraud or misuse.
18. Ensure the rigorous application of the agreed protocol for the reporting and decision making over business cases for collaborative projects, the management of the transition for approved collaborations, and the subsequent performance management arrangements for the new collaborative services.
19. Obtain regular updates from Senior Accountable Officers and legal advice regarding compliance matters, and be satisfied that all compliance matters have been considered in preparing the financial statements.
20. The Chair and Vice Chair of the Governance and Audit Committee together with the Chairs and Vice Chairs of the six Overview and Scrutiny Committees will attend the Chair and Vice Chair Liaison Group with the primary aim to reduce duplication of work, ensure there is a shared coverage of the Council's risk profile and escalate poor performance between respective Committees.

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

B. Financial:

Statutory Financial Statements

1. Receive the draft annual Statement of Accounts, together with the underlying accounting policies for information. Consider and comment on the final statement of accounts following the receipt of the proposed audit opinion from the Wales Audit Office prior to recommending their approval to the Council.
2. Understand the controls and processes implemented by Senior Accountable Officers to ensure the financial statements derive from the underlying financial

systems, comply with relevant standards and requirements, and are subject to appropriate review.

3. Meet with management and external auditors to review the financial statements, the key accounting policies and judgements, significant accounting and reporting issues and their impact on financial reports, and the results of the audit.
4. Ensure that significant adjustments, unadjusted differences, disagreements with Senior Accountable Officers and critical accounting policies and practice are discussed with the external auditor.

Financial Affairs

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

C. Internal and External Audit

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

Internal Audit

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

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

- Keep performance indicators under review and evaluate, on an annual basis, the performance and effectiveness of internal audit and its compliance with best practice.
11. Consider summaries of specific internal audit reports as requested.
 12. Receive reports outlining the action taken where the Internal Audit, Performance and Risk Manager has concluded that Senior Accountable Officers and service teams have accepted a level of risk that may be unacceptable to the Council or there are concerns about progress with the implementation of agreed actions.
 13. Contribute to the Quality Assurance Improvement Programme (QAIP) and in particular, to the external quality assessment of internal audit that takes place at least once every five years.
 14. Meet separately with the Internal Audit, Performance and Risk Manager to discuss any matters that the Committee or internal auditors believe should be discussed privately.
 15. Should the needs arise, arbitrate in the event of any failure to agree between a Senior Accountable Officers and internal audit.
 16. Discuss with the external auditor the standard of work of internal audit.

External Audit and External Regulatory Bodies

External Audit

17. Support the independence of external audit through consideration of the external auditor's annual assessment of its independence.
18. Review the external auditors' proposed audit scope and approach for the current year in the light of the Authority's present circumstances and changes in regulatory and other requirements arising from Government, Assembly or Council initiatives.
19. Ensure that the annual audit is undertaken in compliance with statutory requirements.
20. Receive all audit reports, and the annual audit letter, issued by the external auditor, and ensure that all agreed recommendations are implemented.
21. Consider specific reports as agreed with the external auditor.
22. Discuss with the external auditor any audit problems encountered in the normal course of audit work, including any restriction on audit scope or access to information.

23. Meet separately with the external auditors to discuss any matters that the Committee or auditors believe should be discussed privately. Ensure the auditors have access to the chair of the Governance and Audit Committee when required.
24. Review, annually, the performance of external audit and co-ordinate any feedback requested from Audit Wales.

External Regulation: Performance

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

D. Accountability Arrangements

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

5. Report to full council and publish an annual report on the Committee's performance in relation to the terms of reference and the effectiveness of the Committee in meeting its purpose.

