

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: Cyng Richard Jones (Cadeirydd)

Y Cynghorwyr: Bernie Attridge, Bill Crease, Chris Dolphin, Alasdair Ibbotson, Gina Maddison, Allan Marshall, Vicky Perfect, Kevin Rush, Jason Shallcross, Sam Swash a Linda Thomas

7 Gorffennaf 2023

Annwyl Gynghorydd,

RHYBUDD O GYFARFOD HYBRID
PWYLLGOR TROSOLWG A CHRAFFU ADNODDAU CORFFORAETHOL
DYDD IAU, 13EG GORFFENNAF, 2023 10.00 AM

Yn gywir

Steven Goodrum

Rheolwr Gwasanaethau Democraidd

Sylwch: Gellir mynychu'r cyfarfod hwn naill ai wyneb yn wyneb yn Siambr Cyngor yr Arglwydd Barry Jones, Cyngor Sir y Fflint, Yr Wyddgrug, Sir y Fflint neu ar-lein.

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

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

R H A G L E N

1 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 - 10)

Pwrpas: I gadarnhau, fel cofnod cywir gofnodion y cyfarfod ar 18 Mai 2023.

4 OLRHAIN GWEITHRED (Tudalennau 11 - 14)

Adroddiad Rheolwr Gwasanaethau Democraidaidd -

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

5 RHAGLEN GWAITH I'R DYFODOL (Tudalennau 15 - 26)

Adroddiad Rheolwr Gwasanaethau Democraidaidd -

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

6 PECYNNAU GOFAL A ARIENNIR AR Y CYD - ADRODDIAD DIWEDDARU (Tudalennau 27 - 32)

Adroddiad Prif Swyddog (Gwasanaethau Cymdeithasol), Rheolwr Cyllid Corfforaethol - Dirprwy Arweinydd y Cyngor a'r Aelod Cabinet Gwasanaethau Cymdeithasol a Lles

Pwrpas: I rannu diweddariad ar y sefyllfa bresennol o ran dyled hirdymor gyda Bwrdd Iechyd Prifysgol Betsi Cadwaladr ers yr adroddiad diwethaf.

7 MONITRO CYLLIDEB REFENIW 2022/23 (ALLDRO) A MONITRO RHAGLEN GYFALAF 2022/23 (ALLDRO) (Tudalennau 33 - 88)

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

Pwrpas: Mae'r adroddiad hwn yn darparu sefyllfa alldro'r gyllideb refeniw ar gyfer Cronfa'r Cyngor a'r Cyfrif Refeniw Tai, a sefyllfa alldro'r Rhaglen Gyfalaf ar gyfer 2022/23.

8 MONITRO CYLLIDEB REFENIW (INTERIM) 2023/24 (Tudalennau 89 - 102)

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

Pwrpas: Mae'r adroddiad hwn yn nodi'r risgiau allweddol a'r problemau sy'n hysbys o ran sefyllfa derfynol y gyllideb refeniw ar gyfer 2023/24 ar gyfer Cronfa'r Cyngor a'r Cyfrif Refeniw Tai.

9 STRATEGAETH ARIANNOL TYMOR CANOLIG A CHYLLIDEB 2024/25
(Tudalennau 103 - 118)

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

Pwrpas: Cyflwyno'r amcangyfrif cyntaf ar gyfer gofyniad ychwanegol cyllideb 2024/25 ac amserlen y gyllideb.

10 GOSTYNGIADAU DEWISOL (A13A) DILEU TRETH Y CYNGOR
(Tudalennau 119 - 128)

Adroddiad Prif Swyddog (Llywodraethu) - Aelod Cabinet Llywodraethu a Gwasanaethau Corfforaethol gan gynnwys lechyd a Diogelwch ac Adnoddau Dynol

Pwrpas: Rhoi gwybodaeth am ostyngiadau dewisol Treth y Cyngor, y meini prawf polisi cyfredol a'r amgylchiadau (gyda dadansoddiad ystadegol) pan fo eisoes angen i'r Cyngor ddileu symiau Treth y Cyngor.

11 DARPARU GWASANAETHAU CYHOEDDUS YN YR 21AIN GANRIF: GWASANAETHAU A RENNIR (Tudalennau 129 - 134)

Adroddiad Rheolwr Corfforaethol, Rhaglen Gyfalaf ac Asedau - Aelod Cabinet Llywodraethu a Gwasanaethau Corfforaethol gan gynnwys lechyd a Diogelwch ac Adnoddau Dynol

Pwrpas: Ym mis Ebrill 2023, cyflwynwyd adroddiad i'r Pwyllgor ar ddulliau darparu amgen: "Darparu gwasanaethau cyhoeddus yn yr 21ain ganrif – trosolwg". Yn y cyfarfod, gofynnwyd am adroddiad dilynol ar un dull darparu amgen arbennig (gwasanaethau arbennig) Mae'r adroddiad hwn yn rhoi trosolwg o wasanaethau a rannir gydag enghreifftiau lleol.

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

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE **18 MAY 2023**

Minutes of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held as a hybrid meeting on Thursday, 18 May 2023

PRESENT: Councillor Richard Jones (Chairman)

Councillors: Bernie Attridge, Bill Crease, Chris Dolphin, Alasdair Ibbotson, Gina Maddison, Jason Shallcross, Kevin Rush, Sam Swash and Linda Thomas

APOLOGIES: Councillor Billy Mullin (Cabinet Member for Governance and Corporate Services) and Councillor Vicky Perfect

CONTRIBUTORS: Councillor Ian Roberts (Leader of the Council), Councillor Paul Johnson (Cabinet Member for Finance, Inclusion & Resilient Communities), Chief Executive, Chief Officer (Governance) and Corporate Manager (People and Organisational Development)

IN ATTENDANCE: Democratic Services Manager and team

1. APPOINTMENT OF CHAIR

It had been confirmed at the Annual Meeting of the County Council that the Chair of the Committee should come from the Independent Group. The Committee was advised that Councillor Richard Jones had been appointed to this role for the municipal year.

RESOLVED:

That the appointment of Councillor Richard Jones as Chair of the Committee be noted.

2. APPOINTMENT OF VICE-CHAIR

Councillor Bernie Attridge nominated Councillor Bill Crease as Vice-Chair of the Committee and was seconded by Councillor Richard Jones.

Councillor Alasdair Ibbotson's nomination for Councillor Chris Dolphin was subsequently withdrawn at Councillor Dolphin's request.

There were no further nominations. On being put to the vote, the nomination for Councillor Crease was carried.

RESOLVED:

That Councillor Bill Crease be appointed Vice-Chair of the Committee.

3. DECLARATIONS OF INTEREST

Councillor Bernie Attridge declared a personal interest on minute number 7 (Employment and Workforce End of Year Update) due to family members employed by the Council.

4. MINUTES

The minutes of the meeting held on 20 April 2023 were approved, subject to including the apology submitted by Councillor Kevin Rush, as moved and seconded by Councillors Bernie Attridge and Bill Crease.

RESOLVED:

That subject to the amendment, the minutes be approved as a correct record.

5. ACTION TRACKING

The Democratic Services Manager presented an update on actions arising from previous meetings and advised that the workshop on the Coroner's Office had been arranged for 13 September 2023. He also advised that the comments raised at the previous meeting on the Council Plan had been shared with Chief Officers to enable a response to be circulated to the Committee prior to the Council Plan being submitted to Council in June.

The recommendation was moved and seconded by Councillors Kevin Rush and Linda Thomas.

RESOLVED:

That the Committee notes the progress which has been made.

6. FORWARD WORK PROGRAMME

In presenting the current forward work programme for consideration, the Democratic Services Manager agreed to follow up Councillor Bernie Attridge's comments regarding an update on Corporate Joint Committees (CJCs).

On that basis, the recommendations were moved and seconded by Councillors Bernie Attridge and Bill Crease.

RESOLVED:

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

7. EMPLOYMENT AND WORKFORCE END OF YEAR UPDATE

The Chief Executive introduced the end of year update report on workforce statistics and analysis for 2022/23.

The Corporate Manager (People and Organisational Development) provided an overview of the key areas including the increase in staff turnover which was mainly due to the current labour market and cessation of the Test, Trace & Protect service where some employees had been successfully redeployed into alternative roles.

There was a slight improvement in attendance from 2021/22 with mental health continuing to be the main reason for absences followed by musculoskeletal issues. It was noted that the full-time equivalent absence rate of 5.59% in Flintshire followed the national trend. Recent data issued by the Office of National Statistics (ONS) reported a record high in UK absence rates since 2004 and noted high absence rates for public sector workers in 2022/23 in care, leisure and front-line services. The data also reported that long-term health conditions were at their highest point since 2008.

The Committee was reminded of the range of interventions and support available to the Council's employees whilst noting other factors such as the rising number of age-related health issues and more complex needs of service users in social care settings. In addition, delays to external medical appointments, assessments and treatments were in many cases prolonging absences and preventing employees from returning to work; an issue replicated across the UK.

On agency workers, Members were advised that not all of the 91 active placements recorded as at 31 March 2023 were engaged and working at that point in time. Although cumulative agency spend had exceeded the target, the majority of salary underspend from a high number of vacancies in Streetscene & Transportation and Social Services during the period had been utilised for agency appointments. As well as receiving an update on recruitment exercises in Streetscene, Members were reminded that agency workers were a vital resource for the delivery of Council services.

In response to questions from Councillor Bernie Attridge, the Corporate Manager provided examples on the benefits of using agency workers alongside the recruitment process. On attendance, there was no evidence to suggest that working from home was contributing to absences and a further employee survey would help to identify any issues. It was clarified that the vast majority of staff worked in their normal workplace, including Streetscene & Transportation and Social Care which recorded the highest number of absences.

The Chief Executive said that despite early intervention by the Occupational Health team to support employees returning to work, the ONS report reflected the national impact of delays to external medical appointments. He said it was important to understand the underlying base requirement for agency workers in front-line services such as Streetscene and spoke about plans to

streamline the application process for those agency workers who had been in vacant posts for a number of months.

The Chairman made the suggestion for the Committee to write to Welsh Government to raise concerns about the impact of delays in the health service.

In response, the Chief Executive explained that the wider issues in health were clearly recognised and that councils would need to work through those challenges.

The Corporate Manager advised that comparative absence data received from other Welsh authorities to date indicated that Flintshire was currently and positively in the upper quartile for attendance. She agreed to share analysis on the full range of data when it was published in September.

In speaking about her own experiences, Councillor Gina Maddison thanked the officer for highlighting age-related illnesses which would inevitably increase across all public services as the pension age increased.

In response to a question from Councillor Bill Crease, clarification was given on the framework used by the Council for appointing agency workers.

When asked by Councillor Jason Shallcross about absences linked to roles and locations, the Corporate Manager spoke about the main impact on front-line services such as Streetscene where the primary reason for absence was mental health. She went on to provide information on the Council's robust policy for employees reporting absences, the referral of stress-related illnesses to Occupational Health and the collective approach to holding case conferences for long-term absences.

Councillor Sam Swash asked whether data on absences due to mental health was broken down into work or non-work related issues. The Corporate Manager said that this was not recorded and that support was given irrespective of the reasons, with Occupational Health referrals and stress risk assessments identifying any work-related issues to be addressed. She agreed to review data on voluntary school staff leavers to establish if information was available on the proportion leaving to work at another school as opposed to departing the education professional altogether.

On a question from Councillor Kevin Rush, it was explained that managers were required to ensure that employees completed a Display Screen Equipment (DSE) assessment for the workplace including any areas worked from home.

Whilst acknowledging the explanations around absence rates and agency spend, the Chairman queried whether the targets should be more realistic. The Corporate Manager said that targets were reviewed and that there was a balance to ensure they were sufficiently challenging in order to seek improvement. On other questions, she provided information on the success of the apprenticeship programme and on the 11.46% staff turnover for 2022/23, she agreed to look into data of similar authorities for comparison.

The Chief Executive reminded Members about the approach to managing and controlling agency worker expenditure and the context behind data shown in the report. He would reflect upon the comments made around achievable targets raised by the Chairman noting that the landscape had changed and such consideration may now be necessary.

It was highlighted by the Corporate Manager that outturns for four out of the nine areas had been below the target and she suggested that any review should recognise the differing demands on services.

The Chairman commented that targets could be assessed more generally and that data on appraisals should form part of future reports, particularly to give assurance on processes for those working from home.

Councillor Paul Johnson thanked officers for the report and the national context behind some of the data. He also thanked Members for their comments.

In response to comments on the frequency of the report, the Chairman requested that it be scheduled on a six month basis.

On that basis, the recommendation was moved and seconded by Councillors Bill Crease and Bernie Attridge.

RESOLVED:

That the end of year Workforce Information Report for 2022/23 be noted.

8. MEMBERS OF THE PRESS IN ATTENDANCE

None.

(The meeting started at 10am and ended at 11am)

.....
Chairman

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 4



CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday, 13 July 2023
Report Subject	Action Tracking
Report Author	Democratic Services Manager
Type of Report	Operational

EXECUTIVE SUMMARY

The report shows the action points from previous meetings of the Corporate Resources Overview & Scrutiny Committee and the progress made in completing them.

Any outstanding actions will be reported back to the next monthly meeting.

RECOMMENDATIONS

1	That the Committee notes the progress which has been made.
---	--

REPORT DETAILS

1.00	EXPLAINING THE ACTION TRACKING REPORT
1.01	<p>In previous meetings, requests for information, reports or actions have been made. These have been summarised as action points.</p> <p>Following the meeting of the committee in July 2018, it was recognised that there was a need to formalise such reporting back, as 'Matters Arising' is not an item which can feature on an agenda.</p>
1.02	<p>This paper summarises those points and where appropriate provides an update on the actions resulting from them.</p> <p>The Action Tracking details are attached in appendix 1.</p>

2.00	RESOURCE IMPLICATIONS
2.01	The creation of the Action Tracking report increases workflow but should provide greater understanding and efficiency.
3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	Not applicable.
4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	Where appropriate, action owners have been contacted to provide an update on their actions.
5.00	APPENDICES
5.01	Appendix 1 – Corporate Resources OSC Action Points.
6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Minutes of previous meetings of the committee if identified in the report.
7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Steven Goodrum, Democratic Services Manager Telephone: 01352 702320 E-mail: Steven.Goodrum@flintshire.gov.uk
8.00	GLOSSARY OF TERMS
	Not applicable.

ACTION TRACKING FOR THE CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Meeting Date	Agenda item	Action Required	Action Officer(s)	Action taken	Status
15.12.2022	7. Work of the Coroner's Office	To arrange an all-Member workshop for the coroner to present about his role and work.	Democratic Services Manager	Arrangements are being made for a workshop to take place on 13 th September.	Closed (remove)
18.05.2023	6. Request for an update on Corporate Joint Committees (CJCs)	To schedule an item in relation to providing an update at a future committee meeting.	Democratic Services Manager	Item added to the FWP for scheduling.	Closed (remove)
	8. Employment and Workforce End of Year Update	The Corporate Manager, People and Organisational Development agreed to share analysis on the full range of data when it was published in September.	Corporate Manager, People and Organisational Development	Data to be circulated to the committee when it becomes available.	Open
		Review data on voluntary school staff leavers to establish if information is available on the proportion leaving to work at another school as opposed to departing the education professional altogether.	Corporate Manager, People and Organisational Development	Update to be provided when the next report is presented to committee.	Open

Meeting Date	Agenda item	Action Required	Action Officer(s)	Action taken	Status
		In relation to staff turnover, comparison to similar authorities was requested to be provided.	Corporate Manager, People and Organisational Development	Update to be provided when the next report is presented to committee.	Open
		That the report be scheduled on a six-month basis.	Democratic Services Manager	FWP amended accordingly.	Closed (remove)

Eitem ar gyfer y Rhaglen 5



CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday, 13 July 2023
Report Subject	Forward Work Programme
Report Author	Democratic Services Manager
Type of Report	Operational

EXECUTIVE SUMMARY

Overview & Scrutiny presents a unique opportunity for Members to determine the Forward Work programme of the Committee of which they are Members.

By reviewing and prioritising the Forward Work Programme Members are able to ensure it is Member-led and includes the right issues.

A copy of the Forward Work Programme is attached at Appendix 1 for Members' Consideration.

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

RECOMMENDATIONS

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

REPORT DETAILS

1.00	EXPLAINING THE FORWARD WORK PROGRAMME
1.01	<p>The Forward Work Programme (FWP) is intended to set out the Committee's schedule of work for the coming months.</p> <p>It is a 'working document' that remains under constant review to ensure that the Committee is carrying out the proper level of scrutiny and is focussing on the appropriate areas in accordance with its Terms of Reference. Training sessions will be arranged specifically for members of the scrutiny committees in the autumn.</p>
1.02	<p>Items feed into a Committee's Forward Work Programme from a number of sources.</p> <p>Members can suggest topics for review by Overview & Scrutiny Committees, members of the public can suggest topics, items can be referred by the Cabinet for consultation purposes, or by County Council or Chief Officers.</p> <p>Other possible items are identified from the Cabinet Work Programme and the Improvement Plan.</p>
1.03	<p>Members are encouraged to consider and propose items for inclusion on the FWP, noting the guidance at paragraph 1.06.</p> <p>The Committee's 'Terms of Reference' is included as Appendix 2 to help with this.</p>
1.04	<p>In addition to the reports scheduled on FWP included as Appendix 1, several other items are yet to be diarised. These will be worked through in more detail during the 'recess', but include:</p> <ul style="list-style-type: none"> • Capital Programme and Assets 'themed' meeting • Corporate Services 'themed' meeting • Strategic and Partnership Working 'themed' meeting • Updated MTFS (likely December 2023) • Budget Setting 2024-25, in October or November 2023 • Community Safety Partnership Annual Report • North Wales Economic Ambition Board. • Organisational Design & Change Programme. • Update on Corporate Joint Committees (CJCs).
1.05	<p>As well as the 'targeted' work items, there are standard, regular reports that follow a 'pattern'. These are included in Appendix 1 under 'Regular Items and will be scheduled on the FWP accordingly.</p>
1.06	<p>When identifying any additional topics for future consideration, it is useful for a 'test of significance' to be applied. This can be achieved by asking a range of questions as follows:</p>

	<ol style="list-style-type: none"> 1. Will the review contribute to the Council's priorities and/or objectives? 2. Is it an area of major change or risk? 3. Are there issues of concern in performance? 4. Is there new Government guidance of legislation? 5. Is it prompted by the work carried out by Regulators/Internal Audit? 6. Is the issue of public or Member concern?
--	---

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

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	Not applicable.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	Publication of this report constitutes consultation.

5.00	APPENDICES
5.01	Appendix 1 – Draft Forward Work Programme. Appendix 2 – CROSC 'Terms of Reference'

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None.

7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Steven Goodrum, Democratic Services Manager Telephone: 01352 702320 E-mail: Steven.Goodrum@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
	Not applicable.

Mae'r dudalen hon yn wag yn bwrpasol

CORPORATE RESOURCES OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

Current FWP (July 2023)

Date of meeting	Subject	Purpose of Report / Presentation	Scrutiny Focus	Responsible / Contact Officer
Tudalen 19	Council Plan 2022-23 Year-End Performance	To review the levels of progress in the achievement of activities and performance levels identified in the Council Plan following consideration by the other Scrutiny Committees.	Performance monitoring	Chief Executive
	Corporate Self-Assessment	To report on the findings and improvement plan following the completion of the Corporate Self-Assessment.	Performance monitoring – Assurance	Chief Executive
	Revenue Budget Monitoring 2023/24 (Month 4) and Capital Programme Monitoring 2023/24 (Month 4)	To provide Members with the Revenue Budget Monitoring 2023/24 (Month 4) Report and the Capital Programme 2023/24 (Month 4) Report and Significant Variances.	Performance monitoring	Corporate Finance Manager
10am – 12th October 2023	Joint Funded Care Packages – Update Report	To provide an update on the budget management of outstanding invoices raised by the Council for payment by BCUHB.	Performance monitoring	Chief Officer (Social Services) and Corporate Finance Manager

CORPORATE RESOURCES OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

Date of meeting	Subject	Purpose of Report / Presentation	Scrutiny Focus	Responsible / Contact Officer
TBC	Revenue Budget Monitoring 2023/24 (Month 5)	To provide the latest revenue budget monitoring position for 2023/24 for the Council Fund and Housing Revenue Account.	Performance monitoring	Corporate Finance Manager
	Cyber Resilience Report	<i>The provide details of a report from Audit Wales that summarised the learning from recent cyber-attacks and the subsequent follow up work on cyber resilience.</i>	Assurance	Chief Officer (Governance)
Tuesday 20				
10am – 16th November 2023	Revenue Budget Monitoring 2023/24 (Month 6)	To provide the latest revenue budget monitoring position for 2023/24 for the Council Fund and Housing Revenue Account.	Performance monitoring	Corporate Finance Manager
TBC	Joint Procurement Service Annual Report 2022/23	<i>To receive a performance update report on the Joint Procurement Service with Denbighshire County Council.</i>	Performance monitoring	Chief Officer (Governance)
Wednesday 20				
10am – 14th December 2023	Joint Funded Care Packages – Update Report	To provide an update on the budget management of outstanding invoices raised by the Council for payment by BCUHB.	Performance monitoring	Chief Officer (Social Services) and Corporate Finance Manager

CORPORATE RESOURCES OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

Date of meeting	Subject	Purpose of Report / Presentation	Scrutiny Focus	Responsible / Contact Officer
TBC	Revenue Budget Monitoring 2023/24 (Month 7)	To provide the latest revenue budget monitoring position for 2023/24 for the Council Fund and Housing Revenue Account.	Performance monitoring	Corporate Finance Manager
	Council Plan Mid-Year Performance Reporting	<i>To review the levels of progress in the achievement of activities and performance levels identified in the Council Plan.</i>	<i>Performance monitoring</i>	<i>Chief Executive</i>
10am – 11th January 2024	Revenue Budget Monitoring 2023/24 (Month 8)	To provide the latest revenue budget monitoring position for 2023/24 for the Council Fund and Housing Revenue Account.	Performance monitoring	Corporate Finance Manager
10am – 8th February 2024	Joint Funded Care Packages – Update Report	To provide an update on the budget management of outstanding invoices raised by the Council for payment by BCUHB.	Performance monitoring	Chief Officer (Social Services) and Corporate Finance Manager
	Revenue Budget Monitoring 2023/24 (Month 9) and Capital Programme Monitoring 2023/24 (Month 9)	To provide Members with the Revenue Budget Monitoring 2023/24 (Month 9) Report and the Capital Programme 2023/24 (Month 9) Report and Significant Variances.	Performance monitoring	Corporate Finance Manager

Judalen 21

CORPORATE RESOURCES OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

Date of meeting	Subject	Purpose of Report / Presentation	Scrutiny Focus	Responsible / Contact Officer
<i>TBC</i>	<i>Public Services Ombudsman for Wales (PSOW) Annual Letter 2021-22 and Complaints against Flintshire County Council during the first half of 2022-23.</i>	<i>To share the Public Services Ombudsman for Wales Annual Letter 2022-23 and Complaints made against Flintshire County Council Services in the first half of 2023-24 (April-September 2023).</i>		<i>Chief Officer (Governance)</i>
10am – 7 th March 2024	Revenue budget monitoring 2023/24 (month 10)	To provide the latest revenue budget monitoring position for 2023/24 for the Council Fund and Housing Revenue Account.	Performance monitoring	Corporate Finance Manager
10am – 13 th June 2024	Revenue Budget Monitoring 2023/24 (Outturn) and Capital Programme Monitoring 2023/24 (Outturn)	To present the Revenue Budget Monitoring (Outturn) and Capital Programme Monitoring (Outturn) for 2023/24.	Performance monitoring	Corporate Finance Manager

CORPORATE RESOURCES OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

Regular Items

Month	Subject	Purpose of Report / Presentation	Responsible / Contact Officer
Quarterly / Annual	Performance Reporting	To consider performance outturns for improvement targets against directorate indicators.	Chief Executive
Monthly	Revenue Budget Monitoring	To provide the latest revenue budget monitoring position for 2021/22 for the Council Fund and Housing Revenue Account.	Corporate Finance Manager
Twice-Yearly	Employment and Workforce Update	This report covers strategic updates in addition to the quarterly workforce statistics and their analysis.	Corporate Manager, People and Organisational Development
Annually	Public Services Ombudsman for Wales (PSOW) Annual Letter and Complaints against Flintshire County Council	To share the Public Services Ombudsman for Wales Annual Letter and Complaints made against Flintshire County Council Services	Chief Officer (Governance)

Tudalen 23

Mae'r dudalen hon yn wag yn bwrpasol

Corporate Resources Overview & Scrutiny Committee Terms of Reference

Main Contributors

- Leader of the Council and Cabinet Member for Education, Welsh Language, Culture and Leisure
- Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
- Cabinet Member for Governance and Corporate Services including Health and Safety and Human Resources
- Chief Executive
- Chief Officer (Governance)
- Corporate Finance Manager

Scope

To fulfil all the functions of an Overview & Scrutiny committee, including Performance, Improvement and Policy Development as they relate to the list below.

