

Pecyn Dogfen Gyhoeddus

Gareth Owens LL.B Barrister/Bargyfreithiwr

Chief Officer (Governance)

Prif Swyddog (Llywodraethu)



Swyddog Cyswllt:

Sharon Thomas 01352 702324

sharon.b.thomas@siryfflint.gov.uk

At: Cyng Bill Crease (Cadeirydd)

Y Cynghorwyr: Tina Claydon, David Coggins Cogan, Rob Davies, Gladys Healey, Ian Hodge, Alasdair Ibbotson, Gina Maddison, Allan Marshall, Billy Mullin, Vicky Perfect a Jason Shallcross

8 Tachwedd 2024

Annwyl Gynghorydd,

RHYBUDD O GYFARFOD HYBRID
PWYLLGOR TROSOLWG A CHRAFFU ADNODDAU CORFFORAETHOL
DYDD IAU, 14EG TACHWEDD, 2024 10.00 AM

Yn gywir

Steven Goodrum

Rheolwr Gwasanaethau Democrataidd

Sylwch: Gellir mynychu'r cyfarfod hwn naill ai wyneb yn wyneb yn Ystafell Bwyllgor Delyn, 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 Democrataidd ar 01352 702345.

R H A G L E N

1 PENODI IS-GADEIRYDD

Pwrpas: Penodi Is-Gadeirydd ar gyfer y Pwyllgor.

2 YMDDIHEURIADAU

Pwrpas: I dderbyn unrhyw ymddiheuriadau.

3 DATGAN CYSYLLTIAD (GAN GYNNWYS DATGANIADAU CHWIPIO)

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

4 COFNODION (Tudalennau 5 - 10)

Pwrpas: I gadarnhau, fel cofnod cywir gofnodion y cyfarfod ar 10 Hydref 2024.

5 OLRHAIN GWEITHRED (Tudalennau 11 - 16)

Adroddiad Rheolwr Gwasanaethau Democraidd -

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

6 RHAGLEN GWAITH I'R DYFODOL (Tudalennau 17 - 24)

Adroddiad Rheolwr Gwasanaethau Democraidd -

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

7 CYLLIDEB 2024/25 - CAM 2 (Tudalennau 25 - 34)

Adroddiad Prif Swyddog (Llywodraethu), Rheolwr Cyllid Corfforaethol - Aelod Cabinet Cyllid a Gwerth Cymdeithasol

Pwrpas: Adolygu a rhoi sylwadau ar bwysau ariannol dan gylch gwaith y Pwyllgor.

8 MONITRO CYLLIDEB REFENIW 2024/25 (MIS 6) A MONITRO RHAGLEN GYFALAF 2024/25 (MIS 6) (Tudalennau 35 - 98)

Adroddiad Rheolwr Cyllid Corfforaethol - Aelod Cabinet Cyllid a Gwerth Cymdeithasol

Pwrpas: I gyflwyno Adroddiad Monitro Cyllideb Refeniw 2024/25 (Mis 6) ac adroddiad Monitro Rhaglen Gyfalaf 2024/25 (Mis 6).

9 **STRATEGAETH GYFALAF YN CYNNWYS DANGOSYDDION DARBODUS 2025/26 - 2027/28** (Tudalennau 99 - 118)

Adroddiad Rheolwr Cyllid Corfforaethol - Aelod Cabinet Cyllid a Gwerth Cymdeithasol

Pwrpas: Cyflwyno'r Strategaeth Gyfalaf 2025/26 - 2027/28 ar gyfer ei adolygu.

10 **RHAGLEN GYFALAF 2025/26 - 2027/28** (Tudalennau 119 - 150)

Adroddiad Rheolwr Cyllid Corfforaethol, Prif Weithredwr, Rheolwr Corfforaethol, Rhaglen Gyfalaf ac Asedau - Aelod Cabinet Cyllid a Gwerth Cymdeithasol, Aelod Cabinet Trawsnewid ac Asedau

Pwrpas: Cyflwyno'r Rhaglen Gyfalaf 2025/26 - 2027/28 ar gyfer ei adolygu.