9.2.3 Composition (As per the Council's Constitution)

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

Governance and Audit Committee Actions Raised during 2022/23

Appendix B

Item No.	Report	Action Required	Action Taken	Status
June 2022				
5.	CIW - Assurance Check	That the Committee's thanks be extended to Social Services' teams for their work relating to the inspection and during the pandemic.	All staff within Social Services Adults and Children were emailed to express thanks following GAC on the 8 th June 2022.	Closed
6.	AGS 2021/22	To share information on the latest review of the Corporate Anti-Fraud Strategy with the Committee (Cllr Parkhurst's question).	The Corporate Anti-Fraud Strategy together with the Anti Money Laundering Statement, Whistleblowing Policy, Fraud Response Plan and the Financial Procedural Rules was emailed to Cllr Parkhurst on 8 th June 2023	Closed
7.	Certification of Grants 2020/21	To share information on housing benefit subsidy caseload with the Committee.	Information on housing benefit subsidy caseloads was shared with committee members on 9 th June 2022	Closed
11.	Drury PS – Financial Management Arrangements	A follow up report to be scheduled for January 2023	Follow up report presented to Governance and Audit Committee in January 2023	Closed
July 2022				
19.	Draft Statement of Accounts 2021/22	To clarify within the final accounts the separate legal arrangements of Theatr Clwyd as opposed to NEW Homes (Cllr Banks suggested in the chat that a brief explanation and link be included under 'Associated Companies' on p.48).	Following a review of the Code, it would not be categorised as a relationship that gives rise to related parties. The Code states "transactions do not themselves create a related party relationship: there has to be some element of control or influence by one party over another" We do not have this with the Theatr.	Closed

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Item No.	Report	Action Required	Action Taken	Status
19.	Draft Statement of Accounts 2021/22	To share information on financial support to local businesses and communities during the pandemic.	Information emailed to Committee 01/08/22	Closed
19.	Draft Statement of Accounts 2021/22	To bring forward the November meeting to accommodate the approval of the accounts.	Meeting has been moved to 14/11/22	Closed
20.	Supplementary financial info to SoA	That information on the significant increase in interim/temporary contracts (Table 2) and how this compares to other councils be emailed to the Committee.	Information emailed to Committee 04/08/22	Closed
September 2022				
26.	AW Review of Commissioning Older People's Care Home Placements by NW Councils and BCUHB	That the Committee notes the agreed actions in the Management Response to address these recommendations and receives regular updates on the implementation of the actions going forward. That the updates include any actions by Welsh Government, with timescales, as part of the national report by Audit Wales.	The service will attend June 2023 committee to provide an update on the progress made against the findings within the report.	Closed
27	School Reserve Balances y/e 31/03/22	To share with the Committee the protocol for schools in financial difficulty.	The protocol for schools in financial difficulty was shared with the Committee on 18 October 2022	Closed
28	IA Progress Report	That the responsible officer for Maes Gwern contractual arrangements be invited to attend Committee to provide reasons for overdue actions.	Officer from Housing will attend Committee in November 2022 to provide an update	Closed
28	IA Progress Report	To liaise with the auditor of the Amber/Red report	An explanation was provided to members on 24	Closed

Item No.	Report	Action Required	Action Taken	Status
		(Appendix D) on the reconciliation of manual records with information from Finance, to assure the Committee of no associated risks.	October 2022	
November 2022				
36.	Treasury Mgt mid-year review 2022/23 and Q2 update	That the Committee notes the draft Treasury Management Mid-Year Report 2022/23 and confirms the following matters to be drawn to the attention of Cabinet at its meeting in December 2022: <ul style="list-style-type: none"> To note compliance with the Council's approved prudential indicators; Key considerations informing borrowing decisions; and Stability of PWLB rates which had been subject to fluctuation.	Cabinet considered and approved the report on 20 December 2022	Closed
36.	Treasury Mgt mid-year review 2022/23 and Q2 update	To share details of credit agency ratings for each of the Council's investment counterparties with the Committee.	Members were provided with this information on 8 December 2022	Closed
37.	Asset Disposal and Capital Receipts generated 2021/22	To share further details of disposals in Appendix 1 with the Committee, on a confidential basis.	Members were provided with this information on 8 December 2022	Closed
38.	Financial Procedure Rules	To respond to the Committee on Cllr Banks' questions: <ul style="list-style-type: none"> Clarify 'true copy' on p.41(h) of the FPRs Clarify the change to (d) under Key Controls on p.38	Members were provided with a response to this enquiry on 22 November 2022	Closed
39.	Risk Management Framework	To update the framework document to include (a) the Committee referring red risk actions to OSCs, and (b) the inclusion of partnership risks being fed	The Risk Management framework has been updated, the audit action closed down and made	Closed