Corporate Management and Governance

- Council strategic and improvement planning (Council Plan)
- Council performance and performance systems
- Customer Services and contact
- Finance Strategy
- Revenue and capital strategic planning Revenue and capital budget monitoring

Clwyd Pension Fund

ICT and Digital Strategies

People Strategy

- Organisational Design & Change Programme

Corporate Services

- Corporate Communications
- Financial services
- ICT Services
- Information and Business Services Procurement
- HR Business Partnering
- Occupational Health and Wellbeing Employment Services
- Legal Services
- Democratic Services
- Revenues

Strategic and Partnership Working

- Partnership and collaborative working frameworks

- Public Service Board
- Civil Contingencies
- Emergency Planning

Crime and Disorder

- Community Safety Partnership
- North Wales Fire & Rescue Authority & Service
- North Wales Police & Crime Commissioner North
- Wales Police Service
- North Wales Probation Service

Capital Programme and Assets

- Corporate Property Maintenance Service
- Property and Design Consultancy
- Valuation and Estates Service
- Community Assets
- Community Asset Transfer Programme
- NEWydd

Note. Corporate Resources Overview & Scrutiny is also the designated 'crime & disorder scrutiny' committee.

Eitem ar gyfer y Rhaglen 6



Corporate Resources Overview and Scrutiny Committee

Date of Meeting	Thursday, 13 February 2023
Report Subject	Joint Funded Care Packages – Update Report
Cabinet Member	Deputy Leader of the Council and Cabinet Member for Social Services
Report Author	Chief Officer (Social Services) and Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

As previously discussed in the Corporate Resources Overview and Scrutiny Committee, several processes have been put in place over the past 8 months to address outstanding invoices and ensure current invoices are raised and paid in a timely manner. We continue to see a decrease in the number of long standing outstanding invoices and an arbitration process has been established to resolve long-standing debts.

Members have requested an update report to give assurance that the work relating to the payment of outstanding invoices continues and that outstanding debt levels are now within normal operating activity.

RECOMMENDATIONS

1	To update Members on the continued proactive budget management of outstanding invoices raised by the Council for payment by Betsi Cadwaladr University Health Board.
---	--

REPORT DETAILS

1.00 PROGRESS UPDATE													
1.01	Regular meetings continue between Council officers and health board staff, in these meetings officers concentrate on filling the information gaps that have previously prevented payment and as a result reduced the numbers of outstanding invoices. In February 2023, 36 invoices remained outstanding, this has reduced to 23 in July 2023.												
1.02	Processes are now in place to ensure current and future invoices are raised in a timely manner and supported by appropriate information to allow for payment within invoicing terms. We currently have no outstanding invoices under 1 year in age, with all current invoices paid in a timely manner.												
1.03	Meetings continue to be held at operational, strategic and Leader/Chief Executive level and the management of outstanding invoices is a standing item on all meeting agendas.												
1.04	Meetings to support arbitration between Council officers and health board staff continue every 2 months and since February 2023 this process has resolved a further £0.098m of long-standing debt.												
1.05 Debt Levels													
1.06	<table border="1"> <thead> <tr> <th></th> <th>Outstanding CHC Invoices 12/10/2022</th> <th>Outstanding CHC Invoices 11/11/2022</th> <th>Outstanding CHC Invoices 06/12/2022</th> <th>Outstanding CHC Invoices 31/01/2023</th> <th>Outstanding CHC Invoices 03/07/2023</th> </tr> </thead> <tbody> <tr> <td>Total</td> <td>£ 1,285,005.01</td> <td>£ 1,143,087.50</td> <td>£834,664.00</td> <td>£666,102.57</td> <td>£471,845.15</td> </tr> </tbody> </table> <p>From October 2022 to July 2023 the outstanding CHC Invoice position has improved by 63.3% (a reduction of £0.813m) Of the £0.472m outstanding CHC Invoices as at 3 July 2023:</p> <ul style="list-style-type: none"> £0.273m are being discussed at arbitration (this is a reduction of £0.098m from February 2023) 		Outstanding CHC Invoices 12/10/2022	Outstanding CHC Invoices 11/11/2022	Outstanding CHC Invoices 06/12/2022	Outstanding CHC Invoices 31/01/2023	Outstanding CHC Invoices 03/07/2023	Total	£ 1,285,005.01	£ 1,143,087.50	£834,664.00	£666,102.57	£471,845.15
	Outstanding CHC Invoices 12/10/2022	Outstanding CHC Invoices 11/11/2022	Outstanding CHC Invoices 06/12/2022	Outstanding CHC Invoices 31/01/2023	Outstanding CHC Invoices 03/07/2023								
Total	£ 1,285,005.01	£ 1,143,087.50	£834,664.00	£666,102.57	£471,845.15								
1.07	The remaining operating debt level of £0.199m is a further 6% improvement on February's operating debt level of £0.211m.												
1.08	Monthly operational meetings continue and the outcome from this work is reported to the Chief Officer of Social Services and the Senior Management Team monthly.												
1.09	Arbitration continues to discuss the remains 5 individuals whose invoices represent the outstanding £0.273m referenced above.												

2.00	RESOURCE IMPLICATIONS
2.01	As this report is the provision of financial information only.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	Debt levels are monitored monthly, and an escalation route has been established.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	None required at this stage.

5.00	APPENDICES
5.01	None

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Jane Davies – Senior Manager Safeguarding and Commissioning Telephone: 01352 702503 E-mail: jane.m.davies@flintshire.gov.uk</p>

8.00	GLOSSARY OF TERMS
8.01	None

Mae'r dudalen hon yn wag yn bwrpasol

Customer	Invoice Amount	Amount Due	Invoice Date	Due Date	Days Overdue
FD196495	21072.09	12223.39	20220217	20220319	472
FD196495	1886.62	1886.62	20210914	20211014	628
FD196495	15468.95	399.28	20210817	20210916	656
FD196495	169405.88	23844.92	20210730	20210829	674
FD196495	34531.87	34531.87	20210730	20210829	674
FD196495	13770.39	1644.62	20210730	20210829	674
FD196495	17100.06	1084.20	20210331	20210430	795
FD196495	21120.60	959.82	20210210	20210312	844
FD196495	2892.24	2892.24	20210115	20210214	870
FD196495	21812.55	956.99	20201217	20210116	899
FD196495	26407.90	2136.75	20201209	20210108	907
FD196495	21866.82	3015.10	20200819	20200918	1019
FD196495	11004.34	11004.34	20200428	20200528	1132
FD196495	17885.59	17885.59	20200428	20200528	1132
FD196495	16900.79	7187.69	20200331	20200430	1160
FD196495	43372.30	12524.70	20200331	20200430	1160
FD196495	52234.28	9703.21	20200331	20200430	1160
FD196495	17006.61	17006.61	20200115	20200214	1236
FD196495	9453.68	4872.68	20190331	20190430	1526
FD196495	7090.26	2407.46	20190304	20190403	1553
FD196495	18155.14	1481.77	20190225	20190327	1560
FD196495	23954.70	2940.90	20190206	20190308	1579
FD002312	27620.47	26480.31	20181011	20181110	1697
£	612,014.13	£ 199,071.06			

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 7



CORPORATE RESOURCES OVERVIEW AND SCRUTINY

Date of Meeting	Thursday 13th July, 2023
Report Subject	Revenue Budget Monitoring 2022/23 Final Outturn and Capital Programme 2022/23 Final Outturn
Cabinet Member	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

The purpose of this report is to provide Members with the Revenue Budget Monitoring 2022/23 (Final Outturn) and Capital Programme 2022/23 (Final Outturn).

RECOMMENDATIONS

1	That the committee considers and comments on the Revenue Budget Monitoring 2022/23 (Final Outturn) report. Any specific matters for attention will be noted and reported back to the Cabinet when it considers the report.
2	That the committee considers and comments on the Capital Programme 2022/23 (Final Outturn) report. Any specific matters for attention will be noted and reported back to the Cabinet when it considers the report.

REPORT DETAILS

1.00	EXPLAINING THE REVENUE BUDGET MONITORING POSITION 2022/23 (FINAL OUTTURN)
1.01	The Revenue Budget Monitoring 2022/23 (Final Outturn) report will be presented to Cabinet on Tuesday 18th July, 2023. A copy of the report is attached as Appendix A to this report.
1.01	The Capital Programme 2022/23 (Final Outturn) report will be presented to Cabinet on Tuesday 18th July, 2023. A copy of the report is attached as Appendix B to this report.

2.00	RESOURCE IMPLICATIONS
2.01	As set out in Appendix A; Revenue Budget Monitoring 2022/23 (Final Outturn).
2.02	As set out in Appendix B; Capital Programme 2022/23 (Final Outturn).

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	As set out in Appendix A; Revenue Budget Monitoring 2022/23 (Final Outturn).
3.02	As set out in Appendix B; Capital Programme 2022/23 (Final Outturn).

4.00	CONSULTATIONS REQUIRED / CARRIED OUT
4.01	None required.

5.00	APPENDICES
5.01	Appendix A; Revenue Budget Monitoring 2022/23 (Final Outturn).
5.02	Appendix B; Capital Programme 2022/23 (Final Outturn).

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None required.

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

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

Mae'r dudalen hon yn wag yn bwrpasol

CABINET

Date of Meeting	Tuesday 18 th July, 2023
Report Subject	Revenue Budget Monitoring Report 2022/23 (Final Outturn)
Cabinet Member	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

This report provides members with the revenue budget final outturn position for the Council Fund and Housing Revenue Account for the financial year 2022/23 (subject to audit).

The Accounts for 2022/23 are now effectively closed, and we are on schedule to submit the formal Statement of Accounts and supporting notes to Audit Wales within the timeframe set by Welsh Government.

As reported previously, measures were introduced to review and challenge non-essential spend and recruitment to vacancies with the aim of reducing in-year expenditure to 'dampen' the projected overspend at that time. This work made a positive impact on the outturn position.

The final year end position is:

Council Fund

- An operating surplus of (£3.013m) which is a favourable movement of (£0.907m) from the last reported figure of (£2.106m) as at Month 11.
- A projected contingency reserve available balance as at 31st March 2023 of £9.508m.

The Council Fund final outturn surplus position of (£3.013m) does not include various one-off items of expenditure totaling £5.876m approved for funding from the Contingency Reserve such as the Pay Award of £3.826m, COVID related costs of £1.573m and Social Services one off costs within Children's Services of £0.477m. If these amounts had been taken from the in-year revenue budget, there would have been an overall net overspend of £2.863m for the financial year.

The operating surplus of (£3.013m) equates to 0.9% of the Approved Budget, which is above the target MTFs KPI for a variance against budget of 0.5%.

Housing Revenue Account

- Net in-year revenue expenditure was £2.688m higher than budget.
- A closing balance as at 31st March, 2023 of £3.786m.

RECOMMENDATIONS

1	To note the overall report and the Council Fund contingency sum as at 31 st March, 2023 (subject to audit)
2	To note the final level of balances on the Housing Revenue Account (HRA) (subject to audit)
3	To approve the carry forward of funding as detailed in Appendix 6.

REPORT DETAILS

1.00	EXPLAINING THE REVENUE BUDGET MONITORING OUTTURN 2022/23
1.01	<p>Council Fund Final Outturn Position</p> <p>The final year end position is as follows:</p> <ul style="list-style-type: none">• An operating surplus of (£3.013m) (excluding the impact of the pay award which has been met by reserves).• A projected contingency reserve available balance as at 31 March 2023 of £9.508m. <p>The Council Fund final outturn surplus position of (£3.013m) does not include various one-off items of expenditure totaling £5.876m approved for funding from the Contingency Reserve such as the Pay Award of £3.826m, COVID related costs of £1.573m and Social Services one off costs within Children's Services of £0.477m. Taking these into account provides an overall net additional spend of £2.863m for the financial year.</p> <p>To assist with managing risks and maximising the financial resources available to the Council, a review of non-essential spend and a vacancy management process continued throughout the year which had a positive impact on the outturn.</p>
1.02	<p>We continued to claim payments totalling £5.419m in 2022/23 for self-isolation and statutory sick pay enhancement, free school meals direct payments and winter fuel payments. No further Welsh Government funding has been confirmed for 2023/24.</p>

1.03

Table 1. Final Outturn Position by Portfolio

The table below shows the final outturn position by portfolio:

Portfolio/Service Area	Approved Budget	Final Outturn	In-Year Over / (Under) spend
	£m	£m	£m
Social Services	79.987	79.670	(0.317)
Out of County Placements	15.101	15.746	0.645
Education & Youth (Non Schools)	10.391	9.971	(0.420)
Schools	108.335	108.335	0.000
Streetscene & Transportation	39.931	40.913	0.982
Planning, Environment & Economy	7.222	6.871	(0.351)
People & Resources	4.644	4.542	(0.102)
Governance	11.280	10.684	(0.596)
Strategic Programmes	6.116	6.225	0.108
Assets	1.033	0.738	(0.296)
Housing & Communities	14.964	15.002	0.038
Chief Executive	1.692	1.606	(0.086)
Central & Corporate Finance	25.987	23.366	(2.620)
Total	326.682	323.669	(3.013)

1.04

The reasons for the variances are summarised within Appendix 1 and show details of all variances over £0.050m and a summary of minor variances for each portfolio.

Significant Movements from Month 11

1.05

Social Services (£0.338m)

The net positive movement comprises:

Older People:

- Localities (£0.488m) – additional income of £0.289m within the commissioned residential care service due to recoupment of residential fees paid on behalf of service users. Property income received £0.171m higher than previously anticipated. Maximisation of Regional Integration Fund (RIF) grant slippage (£0.083m). Commissioned domiciliary care costs increased by £0.061m due to increased activity. Net minor variance reduction of £0.006m.

	<ul style="list-style-type: none"> Regional Integration Fund (RIF) (£0.148m) – previously reported overspend for short term residential care costs to improve hospital discharges has now been funded by grant. Reablement Serves (£0.032m) – reduced expenditure on telecare appliances. Resources & Regulated Services £0.035m – increased costs for in-house residential care of £0.53m offset by a decrease in in-house homecare costs of £0.020m. (£0.002m minor variances). <p>Adults of Working Age:</p> <ul style="list-style-type: none"> Resources & Regulated Services £0.290m – Direct Payment recoupment from surplus balances have reduced costs by £0.080m. An allocation of £0.067m from RIF grant slippage towards commissioned supported living costs. Reduced costs from Health of £0.032m. The contribution to the bad debt provision was £0.019m less than expected. The in-house supported living service costs increased by £0.087m. Children to Adult Transition Services (£0.038m) - final costs for care packages within this service were reduced. Residential Placements £0.063m – increased costs of care packages for clients with mental ill health. <p>Children’s Services:</p> <ul style="list-style-type: none"> Family Group Meetings (£0.069m) - Eligible costs transferred against slippage within the Children’s and Communities Grant (CCG). Family Placement (£0.035m) – Transfer of foster costs which were eligible for Mockingbird funding. Early Years & Family Support (£0.037m) - This is due to a number of minor variances across the service. Residential Placements (£0.045m) – Due to a delay to building works for some of the in-house residential care settings. Professional Support £0.288m - £0.199m of eligible costs were transferred to CCG slippage. Adoption costs of £0.077m which were previously anticipated not incurred in the financial year as the adoption process is ongoing. Eligible costs of £0.048m allocated against Childcare Offer Admin Grant (CCO). Reduced spend of £0.018m within the Leaving Care services as a young person left a placement and some late grant income received. <p>Safeguarding & Commissioning:</p> <ul style="list-style-type: none"> Management & Support (£0.030m) – Mainly due to the transfer of eligible costs to be funded from the allocation of RIF slippage. <p>Further minor variances across the Portfolio account for the remainder of the movement totalling (£0.092m) each less than £0.025m individually.</p>
1.06	<p>Streetscene & Transportation (£0.137m)</p> <p>The net positive movement relates to:</p> <ul style="list-style-type: none"> Service Delivery (£0.065m) – Additional income achieved through in-house construction work

	<ul style="list-style-type: none"> Highways Network (£0.047m) – Reduction in fuel costs compared with previous estimates. <p>Minor variances account for the remainder of the movement (£0.025m).</p>
1.07	<p>Planning, Environment & Economy £0.069m</p> <p>The net movement relates to:</p> <ul style="list-style-type: none"> Reallocation of three- and five-year taxi licences income totalling £0.046m into future years Capital Expenditure funded by Revenue Expenditure (CERA) contribution of £0.107m towards the Whole House Warmth and Crisis Fund to support those in need with the required support. WG Flood and Coastal Erosion Risk Management (FCERM) final grant claim higher than previously projected together with some land drainage works that will now go ahead in the new financial year instead of 2022/23, all totalling (£0.091m). <p>Minor variances across the Portfolio account for the remainder of £0.007m.</p>
1.08	<p>Governance (£0.156m)</p> <p>The net positive movement relates to:</p> <ul style="list-style-type: none"> Higher than anticipated Fee Income in the Registrars Service (£0.042m) Reduced end of year recharge from Denbighshire County Council for the Joint Procurement Service (£0.021m) Vacancy and budget savings in relation to in-house software and software maintenance costs (£0.069m) <p>Minor variances across the Portfolio account for the remainder of (£0.024m).</p>
1.09	<p>Central & Corporate (£0.261m)</p> <p>The net positive movement relates to:</p> <ul style="list-style-type: none"> One-off income from Matrix rebates and written-back out of date cheques (£0.084m) Further reduction in short-term borrowing costs in the Central Loans & Investment Account (CLIA) in addition to increasing income from temporary investments in line with rising interest rates (£0.177m).
1.10	<p>There are a number of minor variances across the other Portfolios each below £0.050m that account for the remainder of the overall movement with a cumulative total of £0.054m.</p>
1.11	<p>Carry Forward Requests</p> <p>Various requests to carry forward funding into the 2023/24 financial year have been identified and are recommended for approval (See Appendix 6).</p>
1.12	<p>Tracking of In-Year Risks</p>

	<p>Members were made aware when setting the budget that there were several open risks that would need to be kept under close review. An update on these is provided below.</p>
1.13	<p>Council Tax Income</p> <p>In 2022-23, the Council collected 97.4% of Council Tax – well ahead of the 96.1% Welsh national average, and Flintshire continues to be ranked as one of the highest performing Councils in Wales when it comes to collecting in-year Council Tax. The Council is also ranked as having the second lowest outstanding amounts per chargeable dwelling when considering longer-term arrears. The marginal reduction in collections of 0.29% is to be expected as the rising costs-of-living are impacting on the ability of some households to make payment of council tax on time.</p> <p>Recent national publications also reflect that our ‘in-year’ collections, at 97.4%, are 1.4% above the English average and 1.2% above the Scottish average.</p>
1.14	<p>Out of County Placements</p> <p>The risks include continued high demand for placements where children and young people cannot be supported within in-house provision, and market supply limitation factors and inflationary pressures leading to higher costs. An additional amount of £1m has been approved in the 2023/24 budget to reflect this.</p>
1.15	<p>Homelessness</p> <p>The service demand that impacted on 2022/23 outturn will continue into 2023/24 and an additional amount of £1m has been approved in the 2023/24 budget to reflect this.</p>
1.16	<p>School Transport</p> <p>Increased costs that impacted on 2022/23 outturn will continue into 2023/24 and an additional amount of £0.851m has been approved in the 2023/24 budget to reflect this.</p>
1.17	<p>Winter Maintenance</p> <p>In the month 10 report Cabinet approved a ‘top up’ of up to £0.200m to the winter maintenance reserve, in order to mitigate the risk of increasing costs from more severe winter weather in future years.</p> <p>Due to some severe weather events over the period December to March, spend has exceeded the annual budget leaving a requirement to drawdown £0.180m from the winter maintenance reserve in 2022/23.</p>

1.18	<p>Waste Recycling Infraction Charge</p> <p>The Council did not meet the statutory minimum target, (64%) in 2021/22, for the percentage of municipal waste which must be recycled, prepared for re-use and composted, as specified in Section 3 of the Waste (Wales) Measure 2010. Welsh Government can therefore now take steps to impose a penalty on the Council by way of an infraction fine.</p> <p>A potential penalty of up to £0.663m has been confirmed so presents a significant financial risk to the Council.</p> <p>Discussions took place in March between Welsh Government and the Council as to the reasons for not achieving the target. A decision is still awaited as to whether the penalty will be levied.</p>
1.19	<p>Achievement of Planned In-Year Efficiencies</p> <p>The 2022/23 budget contained £1.341m of specific efficiencies which were tracked and monitored throughout the year. The Council has achieved its aim of a 95% rate in 2022/23 as reflected in the MTFS KPI's and fully achieved all efficiencies. Further details can be seen in Appendix 3.</p>
1.20	<p>Unearmarked Reserves</p> <p>The final level of Council Fund contingency reserve brought forward into 2022/23 was £7.098m as detailed in the 2021/22 outturn report.</p> <p>After taking into account the projected outturn and previously approved allocations there is a contingency reserve available as at 31st March 2023 of £9.508m.</p> <p>In addition, the Council set-aside a further £3.250m to the carried forward £2.066m COVID-19 Emergency Reserve being a total of £5.316m as a safeguard against the continuing impacts of the pandemic (additional costs and lost income).</p> <p>Some claims for March 2022 were disallowed by WG and Internal claims have been made in 2022/23 relating to additional costs in Schools, Streetscene & Transportation and for income losses within AURA and Holywell Leisure Centre.</p> <p>The final claims totalled £1.573m and the balance on the COVID-19 Emergency Reserve at 31st March 2023 was £3.743m.</p>

1.21

Council Fund Earmarked Reserves 2022/23**Summary Outturn (Subject to Audit)**

Reserve Type	Balance as at 01/04/22	Balance as at 31/03/23
Service Balances	4,697,596	6,184,486
Workforce Costs	877,786	843,190
Investment in Organisational Change	1,617,975	1,350,875
County Elections	291,851	74,777
Local Development Plan (LDP)	242,360	115,360
Warm Homes Admin Fee	297,925	315,985
Waste Disposal	48,771	48,771
Design Fees	250,000	250,000
Winter Maintenance	250,000	250,000
Severe Weather	250,000	250,000
Car Parking	45,403	88,059
Insurance Reserves	2,135,817	2,201,372
Cheque Book Schools	3,814	0
School HWB ICT Replacement	263,223	526,447
Free School Meals	115,522	30,398
Flintshire Trainees	696,631	562,948
Rent Income Shortfall	12,779	106,118
Plas Derwen Wave 4	1,780	3,560
Customer Service Strategy	22,468	22,468
Supervision Fees	48,798	48,798
COVID-19 Inquiry	0	142,301
ICT Servers Reserve	85,000	170,000
IT Infrastructure HWB	327,442	312,442
Schools Intervention Reserve	491,133	705,836
Organisational Change/ADM	274,154	873,546
NWEAB	210,644	330,927
Solar Farms	0	62,416
20 MPH Scheme	0	111,186
Employment Claims	109,846	109,846
Community Benefit Fund NWRWTP	450,653	683,164
Total B823 Balances	9,421,775	10,590,790
Schools Balances	12,291,688	6,716,596
Grants & Contributions	10,776,156	7,066,214
TOTAL	37,187,216	30,558,086

As in previous years a review and challenge of all earmarked reserves will be undertaken over the summer to ensure that they are still relevant and required at the same level.