11 **LLYTHYR BLYNYDDOL OMBWDSMON GWASANAETHAU CYHOEDDUS CYMRU 2023-24 A PHERFFORMIAD CWYNION HANNER BLWYDDYN 2024-25** (Tudalennau 151 - 174)

Adroddiad Prif Swyddog (Llywodraethu) - Aelod Cabinet Gwasanaethau Corfforaethol

Pwrpas: Rhannu Llythyr Blynyddol Ombwdsmon Gwasanaethau Cyhoeddus Cymru 2023-24 ar gyfer Cyngor Sir y Fflint a throsolwg o'r cwynion a dderbyniwyd gan bob portffolio o'r Cyngor rhwng 1 Ebrill 2024 - 30 Medi 2024.

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 4

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

10 OCTOBER 2024

Minutes of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held as a hybrid meeting on Thursday, 10 October 2024

PRESENT:

Councillor Bill Crease (Chair)

Councillors: Tina Claydon, David Coggins Cogan, Rob Davies, Gladys Healey, Ian Hodge, Alasdair Ibbotson, Gina Maddison, Allan Marshall, Vicky Perfect, Jason Shallcross and Sean Bibby (substitute for Billy Mullin)

ALSO PRESENT:

Councillors: Bernie Attridge, Helen Brown, Dave Hughes (Leader of the Council), Christine Jones (Deputy Leader and Cabinet Member for Social Services and Well-being), Andrew Parkhurst and Sam Swash attended as observers

APOLOGY:

Councillor Chris Bithell (Cabinet Member for Planning, Public Health and Public Protection)

CONTRIBUTORS:

Councillor Paul Johnson (Cabinet Member for Finance and Social Value), Councillor Richard Jones (Cabinet Member for Transformation and Assets), Councillor Mared Eastwood (Cabinet Member for Education, Welsh Language and Culture), Councillor Linda Thomas (Cabinet Member for Corporate Services), Chief Executive, Chief Officer (Governance) and Corporate Manager - Capital Programme and Assets

For minute number 49

Community and Business Protection Manager, Senior Manager (Safeguarding and Commissioning), Youth Justice Senior Manager, Trading Standards Team Manager, Community Safety Team Leader and Chief Inspector Emma Parry of North Wales Police

For minute numbers 50-51

Corporate Finance Manager and Strategic Finance Manager

For minute number 51

Carwyn Rees from Audit Wales

For minute numbers 52-53

Strategic Policy Advisor

For minute number 54

Team Leader for Corporate Maintenance and Strategic Executive Officer

IN ATTENDANCE:

Democratic Services Manager, Democratic Services Officer and Overview & Scrutiny Facilitator

45. DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)

None.

46. MINUTES ([Link to recording](#))

Matters Arising

On minute number 36 resolution (c), officers confirmed that the letter to the Health Board and Ministry for Health would be despatched by the end of the week.

RESOLVED:

That the minutes of the meeting held on 12 September 2024 be approved as a correct record.

47. ACTION TRACKING ([Link to recording](#))

The Democratic Services Manager presented a [report \(agenda item number 4\)](#) on progress with actions from previous meetings. He agreed to update the document for the next meeting, including a response to Councillor Shallcross' question on the rationale for funding transportation for pupils out of county to Chester Catholic High School, as raised in July.

On that basis, the recommendation was supported.

RESOLVED:

That the Committee notes the progress which has been made.

48. FORWARD WORK PROGRAMME ([Link to recording](#))

The Democratic Services Manager presented a [report \(agenda item number 5\)](#) on the Committee's current Forward Work Programme. He agreed to liaise with the Chair to schedule the items listed in sections 1.04 and 1.05 along with other items raised by Members as follows:

- Long-term Financial Strategy.
- Regular item on Transformation including impact on Equalities.
- Previously requested item on the Assets department.

On that basis, the recommendations were supported.

RESOLVED:

- (a) That the Forward Work Programme be approved, as amended; and
- (b) 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.

49. COMMUNITY SAFETY PARTNERSHIP ANNUAL REPORT ([Link to recording](#))

The Chief Executive introduced a [report \(agenda item number 6\)](#) on the work of the Community Safety Partnership over the past 12 months. A joint [presentation](#) was given by the Community and Business Protection Manager, Senior Manager (Safeguarding and Commissioning), Chief Inspector Emma Parry of North Wales Police, Youth Justice Senior Manager (James Warr), Trading Standards Team Manager (Richard Powell) and Community Safety Team Leader (Peter Shakespeare) which covered activities during the year, crime and disorder in Flintshire and local priorities.