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Item No.	Report	Action Required	Action Taken	Status
		into InPhase.	available of the Council's Infonet.	
39.	Risk Management Framework	To share dashboard information with the Committee at the January meeting.	Due to a lack of technical resources within the a 'new' team this has been moved to November 2023 committee.	Open
January 2023				
47.	Minutes	To clarify the difference between figures in the appendix, compared with the confidential breakdown shared after the meeting.	The majority of the difference between figures in the appendix, relate to the Maes Gwern development which was omitted due to commercial sensitivity. There was also amounts for receipts received through non disposals, such as release of covenants / easements and repayment of loans. Democratic Services have been asked to record this difference in a note on the minutes.	Closed
47.	Minutes	To advise the Committee how the above annual report will be presented in future.	Previous reports presented only reviewed disposals of council fund assets over the past year. To include a total of all receipts received in year within the report in the future.	Closed
48.	Statement of Accounts 2021/22	That a detailed assurance report be shared with the Committee about arrangements in place to manage potential conflicts of interests of senior officers; and	A review of Declarations of Interests has been included within the Strategic Internal Audit Plan for 2023/24.	Closed
48.	Statement of Accounts 2021/22	That a request is made to senior officers who have made such declarations to establish whether they are willing to share that information with the Committee.	This will be addressed following the Internal Audit review on Declarations of Interests.	Closed

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Item No.	Report	Action Required	Action Taken	Status
48.	Statement of Accounts 2021/22	To share the Asset Register with the Committee on a confidential basis.	This has been shared with members on 7 th March 2023	Closed
49.	Climate Change Strategy	To define milestones in the action plan to support the aims of the strategy.	Future progress reports would be more transparent in including milestone targets and progress against these.	Closed
50.	PSOW Annual Letter 2021-22 and Complaints against FCC for first half 2022-23	That the Committee requests additional information for the next report to demonstrate how community feedback helps to identify changes to improve service delivery.	This will be included within future reports to Committee.	Closed
51.	Treasury Management 2023/24 Strategy and Q3 Update 2022/23	To consider whether reference to the Climate Change Strategy could be included in section 1.03 of the Policy Statement.	Paragraph amended to reference responsible investment, where possible.	Closed
51.	Treasury Management 2023/24 Strategy and Q3 Update 2022/23	To respond to the Committee on Cllr Attridge's query on clause 3 of the TM Code within the CIPFA Practical Guide for Local Authorities' Audit Committees.	<p>Clause 3 of the Code confirms that responsibility of the treasury management polices and practices are with the Cabinet and the execution and administration of treasury management decisions with the Section 151 Officer.</p> <p>Clause 4 discusses the nominated committee (G&AC for FCC) responsible for ensuring effective scrutiny of the treasury management strategy and polices.</p>	Closed
53.	IA Progress Report	To share with the Committee an update on progress with high priority actions from the Homelessness review when available.	This has been circulated to members on 14 th March 2023	Closed