1.22	<p>Operating Surplus and Contingency Reserve position</p> <p>The operating surplus and Contingency Reserve position over the last 5 financial years is as follows:</p> <table border="1" data-bbox="316 309 1355 645"> <thead> <tr> <th colspan="6">Final Outturn and Contingency Reserve</th> </tr> <tr> <th></th> <th>2022/23</th> <th>2021/22</th> <th>2020/21</th> <th>2019/20</th> <th>2018/19</th> </tr> <tr> <th></th> <th>£m</th> <th>£m</th> <th>£m</th> <th>£m</th> <th>£m</th> </tr> </thead> <tbody> <tr> <td>Revenue Outturn Surplus</td> <td>3.013</td> <td>5.711</td> <td>2.185</td> <td>0.439</td> <td>0.608</td> </tr> <tr> <td>Contingency Reserve</td> <td>9.508</td> <td>7.098</td> <td>5.973</td> <td>2.37</td> <td>6.031*</td> </tr> </tbody> </table> <p>* 2018/19 Contingency Reserve is after earmarking agreed contributions to 2019/20 budget (£2.221m)</p>	Final Outturn and Contingency Reserve							2022/23	2021/22	2020/21	2019/20	2018/19		£m	£m	£m	£m	£m	Revenue Outturn Surplus	3.013	5.711	2.185	0.439	0.608	Contingency Reserve	9.508	7.098	5.973	2.37	6.031*
Final Outturn and Contingency Reserve																															
	2022/23	2021/22	2020/21	2019/20	2018/19																										
	£m	£m	£m	£m	£m																										
Revenue Outturn Surplus	3.013	5.711	2.185	0.439	0.608																										
Contingency Reserve	9.508	7.098	5.973	2.37	6.031*																										
1.23	<p>Housing Revenue Account</p> <p>The 2021/22 Outturn Report to Cabinet on 12 July 2022 showed that, at the end of 2021/22, there was a closing balance for un-earmarked reserves of £3.616m and a closing balance of earmarked reserves of £1.622m.</p>																														
1.24	<p>The 2022/23 budget for the HRA was £37.755m which included a movement of £2.858m to reserves.</p>																														
1.25	<p>The final outturn for the HRA shows in year expenditure to be £2.688m higher than budget and a closing un-earmarked balance as at 31st March 2023 of £3.786m, which at 10.547% of total expenditure satisfies the prudent approach of ensuring a minimum level of 3% - see Appendix 5.</p>																														
1.26	<p>The net positive movement of (£0.151m) from Month 11 is as follows:</p> <ul style="list-style-type: none"> • Repairs & Maintenance £0.371m – Additional void contractor expenditure of £0.581m mitigated by savings to Cyclical Works (£0.142m) and Contact Centres (£0.040m) • Management & Support Services (£0.106m) – Savings in respect of staff and other support recharges • Capital Expenditure from Revenue (£1.189m) – Reduction in overall contribution required in for schemes identified. • HRA Projects (£0.376m) – additional income generated in respect of energy efficiency schemes • Contribution to Reserves £1.150m – Balance of £1.150m to be carried forward to Earmarked Reserves in respect of CERA contributions, to allow additional Capital works identified in 2022/23 to be completed in 2023/24. <p>Minor movements account for the remainder £0.002m.</p>																														
1.27	<p>The budget contribution towards capital expenditure (CERA) was £10.898m with the actual contribution £12.566m at outturn.</p>																														

2.00	RESOURCE IMPLICATIONS
-------------	------------------------------

2.01	As set out within the report.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	The financial impacts as set out in the report are based on actual costs and losses. The budget is monitored closely, and mitigation actions taken wherever possible.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	None specific.

5.00	APPENDICES
5.01	Appendix 1: Council Fund – Movement in Variances from Month 11 Appendix 2: Council Fund – Budget Variances Appendix 3: Council Fund – Programme of Efficiencies Appendix 4: Council Fund – Movement on Un-earmarked Reserves Appendix 5: Housing Revenue Account Variances Appendix 6: Carry Forward Requests

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Various budget records.

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

8.00	GLOSSARY OF TERMS
8.01	Budget: a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them. Council Fund: the fund to which all the Council's revenue expenditure is charged. Financial Year: the period of twelve months commencing on 1 April. Housing Revenue Account: the Housing Revenue Account (HRA) is a local authority account showing current income and expenditure on

housing services related to its own housing stock. The account is separate from the Council Fund and trading accounts and is funded primarily from rents and government subsidy.

Projected Outturn: projection of the expenditure to the end of the financial year, made on the basis of actual expenditure incurred to date.

Regional Integration Fund (RIF): Funding provided by Welsh Government to encourage integrated working between local authorities, health and housing.

Reserves: these are balances in hand that have accumulated over previous years and are held for defined (earmarked reserves) and general (general reserves) purposes. Councils are required to regularly review the level and purpose of their reserves and to take account of the advice of the Chief Finance Officer.

Revenue: a term used to describe the day-to-day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.

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

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

Council Fund Variances

FINAL OUTTURN 2022/23 - SUMMARY

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £0.025m
Social Services		
Older People		
Localities	-0.488	Within the commissioned residential service for older people there was additional income for £0.289m invoiced within the final month of the financial year. This was due to recoupment of residential fees paid on behalf of service users whereby there were some delays in outcomes for deputyship applications and determination if assets held in trust should be taken into consideration within financial assessments. Expected property income had previously been underestimated by £0.171m. In addition costs of £0.083m were transferred against Regional Integration Fund (RIF) grant slippage. Commissioned domiciliary care costs increased by £0.061m due to increased activity. Net minor variance reduction of £0.006m.
Regional Integration Fund	-0.148	RIF grant slippage meant that the previously reported overspend for short term residential care costs to improve hospital discharges has now been funded by grant.
Reablement Services	-0.032	Reduced expenditure on telecare appliances
Resources & Regulated Services	0.035	Increased costs for in-house older peoples residential of £0.53m offset by a decrease in in-house homecare costs of £0.020m £0.002m minor variances.
Impact of Covid-19	0.000	
Minor Variances	-0.015	
Adults of Working Age		
Resources & Regulated Services	0.290	Direct Payment recoupment from surplus balances have reduced costs by £0.080m. An allocation of £0.067m from RIF slippage towards commissioned supported living costs. Reduced costs from BCUHB £0.032m. The contribution to the bad debt provision was ££0.019m less than expected. The in-house supported living service costs increased by £0.087m
Children to Adult Transition Services	-0.038	Final costs for care packages within this service were reduced
Residential Placements	0.063	Increased costs of care packages for people with mental ill health
Minor Variances	-0.022	
Children's Services		
Family Group Meetings	-0.069	Eligible costs transferred against slippage within the Childrens and Communities Grant (CCG)
Family Placement	-0.035	Transfer of foster costs which were eligible for Mockingbird funding.
Flying Start	-0.028	This is the aggregate of a number of smaller variances whereby year end expenditure was less than previously anticipated
Early Years & Family Support	-0.037	This is due to a number of smaller variances across this service
Residential Placements	-0.045	A delay to building works for some of the in-house residential care settings has resulted in a decrease to expenditure.
Professional Support	0.288	£0.199m of eligible costs were transferred to CCG slippage. Adoption costs of £0.070m which were expected will not be incurred this financial year as the adoption process is ongoing. £0.048m of costs were allocated against Childcare Offer Admin grant (CCO). There was reduced spend of £0.018m within the Leaving Care services as a young person left a placement and some late grant income was received.
Minor Variances	-0.034	
Safeguarding & Commissioning		
Management & Support	-0.030	The reduced spend is mostly from the allocation of RIF slippage which offset expenditure
Impact of Covid-19	0.011	
Minor Variances	-0.003	
Total Social Services (excl Out of County)	-0.338	
Out of County		
Children's Services	0.071	Aggregate of a number of minor changes and 2 new placements
Education & Youth	-0.097	Due to ended placements and some one off grant income
Total Out of County	-0.026	
Education & Youth		
Inclusion & Progression	-0.040	Minor movements across the service areas, each less than £0.010m, other than ALN services £0.012m variance and Education Psychologists £0.015m. Anticipated legal fees and early years expenditure for the ALN service did not materialise. Variance in the Education Psychology service was as a result of locum costs being lower than anticipated and other minor variances.
Integrated Youth Provision	0.034	Additional expenditure on equipment in Youth Centres
Minor Variances	-0.026	
Total Education & Youth	-0.032	
Schools	0.000	
Streetscene & Transportation		
Service Delivery	-0.065	Additional Income achieved through In-house construction work
Highways Network	-0.047	Fuel Costs reductions
Other Minor Variances	-0.025	
Total Streetscene & Transportation	-0.137	
Planning, Environment & Economy		
Community	0.046	Carry forward of fee income for 3 & 5 year taxi licences
Regeneration	0.107	At Outturn, a capital expenditure contribution was required towards the Whole House Warmth and Crisis Fund to support people in need with replacement boilers etc.

FINAL OUTTURN 2022/23 - SUMMARY

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £0.025m
Management & Strategy	-0.091	WG Flood and Coastal Erosion Risk Management (FCERM) final grant claim higher than previously anticipated plus delays encountered with some Land Drainage projects resulting in removal of projected commitments.
Minor Variances	0.006	
Total Planning & Environment	0.069	
People & Resources		
HR & OD	-0.031	Minor movements across the service each less than £0.010m
Corporate Finance	-0.011	
Total People & Resources	-0.042	
Governance		
ICT	-0.069	Vacancy savings / DCC Recharge for Procurement Service lower than anticipated
Customer Services	-0.042	Higher than anticipated fee income at Outturn
Impact of Covid-19	-0.001	
Minor Variances	-0.044	
Total Governance	-0.156	
Strategic Programmes		
ADM's & CAT's	0.040	
Total Strategic Programmes	0.040	
Assets		
Caretaking & Security	-0.023	Further vacancy savings
CPM & Design Services	-0.072	Additional fee income
Industrial Units	0.081	Approved c/f of underspends to 2023/24
Minor Variances	-0.027	
Total Assets	-0.041	
Housing and Communities		
Travellers and Refugees	0.028	Increased utility costs at traveller sites
Minor Variances	0.001	
Total Housing and Communities	0.029	
Chief Executive's		
	0.007	
Central & Corporate Finance		
	-0.258	Further reduction in CLIA at Outturn £0.177m, plus one-off income from Matrix Rebates and out of date cheques written back, account for the remainder
Centralised Costs	0.005	
Soft Loan Mitigation	-0.026	Actual charge at Outturn
Grand Total	-0.907	

Budget Monitoring Report

Service	Approved Budget (£m)	Actual Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Social Services							
Older People							
Localities	20.513	19.542	-0.971		-0.483	The commissioned Older People domiciliary and Direct Payment budget is £0.917m underspent, this was due to staff shortages within the homecare sector which meant demand for the service could not be fully met. The residential care budget was £0.042m underspent and was the net cost of care placements which includes Free Nursing contributions, client contributions and property income. The workforce budget was £0.030m underspent. The day care budget was £0.031m underspent and the Minor Adaptations budget was £0.049m overspent.	
Impact of Covid-19	0.000	0.000	0.000	0.000	0.000		
Minor Variances	10.757	10.695	-0.061		0.260		
Adults of Working Age							
Resources & Regulated Services	29.846	30.461	0.615		0.325	The PDSI (physically disabled and sensory impaired) budget was £0.039m overspent due to net costs of care packages. There was an overspend of £0.516m on the in-house supported living service, recruitment challenges lead to increase agency costs and increased support was provided to meet service user needs. The disability day care and workscheme service was £0.002m underspent. The commissioned Learning Disability care package costs were £0.337m under budget.	
Children to Adult Transition Services	0.951	1.029	0.077		0.116	These are the costs of young adults who are transferring to Adult Social Care services from Childrens Services within the 2022-23 financial year.	
Transition & Disability Services Team	0.847	0.757	-0.090		-0.081	Programmed grant allocation to posts resulted in in-year underspends.	
Supporting People	-0.323	-0.460	-0.137		-0.137	Additional Supporting People funding was allocated in-year	
Residential Placements	1.956	2.449	0.493		0.430	The overspend is due to the net cost of care packages for people with mental ill health	
Minor Variances	3.566	3.404	-0.163		-0.149		
Children's Services							
Family Group Meetings	0.124	0.070	-0.054		0.015	RIF grant was used to offset some expenditure which resulted in this underspend	
Family Placement	2.812	2.620	-0.192		-0.156	A reduced number of in-house foster carers resulted in lower costs, although this meant increased demand for more expensive independent foster carers from the Out of County budget	
Family Support	0.403	0.462	0.059		0.075	Costs are a result of activity undertaken of which employee costs, which are mostly sessional workers are the primary cost driver.	
Legal & Third Party	0.232	0.588	0.356		0.373	Legal costs were £0.182m overspent due to the number of cases going through the courts and some use of external legal professionals. Direct Payments are subject to high demand and were overspent by £0.173m.	
Residential Placements	1.312	0.596	-0.716		-0.672	Timings of the opening of in-house childrens residential care settings have resulted in one off cost savings, in addition a number of Welsh Government grants were used to offset expenditure.	
Professional Support	6.536	7.349	0.813		0.525	To support adequate levels of child protection, the established staffing structure needs to be at a sufficient level to meet mandatory safeguarding standards. Vacancies need to be minimised and additional temporary posts are sometimes required to meet the challenges and demand of Childrens Services.	
Minor Variances	0.560	0.481	-0.079		-0.014		
Safeguarding & Commissioning							
Business Systems & Financial Assessments	0.906	1.061	0.155		0.156	There were additional costs for an IT system upgrade and also development of a Social Services finance system. There were also temporary uplift in hours and additional support assistants.	
Charging Policy income	-3.104	-3.205	-0.101		-0.078	Income is generated by demand for chargeable services and based upon each individuals ability to pay resulting from a financial assessment	

Budget Monitoring Report

Service	Approved Budget (£m)	Actual Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Safeguarding Unit	1.344	1.152	-0.192		-0.191	A delay to the implementation of Liberty Protection Safeguard legislation resulted in decreased costs, in addition Welsh Government grant was received to offset some expenditure.	
Good Health	0.720	0.663	-0.057		-0.057	Welsh Government provided in-year grant of £0.040m which is offsetting costs within this service.	
Management & Support	-2.260	-2.335	-0.075		-0.045	There was £0.037m of RIF income allocated to this service to offset costs usually funded from revenue budget. In addition the central telephone recharge is £0.023m under the budgeted amount. The balance is due to minor variances.	
Impact of Covid-19	0.000	-0.007	-0.007	-0.007	-0.018		
Minor Variances	2.288	2.300	0.012		-0.009		
Total Social Services (excl Out of County)	79.987	79.670	-0.317	-0.007	0.021		
Out of County							
Children's Services	10.097	11.264	1.166		1.095	The overspend reflects significant additional demands on the service in the year with 39 new placements having been made in the year - most of which are high cost residential placements. The final outturn also includes an allocation of £0.273m from the Regional Integration Fund due to slippage on other projects across the region	
Education & Youth	5.004	4.483	-0.521		-0.424	The final outturn underspend reflects costs for the current cohort of placements and there have been 28 new placements in the year	
Total Out of County	15.101	15.746	0.645	0.000	0.671		
Education & Youth							
Inclusion & Progression	5.538	5.490	-0.048		-0.008	Anticipated legal fees and early years expenditure for the ALN service did not materialise. Variance in the Education Psychology service was as a result of locum costs being lower than anticipated and other minor variances.	
School Improvement Systems	1.909	1.616	-0.293		-0.272	Favourable variance relates to several Welsh Government grants that are being used to offset core staff within the Early Entitlement and School Improvement service areas.	
School Planning & Provision	0.720	0.624	-0.096		-0.074	Underspends on insurance liability claims costs and mobile classrooms	
Minor Variances	2.223	2.240	0.017		-0.034		
Total Education & Youth	10.391	9.971	-0.420	0.000	-0.388		
Schools	108.335	108.335	0.000		0.000		
Streetscene & Transportation							
Service Delivery	10.273	10.492	0.218		0.283	The service has a recurring revenue pressure of £0.100m for security costs due to vandalism/break-ins at the Household Recycling Centres. Street lighting is also incurring a £0.070m revenue pressure on the community council income budget. The remaining £0.100m is attributable to high sickness levels/agency costs. The service incurred costs of £0.060m related to the State Funeral and Proclamation Events. The overall overspend is partially offset by additional income achieved through in-house construction work, which had a favourable movement at final outturn.	
Highways Network	8.165	8.584	0.419		0.466	Highways incurred a pressure of just under £0.400m in Fleet services as a result of increased fuel costs, which reduced slightly at final outturn. An additional £0.050m is due to an increase in contractor costs for weed spraying following recommendations made at Scrutiny Committee and are not covered by existing budgets.	

Budget Monitoring Report

Service	Approved Budget (£m)	Actual Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Transportation	10.354	10.790	0.436		0.448	Local bus subsidy incurred an additional overspend of £0.100m due to Park and Ride Service and Service 5 re-procurement. School Transport had a pressure of £0.090m, due to a shortfall in budget for 3 school days due to Easter timelines in this financial year. There was an additional pressure of £0.200m in School Transport due to additional routes (PRUs/ALN) for 6 routes in total equating to £2,700 extra per day. School transport also had an additional pressure of £0.030m due to capacity issues on a commercial bus service.	
Regulatory Services	11.138	11.047	-0.091		-0.078	The Service is incurring £0.060m revenue pressure due to increased residual waste tonnages, which is creating a risk in achieving WG Recycling Targets. The overspend is largely offset by an underspend of £0.055m due to vacancies within the service, increased rebate rates for the sale of electricity, recycling income and car parking income, which has increased income by £0.065m, including other minor variances with reduction in recycling disposal costs of £0.030m.	
Other Minor Variances	0.000	0.000	-0.000		0.000		
Total Streetscene & Transportation	39.931	40.913	0.982	0.000	1.120		
Planning, Environment & Economy							
Community	0.973	1.084	0.111		0.064	Fee income shortfalls in Licensing and Pest Control and historic business planning efficiency £0.024m not realised, carry forward of Fee Income for 3 & 5 Year Taxi Licences	
Development	0.203	-0.440	-0.643		-0.661	Favourable variance resulting from the actual over recovery of Fee Income which includes the receipt of two high value one-off Planning Fees (each approximately £0.300m).	
Access	1.529	1.715	0.186		0.184	Adverse variance relates to the actual costs of Ash Die Back work and other tree work in general; additional expenditure on Relief Ranger salaries together with historic grant income target not realised	
Impact of Covid-19	0.000	0.000	0.000	0.000	0.000		
Minor Variances	4.516	4.512	-0.004		-0.006		
Total Planning & Environment	7.222	6.871	-0.351	0.000	-0.419		
People & Resources							
HR & OD	2.412	2.440	0.027		0.059		
Corporate Finance	2.231	2.102	-0.129		-0.119	Variance includes the receipt of a Welsh Government Admin Grant for administering the Free School Meals Programme together with vacancy savings	
Total People & Resources	4.644	4.542	-0.102	0.000	-0.060		
Governance							
Legal Services	0.934	1.041	0.107		0.110	Additional costs for locum services covering vacant posts	
Democratic Services	2.468	2.378	-0.090		-0.090	Variance as a result of the Members Allowances new rate not being implemented until May, 2022 and lower than anticipated take up of both Broadband and Pension Allowances (£0.108m) ; mitigated by the inception of the new Climate Change Committee Chair person Allowance plus minor variances across the service	
Internal Audit	1.050	0.961	-0.089		-0.082	Vacancy savings together with revised/reduced actual cost for Postage within Central Despatch	
ICT	5.095	5.037	-0.058		0.012	Vacancy savings and a lower than anticipated recharge from Denbighshire CC for the Procurement Service	
Customer Services	1.118	1.048	-0.070		-0.028	Favourable variance relates to higher than anticipated Fee Income	
Revenues	0.295	-0.063	-0.358		-0.346	The variance results from the actual surplus on the Council Tax Collection Fund (£0.257m) at final outturn; minor variances across the service	
Impact of Covid-19	0.000	0.000	0.000	0.000	0.001		
Minor Variances	0.320	0.282	-0.038		-0.017		

Budget Monitoring Report

Service	Approved Budget (£m)	Actual Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Total Governance	11.280	10.684	-0.596	0.000	-0.440		
Strategic Programmes							
ADM's & CAT's	6.069	6.178	0.108		0.068	Adverse variance as a result of an agreed £0.050m contribution to support the Aura Pay award, £0.018m minor variances.	
Minor Variances	0.047	0.047	0.000		0.000		
Total Strategic Programmes	6.116	6.225	0.108	0.000	0.069		
Assets							
Caretaking & Security	0.314	0.236	-0.078		-0.054	Underspend on salaries due to vacancy savings	
CPM & Design Services	0.575	0.350	-0.225		-0.153	Additional fee income of £0.112m above budget plus salary savings and underspend on property maintenance	
Industrial Units	-1.527	-1.527	0.000		-0.081	Approved carry forward of underspends into 2023/24	
Minor Variances	1.672	1.678	0.007		0.034		
Total Assets	1.033	0.738	-0.296	0.000	-0.255		
Housing and Communities							
Minor Variances	14.964	15.002	0.038		0.009		
Total Housing and Communities	14.964	15.002	0.038	0.000	0.009		
Chief Executive's	1.692	1.606	-0.086		-0.093	Vacancy savings and staff not at top of scale	
Central & Corporate Finance	23.204	20.534	-2.670		-2.411	Over recovery of planned pension contributions recoupement against actuarial projections based on the current level of contributions together with a further revised projection on the Central Loans and investment Account (CLIA) at Outturn where as reported earlier in the year, the Council had not taken out new short or long term borrowing and has invested a significant amount of funds. This pattern has continued through remaining months of this financial year and finally resulting in no short term borrowing costs being incurred and the Council generating increased income from investments, which have increased in line with bank interest rates. This has resulted in a further favourable movement at Outturn	
Centralised Costs	2.783	2.783	-0.000		-0.005		
Soft Loan Mitigation	0.000	0.049	0.049		0.075	IFRS 9 requires that for soft loans interest is accrued at the Effective Interest Rate (EIR) rather than the Contract Interest Rate. Capital financing regulations require that soft loan accounting doesn't impact on Council Tax levels.	
Grand Total	326.682	323.669	-3.013	-0.007	-2.106		

2022/23 Efficiencies Outturn Tracker - Final Outturn

Efficiency Description	Accountable Officer	Efficiency Target	Projected Efficiency	(Under)/Over Achievement	Efficiency Open/Closed (O/C)	Confidence in Achievement of Efficiency - Based on (see below) R = High Assumption A = Medium Assumption G = Figures Confirmed
Portfolio		2022/23 £m	2022/23 £m	2022/23 £m		
Corporate						
Increase in Reserves	Rachel Parry Jones	0.471	0.471	0.000	C	G
Utility Inflation	Rachael Corbelli	0.085	0.085	0.000	C	G
Efficiency from Restructure	Corporate Policy Rachel Parry Jones	0.025	0.025	0.000	C	G
Recharge to HRA	Chief Officer recharge to HRA 50% Rachel Parry Jones	0.027	0.027	0.000	C	G
Total Corporate Services		0.608	0.608	0.000		
Housing & Assets						
Connahs Quay Power Station	Neal Cockerton	0.290	0.290	0.000	C	G
Rent Newydd	Neal Cockerton	0.020	0.020	0.000	C	G
Total Housing & Assets		0.310	0.310	0.000		
Social Services						
Sleep in Pressure not Required	Neil Ayling	0.123	0.123	0.000	C	G
Total Social Services		0.123	0.123	0.000		
Governance						
Single Person Discount Review (One Off)	Gareth Owens	0.300	0.300	0.000	O	G
Total Governance		0.300	0.300	0.000		
Total 2022/23 Budget Efficiencies		1.341	1.341	0.000		