In response to comments, the Chair welcomed any opportunities to publicise the activities of the Partnership. Chief Inspector Emma Parry agreed to liaise with officers on a request for the Committee to visit the Police Station in Mold.

A copy of the presentation slides would be shared with the Committee following the meeting.

The recommendation was supported.

RESOLVED:

That the Committee notes and supports the contents of the report.

50. REVENUE BUDGET MONITORING 2024/25 (MONTH 5) ([Link to recording](#))

The Strategic Finance Manager presented the [report \(agenda item number 7\)](#) on the 2024/25 month 5 position for the Council Fund and Housing Revenue Account (HRA) prior to consideration by Cabinet.

In response to questions, officers advised that updates on action plans for Social Services, Streetscene & Transportation and Housing & Communities would be reflected in the month 6 report. Comments on the general format of the report in respect of readability and clearly identifying over/underspends were noted for consideration by officers.

RESOLVED:

That having considered the Revenue Budget Monitoring 2024/25 (month 5) report, the comments raised by the Committee be referred to Cabinet.

There was a brief adjournment at this stage of the meeting.

51. AUDIT WALES REPORT - FINANCIAL SUSTAINABILITY ([Link to recording](#))

The Corporate Finance Manager introduced the [report \(agenda item number 8\)](#) outlining the findings of a local report by Audit Wales, following a review across all 22 Welsh Local Authorities. Appendix 2 to the report set out the Council's response to the recommendation by Audit Wales.

Carwyn Rees of Audit Wales presented an overview of the key findings.

The recommendation in the report was supported.

RESOLVED:

That the Committee's comments on the Audit Wales report be noted.

52. STRATEGIC EQUALITY PLAN ANNUAL REPORT 2023/24 [\(Link to recording\)](#)

As Cabinet Member for Corporate Services, Councillor Linda Thomas presented a [report \(agenda item number 9\)](#) setting out the Council's progress in implementing its Strategic Equality Plan and meeting equality objectives during 2023/24.

The recommendations were supported.

RESOLVED:

- (a) That the Committee endorses the Strategic Equality Pan Annual Report for 2023/24; and
- (b) That the Committee is assured that the Council has been making progress to meeting the Public Sector Equality Duty.

53. NEW BRIGHTON - ADOPTION OF A WELSH NAME [\(Link to recording\)](#)

The Strategic Policy Advisor presented a [report \(agenda item number 10\)](#) to recommend the adoption of a Welsh name for New Brighton - Pentre Cythrel.

The recommendation was supported.

RESOLVED:

That the Committee supports the recommendation to approve the adoption of "Pentre Cythrel" as the recognised Welsh form of New Brighton and asking the Welsh Language Commissioner to include this in the standardised list of Welsh place-names.

54. OFFICE RATIONALISATION PROGRAMME AND COUNTY HALL CAMPUS [\(Link to recording\)](#)

As Cabinet Member for Transformation and Assets, Councillor Richard Jones introduced a [report \(agenda item number 11\)](#) which outlined phases and indicative costs for the next stage of the project. The Corporate Manager - Capital Programme and Assets provided an overview of the key points.

RESOLVED:

That the comments made by the Committee on the report be noted by Cabinet.

55. MEMBERS OF THE PRESS AND PUBLIC IN ATTENDANCE

None.

(The meeting started at 10am and ended at 1.35pm)

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Chair

Meetings of the Corporate Resources Overview & Scrutiny Committee are webcast and can be viewed by visiting the webcast library at <http://flintshire.public-i.tv/core/portal/home>

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 5



CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday 14 th November 2024
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. The majority of the requested actions have been completed. Any outstanding will be reported back to the next monthly meeting.

RECOMMENDATIONS

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

1.00	EXPLAINING THE ACTION TRACKING REPORT
1.01	In previous meetings, requests for information, reports or actions have been made. These have been summarised as action points. Following the meeting of the committee in July 2018, it was recognised that there was a need to formalise such reporting back, as 'Matters Arising' is not an item which can feature on an agenda.
1.02	This paper summarises those points and where appropriate provides an update on the actions resulting from them. The Action Tracking details are attached in appendix 1.
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	In some cases, 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 as 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
8.01	None.