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Item No.	Report	Action Required	Action Taken	Status
57.	Drury Primary School - Finance Management follow-up	To advise the Committee when the final outstanding action has been completed.	The action currently remains open. Committee will be notified once this has been closed.	Open
March 2023				
62.	External Assurance Regulation	That a reminder is sent to services that progress reports on action plans should be apolitical; and	The protocol has been updated to reflect this and shared with key officers.	Closed
62.	External Assurance Regulation	That the external reporting protocol be reviewed to clarify responsibilities for monitoring progress against action plans after submission to Cabinet and Overview and Scrutiny.	This has been included within the Performance Leads agenda.	Closed
62.	External Assurance Regulation	To liaise with the service on the 'Welsh Labor Government' wording on p.2 of the summary document.	This has been included within the performance leads agenda.	Closed
62.	External Regulation Assurance	To respond to the Committee on Cllr Banks' query on why actions P1 and P2 on the Rental Income report should go through the political governance process.	A response to this query was circulated to members 18 April 2023	Closed
65.	GAC Self-Assessment	That having considered the findings of the report and on the basis of the discussion, the Chair and Vice-Chair develop a compact action plan to progress actions to inform future development of the Committee.	An action plan has been established and will be presented to Committee in June 2023	Closed
66.	AGS 2021/22 mid-year	To request a response to concerns about the risk on	Members received an update to these action on	Closed

Item No.	Report	Action Required	Action Taken	Status
	progress report	Housing Benefit overpayments.	07 June 2023	
67.	IA Strategic Plan	To show reviews of Cyber and Data Security over the 3 yr period.	This has been actioned and reflected in the 3 year plan	Closed
67.	IA Strategic Plan	To consider whether any of the requests made by Cllrs Parkhurst and Attridge could be accommodated in the Plan - including a review of external wall insulation contracts once the legal process had concluded. To include a future item on the implementation of the customer engagement strategy as requested by the Chair.	<p>Consideration has been given to the suggested audits made by members for inclusion in the Annual plan. These are listed below:</p> <ul style="list-style-type: none"> • Use of Consultants – to keep as the status quo for now. Past report to be shared with members which includes the detailed process and an additional ¼ report to be introduced for the Chief Executive. • Bad debts – this was performed in 2022/23 • Corporate Grants – this is an annual review • Asset Disposal – this will be discussed with the relevant portfolio during the ¼ review • Anti fraud and corruption – a review of these policies will be undertaken in 2024/25 • Document retention – based on risk, this will not be included in the plan but will be kept for consideration • Planning decisions interests – interests declared (if any) will be covered in the current review • Void Management – will this will be discussed with the relevant portfolio during the ¼ review to establish if this can be brought forward • External wall installation – this is too early to review. It will be included in the 2024/25 plan <p>Customer Engagement – this has been included</p>	Closed

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Item No.	Report	Action Required	Action Taken	Status
			within the 2024/25 annual plan	
67.	IA Strategic Plan	On Cllr Parkhurst's comments, to share information on the process to control the use of consultants.	An email has been circulated to members on 05.06.2023	Closed

Governance and Audit Committee Forward Work Programme –2023/24

Appendix C

Date / Area of Assurance	27/09/2023	22/11/2023	24/01/2024	10/04/2024	June 2024	July 2024
Pre-Committee Training				Annual Governance Statement	Draft Statement of Accounts	
Audit Wales (AW)	Audit Plan AW 2022		Assurance and Risk Assessment Review Report (ARR 2021-22)	Audit Plan (AW) 2023	Annual Audit Summary (AW) (2022/23)	
Internal Audit		Fraud Investigation Update (Part 2 Paper)		Public Sector Internal Audit Standards Self- Assessment Internal Audit Strategic Plan 2024/27	Internal Audit Charter Internal Audit Annual Report 2023/24	
	Internal Audit Progress Report	Audit Action Tracking Update	Internal Audit Progress Report	Internal Audit Progress Report	Internal Audit Progress Report	
Governance and Risk Management		Governance and Audit Committee Annual Report Annual Governance Statement Mid-Year review	Code of Corporate Governance Risk Management Update and Framework	GAC Self-Assessment Annual Report on External Inspections	GAC Self-Assessment Action Plan Review Draft Annual Governance Statement Risk Management Update	
	GAC Action Tracking Forward Work Programme	GAC Action Tracking Forward Work Programme	GAC Action Tracking Forward Work Programme	GAC Action Tracking Forward Work Programme	GAC Action Tracking Forward Work Programme	
Performance	Draft Corporate Self-Assessment Report	Corporate Complaints and Compliments Annual Report				
Finance	School Reserves – Annual Report on School Balances			Statement of Accounts		Draft Statement of Accounts Supplementary Financial Information to Draft Statement of Accounts Certification of Grants and Returns Report
Treasury Management		Treasury Management Q2 – Mid Year Report	Treasury Management Q3 Update and Strategy	Treasury Management Q4 Update		Treasury Management Q1 Update and Annual Report
Meeting Following GAC				Private Meeting with Committee, Internal and External Audit		