Tudalen 54

	%	£
Total 2022/23 Budget Efficiencies	100	1.341
Total Projected 2022/23 Budget Efficiencies Underachieved	0	0.000
Total Projected 2022/23 Budget Efficiencies Achieved	100	1.341
Total 2022/23 Budget Efficiencies (Less Previously agreed Decisions)	100	0.000
Total Projected 2022/23 Budget Efficiencies Underachieved	0	0.000
Total Projected 2022/23 Budget Efficiencies Achieved	0	0.000

Corporate Efficiencies Remaining from Previous Years

Income Target Remaining	£m	
Income Target Efficiency remaining from Previous Years	All Portfolios	0.041
Fees and charges increase 1st October, 2022	Full Year effect 1st April 2023	(0.026)
Total Income Efficiency Remaining		0.015

(0.015)

Movements on Council Fund Unearmarked Reserves

	£m	£m
Total Reserves as at 1 April 2022	18.438	
Less - Base Level	(5.769)	
Total Reserves above base level available for delegation to Cabinet		12.669
Less - COVID-19 Emergency Funding Allocation		5.316
Less - Childrens Services Social Work Costs (approved 21/22)		0.069
Less - Children's Services front door service - agency workers (approved by Cabinet on 28th June)		0.300
Add - Total Balances Released to Reserves (Month 5)		1.208
Add - Additional Revenue Support (Month 8)		2.432
Add - Local Development Fund (LDP) Reserve (Month 10)		0.127
Less - impact of the final pay awards		3.826
Less - Children's Services Legal Costs (Month 9)		0.250
Less - Winter Maintenance Reserve (Month 10)		0.180
Add - Month 12 outturn		(3.013)
Total Contingency Reserve available for use		9.508

Budget Monitoring Report
Housing Revenue Account Variances

MONTH 12 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Housing Revenue Account						
Income	(37.755)	(37.252)	0.503	0.525	Variance of £0.503m due to loss of rental income in relation to void properties. Of this, £0.416m relates to void properties, £0.103m relates to utilities costs on void properties and £0.055m relates to void garages. Additional income in respect of new properties transferred into the stock during the year (£0.032m). Pressure relating to the draw down of grant in respect of delayed SHARP schemes £0.158m. Reduction in the requirement to top up the Bad Debt Provision of (£0.223m). The remaining £0.026m relates to other minor variances.	
Capital Financing - Loan Charges	6.723	6.551	(0.173)	(0.208)	Estimated reduction in interest to be recharged to the HRA (£0.193m). Increase in Minimum Revenue Provision recharged £0.020m.	
Estate Management	2.263	1.972	(0.292)	(0.303)	Additional cost of agency positions of £0.156m, which is offset by vacancy savings of (£0.284m) and additional funding from the Housing Support Grant of (£0.120m). Other minor variances of (£0.044m).	
Landlord Service Costs	1.265	1.318	0.053	0.078	Salary savings of (£0.054m) within the service which offset agency costs of £0.021. There is a pressure on utilities costs of £0.061m. The remaining variance of £0.025m is down to other minor movements.	
Repairs & Maintenance	10.908	11.336	0.428	0.057	Overall there is an adverse variance to the Repairs & Maintenance Budget of £0.428m. Contributing factors - Additional net cost of £0.048m in relation to vacant trades positions being covered by agency staff. Admin & Contact Centre Vacancy savings of (£0.094m) due to delayed recruitment. Savings on Travis Perkins materials of (£0.102m). Savings on Cyclical Works (0.142m). Additional Fleet Cost £0.179m . Void contractor overspend £0.581m . Other minor variances of (£0.032m).	

Budget Monitoring Report
Housing Revenue Account Variances

MONTH 12 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Management & Support Services	2.716	2.443	(0.273)	(0.168)	Savings of (£0.203m) have been identified based on vacancies and staff related recharges within the service and a further (£0.172m) efficiency has been identified through a review of central support recharges. Costs of legal advice in respect of the Renting Homes Wales Act £0.022m. Pressure in relation to insurance costs of £0.104m. Other minor variances of (£0.024m).	
Capital Expenditure From Revenue (CERA)	10.898	12.566	1.668	2.857	Additional contribution of £2.857m required towards the HRA Capital Programme to fund additional works identified in 2022/23. This is being met from reserves set aside in previous years due to the slow down of the programme as a result of Covid-19. The underspend in-year of £1.150m to be carried forward to Earmarked Reserves to complete these works in 2023/24 (see "contribution to/(from) reserves").	
HRA Projects	0.122	(0.254)	(0.376)	0.000	Additional income generated in respect of energy efficiency schemes.	
Contribution To / (From) Reserves	2.858	4.008	1.150		Contribution to reserves to meet CERA requirements in 2023/24 (£1.150m).	
Total Housing Revenue Account	(0.000)	2.688	2.688	2.839		

Carry Forward Requests**Social Services**

Children's Services – An amount of **£0.637m** for continued use of agency teams. Nationally, there continues to be a significant challenge to recruit experienced Social Workers in Children's Services at a time of high volumes of need and complexity of support post-COVID. Given the challenges with recruitment, two small agency teams were appointed, each for a period of six months to support essential statutory work, covering vacancies within the service. The funding will support the continuation of the agency teams for a further six months; £0.354m for Team 1 and £0.273m for Team 2.

Adult Social Care – An amount of **£0.050m** from remaining Welsh Government grant to develop a Direct Payment Portal which would provide a database of Personnel Assistants, opportunities for citizens to add vacancies and allow access to information and other resources for Direct Payments.

Safeguarding & Commissioning – An amount of **£0.045m** arising from the maximisation of Regional Integration Fund (RIF) and Foundation and Economy funding to fund a service planning post for 12 months to assist with service planning and development to respond to continued social care pressures.

Children's Services – An amount of **£0.085m** for the Flintshire Creche and Childcare Service to recruit contracted staff, on a temporary basis, which will allow greater depth and stability to the service and enable the achievement of agreed Welsh Government delivery plans.

Children's Services – An amount of **£0.007m** from additional income received from other Welsh Authorities for license fees to produce promotional video costs for the Childcare Offer Capital new buildings and new improved childcare facilities.

In-house Supported Living – Disability Services – An amount of **£0.400m** to assist with covering the cost of agency and to implement strategies to increase the successful recruitment of support staff.

People & Resources

Corporate Finance – An amount of **£0.020m** from the service underspend to be carried forward and earmarked for work planned in 2023/24 to remove data that is older than 6 years plus from the General Ledger.

Corporate Finance – An amount of **£0.055m** from additional Admin Grant to be carried forward into 2023/24 to contribute to costs associated with implementation of the new financial system.

Assets

Policy Team – An amount of **£0.011m** from additional Admin Grant to be carried forward to provide funding for a potential temporary increase in Officer hours in 2023/24.

Summary

Social Services	£1.224m
People & Resources	£0.075m
Assets	<u>£0.011m</u>
Total Requests	<u>£1.310m</u>

Mae'r dudalen hon yn wag yn bwrpasol

CABINET

Date of Meeting	Tuesday, 18 th July 2023
Report Subject	Capital Programme Monitoring 2022/23 (Outturn)
Cabinet Member	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

The report summarises the final outturn position for 2022/23 together with changes to the Capital Programme during the last quarter.

The Capital Programme has seen a net decrease in budget of (£12.735m) during the last quarter which comprises of:-

- Net budget decrease in the programme of (£6.382m) (See Table 2 - Council Fund (CF) (£4.243m), Housing Revenue Account (HRA) (£2.139m);
- Carry Forward to 2023/24, approved at Month 9 of (£3.060m) partially offset by Carry Forward reversal of £0.245m;
- Switch of School Maintenance grant (£2.524m) and Additional Learning Needs grant (£1.001m) (all CF);
- Identified savings at outturn of (£0.013m) (CF)

Actual expenditure for the year was £55.013m (See Table 3).

The final outturn funding surplus from the 2022/23 – 2024/25 Capital Programme is £4.313m. The 2023/24 – 2025/26 Capital Programme was approved on the 24th January 2023, accounting for £3.376m of the current year surplus towards the programme and leaving a projected funding surplus of £0.365m. The final outturn for 2022/23 has the impact of a revised opening funding position surplus of £1.302m, prior to the realisation of additional capital receipts and/or other funding sources.

RECOMMENDATIONS

	Cabinet are requested to:
1	Approve the overall report.
2	Approve the carry forward adjustments, as set out at 1.13.
3	Approve the additional allocations, as set out in 1.16.

REPORT DETAILS

1.00	EXPLAINING THE CAPITAL PROGRAMME MONITORING POSITION – OUTTURN 2022/23
1.01	Background Council approved a Council Fund (CF) Capital Programme of £37.469m for 2022/23 at its meeting on 7 th December 2021 and a Housing Revenue Account (HRA) Capital Programme of £25.074m for 2022/23 at its meeting on 15 th February 2022.
1.02	For presentational purposes the Capital Programme is shown as a whole, with sub-totals for the Council Fund and HRA. The HRA programme is 'ring fenced' and can only be used for HRA purposes.
1.03	Changes since Budget approval Table 1 below sets out how the programme changed during 2022/23. More detailed cumulative information relating to each Portfolio is provided in Appendix A:- <u>Table 1</u>

REVISED PROGRAMME	Original Budget 2022/23	Carry Forward from 2021/22	2022/23 Previously Reported			Savings - This Period	Changes - This Period	Revised Budget 2022/23
			Changes	Carry Forward to 2023/24	Savings			
			£m	£m	£m			
People & Resources	0.350	0.155	(0.305)	0.000	0.000	0.000	(0.050)	0.150
Governance	0.363	0.383	0.000	(0.074)	0.000	(0.007)	0.500	1.165
Education & Youth	10.010	6.057	(1.954)	(6.765)	0.000	0.000	2.205	9.553
Social Services	1.364	1.038	3.305	(0.087)	(0.082)	0.000	0.005	5.543
Planning, Environment & Economy	0.128	0.817	2.919	(0.886)	(0.018)	(0.006)	(0.159)	2.795
Streetscene & Transportation	3.519	2.683	12.706	(4.656)	0.000	0.000	(6.741)	7.511
Strategic Programmes	19.400	0.964	(15.301)	(0.840)	0.000	0.000	0.010	4.233
Housing and Communities	1.660	0.386	0.286	(0.150)	(0.485)	0.000	0.000	1.697
Capital Programme and Assets	0.675	1.243	0.035	(0.754)	0.000	0.000	(0.013)	1.186
Council Fund Total	37.469	13.726	1.691	(14.212)	(0.585)	(0.013)	(4.243)	33.833
HRA Total	25.074	0.000	2.062	0.000	0.000	0.000	(2.139)	24.997
Programme Total	62.543	13.726	3.753	(14.212)	(0.585)	(0.013)	(6.382)	58.830

1.04	<p>Carry Forward from 2021/22</p> <p>Carry forward sums from 2021/22 to 2022/23, totalling £13.726m (CF £13.726m, HRA £0.000m), were approved as a result of the quarterly monitoring reports presented to Cabinet during 2021/22.</p>
1.05	<p>Changes during this period</p> <p>Funding changes during this period have resulted in a net decrease in the programme total of £6.382m (CF (£4.243m), HRA (£2.139m)). A summary of the changes, detailing major items, is shown in Table 2 below:-</p> <p><u>Table 2</u></p>

CHANGES DURING THIS PERIOD

	Para	£m
<u>COUNCIL FUND</u>		
Increases		
Education General	1.06	2.524
Other Aggregate Increases	1.09	0.892
		3.416
Decreases		
Transportation Grants	1.07	(6.725)
Other Aggregate Decreases	1.09	(0.934)
		(7.659)
Total		(4.243)
<u>HRA</u>		
Increases		
Energy Schemes	1.08	1.595
Other Aggregate Increases	1.09	0.070
		1.665
Decreases		
WHQS Improvements	1.08	(2.514)
Other Aggregate Decreases	1.09	(1.290)
		(3.804)
Total		(2.139)

1.06	In the final quarter, the Council was allocated additional Welsh Government (WG) grant funding to support capital maintenance and energy efficiency work in schools. This funding was used for existing expenditure on schools and a corresponding sum carried forward into 2023/24 (see Table 5) to be used in accordance with grant conditions.
1.07	A number of Local Transport Fund grant schemes have been re-profiled to match expenditure across financial years.
1.08	Grant funding from WG and delays to WHQS work has allowed budget to be re-allocated in year to carry out major works.
1.09	During the final quarter of the year there have been a number of adjustments made to schemes that are funded from grants, revenue contributions to fund capital expenditure (CERA) and prudential borrowing, reflecting the need to re-profile funding between financial years to align expenditure incurred with the relevant funding source. This is the case with a number of the movements above.
1.10	Capital Expenditure compared to Budget Outturn expenditure, across the whole of the Capital Programme was £55.013m. The breakdown of expenditure is analysed in Table 3, along with the percentage spend against budget.

This shows that 93.51% of the budget has been spent (CF 88.72%, HRA 100%). Corresponding figures for Outturn 2021/22 were 95.05% (CF 92.57%, HRA 100%).

1.11 The table also shows a projected underspend (pending carry forward and other adjustments) of £3.817m on the Council Fund and a break-even position on the HRA.

Table 3

EXPENDITURE	Revised Budget	Outturn Expenditure	Percentage Spend v Budget	Variance Budget v Outturn (Under)/Over
	£m	£m	%	£m
People & Resources	0.150	0.000	0.00	(0.150)
Governance	1.165	0.945	81.12	(0.220)
Education & Youth	9.553	7.856	82.24	(1.697)
Social Services	5.543	5.459	98.48	(0.084)
Planning, Environment & Economy	2.795	2.663	95.28	(0.132)
Streetscene & Transportation	7.511	6.411	85.35	(1.100)
Strategic Programmes	4.233	4.003	94.57	(0.230)
Housing & Communities	1.697	1.661	97.88	(0.036)
Capital Programme & Assets	1.186	1.018	85.83	(0.168)
Council Fund Total	33.833	30.016	88.72	(3.817)
Disabled Adaptations	1.085	1.085	100.00	0.000
Energy Schemes	4.562	4.562	100.00	0.000
Major Works	1.555	1.555	100.00	0.000
Accelerated Programmes	0.406	0.406	100.00	0.000
WHQS Improvements	13.111	13.111	100.00	0.000
SHARP Programme	4.278	4.278	100.00	0.000
Housing Revenue Account Total	24.997	24.997	100.00	0.000
Programme Total	58.830	55.013	93.51	(3.817)

1.12 Details of the variances for individual programme areas are listed in Appendix B, which includes the reasons, and remedial actions which may be required, where those variances exceed +/- 10% of the revised budget. In addition, where carry forward into 2023/24 has been identified, this is also included in the narrative.

1.13 **Carry Forward into 2023/24**
 During the quarter, carry forward requirements of £3.817m (all CF) have been identified which reflects reviewed spending plans across all programme areas. These amounts can be split into two areas, those required to meet the cost of programme works and/or retention payments in 2023/24.

1.14 Information relating to each programme area is contained in Appendix B and summarised in Table 4 below:

Table 4

OUTTURN CARRY FORWARD - ANALYSIS		
	£m	£m
Contractually Committed		
Governance	0.220	
Education - General	1.108	
Primary Schools	0.456	
Secondary Schools	0.133	
Services to Older People	0.010	
Children's Services	0.074	
Engineering	0.029	
Ranger Services	0.035	
Town Centre Regeneration	0.068	
Waste Services	0.150	
Cemeteries	0.004	
Highways	0.940	
Transportation	0.006	
Leisure Centres	0.088	
Play Areas	0.118	
Libraries	0.024	
Administrative Buildings	0.168	
Disabled Facilities Grants	0.036	3.667
		3.667
Corporate Allocations		
'Headroom'	0.150	0.150
Total		3.817

1.15 An overall amount of £0.246m which had previously been identified as requiring carry forward has been reversed as it became clear that the expenditure was going to be incurred in the 2022/23 financial year, as shown below. Information relating to each programme area is contained in Appendix B and summarised in Table 5 below:-

Table 5

CARRY FORWARD INTO 2023/24							Total	
	Month 4	Month 6	WG Grant	Month 9	Reversed	Sub Total	Outturn	
	£m	£m	£m	£m	£m	£m	£m	£m
People & Resources	0.000	0.000	0.000	0.000	0.000	0.000	0.150	0.150
Governance	0.000	0.000	0.000	0.074	0.000	0.074	0.220	0.148
Education & Youth	0.461	0.220	5.292	0.922	(0.130)	6.765	1.697	7.687
Social Services	0.189	0.000	0.000	0.000	(0.102)	0.087	0.084	0.087
Planning, Environment & Economy	0.250	0.408	0.000	0.242	(0.014)	0.886	0.132	1.128
Streetscene & Transportation	0.046	3.660	0.000	0.950	0.000	4.656	1.100	5.606
Strategic Programmes	0.000	0.275	0.000	0.565	0.000	0.840	0.230	1.405
Housing & Communities	0.000	0.000	0.000	0.150	0.000	0.150	0.036	0.300
Capital Programme & Assets	0.597	0.000	0.000	0.157	0.000	0.754	0.168	0.911
Council Fund	1.543	4.563	5.292	3.060	(0.246)	14.212	3.817	17.422
TOTAL	1.543	4.563	5.292	3.060	(0.246)	14.212	3.817	17.422

1.16	<p>Additional Allocations</p> <p>Additional allocations have been identified in the programme in the final quarter as follows:</p> <ul style="list-style-type: none"> • Wepre Park Visitor Centre - £0.030m. Additional funding to support grant received through WG Brilliant Basics Fund to upgrade and improve amenities including provision of accessible toilets. • Fuel Tank Replacement- £0.028m. Additional funding required to replace the existing fuel tank at Alltami Depot, as it is nearing the end of its useful life. <p>These can be funded from within the current 'headroom' provision.</p> <ul style="list-style-type: none"> • Ysgol Penyffordd classroom extension - £0.319m. The works at the school is to create a two storey classroom extension due to the increase in local need. <p>Following market testing, the total cost of the project is £0.319m in excess of the current funding envelop due to supply chain volatility. Cabinet is requested to approve additional capital resources of £0.319m towards these works.</p>
1.17	<p>Savings</p> <p>The following savings have been identified in the programme in the final quarter.</p>

Table 6

IDENTIFIED SAVINGS	
	Savings
	£m
Information Technology	0.007
Private Sector Renewal/Improvement	0.006
Total	0.013

1.18 Funding of 2022/23 Approved Schemes

The position at outturn is summarised in Table 7 below for the three year Capital Programme between 2022/23 – 2024/25:-

Table 7

FUNDING OF APPROVED SCHEMES 2022/23 - 2024/25		
	£m	£m
Balance carried forward from 2021/22		(2.149)
Increases		
Shortfall in 2022/23 to 2024/25 Budget	0.867	
Additional allocation to Ysgol Penyffordd	0.319	
		<u>1.186</u>
Decreases		
Additional GCG - 2022/23 Confirmed	(0.786)	
Savings	(0.598)	
Actual In year receipts	(1.966)	<u>(3.350)</u>
Funding - (Available)/Shortfall		(4.313)

1.19 The final outturn funding surplus from the 2022/23 – 2024/25 Capital Programme is £4.313m. The 2023/24 – 2025/26 Capital Programme was approved on the 24th January 2023, accounting for £3.376m of the current year surplus towards the programme and leaving a projected funding surplus of £0.365m. The final outturn for 2022/23 has the impact of a revised opening funding position surplus of £1.302m, prior to the realisation of additional capital receipts and/or other funding sources.

1.20	<p>Investment in County Towns</p> <p>At its meeting on 12th December 2017, the Council approved a Notice of Motion relating to the reporting of investment in county towns. The extent and format of the reporting was agreed at the Corporate Resources Overview and Scrutiny Committee on 14th June 2018.</p>																																												
1.21	<p>Table 8 below shows a summary of the 2021/22 actual expenditure, the 2022/23 revised budget and budgets for future years as approved by Council at its meeting of 24th January, 2023. Further detail can be found in Appendix C, including details of the 2022/23 spend.</p> <p>Table 8</p> <table border="1" data-bbox="347 613 1358 1317"> <thead> <tr> <th colspan="4">INVESTMENT IN COUNTY TOWNS</th> </tr> <tr> <th></th> <th>2021/22 Actual £m</th> <th>2022/23 Revised Budget £m</th> <th>2023 - 2025 Budget £m</th> </tr> </thead> <tbody> <tr> <td>Buckley / Penyffordd</td> <td>1.928</td> <td>0.745</td> <td>13.824</td> </tr> <tr> <td>Connah's Quay / Shotton</td> <td>0.842</td> <td>2.225</td> <td>1.500</td> </tr> <tr> <td>Flint / Bagillt</td> <td>0.368</td> <td>2.135</td> <td>7.837</td> </tr> <tr> <td>Holywell / Caerwys / Mostyn</td> <td>4.495</td> <td>4.201</td> <td>0.000</td> </tr> <tr> <td>Mold / Treuddyn / Cilcain</td> <td>6.968</td> <td>5.713</td> <td>38.593</td> </tr> <tr> <td>Queensferry / Hawarden / Sealand</td> <td>8.031</td> <td>0.520</td> <td>3.000</td> </tr> <tr> <td>Saltney / Broughton / Hope</td> <td>4.929</td> <td>1.250</td> <td>27.461</td> </tr> <tr> <td>Unallocated / To Be Confirmed</td> <td>1.540</td> <td>1.462</td> <td>18.092</td> </tr> <tr> <td>Total</td> <td>29.101</td> <td>18.251</td> <td>110.307</td> </tr> </tbody> </table>	INVESTMENT IN COUNTY TOWNS					2021/22 Actual £m	2022/23 Revised Budget £m	2023 - 2025 Budget £m	Buckley / Penyffordd	1.928	0.745	13.824	Connah's Quay / Shotton	0.842	2.225	1.500	Flint / Bagillt	0.368	2.135	7.837	Holywell / Caerwys / Mostyn	4.495	4.201	0.000	Mold / Treuddyn / Cilcain	6.968	5.713	38.593	Queensferry / Hawarden / Sealand	8.031	0.520	3.000	Saltney / Broughton / Hope	4.929	1.250	27.461	Unallocated / To Be Confirmed	1.540	1.462	18.092	Total	29.101	18.251	110.307
INVESTMENT IN COUNTY TOWNS																																													
	2021/22 Actual £m	2022/23 Revised Budget £m	2023 - 2025 Budget £m																																										
Buckley / Penyffordd	1.928	0.745	13.824																																										
Connah's Quay / Shotton	0.842	2.225	1.500																																										
Flint / Bagillt	0.368	2.135	7.837																																										
Holywell / Caerwys / Mostyn	4.495	4.201	0.000																																										
Mold / Treuddyn / Cilcain	6.968	5.713	38.593																																										
Queensferry / Hawarden / Sealand	8.031	0.520	3.000																																										
Saltney / Broughton / Hope	4.929	1.250	27.461																																										
Unallocated / To Be Confirmed	1.540	1.462	18.092																																										
Total	29.101	18.251	110.307																																										
1.22	<p>The inclusion of actuals for 2021/22 and approved schemes for future years allows a slightly fuller picture of investment plans. However, expenditure which has occurred in years prior to 2021/22 has not been included, and the expenditure and budgets reported should be considered in that context.</p>																																												
1.23	<p>There are two significant factors which increase allocations to areas, which are homes developed under SHARP, and new or remodelled schools. The impact of these can be seen in the detail shown in Appendix C.</p>																																												
1.24	<p>Some expenditure cannot yet be allocated to specific towns as schemes are not yet fully developed or are generic in nature and not easily identifiable to one of the seven areas. As such schemes are identified the expenditure will be allocated to the relevant area.</p>																																												
1.25	<p>Information on the split between internal and external funding can be found in Appendix C.</p>																																												
1.26	<p>In addition to the information contained in Appendix C, there is also considerable capital expenditure on the HRA Welsh Housing Quality</p>																																												

Standard (WHQS), which was originally outside the scope of this analysis. A summary is provided in Table 9 below, albeit using a slightly different catchment area basis.