ACTION TRACKING FOR THE CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Meeting Date	Agenda item	Action Required	Action Officer(s)	Action taken	Status	
Tudalen 13	19.07.2024	4. Forward Work Programme	It was agreed to share analysis with the Committee on grant funding and expenditure incurred by the Council on the implementation of 20mph zones.	Strategic Finance Manager	Response circulated to Committee ahead of meeting.	Closed
	5. Medium Term Financial Strategy and Budget 2025/26	It was agreed to provide responses to the Committee on:				
		• the rationale for funding transportation for pupils out of county to Chester Catholic High School as opposed to using local provision;	Strategic Finance Manager	Response being collated with the Service.	Open	
		• potential benefits arising from the Public Service Vehicles Accessibility Regulations 2000.	Strategic Finance Manager	Response circulated to Committee ahead of meeting.	Closed	
	6. Revenue Budget Monitoring 2023/24 (Outturn) and Capital Programme 2023/24 (Outturn)	It was agreed to provide responses to the Committee on:				
		• the cost of purchasing vehicles for the Fleet contract renewal;	Strategic Finance Manager	Response being collated with the Service.	Open	
		• percentage of reserves against revenue held by other	Strategic Finance Manager	Response circulated to Committee ahead of meeting.	Closed	

Meeting Date	Agenda item	Action Required	Action Officer(s)	Action taken	Status
Tudalen 14 12.09.2024		local authorities for comparison purposes;			
		<ul style="list-style-type: none"> information on the shared service accommodation charge from Gwynedd Council under Planning, Environment & Economy; and 	Strategic Finance Manager	Response circulated to Committee ahead of meeting.	Closed
		<ul style="list-style-type: none"> details of the previously understated £0.042m Food Poverty costs in Housing & Communities. 	Strategic Finance Manager	Response circulated to Committee ahead of meeting.	Closed
	15. Social Value Progress Update	It was agreed to provide responses to the Committee on:			
	<ul style="list-style-type: none"> What the anticipated local spend through the contract is. 	Strategic Executive Officer	Response being collated with the Service.	Open	
	<ul style="list-style-type: none"> Whether there are increased costs to the Council as a result of including social value in contracts. 	Strategic Executive Officer	Response being collated with the Service.	Open	
	16. Flintshire and Wrexham Public Services Board (PSB) Annual Report 2023/2024	The Committee requested a report to be brought to a future meeting detailing how the PSB operates, its benefits, and costs etc.	Democratic Services Manager	Included on the Forward Work Programme.	Closed

Meeting Date	Agenda item	Action Required	Action Officer(s)	Action taken	Status
Tudalen 15	6. Flintshire Funds Impact Report 2024	It was agreed to provide the Committee details of the governance arrangements for the Flintshire Welsh Church Act Fund.	Strategic Executive Officer	Response being collated with the Service.	Open
	7. Joint Funded Care Packages - Update Report	That the Senior Manager and Co-ordinator meet with the Chair of the Committee to draft a letter to the local Health Board and Ministry for Health.	Senior Manager Safeguarding and Commissioning	Meeting held 03.10.2024	Closed
	8. Medium Term Financial Strategy and Budget 2025/26	That an invitation be extended to the Chief Fire Officer for a representative to attend a future meeting of this Committee	Democratic Services Manager	Included on the Forward Work Programme.	Closed
10.10.2024	Community Safety Partnership Annual Report	To share the presentation slides with the Committee following the meeting.	Democratic Services Manager	Slides shared with the Committee ahead of meeting.	Closed

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 6



CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday 14 th November 2024
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 which has been updated following the last meeting.