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Matters to be address outside of formal Committee meetings during 2023/24

<p>Governance and Audit Committee</p> <ul style="list-style-type: none"> • Budget Workshops for members • Annual Self-Assessment Workshop • Treasury Management Training • AGS Workshop • Corporate Self-Assessment Workshop • Private Meeting (AW and Internal Audit) • Training and Development sessions • All Wales Chairs and Vice Chairs Network Group • Chair and Vice Chairs Training • Chair and Vice Chair Meeting with the Leader of the Council 	<p>General</p> <ul style="list-style-type: none"> • Correspondence, updates to actions and reports for information purposes • Time sensitive consultation • In person / video meetings as and when necessary
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Eitem ar gyfer y Rhaglen 10



GOVERNANCE AND AUDIT COMMITTEE

Date of Meeting	Wednesday, 22 nd November 2023
Report Subject	Action Tracking
Report Author	Internal Audit, Performance and Risk Manager
Category	Advisory

EXECUTIVE SUMMARY

The report shows the action points from previous Governance and Audit Committee meetings and the progress made in completing them. The majority of the requested actions have been completed, with some still outstanding. They will be reported back to a future meeting.

RECOMMENDATIONS

1	The Committee is requested to accept the report.
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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. This paper summarises those points and provides an update on the actions resulting from them. Full action tracking details within Appendix A.
2.00	RESOURCE IMPLICATIONS
2.01	None as a result of this report.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	Action owners contacted to provide an update on their actions.

4.00	RISK MANAGEMENT
4.01	None as a result of this report.

5.00	APPENDICES
5.01	Appendix A – Action Points.

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

7.00	GLOSSARY OF TERMS
7.01	None.

GOVERNANCE AND AUDIT COMMITTEE – ACTION SHEETPresented Wednesday 27th September 2023

25 th January 2023				
Agenda Item No.	Report	Action Required	Responsible Officer	Action Taken
57.	Drury Primary School - Finance Management follow-up	To advise the Committee when the final outstanding action has been completed.	L Brownbill	The action currently remains open. Committee will be notified once this has been closed.

22 nd March 2023				
Agenda Item No.	Report	Action Required	Responsible Officer	Action Taken
62.	External Regulation Assurance	That a reminder is sent to services that progress reports on action plans should be apolitical; and	L Brownbill	This has been included within the Performance Leads agenda.
62.	External Regulation Assurance	That the external reporting protocol be reviewed to clarify responsibilities for monitoring progress against action plans after submission to Cabinet and Overview & Scrutiny.	L Brownbill	This is in the process of being developed to align with the new planning, performance and risk management system.

62.	External Regulation Assurance	To liaise with the service on the 'Welsh Labor Government' wording on p.2 of the summary document.	L Brownbill	This has been included within the performance leads agenda.
67.	IA Strategic Plan	To share with the Ctte the report on the investigation into the Cabinet meeting in Feb when available.	G Owens	This will be shared once the investigation report has been finalised.

14th June 2023

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14 th June 2023				
Agenda Item No.	Report	Action Required	Responsible Officer	Action Taken
6.	AW review of Commissioning Older People's Care Home Placements	To share a follow-up report on progress with actions at a later stage.	J Davies	This will be provided to members when available.
9	Annual Summary Audit	To review the AW report on 'A Missed Opportunity - Social Enterprises' and liaise with officers with a view to including on the Audit Plan.	L Brownbill	This will be picked up and reviewed at the relevant Portfolio DMT meeting
10	Risk Management Update	To agree criteria for inviting Chief Officers to address the Committee on their risks as part of the process.	L Brownbill	This is currently in the process of being developed and will form part of the revised RM Framework
12	IA Annual Report	To include a note on the assessment of red actions	L Brownbill	This will be included for future reports