Table 9

WHQS Programme			
	2021/22 Actual £m	2022/23 Budget £m	2022/23 Actual £m
Holywell	0.850	4.550	3.380
Flint	0.870	1.450	1.450
Deeside & Saltney	4.430	1.700	2.250
Buckley	4.820	1.250	1.060
Mold	5.150	4.262	3.000
Connah's Quay & Shotton	0.960	2.350	1.970
Total	17.080	15.562	13.110

2.00	RESOURCE IMPLICATIONS
2.01	Financial implications - As set out in the body of the report.
2.02	Personnel implications - None directly as a result of this report.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	<p>There are no risks associated with the information contained herein relating to capital outturn.</p> <p>The legacy impacts of the pandemic along with the supply and demand of materials, leading to cost increases, higher tender prices and project delays will continue to be monitored closely during the next financial year. Due to the re-profiling of schemes from 2022/23 and resources available to manage and deliver schemes, the levels of planned expenditure in 2023/24 may be affected, resulting in a high level of carry forward requests to re-phase budgets into the 2024/25 programme.</p> <p>Grants received will also to be closely monitored to ensure that expenditure is incurred within the terms and conditions of the grant. The capital team will work with project leads to report potential risks of achieving spend within timescales and assist in liaising with the grant provider.</p> <p>The Council has a prudent policy of allocating its own capital receipts to fund capital projects only when receipts are received rather than when it is anticipated the receipt will be received, and this position continues to be the</p>

	case. In line with current policy no allowance has been made for these receipts in reporting the Council's capital funding position.
--	--

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	No consultation is required as a direct result of this report.

5.00	APPENDICES
5.01	Appendix A: Capital Programme - Changes during 2022/23
5.02	Appendix B: Variances
5.03	Appendix C: Investment in Towns

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Capital Programme monitoring papers 2022/23.

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

8.00	GLOSSARY OF TERMS
8.01	<p>Budget Re-profiling: Capital schemes are very dynamic and a number of factors can influence their timing and funding. Budget re-profiling assures that the correct resources are available in the correct accounting period to finance the actual level of expenditure.</p> <p>Capital Expenditure: Expenditure on the acquisition of non-current assets or expenditure which extends the useful life of an existing asset</p> <p>Capital Programme: The Council's financial plan covering capital schemes and expenditure proposals for the current year and a number of future years. It also includes estimates of the capital resources available to finance the programme.</p> <p>Capital Receipts: Receipts (in excess of £10,000) realised from the disposal of assets.</p> <p>Carry Forward: Carry forward occurs when schemes due to be completed in a given financial year are delayed until a subsequent year. In this case</p>

the relevant funding is carried forward to meet the delayed, contractually committed expenditure.

CERA: Capital Expenditure charged to Revenue Account. The Council is allowed to use its revenue resources to fund capital expenditure. However the opposite is not permissible.

Council Fund (CF): The fund to which all the Council's revenue and capital expenditure is charged.

Housing Revenue Account (HRA): The fund to which all the Council's revenue and capital expenditure relating to its housing stock is charged.

MRA: Major Repairs Allowance. A general capital grant from WG for HRA purposes.

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

Section 106: Monies are received from developers/contractors pursuant to Section 106 of the Town & Country Planning Act 1990. These sums are available for use once the relevant terms of the individual agreement have been met. The monies are most commonly used for educational enhancement, play areas, highways and affordable housing.

Target Hardening: Measures taken to prevent unauthorised access to Council sites.

Unhypothecated Supported Borrowing (USB), commonly referred to as Supported Borrowing - Each year Welsh Government provide Councils with a Supported Borrowing allocation. Councils borrow to fund capital expenditure equivalent to that annual allocation, Welsh Government then include funding to cover the revenue costs associated with the borrowing for future years within the Revenue Support Grant. The Council decides how this funding is spent.

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

CAPITAL PROGRAMME - CHANGES DURING 2022/23

	Original Budget 2022/23	Carry Forward from 2021/22	2022/23 Previously Reported			Savings (Current)	Changes (Current)	Revised Budget 2022/23
			Changes	Carry Forward to 2023/24	Savings			
	£m	£m	£m	£m	£m	£m	£m	£m
Council Fund :								
People & Resources								
'Headroom'	0.350	0.140	(0.305)	0.000	0.000	0.000	(0.035)	0.150
Corporate Finance - H & S	0.000	0.015	0.000	0.000	0.000	0.000	(0.015)	0.000
	0.350	0.155	(0.305)	0.000	0.000	0.000	(0.050)	0.150
Governance								
Information Technology	0.363	0.383	0.000	(0.074)	0.000	(0.007)	0.500	1.165
	0.363	0.383	0.000	(0.074)	0.000	(0.007)	0.500	1.165
Education & Youth								
Education - General	0.650	4.778	2.460	(5.892)	0.000	0.000	2.604	4.600
Primary Schools	1.257	0.666	1.105	(0.357)	0.000	0.000	0.293	2.964
Schools Modernisation	7.303	0.000	(6.995)	0.000	0.000	0.000	0.274	0.582
Secondary Schools	0.300	0.357	1.476	(0.426)	0.000	0.000	(0.966)	0.741
Special Education	0.500	0.256	0.000	(0.090)	0.000	0.000	0.000	0.666
	10.010	6.057	(1.954)	(6.765)	0.000	0.000	2.205	9.553
Social Services								
Services to Older People	0.650	0.156	0.286	(0.087)	(0.082)	0.000	0.186	1.109
Learning Disability	0.270	0.000	0.000	0.000	0.000	0.000	(0.031)	0.239
Children's Services	0.444	0.882	3.019	0.000	0.000	0.000	(0.150)	4.195
	1.364	1.038	3.305	(0.087)	(0.082)	0.000	0.005	5.543
Planning, Environment & Economy								
Closed Landfill Sites	0.000	0.250	0.000	(0.250)	0.000	0.000	0.000	0.000
Engineering	0.038	0.349	0.000	(0.354)	0.000	0.000	0.000	0.033
Energy Services	0.000	0.000	0.911	0.000	0.000	0.000	0.286	1.197
Ranger Services	0.000	0.000	0.196	0.000	0.000	0.000	0.022	0.218
Town Centre Regeneration	0.050	0.218	1.577	(0.252)	(0.018)	0.000	(0.432)	1.143
Private Sector Renewal/Improv't	0.040	0.000	0.235	(0.030)	0.000	(0.006)	(0.035)	0.204
	0.128	0.817	2.919	(0.886)	(0.018)	(0.006)	(0.159)	2.795
Streetscene & Transportation								
Waste Services	1.875	1.930	0.877	(3.655)	0.000	0.000	(0.219)	0.808
Cemeteries	0.000	0.265	0.000	(0.255)	0.000	0.000	0.000	0.010
Highways	1.644	0.424	2.124	(0.700)	0.000	0.000	0.203	3.695
Local Transport Grant	0.000	0.018	9.705	0.000	0.000	0.000	(6.725)	2.998
Solar Farms	0.000	0.046	0.000	(0.046)	0.000	0.000	0.000	0.000
	3.519	2.683	12.706	(4.656)	0.000	0.000	(6.741)	7.511

Tudalen 73

	Original Budget 2022/23	Carry Forward from 2021/22	2022/23 Previously Reported			Savings (Current)	Changes (Current)	Revised Budget 2022/23
			Changes	Carry Forward to 2023/24	Savings			
	£m	£m	£m	£m	£m	£m	£m	£m
Strategic Programmes								
Leisure Centres	0.200	0.286	(0.015)	(0.307)	0.000	0.000	0.038	0.202
Play Areas	0.200	0.394	0.199	(0.258)	0.000	0.000	0.275	0.810
Libraries	0.000	0.009	0.015	0.000	0.000	0.000	0.000	0.024
Theatr Clwyd	19.000	0.275	(15.500)	(0.275)	0.000	0.000	(0.303)	3.197
	19.400	0.964	(15.301)	(0.840)	0.000	0.000	0.010	4.233
Housing & Communities								
Disabled Facilities Grants	1.660	0.386	0.286	(0.150)	(0.485)	0.000	0.000	1.697
	1.660	0.386	0.286	(0.150)	(0.485)	0.000	0.000	1.697
Capital Programme & Assets								
Administrative Buildings	0.675	0.588	0.035	(0.157)	0.000	0.000	(0.013)	1.128
Community Asset Transfers	0.000	0.655	0.000	(0.597)	0.000	0.000	0.000	0.058
	0.675	1.243	0.035	(0.754)	0.000	0.000	(0.013)	1.186
Housing Revenue Account :								
Buy Backs	0.000	0.000	0.050	0.000	0.000	0.000	(0.050)	0.000
Disabled Adaptations	1.114	0.000	(0.099)	0.000	0.000	0.000	0.070	1.085
Energy Schemes	0.510	0.000	2.457	0.000	0.000	0.000	1.595	4.562
Major Works	0.726	0.000	1.415	0.000	0.000	0.000	(0.586)	1.555
Accelerated Programmes	0.561	0.000	0.124	0.000	0.000	0.000	(0.279)	0.406
WHQS Improvements	13.355	0.000	2.270	0.000	0.000	0.000	(2.514)	13.111
Modernisation / Improvements	1.000	0.000	(1.000)	0.000	0.000	0.000	0.000	0.000
SHARP Programme	7.808	0.000	(3.155)	0.000	0.000	0.000	(0.375)	4.278
	25.074	0.000	2.062	0.000	0.000	0.000	(2.139)	24.997
Totals :								
Council Fund	37.469	13.726	1.691	(14.212)	(0.585)	(0.013)	(4.243)	33.833
Housing Revenue Account	25.074	0.000	2.062	0.000	0.000	0.000	(2.139)	24.997
Grand Total	62.543	13.726	3.753	(14.212)	(0.585)	(0.013)	(6.382)	58.830

PEOPLE & RESOURCES

Capital Budget Monitoring 2022/23 - Outturn

Programme Area	Total Budget £m	Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
'Headroom'	0.150	0.000	(0.150)	-100	0.000	Corporate provision - to be allocated as requested and approved.	Carry Forward - Request approval to move funding of £0.150m to 2023/24.	
Total	0.150	0.000	(0.150)	-100	0.000			

GOVERNANCE

Capital Budget Monitoring 2022/23 - Outturn

Programme Area	Total Budget £m	Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Information Technology	1.165	0.945	(0.220)	-19	(0.074)	Procurement to take place in 2023/24 for Replacement Server (£0.101m), ICT Cyber Security (£0.098m) and Laptop Replacements (£0.021m).	Carry Forward - Request approval to move funding of £0.0220m to 2023/24.	Saving of £0.007m identified
Total	1.165	0.945	(0.220)	-19	(0.074)			

Variance = Budget v Outturn

EDUCATION & YOUTH

Capital Budget Monitoring 2022/23 - Outturn

Programme Area	Total Budget £m	Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Education - General	4.600	3.492	(1.108)	-24	(0.396)	Ongoing R&M £0.877m, Health & Safety £0.061m, Classroom Ventilation £0.009m, Upgrades of Kitchen Equipment £0.040m, Safeguarding works at various schools £0.042m and ongoing programme Fire Alarm upgrades £0.079m.	Carry Forward - Request approval to move funding of £1.108m to 2023/24.	
Primary Schools	2.964	2.508	(0.456)	-15	(0.100)	Northop Hall CP (£0.092m) and Ysgol Penyffordd (£0.306m) classroom extensions along with £0.058m for ongoing R&M works.	Carry Forward - Request approval to move funding of £0.456m to 2023/24.	
Schools Modernisation	0.582	0.583	0.001	0	0.000			
Secondary Schools	0.741	0.607	(0.134)	-18	(0.426)	Ongoing R&M works £0.102m and £0.032m Buckley Elfed Traffic Management Scheme	Carry Forward - Request approval to move funding of £0.134m to 2023/24.	
Special Education	0.666	0.666	0.000	0	0.000			
Total	9.553	7.856	(1.697)	-18	(0.922)			

Variance = Budget v Outturn

SOCIAL SERVICES

Capital Budget Monitoring 2022/23 - Outturn

Programme Area	Total Budget £m	Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Services to Older People	1.109	1.099	(0.010)	-1	0.000	Outstanding works to be completed in 2023/24 at Marleyfield Care Home.	Carry Forward - Request approval to move funding of £0.010m to 2023/24.	
Learning Disability Services	0.239	0.239	0.000	0	0.000			
Children's Services	4.195	4.121	(0.074)	-2	0.000	£0.074m relating to foster care extensions works will progress into 2023/24.	Carry Forward - Request approval to move funding of £0.074m to 2023/24.	
Total	5.543	5.459	(0.084)	-2	0.000			

Variance = Budget v Outturn

PLANNING, ENVIRONMENT & ECONOMY

Capital Budget Monitoring 2022/23 - Outturn

Programme Area	Total Budget £m	Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Engineering	0.033	0.004	(0.029)	-88	(0.132)	Flour Mill Reservoir works will commence in 2023/24 upon a contractor being appointed. Works to maintain reservoirs at Greenfield will commence in 2023/24 following a priority of works schedule.	Carry Forward - Request approval to move funding of £0.029m to 2023/24.	
Energy Services	1.197	1.197	0.000	0	0.000			
Ranger Services	0.218	0.183	(0.035)	-16	0.000	Works in relation to the Wepre Park amenities project were delayed due to existing contractor commitments and will now be completed in 2023/24.	Carry Forward - Request approval to move funding of £0.035m to 2023/24.	
Town Centre Regeneration	1.163	1.095	(0.068)	-6	(0.110)	Works in relation to the Safer Streets project are to be completed in 2023/24. Further Historic Building Repairs are to be identified and progressed in 2023/24.	Carry Forward - Request approval to move funding of £0.068m to 2023/24.	
Private Sector Renewal/Improvement	0.184	0.184	0.000	0	0.000			Saving of £0.006m identified
Total	2.795	2.663	(0.132)	-5	(0.242)			

Variance = Budget v Outturn

STREETSCENE & TRANSPORTATION

Capital Budget Monitoring 2022/23 - Outturn

Programme Area	Total Budget £m	Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Waste Services	0.808	0.658	(0.150)	-19	(0.250)	Purchase of shredder at Greenfield HRC will take place 2023/24 due to lead in/delivery times within the supply chain.	Carry Forward - Request approval to move funding of £0.150m to 2023/24.	
Cemeteries	0.010	0.006	(0.004)	-40	0.000	Cemetery extension project to progress in 2023/24.	Carry Forward - Request approval to move funding of £0.004m to 2023/24.	
Highways	3.695	2.755	(0.940)	-25	(0.700)	Delays in some elements of the HAMP delivery schedule were experienced. These works are to now progress in 2023/24. Scheduled Principle Structural maintenance works are to continue in 2023/24. Works scheduled at Flintshire Bridge will commence in 2023/24. Works have been identified in relation to the DIP Shuttle Bus funding and are now to take place in 2023/24. Progression of works at New Street Car Park are now to take place in 2023/24. Purchase of the fuel tank in Alltami to progress into 2023/24 due to unforeseen delays.	Carry Forward - Request approval to move funding of £0.940m to 2023/24.	
Local Transport Grant	2.998	2.992	(0.006)	-0	0.000	Holywell High Street works have been identified and are to be progressed in 2023/24.	Carry Forward - Request approval to move funding of £0.006m to 2023/24.	
Total	7.511	6.411	(1.100)	-15	(0.950)			

Variance = Budget v Outturn

STRATEGIC PROGRAMMES

Capital Budget Monitoring 2022/23 - Outturn

Programme Area	Total Budget £m	Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Leisure Centres	0.202	0.114	(0.088)	-44	(0.307)	Continuing works on the Leisure Centres estates.	Carry Forward - Request approval to move funding of £0.088m into 2023/24.	
Play Areas	0.810	0.692	(0.118)	-15	(0.258)	Continued programme of works to upgrade play areas, £0.050m. £0.068m Bailey Hill playarea to fall into 2023/24	Carry Forward - Request approval to move funding of £0.118m into 2023/24.	
Libraries	0.024	0.000	(0.024)	-100	0.000	£0.020 Mold Library Structural Repairs (windows) to fall into 2023/24.	Carry Forward - Request approval to move funding of £0.024m into 2023/24.	
Theatr Clwyd	3.197	3.197	0.000	0	0.000			
Total	4.233	4.003	(0.230)	-5	(0.565)			

Variance = Budget v Outturn

HOUSING & COMMUNITIES

Capital Budget Monitoring 2022/23 - Outturn

Programme Area	Total Budget	Outturn	Variance (Under)/ Over	Variance %age	Variance Prev Qtr	Cause of Variance	Action Required	Comments
	£m	£m	£m	%	£m			
Disabled Facilities Grants	1.697	1.661	(0.036)	-2	(0.150)	Unforeseen delays in service delivery were experienced as a result of a service re-design.	Carry Forward - Request approval to move funding of £0.036m to 2023/24.	DFG spend is customer driven and volatile.
Total	1.697	1.661	(0.036)	-2	(0.150)			

Variance = Budget v Outturn

CAPITAL PROGRAMME & ASSETS

Capital Budget Monitoring 2022/23 - Outturn

Programme Area	Total Budget	Outturn	Variance (Under)/ Over	Variance %age	Variance Prev Qtr	Cause of Variance	Action Required	Comments
	£m	£m	£m	%	£m			
Administrative Buildings	1.128	0.960	(0.168)	-15	(0.157)	Programme of works to progress into 2023/24.	Carry Forward - Request approval to move funding of £0.168m to 2023/24.	
Community Asset Transfers	0.058	0.058	0.000	0	0.000			The funding for Capital Asset Transfers is allocated for specific purposes and is drawn down as and when required.
Total	1.186	1.018	(0.168)	-14	(0.157)			

Variance = Budget v Outturn

HOUSING REVENUE ACCOUNT

Capital Budget Monitoring 2022/23 - Outturn

Programme Area	Total Budget £m	Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Buy Backs	0.000	0.000	0.000		0.000			
Disabled Adaptations	1.085	1.085	0.000	0	0.000			
Energy Services	4.562	4.562	0.000	0	0.000			
Major Works	1.555	1.555	0.000	0	0.000			
Accelerated Programmes	0.406	0.406	0.000	0	0.000			
WHQS Improvements	13.111	13.111	0.000	0	0.000			
SHARP	4.278	4.278	0.000	0	0.000			
Total	24.997	24.997	0.000	0	0.000			

Variance = Budget v Outturn

SUMMARY

Capital Budget Monitoring 2022/23 - Outturn

Programme Area	Total Budget	Outturn	Variance (Under)/ Over	Variance %age	Variance Prev Qtr	Cause of Variance	Action Required	Comments
	£m	£m	£m	%	£m			
People & Resources	0.150	0.000	(0.150)	-100	0.000			
Governance	1.165	0.945	(0.220)	-19	(0.074)			
Education & Youth	9.553	7.856	(1.697)	-18	(0.922)			
Social Services	5.543	5.459	(0.084)	-2	0.000			
Planning, Environment & Economy	2.795	2.663	(0.132)	-5	(0.242)			
Streetscene & Transportation	7.511	6.411	(1.100)	-15	(0.950)			
Strategic Programmes	4.233	4.003	(0.230)	-5	(0.565)			
Housing & Communities	1.697	1.661	(0.036)	-2	(0.150)			
Capital Programme & Assets	1.186	1.018	(0.168)	-14	(0.157)			
Sub Total - Council Fund	33.833	30.016	(3.817)	-11	(3.060)			
Housing Revenue Account	24.997	24.997	0.000	0	0.000			
Total	58.830	55.013	(3.817)	-6	(3.060)			

Variance = Budget v Outturn

INVESTMENT IN COUNTY TOWNS - 2022/23 REVISED BUDGET

APPENDIX C (Cont)

TOWN FUNDING	REVISED BUDGET £000	BUCKLEY		CONNAH'S QUAY		FLINT		HOLYWELL		MOLD		QUEENSFERRY		SALTNEY		UNALLOCATED		TOTALS			
		Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Total £000	
EXPENDITURE																					
HOUSING - HRA																					
SHARP	4,278	32		402		255		3,456		10		33					90		4,278	0	4,278
EDUCATION & YOUTH																					
Ysgol Glanrafon	428									332	96								332	96	428
Croes Atti Flint	431					128	303												128	303	431
Ysgol Croes Atti, Shotton	556			297	259														297	259	556
SOCIAL CARE																					
Ty Nyth, Children's Residential Care	1,408									812	596								812	596	1,408
Croes Atti Residential Care Home, Flint	913					913													913	0	913
Relocation of Tri-Ffordd Day Service provision	239													239					239	0	239
PLANNING, ENVIRONMENT & ECONOMY																					
Solar PV Farms	759			759															759	0	759
STREETSCENE & TRANSPORTION																					
Improvements to Standard Yard Waste Transfer Station	249		249																0	249	249
Highways Maintenance	2,795	331		309				545		595		286		68			661		2,795	0	2,795
Transport Grant	2,998		133		199	15	521	17	183		75		201	70	873		711		102	2,896	2,998
STRATEGIC PROGRAMMES																					
Theatr Clwyd - Redevelopment	3,197										3,197								0	3,197	3,197
	18,251	363	382	1,767	458	1,311	824	4,018	183	1,749	3,964	319	201	377	873	751	711		10,655	7,596	18,251

AREA TOTAL

745 2,225 2,135 4,201 5,713 520 1,250 1,462

Tudalen 85

INVESTMENT IN COUNTY TOWNS - 2022/23- OUTTURN

APPENDIX C (Cont)

TOWN FUNDING	ACTUAL TO DATE £000	BUCKLEY		CONNAH'S QUAY		FLINT		HOLYWELL		MOLD		QUEENSFERRY		SALTNEY		UNALLOCATED		TOTALS			
		Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Total £000	
EXPENDITURE																					
HOUSING - HRA																					
SHARP	4,278	32		402		255		3,456		10		33					90		4,278	0	4,278
EDUCATION & YOUTH																					
Ysgol Glanrafon	428									332	96								332	96	428
Croes Atti Flint	431					128	303												128	303	431
Ysgol Croes Atti, Shotton	556			297	259														297	259	556
SOCIAL CARE																					
Ty Nyth, Children's Residential Care	1,408									812	596								812	596	1,408
Croes Atti Residential Care Home, Flint	913					913													913	0	913
Relocation of Tri-Ffordd Day Service provision	239												239						239	0	239
PLANNING, ENVIRONMENT & ECONOMY																					
Solar PV Farms	759			759															759	0	759
STREETSCENE & TRANSPORTION																					
Improvements to Standard Yard Waste Transfer Station	249		249																0	249	249
Highways Maintenance	2,312	331		309				545		595		286		68			179		2,313	0	2,313
Transport Grant	2,992		133		199	15	521	11	183		75		201	70	873		711		96	2,896	2,992
STRATEGIC PROGRAMMES																					
Theatr Clwyd - Redevelopment	3,197										3,197								0	3,197	3,197
	17,762	363	382	1,767	458	1,311	824	4,012	183	1,749	3,964	319	201	377	873	269	711		10,167	7,596	17,763
AREA TOTAL			745		2,225		2,135		4,195		5,713		520		1,250		980				

98612023

INVESTMENT IN COUNTY TOWNS - 2023- 2025 BUDGET

APPENDIX C (Cont)

TOWN FUNDING	FUTURE BUDGET £000	BUCKLEY		CONNAH'S QUAY		FLINT		HOLYWELL		MOLD		QUEENSFERRY		SALTNEY		UNALLOCATED		TOTALS			
		Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Total £000			
EXPENDITURE																					
EDUCATION & YOUTH																					
Ysgol Croes Atti, Flint	5,150					1,925	3,225												1,925	3,225	5,150
Drury County Primary	3,650	2,372	1,278																2,372	1,278	3,650
Elfed High School	4,488	1,571	2,917																1,571	2,917	4,488
Mynydd Isa Area	1,464	512	952																512	952	1,464
Saltney/Broughton Area	25,000													8,750	16,250				8,750	16,250	25,000
Penyffordd CP	600	600																	600	0	600
Joint Archive Facility, FCC and DCC	3,225									3,225									3,225	0	3,225
SOCIAL CARE																					
Relocation of Tri-Ffordd Day Service provision	2,461													2,461					2,461	0	2,461
Croes Atti Residential Care Home, Flint	87					87													87	0	87
STREETSCENE & TRANSPORTION																					
Highways Asset Management Plan	2,000																2,000		2,000	0	2,000
Improvements to Standard Yard Waste Transfer Station	3,622	3,405	217																3,405	217	3,622
STRATEGIC PROGRAMMES																					
Theatr Clwyd - Redevelopment	35,050									7,247	27,803								7,247	27,803	35,050
HOUSING & ASSETS																					
Affordable Housing	23,510			1,500	0	2,600				318		3,000					16,092		23,510	0	23,510
	110,307	8,460	5,364	1,500	0	4,612	3,225	0	0	10,790	27,803	3,000	0	11,211	16,250	18,092	0	57,665	52,642	110,307	

AREA TOTAL

13,824

1,500

7,837

0

38,593

3,000

27,461

18,092

Tudalen 87

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 8



CORPORATE RESOURCES OVERVIEW AND SCRUTINY

Date of Meeting	Thursday 13th July, 2023
Report Subject	Revenue Budget Monitoring 2023/24 Interim
Cabinet Member	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

The purpose of this report is to provide Members with the Revenue Budget Monitoring 2023/24 (Interim).