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

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 which are currently being reviewed.</p>
1.02	<p>Items feed into a Committee's Forward Work Programme from several 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>The Corporate Resources Overview and Scrutiny Committee has assumed an oversight role for the 'Transformation Programme' that is currently being developed. In light of this, the Committee's Terms of Reference will be reviewed by the Democratic Services Manager in conjunction with the Chair and Vice-Chair of the Committee.</p> <p>This review, along with the 'Transformation Programme' will then inform the Forward Work Programme.</p>
1.04	<p>A number of items from previous Committee meetings are still to be scheduled, as listed below.</p> <ul style="list-style-type: none"> • Council Tax Collections, Discretionary (s13a) Discounts/Write Offs That a report is brought back to committee following a Cabinet review and the production of a comprehensive policy on s13a discretionary discounts, taking into account the comments raised and consultation with Overview & Scrutiny. • Delivering public services in the 21st century: Shared Services That officers liaise with the Chairman in order to schedule presentations on various themes at future meetings. This will be included under the 'transformation' element which CROSC is assuming responsibility for, and be scheduled accordingly. • Community Asset Transfers To provide an update on the Community Asset Transfer (CAT) process. • Acquisition of land for Flintshire cemeteries To provide details of how Flintshire County Council provided value for money in its land acquisition for cemeteries.

	<ul style="list-style-type: none"> • Review of Industrial Estates To review the Council's business/commercial units, further to Paragraph 1.30 of agenda item 7 Capital Programme 2024/25 – 2026/27 from the County Council meeting of 6 December 2023.
1.05	<p>The following items from more recent meetings need to be scheduled.</p> <p>July</p> <ul style="list-style-type: none"> • A report was requested for the November/December 2024 meeting to provide details of expenditure and financial controls within the Assets portfolio. • An update on mitigation options for homelessness was also requested for the Autumn. <p>September</p> <ul style="list-style-type: none"> • A report was requested detailing how the PSB operates, its benefits, and costs etc. • An invitation be extended to the Chief Fire Officer for a representative to attend a future meeting of this Committee <p>October</p> <ul style="list-style-type: none"> • A report was requested about the Council's long-term financial strategy. • That regular items on transformation projects are reported, and these are to include the impact on equalities. • An update report on the work of the Assets department. <p>Once dates have been confirmed for these items, they will be included on the Committee's FWP.</p>
1.06	<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>
1.07	<p>Members are also encouraged to consider and propose items for inclusion on the FWP, noting the guidance at paragraph 1.08.</p>
1.08	<p>In identifying topics for future consideration, it is useful for a 'test of significance' to be applied. This can be achieved by asking a range of questions as follows:</p> <ol style="list-style-type: none"> 1. Will the review contribute to the Council's priorities and/or objectives? 2. Is it an area of major change or risk? 3. Are there issues of concern in performance? 4. Is there new Government guidance or 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.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None.

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

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

CORPORATE RESOURCES OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

Current FWP (November 2024)

Date of meeting	Subject	Purpose of Report / Presentation	Responsible / Contact Officer
12 th December 2024 Tudalen 21	Revenue Budget Monitoring 2024/25 (Month 7)	To provide Members with the Revenue Budget Monitoring 2024/25 (Month 7) Report and Significant Variances.	Corporate Finance Manager
	Joint Funded Care Packages - Update Report	To provide an update on the latest position regarding outstanding Continuing Health Care invoices raised by the Council for payment by Betsi Cadwaladr University Health Board.	Chief Officer (Social Services)
	Employment and Workforce Mid-year Update	To provide strategic updates in addition to the quarterly workforce statistics and their analysis	Corporate Manager, People and Organisational Development
	Cambrian Aquatics	To provide an update report on Cambrian Aquatics.	Chief Executive
16 th January 2025	Revenue Budget Monitoring 2024/25 (Month 8)	To provide Members with the Revenue Budget Monitoring 2024/25 (Month 8) Report and Significant Variances.	Corporate Finance Manager
	MTFS & Budget Setting 25-26	<i>To look at budget in the round (in light of local government settlement) and to which all members are invited.</i>	<i>Chief Executive / Corporate Finance Manager</i>
tbc			

CORPORATE RESOURCES OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

Date of meeting	Subject	Purpose of Report / Presentation	Responsible / Contact Officer
13 th February 2025	Revenue Budget Monitoring 2024/25 (Month 9) and Capital Programme Monitoring 2024/25 (Month 9)	To provide the Revenue Budget Monitoring 2024/25 (Month 9) Report and the Capital Programme 2024/25 (Month 9) Report.	Corporate Finance Manage
tbc	Public Services Ombudsman for Wales (PSOW) Annual Letter 2023-24 and Complaints against Flintshire County Council during the first half of 2024-25.	<i>To share the Public Services Ombudsman for Wales Annual Letter 2023-24 and Complaints made against Flintshire County Council Services in the first half of 2024-25 (April-September 2024).</i>	<i>Chief Officer (Governance)</i>
Tudalen 22			
	Revenue budget monitoring 2024/25 (month 10)	To provide Members with the Revenue Budget Monitoring 2024/25 (Month 10) Report and Significant Variances.	Corporate Finance Manager
15 th March 2025	Joint Funded Care Packages - Update Report	To provide an update on the latest position regarding outstanding Continuing Health Care invoices raised by the Council for payment by Betsi Cadwaladr University Health Board.	Chief Officer (Social Services)
10 th April 2025			
8 th May 2025			