13	IA Progress Report	To update the Committee on progress with medium overdue actions in Payroll.	L Brownbill	This is included within the progress report for actions outstanding.
13	IA Progress Report	To share a summary of outcomes on investigations 2.1 & 2.2 in closed session on completion of those reviews as requested by Cllr Parkhurst. To share information on completed investigations in private session where requested, i.e. after meetings have ended.	L Brownbill	Report provided to Governance and Audit Committee in closed session in November 2023.

27th September 2023

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Agenda Item No.	Report	Action Required	Responsible Officer	Action Taken
31	Audit Wales Plan 2023	To schedule the recent Audit Wales report on Assurance and Risk Report (ARR) for Nov/Jan following consideration by Cabinet and Climate Change Ctte.	L Brownbill	This has been included within the Governance and Audit Committee FWP for January 2024
33	IA Progress Report	That the Housing service share a report on progress with outstanding actions relating to the audit on Maes Gwern Contractual Arrangements; and	L Brownbill	A separate report will be presented to Governance and Audit Committee in November 2023.
33	IA Progress Report	That an item on the current status of overdue actions under Housing & Communities and	L Brownbill	A separate report will be presented to Governance and Audit Committee in November 2023.

		Streetscene & Transportation be shared at the next meeting.		
33	IA Progress Report	To clarify reference to developing a homelessness plan under SARTH action ref 3010.	L Brownbill	This will be responded to within the separate report to Governance and Audit Committee in November 2023.
34	Action Tracking	To share with the Ctte a response to Cllr Parkhurst's query on whether there is a process to identify missing artefacts from the Archives, including financial implications.	L Brownbill	A response was emailed to members on the 19 th September 2023.
34	Action Tracking	To arrange a private discussion with Cllr Parkhurst to resolve concerns about transparency of officers' interests.	G Owens / G Ferguson	A meeting took place between officers and Cllr Parkhurst on the 11 th October 2023
35	FWP	Statement of Accounts to be moved to April 2024.	L Brownbill	This item has been moved to April within the forward work programme
35	FWP	Meeting between the Leader, GAC Chair & Vice-Chair to be arranged.	L Brownbill	A meeting was arranged and took place between the Council Leader and Chair and Vice Chair of the GAC on 10 October 2023 These will be held quarterly going forward

Eitem ar gyfer y Rhaglen 11



GOVERNANCE AND AUDIT COMMITTEE

Date of Meeting	Wednesday, 22 nd November 2023
Report Subject	Forward Work Programme
Report Author	Internal Audit, Performance and Risk Manager
Category	Advisory

EXECUTIVE SUMMARY

The Governance and Audit Committee presents an 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 A 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 Governance and Audit Committee.

RECOMMENDATION

1	That the Committee considers the draft Forward Work Programme and approve/amend as necessary.
2	That the Internal Audit, Performance and Risk Manager, in consultation with the Chair and Vice-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. Many items are standard every quarter, six months or annually, and Members can also suggest topics for review by the Committee. Items can also be referred by the Cabinet, County Council or Chief Officers.

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 governance, risk management or internal control? 4. Is it relevant to the financial statements or financial affairs of the Council? 5. Is there new government guidance or legislation? 6. Is it prompted by the work carried out by Regulators/Internal Audit? 			
1.03	<p>Following the Committee meeting in November there has been a need to undertake agenda management due to the number of reports due in January and March. The movement within the forward work programme is listed below.</p>			
	Report	Reason for Movement	Original Date	New Report Date
	Statement of Accounts 2022/23	Delay in Audit Wales External Audit	Sept 2023	April 2024
	Audit Action Tracking Update	New report following committee in September	N/A	Nov 2023
	Report on Investigation to Anonymous Allegations	New report – reporting on any relevant investigations	N/A	Nov 2023
	Risk Management Update	To allow the designed dashboards to be reviewed and approved by COT in December	Nov 2023	Jan 2024
	Public Sector Internal Audit Standards Self- Assessment	Inclusion following the external assessment	New	April 2024