RECOMMENDATIONS

1	That the committee considers and comments on the Revenue Budget Monitoring 2023/24 (Interim) report. Any specific matters for attention will be noted and reported back to the Cabinet when it considers the report.
---	--

REPORT DETAILS

1.00	EXPLAINING THE REVENUE BUDGET MONITORING POSITION 2023/24 (INTERIM)
1.01	The Revenue Budget Monitoring 2023/24 (Interim) report will be presented to Cabinet on Tuesday 18th July, 2023. A copy of the report is attached as Appendix A to this report.

2.00	RESOURCE IMPLICATIONS
2.01	As set out in Appendix A; Revenue Budget Monitoring 2023/24 (Interim).

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	As set out in Appendix A; Revenue Budget Monitoring 2023/24 (Interim).

4.00	CONSULTATIONS REQUIRED / CARRIED OUT
4.01	None required.

5.00	APPENDICES
5.01	Appendix A; Revenue Budget Monitoring 2023/24 (Interim).

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None required.

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

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

	It also includes estimates of the capital resources available to finance the programme.
--	---

Mae'r dudalen hon yn wag yn bwrpasol



CABINET

Date of Meeting	Tuesday 18 th July, 2023
Report Subject	Interim Revenue Budget Monitoring Report 2023/24
Cabinet Member	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

The report provides the first overview of the budget monitoring position for the 2023/24 financial year. Here we report by exception on potential significant variances which may impact on the financial position in 2023/24.

At this early stage, financial risks only have been highlighted within the report.

Our ability to mitigate these risks during the financial year will again centre on review and challenge of delayed and deferred spend, maximising income streams and grant funding.

The final level of Council Fund Contingency Reserve brought forward into 2022/23 was £9.508m as detailed in the 2022/23 outturn report (subject to audit).

An amount of £3.743m remains available from the original £5.316m COVID emergency ring-fenced fund.

A full detailed monitoring report will be provided in September which will include a projection on the overall financial position for 2023/24.

RECOMMENDATIONS

1	To note the report and the potential financial risks on the 2023/24 budget.
2	To approve an allocation of £0.100m from the Contingency Reserve for Theatr Clwyd Trust – Paragraph 1.14 refers.

REPORT DETAILS

1.00	EXPLAINING THE REVENUE BUDGET MONITORING 2023/24
1.01	<p>The report provides the first overview of the budget monitoring position for the 2023/24 financial year. Here we report by exception on potential significant variances which may impact on the financial position in 2023/24.</p> <p>At this early stage, financial risks only have been highlighted within the report.</p> <p>A full detailed monitoring report will be provided in September which will include a projection on the overall financial position for 2023/24.</p>
1.02	<p>OVERVIEW OF THE IN-YEAR BUDGET POSITION</p> <p>The following paragraphs set out the significant potential financial risks identified at this early stage by Portfolios.</p>
1.03	<p>Social Services</p> <p><u>Older People Services</u></p> <p>There continues to be real challenges to recruit and retain care workers within the social care sector. This is resulting in a shortage of homecare hours which can be provided by the independent sector and therefore, the domiciliary budget is expected to underspend by an estimated £0.500m.</p> <p>However, homecare is one of the most cost-effective ways to deliver required social care and shortages in the delivery of this will lead to greater demand for residential care and longer hospital stays, both of which are more costly to public services.</p> <p><u>Mental Health</u></p> <p>The demand for mental health services is high and there is a risk that costs may exceed the budget by up to £0.250m. However, this is a volatile service, with service user needs changing and new entries into the service being difficult to predict. There is potential for costs to rise in-year by a significant degree.</p> <p><u>Children's Services</u></p> <p>Recruitment and retention of experienced social workers remains challenging within the Children's Service. Safeguarding requirements mean that staff levels must be maintained which results in temporary staffing arrangements above the establishment and use of some agency work. Therefore, there is a risk of an overspend within the Professional Support Service.</p> <p>Increased numbers through the courts and the expectation following court judgements are leading to higher costs than the existing budget provision.</p>

	<p>The costs will be partially mitigated through an expected underspend on the in-house residential service which is receiving temporary grant funding. Overall, at this early stage there is a risk of a potential overspend of around £0.500m.</p> <p><u>Grant Funding</u></p> <p>The Regional Integration Fund (RIF) and Children’s Community Grant are two significant grants which contribute to the delivery of several projects. At this early stage of the year, it is difficult to be certain on the funding levels that will be available to the Council. As in previous years the Council will seek to maximise the funding available in conjunction with allocated core funding.</p>
1.04	<p>Education and Youth</p> <p><u>Inclusion and Progression</u></p> <p>The services that the Inclusion and Progression teams provide within Education and Youth portfolio are under significant pressure.</p> <p>Prior to the pandemic the service had seen increasing numbers of children and young people presenting with an increased level of significant and complex needs, resulting in the council being dependent on non-Flintshire provision.</p> <p>Post pandemic the situation has worsened with increasing numbers of pre-school children needing support and challenging behaviour causing concern across both primary and secondary schools. In addition, there are increased rates of emotionally based school avoidance. As a result, levels of attendance have reduced, whilst all forms of exclusions have increased. All of which contributes to a requirement for more specialist and bespoke intervention.</p> <p>The service is taking steps to actively manage demand, alongside reviewing provision, and seeking to develop and enhance in house provision.</p> <p>The pressures are being experienced across Wales, at a time when schools and central services are implementing the Additional Learning Need (ALN) reforms.</p> <p>Welsh Government have made additional grants available to support schools and councils. However, there are risks over reliance on temporary grant funding and its ability to meet demand within existing budgets and available grants.</p>
1.05	<p>Streetscene & Transportation</p> <p><u>Waste Recycling Infraction Charge</u></p> <p>The Council is not meeting the statutory minimum target of 64% for the percentage of municipal waste which must be recycled, prepared for re-use and composted, as specified in Section 3 of the Waste (Wales)</p>

	<p>Measure 2010 in 2021/22. Welsh Government can, therefore, now take steps to impose a penalty on the Council by way of an infraction fine.</p> <p>A penalty of up to £0.663m has been confirmed so presents a significant financial risk to the Council.</p> <p>Discussions have taken place in March between Welsh Government and the Council as to the reasons for not achieving the target. A decision is still awaited as to whether the penalty will be levied during 2023/24.</p> <p><u>Fleet Contract Renewal</u></p> <p>The current Fleet contract which has been running for 7 years is due for renewal from October 2023. Due to the current market conditions in re-procurement of contracts of this type, indications are that the cost of the new contract is going to be considerably more than what is currently being paid.</p> <p><u>Regulatory Services</u></p> <p>There is a risk of income shortfalls of up to £0.200m due to the continuation of recent levels of recycling income and reducing levels of energy generation from gas extraction at former landfill sites.</p> <p><u>Other potential service risks</u></p> <p>The running costs of Alltami Depot are increasing above inflation due to the impacts from the re-tender of depot security, cleaning cost increases and essential maintenance and repair costs.</p> <p>In addition, the Street Lighting energy contract which is renewed on an annual basis through Crown Commercial Services (CCS) has the potential to rise by up to £0.300m in 2023/24, as a result of increased prices in the energy market.</p>
1.06	<p>Planning & Environment</p> <p><u>Fee Income</u></p> <p>Fee Income levels for Building Control, Pest Control and Licensing Services are at this early stage projecting a shortfall against target.</p> <p>However, there is potential for this to be mitigated by over recovery of Planning Fee Income based on current projections.</p>
1.07	<p>Housing & Communities</p> <p><u>Homelessness</u></p> <p>Due to sustained growth in the numbers of Homeless people needing to be accommodated within hotels and other temporary accommodation, there is a significant projected overspend which is currently expected to be in the range of £2m to £3.5m.</p>

	<p>The lower end of this range is based on the current numbers remaining constant, whereas the higher end of the range allows for the expected growth in numbers continuing throughout the remainder of the year.</p> <p>There are numerous causes for the rapid growth in numbers with the main reasons including private rented sector evictions, relationship breakdowns, families/parents being unable to continue accommodating, mortgage repossessions and prisoner discharges.</p> <p>A high proportion of the individuals currently in temporary accommodation are single persons below the age of 55. There is an acute shortage of suitable available properties locally both within the Council's own housing stock and with other Registered Social Landlords (RSL's).</p> <p>Potential solutions are being actively explored but may take some time to implement and have a positive impact on the level of overspend.</p> <p>The position can be partly mitigated by additional eligible Housing Benefit income being recovered in respect of the people in such accommodation which is currently projected to be around £0.185m in excess of the budgeted sum.</p>
1.08	<p>Central & Corporate Finance</p> <p><u>Central Loans and Investment Account (CLIA)</u></p> <p>During the last financial year, the CLIA had a significant net underspend of £1.784m compared to the budget. This was due to:</p> <ol style="list-style-type: none"> 1) significant levels of income generated as a result of increasing bank interest rates throughout the year and 2) short- and long-term borrowing being lower than anticipated, resulting in reduced costs. <p>This trend has continued throughout the first two months of the 2023/24 financial year, which, if continuing, will have the impact of a further net underspend.</p> <p>The first detailed projection will be reported in September taking into account interest rates, capital programme spending profile and levels of reserves.</p>
1.09	<p>Council Tax Income</p> <p>In 2022/23 the Council achieved an 'in-year' collection level of 97.4%. Recent national publications reflect that the 97.4% is 1.3% higher than the Welsh average, 1.4% above the English average and 1.2% above the Scottish average. Council Tax collections to date in 2023/24 are broadly on track and recovery is progressing in relevant cases.</p>
1.10	<p>Pay Awards (Teacher and Non-Teacher)</p> <p><u>Teachers Pay</u></p>

	<p>Current pay awards by the Minister for Education and Welsh Language, are an increase of 8% from September 2022 and an increase of 5% for a September 2023 pay award although these have not been accepted by all teaching unions and a formal dispute is on-going.</p> <p>The 2023/24 budget contained funding for a 5% pay award for Teachers from September 2022 and September 2023. The Minister has increased the September 2022 pay award to 8%, with 1.5% being a non-consolidated payment, leaving a recurring element of 6.5%.</p> <p>Grant funding has been made available by Welsh Government to fully fund the additional September 2022 pay award in financial years 2022/23 and 2023/24 (over and above the 5% originally awarded).</p> <p><u>NJC (Green Book)</u></p> <p>The latest pay offer for NJC (Green Book) employees for the current year (2023/24) has been rejected and Trade Union Members are currently being balloted for potential industrial action. The offer made is at a similar level to that awarded in 2022/23 with an increase on each scale point of £1,925.</p> <p>This equates to more than the 5% included in the 2023/24 budget. The final increase will be in excess of 5% and will need to be funded from reserves in the current financial year. This will also have the impact of increasing the budget requirement for 2024/25.</p> <p>The estimated impact of the current pay offer is an additional £2.727m which is included in the revised forecast for 2024/25 but may be subject to change.</p> <p><u>Pay Modelling</u></p> <p>No figures are currently included for any impact of the pay modelling review which is intended to help address the problems being encountered by the Council in the recruitment and retention of staff. It is due to be completed later this year.</p>
1.11	<p>Out of County Placements</p> <p>As in previous years there is potential for significant numbers of new placements. The service areas within this pooled budget continue to do everything possible to manage these risks and additional investment has already been made to further develop in-house provision to help to mitigate against such financial pressures.</p>
1.12	<p>Benefits</p> <p>Council Tax Reduction Scheme (CTRS) – Based on current demand, costs are currently projected to be £0.112m below budget, although this will be monitored closely throughout the year due to the potential for growth. There is continued high demand across the whole of the Benefits service which is expected to remain the case for the foreseeable future.</p>

	Other pressures within the services in respect of meeting income targets for recovery of overpayments and related bad debt provision increases are also expected to remain. This in part may be mitigated by the receipt of additional Grant Admin income albeit at lower levels received in previous years.
1.13	<p>Request from Contingency Reserve</p> <p>As part of the cultural services agreement drawn up for the Theatr Clwyd trust, a clause was included for the Council to fund a £0.100m contribution towards the Trust's opening reserve position. The trust has now requested that this sum be drawn down to support its cashflow whilst the Theatre is under renovation and income levels are predicted to be lower. It is recommended that this be funded from the contingency reserve.</p>
1.14	<p>Unearmarked Reserves</p> <p>The final level of Council Fund Contingency Reserve brought forward into 2022/23 was £9.508m as detailed in the 2022/23 outturn report (subject to Audit).</p> <p>The amount remaining reduces to £6.681m after taking into account the impact of the current estimated pay award shortfall of £2.727m (para 1.10) and the recommendation included in para 1.13 above.</p> <p>An amount of £3.743m remains available from the original £5.316m COVID emergency ring-fenced fund.</p>
1.15	<p>Housing Revenue Account (HRA)</p> <p>A risk has been identified in respect of loss of rental income on void HRA properties. If void levels continue at the same level for the remainder of the financial year, we anticipate a net pressure on rental income of approximately £0.250m. However, it is hoped that with additional investment, the void levels will reduce in the next 6 to 12 months. We will continue to monitor voids closely and will report on the projected outturn position throughout the year.</p>

2.00	RESOURCE IMPLICATIONS
2.01	As set out within the report.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	The financial impacts of the emergency as set out in the report are a combination of actual costs and losses to date and estimates of costs and losses for the future. There is the possibility that the estimates will change over time. The budget will be monitored closely, and mitigation actions taken wherever possible.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	None specific.
5.00	APPENDICES
5.01	None.
6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Various budget records.
7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Dave Ledsham Strategic Finance Manager</p> <p>Telephone: 01352 704503</p> <p>E-mail: dave.ledsham@flintshire.gov.uk</p>
8.00	GLOSSARY OF TERMS
8.01	<p>Budget: a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p> <p>Council Fund: the fund to which all the Council's revenue expenditure is charged.</p> <p>Financial Year: the period of twelve months commencing on 1 April.</p> <p>Housing Revenue Account: The Housing Revenue Account (HRA) is a local authority account showing current income and expenditure on housing services related to its own housing stock. The account is separate from the Council Fund and trading accounts and is funded primarily from rents and government subsidy.</p> <p>Projected Outturn: projection of the expenditure to the end of the financial year, made on the basis of actual expenditure incurred to date.</p> <p>Regional Integration Fund (RIF): Funding provided by Welsh Government to encourage integrated working between local authorities, health and housing.</p>

Reserves: these are balances in hand that have accumulated over previous years and are held for defined (earmarked reserves) and general (general reserves) purposes. Councils are required to regularly review the level and purpose of their reserves and to take account of the advice of the Chief Finance Officer.

Revenue: a term used to describe the day-to-day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.

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

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

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 9



CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Thursday 13th July, 2023
Report Subject	Medium Term Financial Strategy and Budget 2024/25
Cabinet Member	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
Report Author	Corporate Finance Manager and Chief Executive
Type of Report	Strategic

EXECUTIVE SUMMARY

The purpose of this report is to provide Members with an update of the additional budget requirement for 2024/25 in advance of the July Member workshop and Scrutiny meetings to be held in the Autumn.

RECOMMENDATIONS

1	That the committee considers and comments on the Medium Term Financial Strategy and Budget 2024/25 report. Any specific matters for attention will be noted and reported back to the Cabinet when it considers the report.
---	--

REPORT DETAILS

1.00	EXPLAINING THE MEDIUM TERM FINANCIAL STRATEGY AND BUDGET POSITION 2024/25
1.01	The Medium Term Financial Strategy and Budget 2024/25 report will be presented to Cabinet on Tuesday 18 th July 2023. A copy of the report is attached as Appendix A to this report.

2.00	RESOURCE IMPLICATIONS
2.01	As set out in Appendix A; Medium Term Financial Strategy and Budget 2024/25 report.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	As set out in Appendix A; Medium Term Financial Strategy and Budget 2024/25 report.

4.00	CONSULTATIONS REQUIRED / CARRIED OUT
4.01	As set out in Appendix A; Medium Term Financial Strategy and Budget 2024/25 report.

5.00	APPENDICES
5.01	Appendix A; Medium Term Financial Strategy and Budget 2024/25.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None.

7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Gary Ferguson Corporate Finance Manager Telephone: 01352 702271 E-mail: gary.ferguson@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	As set out in Appendix A.



CABINET

Date of Meeting	Tuesday, 18 th July 2023
Report Subject	Medium Term Financial Strategy and Budget 2024/25
Cabinet Member	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
Report Author	Corporate Finance Manager and Chief Executive
Type of Report	Strategic

EXECUTIVE SUMMARY

The Council reviews and updates the Medium Term Financial Strategy (MTFS) annually, and in advance of planning the annual budget for the following financial year. The MTFS forecasts the resources the Council will need to meet its ever-changing cost base for the years ahead. Refining our forecast is the first step in planning our budget requirement for the following financial year.

As part of budget setting for 2023/24 an initial additional budget requirement of £16.987m was projected for 2024/25 which was based on broad assumptions for pay, social care commissioning and other known pressures at that time.

Our forecast for the 2024/25 financial year has been updated to take into account the latest national position on public sector pay, the estimated impact of changes to service demand and the ongoing impacts of inflation. The revised forecast shows that, at this early stage, we are likely to have an additional budget requirement of £32.222m for 2024/25.

Appendix A shows the detail of all the cost pressures for 2024/25 as well as early indications of pressures for 2025/26 and 2026/27.

This is the first stage of developing our budget for 2024/25.

The main purpose of this report is to set out in detail the forecast cost pressures for 2024/25 and a workshop has been scheduled for 31 July to enable members to have a better understanding of the financial position and to contribute to a developing budget strategy.

As part of the 2023/24 local government settlement we were given indicative funding figures for 2024/25 which was an increase of 3.1%. This only equates to an uplift of around £7.8m for the Council.

The Council clearly has a major budget challenge for the financial year 2024/25 if there is no movement in the indicative uplift. 3.1% is far below the level required to meet current service demand and inflationary impacts – most of which are outside of the Council’s control.

A detailed budget strategy needs to be developed with urgency in parallel to contributing to national discussions on the financial outlook across Wales including any options available to increase the overall quantum available for local government.

RECOMMENDATIONS

1	To receive the update on the additional budget requirement for the 2024/25 financial year.
2	To agree the process and timeline for budget setting for 2024/25.

REPORT DETAILS

1.00	EXPLAINING THE MEDIUM TERM FINANCIAL STRATEGY FORECAST FOR 2024/25
1.01	The Council reviews and updates its Medium Term Financial Strategy (MTFS) annually, and in advance of planning the annual budget for the following financial year.
1.02	<p>The MTFS forecasts the resources the Council will need to meet its ever changing cost base for the years ahead. Refining our forecast is the first stage in planning our budget requirement for the following financial year.</p> <p>Our forecast for the 2024/25 financial year has been updated and takes into account the latest national position on public sector pay, the estimated impact of changes to service demand and the ongoing impacts of inflation.</p> <p>The forecast will need to be kept under close review and updated as appropriate throughout the year.</p>
1.03	<p>The updated forecast shows that, at this early stage we are likely to have an additional budget requirement of £32.222m as summarised in the table below</p> <p>Table 1: Summary of Cost Pressures 2024/25</p>

Summary of Pressures		£m
	Prior Year Decisions / Approvals	0.986
	Legislative/Unavoidable Indexation	2.260
	National Funding Requirement (Pay Awards)	14.506
	Social Care	7.022
	Education & Youth	0.461
	Out of County Placements	0.500
	Planning, Environment & Economy	0.191
	Housing & Communities	2.518
	Streetscene & Transportation	2.684
	Governance	0.694
	Corporate	0.401
	Total Pressures	32.222
	Some cost pressures are still under review due to constantly changing service demands and therefore there is likely to be some refinement to figures over the summer.	
1.04	The main purpose of this report is to set out in detail the forecast cost pressures for 2024/25. A workshop has been scheduled for 31 July to enable members to have a better understanding of the financial position and to contribute to a developing budget strategy.	
1.05	Explaining the Cost Pressures All estimated cost pressures are included in Appendix A with further background provided below:	
1.06	<u>Prior Year Decisions/Approvals</u> Some of the cost pressures have been subject to previously approved decisions. These include borrowing requirements for the 21 st Century Schools Programme and the annual inflationary uplift in the Minimum Revenue Provision (MRP).	
1.07	<u>Impact of National Pay Awards</u> <u>NJC (Green Book)</u> The latest pay offer for NJC (Green Book) employees for the current year (2023/24) has been rejected and Trade Union Members are currently being balloted for potential industrial action. The offer made is at a similar level to that awarded in 2022/23 with an increase on each scale point of £1,925. This equates to more than the 5% included in the 2023/24 budget. The amount of the final award in excess of the 5% will need to be funded from reserves in	

	<p>the current financial year. It will also have the impact of increasing the budget requirement for 2024/25.</p> <p>The estimated impact of the current pay offer is an additional £2.727m which is included in the forecast but may be subject to change.</p> <p>The assumptions for the 2024/25 pay award has been increased to 5% from the 3.5% previously included in the forecast.</p> <p><u>Teacher Pay</u></p> <p>Assumptions for teachers' pay calculations are in line with current awards by the Minister for Education and Welsh Language. They are an increase of 6.5% from September 2022 and an increase of 5% in September 2023. These have not been accepted by all teaching unions and a formal dispute is on-going.</p> <p>The 2023/24 budget contained funding for a 5% pay award for Teachers from September 2022. The Minister has increased the pay award to 8%, with 1.5% being a non-consolidated payment, leaving a recurring element of 6.5% which is now included in the forecast.</p> <p>Grant funding has been made available by Welsh Government to fully fund the additional September 2022 pay award in financial years 2022/23 and 2023/24 (over and above the 5% originally awarded).</p> <p>Funding from 2024/25 onwards is still uncertain and the additional annual cost to the council for the shortfall of £1.118m has been included in the forecast. However, it is expected that Welsh Government will provide additional funding in the Revenue Support Grant to cover the shortfall in Council's budgets.</p> <p><u>Pay Modelling</u></p> <p>No figures are currently included for any impact of the pay modelling review which is needed to try and address the difficulties currently being experienced in recruitment and retention. It is due to be completed later this year.</p>
1.08	<p><u>Impact of Inflation / Indexation</u></p> <p>The forecast includes estimated increases in costs for services such as the coroner service, Independent Remuneration Panel for Wales (IRPW) award for councillors, North Wales Fire and Rescue Authority (NWFRA) as well as anticipated inflationary increases for service contracts with external bodies.</p> <p>There are no new cost pressures included at this stage for utility and fuel costs although these remain subject to high volatility. These will be kept under review throughout the current financial year, and the forecast will be updated accordingly as further information becomes available.</p>
	<p><u>Portfolio Cost Pressures</u></p>
1.09	<p><u>Social Care</u></p> <p>The impact of inflation and increases in service demands continues to be challenging. The cost pressures identified to date include transition to</p>

adulthood, social care commissioning costs, children's group homes and additional revenue costs for Croes Atti residential home.