CORPORATE RESOURCES OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

Date of meeting	Subject	Purpose of Report / Presentation	Responsible / Contact Officer
12 th June 2025			
10 th July 2025			

Tudalen 23

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 the Council Fund and Housing Revenue Account.	Corporate Finance Manager

CORPORATE RESOURCES OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

Month	Subject	Purpose of Report / Presentation	Responsible / Contact Officer
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)

Eitem ar gyfer y Rhaglen 7



CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Thursday, 14th November 2024
Report Subject	Budget 2025/26 – Stage 2
Cabinet Member	Cabinet Member for Finance and Social Value
Report Author	Corporate Finance Manager and Chief Officer (Governance)
Type of Report	Strategic

EXECUTIVE SUMMARY

As in past years, the budget for 2025/26 will be built up in stages.

The first stage has been concluded by the establishment of a robust baseline of cost pressures together with Member workshops and individual Group Briefings to ensure Members had a full understanding of the Council's concerning overall financial position.

In September, Cabinet and Corporate Resources Overview and Scrutiny Committee received an updated position on the budget for 2025/26, which showed that we had an additional revenue budget requirement estimated at £38.420m which presents a serious and major budget challenge for the Council – proposed solutions to bridge this gap are currently being developed and will be shared with members in due course.

This review by Overview and Scrutiny Committees throughout October and November is aimed at reviewing and scrutinising the portfolio cost pressures to provide assurance that they are an essential requirement for the 2025/26 budget and that there is no scope to remove / defer them to assist with dealing with the budget challenge.

The draft Welsh Government Budget is scheduled to be announced on 10 December and the Provisional Welsh Local Government Settlement is expected to be received on 11 December.

Stage 3 of the budget process will be the identification of the full set of budget solutions required to ensure a legal and balanced budget is set in line with the Council's overall available funding envelope.

The details of the cost pressures and proposed efficiency options for Corporate Services which fall within the remit of this Committee are included within this report. The Committee is invited to review and comment on these cost pressures, and associated risks.

RECOMMENDATIONS

1	Review and comment on the Corporate Services cost pressures.
2	Review and comment on the Governance Portfolio's cost pressures.