2.00	RESOURCE IMPLICATIONS
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2.01	None as a result of this report.
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3.00	CONSULTATIONS REQUIRED / CARRIED OUT
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3.01	Both the Chair and Vice-Chair were consulted prior to the meeting and publication of this report also constitutes consultation.
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4.00	RISK MANAGEMENT
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4.01	None as a result of this report.
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5.00	APPENDICES
5.01	Appendix A - Draft Forward Work Programme.

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

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

Mae'r dudalen hon yn wag yn bwrpasol

Area	22 November 2023	24 January 2024	10 April 2024	June 2024	July 2024	September 2024
Pre-Committee Training 9.30-10.00			Annual Governance Statement	Draft Statement of Accounts		
Audit Wales (AW)		Assurance and Risk Assessment Review Report (ARR 2021-22)	Audit Plan AW 2023	Annual Audit Summary 2022/23		
Internal Audit	Report on Investigation to Anonymous Allegations (P2 Paper)		Internal Audit Strategic Plan 2024/2027	Internal Audit Annual Report 2023/24		
	Audit Action Update	Internal Audit Progress Report 2023/24	Internal Audit Progress Report 2023/24	Internal Audit Progress Report 2024/25		Internal Audit Progress Report 2024/25
			Public Sector Internal Audit Standards Self- Assessment	Internal Audit Charter		
Governance & Risk Management	Annual Governance Statement 22/23 Mid-Year review	Code of Corporate Governance		Draft Annual Governance Statement		
	Governance and Audit Committee Annual Report		GAC Self-Assessment	GAC Self-Assessment Action Plan Review		
			Annual Report on External Inspections 2023-24			
						Draft Corporate Self-Assessment Report
		Risk Management Update and Framework		Risk Management Update		
	GAC Action Tracking Forward Work Programme	GAC Action Tracking Forward Work Programme	GAC Action Tracking Forward Work Programme	GAC Action Tracking Forward Work Programme		GAC Action Tracking Forward Work Programme
Performance	Corporate Complaints and Compliments Annual Report 2022/23					
	Public Service Ombudsman for Wales Annual Letter					
						Corporate Self-Assessment Draft Report
Finance					Draft Statement of Accounts 2023/24	School Reserves – Annual Report on School Balances
			Statement of Accounts 2022/23		Certification of Grants and Returns Report (AW)	
	Asset Disposals and Capital Receipts				Supp Financial Information to Draft Statement of Accounts 2023/24	
Treasury Management	Treasury Management Q2 2023/24 – Mid Year Report	Treasury Management Q3 2023/24 and 2024/25 Strategy	Treasury Management 2023/24 Q4 Update		Treasury Management Q1 2024/25 Update and Annual Report 2023/24	
Senior Officer Updates Op Matters / Key Risks / Other)						
Meeting Following GAC			Private Meeting with Committee, Internal and External Audit			

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

Matters to be address outside of formal Committee meetings

<p>Governance and Audit Committee</p> <ul style="list-style-type: none"> Budget Workshops for members – 2023 TBC Annual Self-Assessment Workshop – October 2023 Treasury Management Training – 8 December 2023 AGS Workshop – April / May 2023 Private Meeting (AW and Internal Audit) – March 2024 Training and Development sessions - Ongoing 	<p>General</p> <ul style="list-style-type: none"> Correspondence, updates to actions and reports for information purposes Time sensitive consultation In person / video meetings as and when necessary
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Eitem ar gyfer y Rhaglen 12

Yn rhinwedd paragraff(au) 14, 18 of Part 4 of Schedule 12A
o Ddeddf Llywodraeth Leol 1972.

Dogfen Gyfyngedig - Ni ddylid ei chyhoeddi

Mae'r dudalen hon yn wag yn bwrpasol

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