Additional costs for increased homecare capacity, special guardianship orders and the outcome of the social work pay review are also included within the forecast.

Education and Youth

The forecast includes pressures from school improvement and inclusion and progression services. Both services are struggling to cope within existing budgets with the needs, demands and complexity of service requirements from children and young people which have all increased following the pandemic. Increased budgets are necessary to continue to deliver safe and acceptable levels of service.

There is a need to enhance the level of support provided to schools with safeguarding and child protection issues. Following an Estyn inspection at Plas Derwen Pupil Referral Unit, there is a need to review the management arrangements of the specialist foundation learning provision and the provision of education to the growing numbers and needs of pupils educated other than at school (EOTAS).

An additional pressure has also been included to fund the revenue costs of increasing the capacity at our specialist schools, which are currently full, using capital grant from Welsh Government.

Streetscene and Transportation

The forecast reflects an estimate for the significant increase anticipated in the cost of the fleet renewal contract, which is due to be concluded in quarters 3-4 of this financial year.

The Workplace Recycling Regulations are expected to come into force in April 2024, which will require Local Authorities to undertake additional services that are likely to result in additional revenue costs. Further details are awaited from Welsh Government including information on the potential to charge for this service, which may enable us to mitigate the pressure. Capital funding may be provided by Welsh Government for new equipment and/or infrastructure, but this has not yet been confirmed.

There are some essential additional posts included due to the need to increase capacity and resilience to ensure that the portfolio can meet its statutory responsibilities for both waste and fleet services.

Housing and Communities

The forecast includes an inflationary uplift on the Council Tax Reduction Scheme (CTRS) to reflect the impact of an annual increase in council tax.

There has been a significant growth in numbers presenting as homeless and needing to be accommodated within temporary accommodation. This has

	<p>created an emerging pressure in the current financial year with further growth anticipated. An initial pressure of £2m has been included in the forecast for 2024/25 to reflect this significant growth although this will need to be kept under close review as the position evolves throughout this financial year.</p> <p><u>Out of County Placements</u></p> <p>Increased demand on the service is continuing and a cost pressure of £0.500m is included which will be kept under review throughout the 2023/24 financial year.</p> <p><u>Digital / Information Technology</u></p> <p>Pressures have been included for an increase in unavoidable licence costs and improvements to cyber security which is needed for the Council to obtain the Cyber Essential Plus accreditation, which is regarded as the minimum level of security for a public sector organisation.</p>
	Other Known Risks
1.10	<p>Homelessness</p> <p>As referenced earlier in the report the demands on the service are substantial. Whilst an initial pressure of £2m has been included in the current forecast the potential for demand to be higher is plausible and that risk will be kept under close review throughout the year.</p>
1.11	<p>Social Care</p> <p>There are a number of risks within the service that need to be kept under review, such as on-going recruitment and retention challenges, new statutory responsibilities and the impact of inflationary increases and match funding for projects such as the Regional Integration Fund (RIF).</p> <p>On-going support from existing grants is an area on which the service depends, so the continuation of these is critical. Any reduction would pose a risk to service delivery.</p>
1.12	<p>Streetscene and Transportation</p> <p>The review of the Waste Strategy is likely to impact on future costs of the service in relation to the ongoing risk of potential infraction fines for failing to achieve the statutory recycling targets in 2022-2023 (estimated to be in the region of £470k).</p> <p>There is also a risk that the continuation of the Sustainable Waste Management Grant may be stopped or reduced. This is a revenue grant provided by Welsh Government to support the provision of re-use and recycling services, as well as preventing waste. Any reduction of this grant from the current level could impact on further revisions to the forecast.</p> <p>Welsh Government is making £46m available to support the Bus Emergency Scheme and the Bus Transition Fund to ensure that the majority of the current services will be protected across Wales for the whole financial year 2023-2024. However, the funding arrangements beyond March 2024 are currently</p>

	unknown. This could have an adverse impact on the transport network due to the uncertainty of funding by transport providers and consequential impact on home to school transport services, so will need to be kept under review.
1.13	<p>Education and Youth</p> <p>An increase in the cost of employer teachers' pension contributions is anticipated from April 2024 and could potentially be significant. There are no specific indications of the likely scale of any increase at this stage, although it is expected that the increase will be fully funded by UK Government.</p> <p>Increases in demand and complexity for Additional Learning Needs, Specialist Provision and EOTAS is currently being funded by additional Welsh Government grant. There are a number of risks relating to the continuation of grant funding into 2024/25 which will need to be kept under review.</p> <p>Further work will be undertaken on demography and the impact of any changes due to school modernisation on the revenue costs for schools.</p>
	Funding Solutions
1.14	<p>The 2023/24 local government settlement provided an updated indicative figure for 2024/25 of 3.1% which equates to an uplift of around £7.8m for the Council.</p> <p>The indicative allocation is welcome. However, this is at a much lower level than previous years so will present significant challenges and will increase the requirement for budget contributions from other sources.</p>
1.15	<p>Members will be aware that whilst we are able to identify some cost savings and efficiencies as part of our annual budget setting process, there are no cost savings of any scale remaining following a decade of underfunding of local government.</p> <p>In previous years the Council has rightly stood on the principle that it will not reduce the budget for any service to the point where the service is unsafe, or to do so would mean we would fail to meet our statutory duties or our quality standards. The impacts of budget reduction options have been risk-assessed year on year.</p> <p>Any future options which councillors recommend we explore as a contribution to the budget will need to be risk assessed on this basis.</p>
1.16	<p>The Council has adopted a comprehensive policy for fees and charges for chargeable services. By applying this policy, we have balanced cost recovery of service provision with affordability and fairness for the payer.</p> <p>The annual review of the policy is also included on this agenda and shows an estimated contribution of £0.310m to the 2024/25 budget. There is no more scope for generating additional income or new income streams for 2024/25 over and above this report.</p>
1.17	It is too early to make an assumption on council tax levels for 2024/25 as this will be largely dependent on how successful the Council is in identifying

	portfolio and corporate efficiencies. As in previous years council tax levels will be a key consideration in the final stage of the budget process.																						
1.18	<p>Summary and Conclusions</p> <p>The Council clearly has a major budget challenge for the financial year 2024/25 if there is no movement in the indicative uplift in the settlement of 3.1%. This is significantly below the level required to meet current service demand and inflationary impacts – most of which are outside of the Council’s control.</p> <p>A detailed budget strategy needs to be developed with urgency in parallel to contributing to national discussions on the financial outlook across Wales, including any options available to increase the overall quantum available for local government.</p> <p>Regular updates will be provided to members in conjunction with the budget timeline detailed in the report.</p>																						
1.19	<p>An outline of the budget timeline is set out in the table below:</p> <p>Table 2: Budget Timeline</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Event</th> </tr> </thead> <tbody> <tr> <td>July 2023</td> <td>Report to Cabinet and Corporate Resources Overview and Scrutiny Committee - Initial additional budget requirement 2024/25</td> </tr> <tr> <td>31 July 2023</td> <td>1st Member Workshop</td> </tr> <tr> <td>September 2023</td> <td>Report to Cabinet and Corporate Resources Overview and Scrutiny Committee - Updated additional budget requirement and emerging budget solutions</td> </tr> <tr> <td>September/October 2023</td> <td>2nd Member Workshop</td> </tr> <tr> <td>October/November 2023</td> <td>Overview & Scrutiny Committees</td> </tr> <tr> <td>December 2023</td> <td>Report to Cabinet and Corporate Resources Overview and Scrutiny Committee - Budget Update</td> </tr> <tr> <td>December 2023</td> <td>WG Draft Budget/Provisional Settlement</td> </tr> <tr> <td>January 2024</td> <td>Report to Cabinet and Corporate Resources Overview and Scrutiny Committee - Proposed budget requirement and solutions</td> </tr> <tr> <td>February 2024</td> <td>Report to Cabinet and Council - Final Budget Proposals</td> </tr> <tr> <td>March 2024</td> <td>WG Final Budget/Settlement</td> </tr> </tbody> </table>	Date	Event	July 2023	Report to Cabinet and Corporate Resources Overview and Scrutiny Committee - Initial additional budget requirement 2024/25	31 July 2023	1 st Member Workshop	September 2023	Report to Cabinet and Corporate Resources Overview and Scrutiny Committee - Updated additional budget requirement and emerging budget solutions	September/October 2023	2 nd Member Workshop	October/November 2023	Overview & Scrutiny Committees	December 2023	Report to Cabinet and Corporate Resources Overview and Scrutiny Committee - Budget Update	December 2023	WG Draft Budget/Provisional Settlement	January 2024	Report to Cabinet and Corporate Resources Overview and Scrutiny Committee - Proposed budget requirement and solutions	February 2024	Report to Cabinet and Council - Final Budget Proposals	March 2024	WG Final Budget/Settlement
Date	Event																						
July 2023	Report to Cabinet and Corporate Resources Overview and Scrutiny Committee - Initial additional budget requirement 2024/25																						
31 July 2023	1 st Member Workshop																						
September 2023	Report to Cabinet and Corporate Resources Overview and Scrutiny Committee - Updated additional budget requirement and emerging budget solutions																						
September/October 2023	2 nd Member Workshop																						
October/November 2023	Overview & Scrutiny Committees																						
December 2023	Report to Cabinet and Corporate Resources Overview and Scrutiny Committee - Budget Update																						
December 2023	WG Draft Budget/Provisional Settlement																						
January 2024	Report to Cabinet and Corporate Resources Overview and Scrutiny Committee - Proposed budget requirement and solutions																						
February 2024	Report to Cabinet and Council - Final Budget Proposals																						
March 2024	WG Final Budget/Settlement																						

2.00	RESOURCE IMPLICATIONS
2.01	<p>Revenue: the revenue implications for the 2024/25 budget are set out in the report.</p> <p>Capital: there are no new implications for the approved capital programme for either the current financial year or for future financial years – the capital programme will be subject to a separate report.</p> <p>Human Resources: there are some potential implications for additional capacity as set out in the report.</p>

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT													
3.01	<p>Ways of Working (Sustainable Development) Principles Impact</p> <table border="1"> <tr> <td>Long-term</td> <td>Negative – the absence of longer-term funding settlements from Welsh Government means that sustainable support for service delivery is challenging for the longer term. Sustainable funding from Welsh Government that provides additional funding for Indexation, Service demands and new legislation will provide a positive and sustainable position for the Council in the longer term.</td> </tr> <tr> <td>Prevention</td> <td>As above</td> </tr> <tr> <td>Integration</td> <td>Neutral Impact</td> </tr> <tr> <td>Collaboration</td> <td>Services continue to explore opportunities for collaboration with other services and external partners to support positive impacts.</td> </tr> <tr> <td>Involvement</td> <td>Communication with Members, residents and other stakeholders throughout the budget process.</td> </tr> </table> <p>Well-Being Goals Impact</p> <table border="1"> <tr> <td>Prosperous Wales</td> <td>Longer term funding settlements from Welsh Government that provide additional funding for indexation, service demands and new legislation will aid sustainability and support a strong economy that encourage business investment in the region. The opposite will be true if settlements are inadequate.</td> </tr> </table>		Long-term	Negative – the absence of longer-term funding settlements from Welsh Government means that sustainable support for service delivery is challenging for the longer term. Sustainable funding from Welsh Government that provides additional funding for Indexation, Service demands and new legislation will provide a positive and sustainable position for the Council in the longer term.	Prevention	As above	Integration	Neutral Impact	Collaboration	Services continue to explore opportunities for collaboration with other services and external partners to support positive impacts.	Involvement	Communication with Members, residents and other stakeholders throughout the budget process.	Prosperous Wales	Longer term funding settlements from Welsh Government that provide additional funding for indexation, service demands and new legislation will aid sustainability and support a strong economy that encourage business investment in the region. The opposite will be true if settlements are inadequate.
Long-term	Negative – the absence of longer-term funding settlements from Welsh Government means that sustainable support for service delivery is challenging for the longer term. Sustainable funding from Welsh Government that provides additional funding for Indexation, Service demands and new legislation will provide a positive and sustainable position for the Council in the longer term.													
Prevention	As above													
Integration	Neutral Impact													
Collaboration	Services continue to explore opportunities for collaboration with other services and external partners to support positive impacts.													
Involvement	Communication with Members, residents and other stakeholders throughout the budget process.													
Prosperous Wales	Longer term funding settlements from Welsh Government that provide additional funding for indexation, service demands and new legislation will aid sustainability and support a strong economy that encourage business investment in the region. The opposite will be true if settlements are inadequate.													

	Resilient Wales	Continuation of services to support communities and social cohesion will have a positive impact. The opposite will be true if settlements are inadequate.
	Healthier Wales	An appropriate level of funding will ensure that communities are supported and will have a positive impact. The opposite will be true if settlements are inadequate.
	More equal Wales	A positive impact with greater parity of funding from Welsh Government for all Welsh Local Authorities. The opposite will be true if settlements are inadequate.
	Cohesive Wales	Appropriate level of funding will support services working alongside partners. The opposite will be true if settlements are inadequate.
	Vibrant Wales	As Healthier and Cohesive Wales above
	Globally responsible Wales	Neutral impact.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	The Forecast for 2024/25 – 2026/27 will be considered by Overview and Scrutiny Committees during September and October. Member Workshops will be held in July and in September/October 2023.

5.00	APPENDICES
5.01	Appendix A. MTFs Forecast 2024/25 – 2026/27

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None

7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Gary Ferguson,, Corporate Finance Manager Telephone: 01352 702271 E-mail: gary.ferguson@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	<p>Medium Term Financial Strategy (MTFS): a written strategy which gives a forecast of the financial resources which will be available to a Council for a given period, and sets out plans for how best to deploy those resources to meet its priorities, duties and obligations.</p> <p>Revenue: a term used to describe the day to day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.</p> <p>Budget: a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p> <p>Revenue Support Grant: the annual amount of money the Council receives from Welsh Government to fund what it does alongside the Council Tax and other income the Council raises locally. Councils can decide how to use this grant across services although their freedom to allocate according to local choice can be limited by guidelines set by Government.</p> <p>Specific Grants: An award of funding from a grant provider (e.g. Welsh Government) which must be used for a pre-defined purpose.</p> <p>Welsh Local Government Association: the representative body for unitary councils, fire and rescue authorities and national parks authorities in Wales.</p> <p>Financial Year: the period of 12 months commencing on 1 April.</p> <p>Local Government Funding Formula: The system through which the annual funding needs of each council is assessed at a national level and under which each council's Aggregate External Finance (AEF) is set. The revenue support grant is distributed according to that formula.</p> <p>Aggregate External Finance (AEF): The support for local revenue spending from the Welsh Government and is made up of formula grant including the revenue support grant and the distributable part of non-domestic rates.</p> <p>Provisional Local Government Settlement: The Provisional Settlement is the draft budget for local government published by the Welsh Government for consultation. The Final Local Government Settlement is set following the consultation.</p> <p>Funding Floor: a guaranteed level of funding for councils who come under the all-Wales average change in the annual Settlement. A floor has been a feature of the Settlement for many years.</p>

MTFS - SUMMARY OF PRESSURES			
Pressure	2024/25	2025/26	2026/27
	£m	£m	£m
Prior Year Decisions / Approvals			
Private Water Supplies	(0.052)		
Minimum Revenue Provision (MRP) - Existing	0.300	0.300	0.300
21C Schools Band B Borrowing Costs	0.738	0.854	0.166
Total - Prior Years Decisions / Approvals	0.986	1.154	0.466
CUMULATIVE TOTAL	0.986	1.154	0.466
Legislative / Unavoidable Indexation Pressures			
Fee Increases - Coroners	0.031	0.033	
Independent Review Panel for Wales (IRPW)	0.084	0.084	0.084
North Wales Fire and Rescue Authority	1.341	1.523	1.728
Apprentice Tax Levy	0.070		
Business Systems Inflationary Rises	0.036		
CJC / Growth Deal Inflation	0.017	0.019	0.021
ADM's / CAT's - Service Contract Inflation	0.365	0.312	0.328
ADM's / CAT's - Other Pressures	0.056	(0.025)	
NEWCES Contribution Increase	0.080		
Increase to Regional Collaboration Team	0.050		
Newydd & Emergency Duty Team Uplift	0.130	TBC	
Mockingbird Loan Repayment		0.287	
Total - Legislative / Unavoid Index'n Pressures	2.260	2.233	2.161
CUMULATIVE TOTAL	3.245	3.387	2.627
National Funding Requirement			
NJC Pay Award Estimate (Non Schools) - 23/24	1.694		
NJC Pay Award Estimate (Non Schools)	4.767	4.986	5.275
NJC Pay Award Estimate (Schools) - 23/24	1.033		
NJC Pay Award Estimate (Schools)	1.718	1.812	1.906
Teachers - Pay Award - Prior Year	1.152		
Teachers - Pay Award - April - August	1.671	1.765	1.863
Teachers - Pay Award - Sept - March	2.472	2.608	2.739
Pay Modelling - Potential Pressure	TBC	TBC	TBC
Total - National Funding Requirement	14.506	11.172	11.783
CUMULATIVE TOTAL	17.752	14.558	14.410

MTFS - SUMMARY OF PRESSURES			
Pressure	2024/25	2025/26	2026/27
	£m	£m	£m
	Strategic Decisions		
Social Care			
Transition to Adulthood	0.840	0.517	0.990
Social Care Commissioning	5.137	5.744	6.300
Childrens Services Group Homes	0.400	0.400	
Croes Atti Extension - Revenue Costs	0.330	0.991	
Social Work Pay Review	0.115	0.108	0.055
Increased Homecare Capacity	0.150		
Special Guardianship Orders (SGOs)	0.050		
Buckley Extra Care Facility			0.680
	7.022	7.760	8.025
Education & Youth			
Joint Archive Service - Borrowing Costs	0.018	0.108	0.014
Additional Capacity for Supporting Schools with Safeguarding	0.045		
Management of Specialist Foundation Provision - Estyn	0.105		
Resource Provision at Flint High School		0.170	
EOTAS / Specialist Provision - Estyn Inspection of Plas Derwen	0.075	0.236	0.012
Specialist Primary - Revenue Costs of 2 Additional Classrooms	0.218	0.156	
EOTAS / Specialist Provision - Medical Need	TBC	0.300	
ALN Reforms - Transfer of Post 16 Responsibilities	0.000	0.130	0.225
	0.461	1.100	0.251
Out of County Placements			
Out of County Placements	0.500	0.500	
Planning, Environment & Economy			
Additional Licencing Scheme for HMO's	0.144		(0.056)
Private Water Supplies (See also line 11)	0.047		
	0.191	0.000	(0.056)
Housing & Communities			
Homelessness Demand	2.000	TBC	TBC
Benefits - CTRS	0.518	0.539	
	2.518	0.539	0.000
Streetscene & Transportation			
Fleet Contract Renewal	2.000		
Business Recycling Collections (new duties)	0.438		
Mayrise Replacement	0.010	0.060	0.005
Recycling & Compliance Officers	0.133		
Assistant Fleet Manager	0.055		
ULEV Transition Officer	0.049		
	2.684	0.060	0.005

MTFS - SUMMARY OF PRESSURES			
Pressure	2024/25	2025/26	2026/27
	£m	£m	£m
Governance - Digital Strategy			
Schools Information Management System	0.123	0.009	0.010
Digital Delivery - Digital Solutions Technician		0.038	
Microsoft Power BI Licences	0.032		
Digital Officers		0.060	
Corporate GIS Software Reprourement		0.030	(0.023)
Corporate LLPG Compliance & Software Reprourement		0.033	(0.020)
Digital Business Analyst (0.6 FTE)		0.030	
IT Technician Cyber Security	0.037		
Microsoft E5 Security Licenses	0.266	0.038	0.050
Security, Information & Event management (SIEM) Solution	0.162		
Network Connected Device Compliance & Assurance Solution	0.042	(0.015)	
IT Technician Schools	0.032		
	0.694	0.223	0.017
Corporate			
Capital Borrowing Costs 22/23	0.056	0.083	0.002
Croes Atti Extension - Borrowing Costs	0.161	0.041	0.001
Levelling Up Fund (Match Funding)	0.050	0.013	
Replacement Financial Management System (FMS)			0.052
ADM Resource	0.024	(0.024)	
Audit Fees	0.040		
Bank Charges	0.070		
	0.401	0.114	0.055
Total - Strategic Decisions	14.470	10.296	8.298
CUMULATIVE TOTAL	32.222	24.854	22.707

Eitem ar gyfer y Rhaglen 10



CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Thursday, 13 July 2023
Report Subject	Council Tax Collections, Discretionary (s13a) Discounts/Write Offs
Cabinet Member	Cabinet Member for Governance and Corporate Services including Health and Safety and Human Resources
Report Author	Chief Officer (Governance)
Type of Report	Operational

EXECUTIVE SUMMARY

This report provides Scrutiny Members with a briefing on policy areas relating to Council Tax administration:

- The way in which Council Tax is collected
- Collection levels and comparisons to the national trends
- Current write off levels and the reasons for write offs
- The legal framework and scope to provide s13a discretionary discounts

RECOMMENDATIONS

1	For Scrutiny to note and support the work undertaken to maximise collections of Council Tax, maximise the take-up of discounts and reductions, and help those who struggle to pay.
2	For Scrutiny to note and support the circumstances where, in line with Cabinet policies, s13a discretionary discounts are already awarded and the limited circumstances and funds to waive or reduce Council Tax.
3	For Scrutiny Committee to endorse the exceptional circumstances where write offs are undertaken and which result in losses of income to fund public services.

REPORT DETAILS

1.00	EXPLAINING THE COLLECTION AND ADMINISTRATION OF COUNCIL TAX
1.01	To ensure Council finances are managed effectively, it is essential that Council Tax is collected efficiently and that debts owed to the Council are kept to a minimum. This is because the Council has both a legal duty and a responsibility to its residents to ensure that income due is paid promptly to maintain vital public services.
1.02	The agreed Corporate Debt Recovery Policy framework (adopted by Cabinet in 2019) also recognises that collection of debt should be fair to everyone, especially those on limited incomes who struggle to pay or those who have not paid because of an oversight. It is also recognised that some people deliberately avoid their payment obligations by delaying their payments or choosing not to make payment. Proportionate measures are always taken with the aim of encouraging those in need of help to contact the Council at an early stage.
1.03	<p>Underpinning this policy are effective income management processes, critical to the delivery of overall Council objectives, as every pound of income that is not collected or takes extra effort to collect, ultimately leads to additional financial pressures on the wider budget and future Council Tax rises. By collecting Council Tax, the Revenues Service ensure:</p> <ul style="list-style-type: none"><li data-bbox="293 1061 1410 1218">• Any recovery action taken will be proportionate Proportionality allows for a balance to be struck between the potential loss of income due to the Council and the costs of compliance.<li data-bbox="293 1263 1410 1621">• The approach taken will be consistent Consistency means taking a similar approach in similar circumstances to achieve similar objectives. The Council aims to achieve this in the advice given, the use of its powers and the recovery procedures used. At the same time, the Council recognises the need to treat everyone as individuals and therefore will aim to take account of many variables such as the social circumstances of the individual, the payment history, and their ability to pay.<li data-bbox="293 1644 1410 1962">• The actions taken will be transparent Transparency is important in maintaining public confidence in the Council. It means that helping people to understand what is expected of them, to meet their payment obligations and what they should expect from the Council. It also means clearly explaining the reasons for taking any recovery action and the next steps that the Council may take if payment is not made.

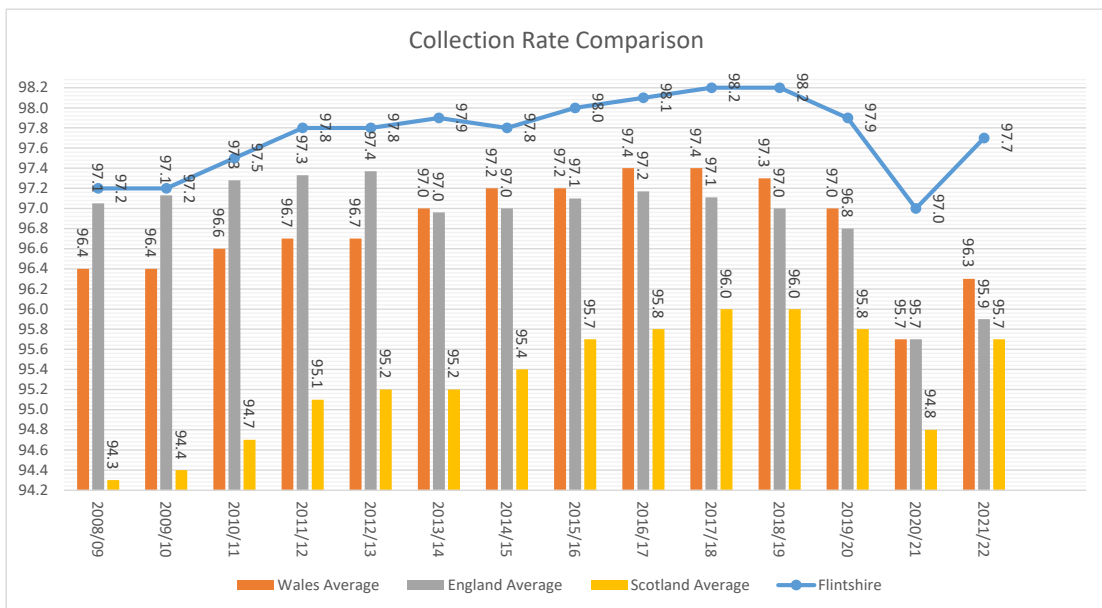
1.04	<p>The policy framework also ensures fairness in that every debtor has an obligation to repay their debt so that future services do not suffer. Another principle is that those who pay promptly should not subsidise those who are not prepared to pay what they owe.</p> <p>Where taxpayers have fallen, or are likely to, fall into arrears, officers work with residents and their representatives to set reasonable and realistic payment levels that they can maintain, ensuring that payment arrangements reflect the ability to pay as well as the level of debt owed.</p> <p>The key to maintaining good collection rates and service standards is always ensuring that taxpayers receive their full entitlement to benefits, Council Tax discounts and exemptions. The Revenues service also acknowledge that financial capability and vulnerability are sometimes underlying issues around non-payment, and we seek to help and support where we can so that we achieve sensible outcomes for both the Council and the taxpayer.</p>
1.05	<p>Annually, Welsh Government publishes a key performance indicator that analyses the amount of Council Tax collected by each authority during the financial year that the tax falls due. This measure is commonly referred to as the ‘in-year’ collection rates. In other words, it is how much the local authority collected by 31 March of the Council Tax as a percentage of the amount they would have collected if everyone had paid the full amount for which they were liable.</p>
1.06	<p>A hyperlink to the latest statistical release for Welsh Council Tax collection rates in 2022/23 is provided in section 6 of this report.</p> <p>Because the statistical release includes data for individual authorities, it enables the Council to measure its own collection performance against other local authorities in Wales.</p>
1.07	<p>For the collection of Council Tax, in 2022/23, most residents continue to pay their Council Tax on time and the ‘in-year’ collection level for Council Tax was 97.4%, well ahead of the 96.1% Welsh national average.</p> <p>Flintshire continues to be ranked as one of the highest performing Councils in Wales when it comes to collecting ‘in-year’ Council Tax. The Council is also ranked as having the second lowest outstanding amounts per chargeable dwelling when also considering longer-term arrears. The Council has maintained high collection levels over many years thanks to the cooperation and support of residents.</p>
1.08	<p>Overall, the latest statistics shows that despite</p> <ul style="list-style-type: none"> • financial challenges faced by the Council and households; and • the resource and capacity issues of delivering the Cost-of-Living Payments, <p>the Council continues to deliver the very best collection rates with one of the lowest levels of resources. This has been achieved by:</p> <ul style="list-style-type: none"> • continuous development and enhancement of service standards • digital delivery to make it easier for residents to pay their bills, and

- access to information about discounts and exemptions, especially support those who experience payment difficulties.

Using the published information available across the UK the table below also illustrates how Flintshire's 'in-year' collection rates up to 2021/22 compare with the Welsh average, including the average across England and Scotland.

In percentage terms, the in-year collection level of 97.7% for 2021/22 was 1.3% above the Welsh average, 1.8% above of the English average and 2.0% above the Scottish average.

In monetary terms, a 0.1% difference in collection terms might not sound significant, but this equates to a difference of £100k in income, so compared to the Welsh average, Flintshire is collecting an additional £1.3m in-year.



1.09 It is recognised that not all outstanding Council Tax can be collected. In appropriate cases, where a Council Tax debt is irrecoverable, prompt, and regular writing off is important so that the Council can budget for bad debts.

An integral part of debt recovery is the effective management of bad debts to ensure resources are applied efficiently to the collection of monies outstanding which can reasonably be expected to be collected.

1.10 Council Tax debts will normally be considered for write off only where the account is 'closed' and there are no reoccurring debts. Only in exceptional circumstances will ongoing accruing debts be considered for write off. All such cases must demonstrate that further recovery will not achieve collection of the debt.

Appendix 1 to this report provides a detailed analysis of the reasons, volumes, and value of Council Tax write offs.

£5.12m of Council Tax has been written off over 14 years, but compared to the Council Tax yield, this is less than 1% of the annual Council Tax charges/yield in each financial year. In other words, the Council eventually collects on average 99% of the Council Tax that is due for each year.

	<p>Write offs have been increasing over recent years for several reasons. The decision to end committal as a recovery remedy is impacting on write off levels. These are expected to rise in future years as a small number of households refuse to pay or cooperate with the Council in the knowledge that all recovery options have been taken by the Council.</p> <p>There are many reasons for write-offs, but the majority relate to circumstances where:</p> <ul style="list-style-type: none"> • Taxpayers vacate the property without a forwarding address and the Council is unable to trace their whereabouts • All recovery options have been considered or taken and the Council is unable to collect the outstanding debt • Taxpayers are subject to Debt Relief or Bankruptcy Orders for multiple debts with many creditors, not just debts owed to the Council • It is uneconomical to pursue the debt, often because of the size of the prior year debt and especially if the taxpayer is on a limited income
1.11	<p>Under Section 13(a) 1c of the Local Government Finance Act 1992 (as inserted by Section 76 of the Local Government Act 2003), the Council also has the power to reduce liability for Council Tax in relation to individual cases or class(es) of properties that it may determine and where national discounts and exemptions cannot be applied.</p> <p>A class of property is where several people who pay Council Tax would fall into a group because their circumstances are similar - for example, Council Taxpayers that have had to leave their homes due to flooding.</p> <p>The Act states:</p> <ul style="list-style-type: none"> • Where a person is liable to pay Council Tax in respect of any chargeable dwelling and day, the billing authority for the area in which the dwelling is situated may reduce the amount which he is liable to pay as respects the dwelling and the day to such extent as it thinks fit. • The power also includes the power to reduce an amount to nil. • The power may be exercised in relation to cases or by determining a class of case in which liability is to be reduced to an extent provided by the determination. <p>There are financial implications in awarding any discounts other than those currently available under the statutory legislation as the financial burden of Section 13A discounts must be met 100% by the Council through an increase in the general level of Council Tax for other taxpayers.</p> <p>The Council must therefore carefully balance the needs of the individual taxpayer requiring financial support against the interests of the wider Council Taxpayers within Flintshire who subsidise the cost of these discretionary awards.</p>
1.12	<p>There are circumstances where the Council already uses its s13a discretionary powers to support Council Taxpayers.</p> <p>The introduction of the Council Tax Discretionary Discount scheme for Local Authority Foster Carers from 2020 is permitted by utilising section 13a (1) (c)</p>

	<p>of the Local Government Finance Act 1992. This provision enables the Council to reduce the amount of Council Tax a person must pay.</p> <p>The introduction of this scheme formed part of the Council Plan for 2019-2023 and a strategy to enhance fostering service models by improving local placements for children whose families are unable to look after them.</p>
1.13	<p>One of the key objectives for the Council is continuing to ensure there is a sufficient and resilient provision of in-house Foster Carers for local children. Growing the number of in-house Foster Carers is critical to supporting looked after-children and offering a Council Tax Discretionary Discount scheme, continues to form a key part of a wider package of support for in-house Foster Carers.</p>
1.14	<p>It is also recognised that Foster Carers sometimes choose to foster for private fostering agencies because those agencies can offer a better rate of payment. It is difficult for the Council to compete against these rates so offering a Discretionary Council Tax Discount is aimed at providing a more competitive financial package to Local Authority Foster Carers and bring savings to the Council by reducing reliance of private sector fostering agencies.</p>
1.15	<p>Like all s13a awards, the introduction of the Council Tax Discretionary Discount scheme for Local Authority Foster Carers from April 2020 is not incorporated into the Tax Base. Locally funded discretionary discounts or exemptions under section 13a of the Local Government Finance Act 1992 are specifically excluded from the Tax Base calculations. This is because any decrease in the Tax Base made because of such discounts or exemptions would lead to an increase in entitlement to Revenue Support Grant (RSG) and hence to the discounts being funded by central rather than local government.</p>
1.16	<p>Other than for the s13a Local Authority Foster Carers Council Tax Discount scheme, the Council's current policy states that Section 13A may be granted in very limited prescribed circumstances. This would only be exercised where other Council Tax reductions, discounts, or exemptions available have been explored and exhausted and only in cases of natural disasters and civil emergencies.</p>
1.17	<p>With the Council Tax system in Wales already having a Council Tax Reduction Scheme (CTRS) that can provide awards of up to 100%, as well as 3 statutory discount schemes, 17 disregarded person discount schemes, 24 exemption schemes and 7 Council Tax premium exception scheme, there are many supporting schemes to support residents.</p> <p>Despite the number of schemes available, a small number of s13a requests are received from time to time (mainly from advice agencies), with a request to discount or write off Council Tax balances but there have been no cases to date where awards have been made and which are in the wider public interest.</p>
1.18	<p>A small number of these cases have subsequently been challenged at the Valuation Tribunal for Wales ("VTW"). Having considered all the evidence placed before it, the independent VTW have decided to dismiss the appeals. In all cases, the Tribunal found that the Council had acted very reasonably in</p>

	coming to the conclusions it did and that it was not appropriate to award s13a discounts.
1.19	<p>In summary, Council Tax ‘in-year’ collections in Flintshire are ranked as being the absolute best in Wales and across the UK. The Council is also ranked as having one of the highest assumed and budgeted collection levels, and the second lowest outstanding amounts per chargeable dwelling when considering longer-term arrears across Wales.</p> <p>The key to maintaining good collection rates and service standards is always helping taxpayers to receive their full entitlement to benefits, Council Tax discounts and exemptions and with a CTRS that continues to provide up to 100% means-tested awards in some cases, as well as 51 other discount and exemption schemes, there are many supporting mechanisms and safeguards already in place in which Council Tax can be discounted for residents, especially those who struggle to pay.</p>

2.00	RESOURCE IMPLICATIONS
2.01	The collection of Council Tax is a statutory function and the efficient collection is critical to the funding and delivery Council services, including the public services delivered by the other precepting organisations (Town and Community Councils and The Office of the Police & Crime Commissioner for North Wales).

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	Officers carefully track and monitor collection performance on a monthly basis and the results feed into corporate monitoring through the Councils Corporate Performance Management reporting processes.
3.02	<p>The collection of Council Tax is critical to fund Council services and to pay out other precepts to the Police and Crime Commissioner and the Town and Community Councils, as losses in collection and financial risks are borne to the County Council as the Council Tax Billing Authority.</p> <p>The financial implications for the Council are significant. If, for example, Flintshire’s 2022/23 ‘in-year’ collection level fell to the Welsh average of 96.1% the loss of income would be £1.3m. If Flintshire’s collection levels fell to the 2021/22 Scottish average of 95.7% (a reduction of 2.0%), the loss of income would be £2.0m.</p>

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	None.

5.00	APPENDICES
5.01	Appendix 1 to this report provides Scrutiny Members with the analysis of Council Tax write offs.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<ul style="list-style-type: none"> • Local Government Finance Act 1992 • Council Tax (Administration and Enforcement) Regulations 1992 • Corporate Debt Recovery Policy Framework • National Council Tax Collection Statistics for Wales: https://www.gov.wales/council-tax-collection-rates-april-2022-march-2023

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

8.00	GLOSSARY OF TERMS
	<p>Council Tax: a local charge (or charges) set by the Council in order to collect sufficient revenue to meet their budget and the precepts issued by the precepting authorities. It is calculated based on the Council Tax band assigned to the dwelling.</p> <p>Council Tax Arrears: unpaid Council Tax that, in the opinion of the Council, can still be collected.</p> <p>Council Tax ‘in-year’ collection rates: The in-year collection rate is the amount of Council Tax due for the financial year that was received by 31 March of the year in question shown as a percentage of the net collectable debit in respect of that year's Council Tax. In other words, it is how much the local authority collected by 31 March of the Council Tax as a percentage of the amount they would have collected if everyone liable had paid what they were supposed to.</p> <p>Precepting Organisations: Precepting authorities do not collect Council Tax directly, but instruct a billing authority to do it on their behalf by setting a precept</p>

Appendix 1 – Analysis of Council Tax Write Offs

Write off Code	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Grand Total
Taxpayers vacated property without a forwarding address	123,336	181,534	125,260	134,249	112,918	165,925	116,575	72,108	96,993	145,425	137,221	114,831	152,772	174,261	1,853,407
All Recovery Options Exhausted											90,216	113,627	285,015	236,085	724,942
Debt Relief Orders	273	13,967	19,165	36,318	39,335	38,946	39,240	69,136	35,338	114,156	90,856	48,376	65,157	82,623	692,888
Uneconomical to Pursue	33,631	46,044	42,491	40,390	25,108	36,213	52,915	18,348	24,214	65,866	32,938	28,794	80,008	94,962	621,924
Bankruptcy Order	40,185	39,812	26,524	32,933	19,439	30,730	34,671	43,213	37,539	74,350	37,313	29,825	78,103	53,587	578,226
Charging Order Secured but no repayment until property is sold	2,100	16,305	26,719	52,541	23,192	24,453	66,135	7,237	11,190	16,794	-23,059	-167	-4,887		218,553
Retrospective Council Tax Reduction Adjustments/Backdates						13,486	6,918	20,608	6,796	22,336	22,478	19,553	20,938	46,522	179,634
Tax Payer Passed Away with no Funds in the Estate for Payment	3,806	6,807	12,477	6,655	10,787	6,943	3,976	11,529	4,761	12,405	16,516	16,554	28,067	27,207	168,490
No Means to Pay all multiple council tax debts outstanding	901		5,316	25,911	8,112	14,545	6,912	5,585	4,958	25,500	5,462	365	3,489	226	107,283
Company Liquidation					5,000	36,102			1,287	577	1,423			5,393	49,782
Debts Remitted by the Magistrates Courts during Committal Legal Action		1,402	3,187	1,000	3,748	1,847	5,999	1,993		7,367				35,668	35,668
Individual Voluntary Arrangement															26,543
Administration Order									338	960					1,298
Very Small Balances - usually under £1 owing	5	2	-1	308	1	6	4	1				-1	-13	1	313
Write Offs Totals	204,239	305,873	261,137	330,305	247,642	369,196	333,347	249,758	223,414	485,736	411,366	371,757	708,648	756,535	5,258,953

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 11



CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Thursday 13 th July 2023
Report Subject	Delivering Public Services in the 21 st Century: Shared Services
Cabinet Member	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
Report Author	Corporate Manager for Capital Programme and Assets
Type of Report	Operational

EXECUTIVE SUMMARY

In response to a request from the Councils' Corporate Resources Overview and Scrutiny Committee (CROSC), a report on alternative delivery models was prepared and presented to CROSC in April 2023. That report provided a summary of a wide selection of alternative delivery models, along with core principles and legislative requirements when reviewing any service with consideration for a potential change in delivery model.

A follow-up report was requested by CROSC, which focused on one type of alternative delivery model – shared services. To fulfil this request, this report provides a brief overview of shared services with some local examples provided, including the Minerals and Waste Shared Planning Service and Procurement Services.

RECOMMENDATIONS

1	That Corporate Resources Overview and Scrutiny Committee note the contents of the report and the local examples of shared services provided, including those in the accompanying appendix and presentation.
---	---

REPORT DETAILS

1.00	EXPLAINING SHARED SERVICES
1.01	<p>Background</p> <p>At its meeting held in July 2022, the Council’s Corporate Resources Overview and Scrutiny Committee (CROSC) requested a future agenda item to explore the financial benefits of outsourcing and shared services.</p>
1.02	<p>A more holistic and general report was prepared and presented to CROSC in April 2023. That report provided a summary of a wider selection of alternative delivery models, along with core principles and legislative requirements when reviewing any service with consideration for a potential change in delivery model.</p> <p>CROSC requested a follow-up report that focused on the shared services model.</p>
1.03	<p>Defining Shared Services</p> <p>A shared service is where two or more local authorities (or in some cases other public sector organisations) look to provide a service jointly. There is often a host organisation / lead authority.</p> <p>Shared services can create efficiencies, enhance capacity, improve service resilience, and reduce risk to the partners involved.</p>
1.04	<p>Local examples of shared services</p> <p>The Council has already established, or is involved with, several shared services. A few examples are provided below for information:</p> <ul style="list-style-type: none"> • Adoption Services operate on a shared service basis across the whole of North Wales. • Flintshire County Council host a shared Multi System Therapy Service that supports families. The service is shared with Wrexham and also includes Betsi Cadwaladr University Heath Board as a partner. • Flintshire County Council are opening a shared Children’s Residential Care Home, which will deliver services for Flintshire and Wrexham, supporting family reunification. • The Social Services Emergency Duty Team is a shared service. The service is provided by Wrexham County Borough Council who cover Wrexham, Flintshire, and Denbighshire.
1.05	<p>In 2011 the Council commenced a shared service for the Minerals and Waste Shared Planning Service, which the Chief Officer for Planning, Environment and Economy and the Service Manager will discuss in further detail.</p>

1.06	The Council has also operated a shared service for Procurement Services since 2014. More detail on this local example of a shared service can be found in Appendix 1 to this report.
------	--

2.00	RESOURCE IMPLICATIONS
2.01	<p>The financial benefits and limitations of any alternative delivery model are likely to vary depending on the specific model, activity or collaborative venture undertaken, the desired outcomes at the time of action and a host of other factors that will have shaped decision making and which may be unique to the specific situation.</p> <p>There will also be a range of other potential benefits, and limitations and challenges, which go beyond those purely related to finances.</p>
2.02	The implementation of alternative delivery models in most cases will have solely a revenue budget impact related to ongoing operational delivery costs, which may include human resource costs.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	<p>An integrated impact assessment (IIA) has not been completed as the purpose of this report is to provide an exploratory overview.</p> <p>An IIA would need to be completed for each shared service proposal prior to implementation.</p>
3.02	<p>Before making any change in how services are delivered, the Council would need to check it has the appropriate power(s) for the change.</p> <p>Current legislation allows for Councils to provide services through a shared service delivery model. However, how the shared service is set-up, how it operates and what services it provides may mean that there are further legislative requirements that need to be considered, such as those relating to procurement.</p>
3.03	<p>Alternative delivery models have varying impact on employees. When a decision is made to move to an alternative delivery model the impact on any existing employees needs to be considered.</p> <p>If any employees are to be transferred as a result, they must be covered by the Transfer of Undertakings (Protection of Employment) Regulations as amended. These Regulations look to protect the rights of employees.</p> <p>In some cases secondment of staff may be possible.</p>
3.04	The Workforce (two-tier) code of practice: standards for the public sector is a code that applies to public sector organisations.

	<p>The Circular: Code of Practice on Workforce Matters 2014 relates to how workforce matters should be approached when proposing to enter into, or extend, contracts for the provision of services. This guidance aims to ensure better protection of employee terms and conditions for transferred staff and fairness for new joiners.</p> <p>This may be a consideration for any new shared service, depending on the shared service model.</p>
--	---

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	No consultations conducted or required.

5.00	APPENDICES
5.01	Appendix 1: Shared Service Case Study: Procurement Services

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	“Delivering public services in the 21 st century, an overview” was presented to the Corporate Resources Overview and Scrutiny Committee in April 2023 and is available on the Council’s website as part of the papers for that meeting.

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Kelly Oldham-Jones – Strategic Executive Officer</p> <p>Telephone: 01352 702143</p> <p>E-mail: kelly.oldham-jones@flintshire.gov.uk</p>

8.00	GLOSSARY OF TERMS
8.01	<p>Alternative Delivery Model (ADM): Services that are not delivered in-house by councils normally require some form of alternative delivery model to provide them, i.e. outsourcing via a contract with another provider for them to provide services on the council’s behalf.</p> <p>Workforce two-tier code of practice: A code directed at public sector bodies which states how workforce matters should be approached when contracting for the provision of services.</p>

Appendix 1 – Shared Service Case Study: Procurement Services

In 2014, the Council entered a shared service arrangement with Denbighshire County Council (“DCC”) for the delivery of procurement advice. DCC continues to be the lead authority and employs the specialist team (the Joint Procurement Unit) who deliver the service on behalf of both Councils.

As part of the service level agreement, the joint procurement service produces a joint annual report on its regulated procurement activities.

The Joint Procurement Unit continues to co-ordinate and support commissioning and procurement activities across the Council. It has a key role in:

- Promoting awareness and the need for compliance with legislation and the Council’s own contract procedure rules and financial regulations
- Promoting awareness of the need to collaborate on procurement and commissioning across the two Councils
- Providing assurance to Elected Members and management that the objectives in the Procurement Strategy are being met
- Ensuring that the risks associated with commissioning and procurement activities are being identified and met
- Ensuring that opportunities to drive through greater efficiencies and improvements are identified and implemented
- Incorporating social value within our procurements, including making a positive commitment to addressing climate change and
- Supporting the local economy.

The driving force that led to this change were the difficulties in recruiting and retaining employees with the appropriate skills and professional qualifications and the need to create greater service resilience. These issues have been resolved by pooling human resources and jointly funding (now on a 50/50 basis) a shared procurement service with a neighbouring local authority.

Mae'r dudalen hon yn wag yn bwrpasol