REPORT DETAILS

1.00	EXPLAINING THE BUDGET POSITION 2025/26																					
1.01	The first stage of the 2025/26 budget process has been concluded by the establishment of a robust baseline of cost pressures together with Member workshops and individual Group Briefings to ensure Members had a full understanding of the Council's concerning overall financial position.																					
1.02	In September, Cabinet and Corporate Resources Overview and Scrutiny Committee received an updated position on the budget for 2025/26, which showed that we had an additional revenue budget requirement estimated at £38.420m which presents a serious and major budget challenge for the Council – proposed solutions to bridge this gap are currently being developed and will be shared with members in due course.																					
1.03	This review by Overview and Scrutiny Committees throughout October and November is aimed at reviewing and scrutinising the portfolio cost pressures to provide assurance that they are an essential requirement for the 2025/26 budget and that there is no scope to remove / defer them to assist with dealing with the budget challenge.																					
1.04	The draft Welsh Government Budget is scheduled to be announced on 10 December and the Provisional Welsh Local Government Settlement is expected to be received on 11 December. Stage 3 of the budget process will be the identification of the full set of budget solutions required to ensure a legal and balanced budget is set in line with the Council's overall available funding envelope.																					
1.04	Corporate Services – Cost pressures These are set out in the paragraphs which follow.																					
1.05	<u>Table 1: Corporate Services – Cost Pressures</u> <table border="1"> <thead> <tr> <th>Cost Pressure Title</th> <th>£m</th> <th>Note</th> </tr> </thead> <tbody> <tr> <td>Prior Year Decision</td> <td></td> <td></td> </tr> <tr> <td>Minimum Revenue Provision (MRP) Existing</td> <td>0.300</td> <td>1.</td> </tr> <tr> <td>Single Person Discount</td> <td>0.250</td> <td>2.</td> </tr> <tr> <td>21C Schools Band B Borrowing Costs</td> <td>0.804</td> <td>3.</td> </tr> <tr> <td>Legislative/Unavoidable Indexation Pressures</td> <td></td> <td></td> </tr> <tr> <td>Fee Increases Coroners</td> <td>0.021</td> <td>4.</td> </tr> </tbody> </table>	Cost Pressure Title	£m	Note	Prior Year Decision			Minimum Revenue Provision (MRP) Existing	0.300	1.	Single Person Discount	0.250	2.	21C Schools Band B Borrowing Costs	0.804	3.	Legislative/Unavoidable Indexation Pressures			Fee Increases Coroners	0.021	4.
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Independent Review Panel for Wales (IRPW)	0.112	5.
North Wales Fire and Rescue Authority	1.090	6.
CJC Growth Deal Inflation	0.019	7.
ADM's / CAT's Service Contract Inflation	0.202	8.
ADM's / CAT's – Other Pressures	(0.025)	9.
Increase to Regional Collaboration Team	0.050	10.
NDR Transitional Relief	0.111	11.
NDR Increase Multiplier	0.097	12.
Non-Standard Inflation Fuel	0.250	13.
Non-Standard Inflation Energy	0.150	14.
Mockingbird Loan Repayment	0.287	15.
National Funding Requirement		
NJC Pay Award Estimate (Non Schools)	3.952	16.
Pay Modelling – Potential Pressure	2.000	17.
Strategic Decisions		
Capital Borrowing Costs 22/23	0.105	18.
Croes Atti Extension – Borrowing Costs	0.035	19.
Children's Residential Care – Borrowing Costs	0.028	20.
Corporate Loans & Investment Account (CLIA)	0.500	21.
ADM Resource	0.024	22.
Total Cost Pressures	10.361	

Notes:

1. Minimum Revenue Provision (MRP) – Existing - £0.300m

Annual inflationary uplift in line with the approved policy.

2. Single Person Discount - £0.250m

The planned review of single person discounts for 2024/25 to identify and remove discounts from those no longer entitled to receive the 25% discount has been completed.

3. 21C Schools Band B Borrowing Costs - £0.804m

Projected interest and repayment (using the minimum revenue provision policy approved by Council) of the prudential borrowing required for each capital scheme. This includes the annual service charge for the MIM project.

4. Fee Increase Coroners Service £0.021m

Annual inflationary uplift in line with the approved policy.

5. Independent Review Panel for Wales (IRPW) £0.112m

Projected Inflationary Uplift on Members Allowances.

6. North Wales Fire and Rescue Authority £1.090m

The pressure is for the projected inflationary increase on the North Wales Fire and Rescue Authority Levy.

7. Consultative Joint Committee (CJC) Growth Deal Inflation £0.019m

Projected annual inflationary impact on CJC and Growth Deal.

8. ADM's/CAT's Service Contract Inflation - £0.202m

Projected annual inflationary uplifts for Flintshire Libraries & Leisure, Newydd and Theatr Clwyd.

9. ADM's/CAT's Other Pressures – (£0.025m)

Reduction in previous year pressure to the ADM Legal costs budget.

10. Increase to Regional Collaboration Team - £0.050m

The regional collaboration team had built up reserves, so the annual contribution of £0.123m has been reduced to £0.073m since 2023/24 and was reflected as an ongoing efficiency. However, this is now required to return to the increased level of £0.123m from 2025/26.

11. NDR Transitional Relief - £0.111m

The transitional relief scheme was announced as part of the Welsh Government Draft Budget for 2023/24. It will limit increases in NDR bills, as a result of the revaluation on 1 April 2023. An eligible ratepayer will pay 33% of their additional liability in the first year (2023/24) and 66% in the second year (2024/25), before reaching their full liability in the third year (2025/26).

12. NDR Increase Multiplier - £0.097m

Apart from properties that are exempt from business rates, such as agricultural land, parks and places of worship, each non-domestic property has a rateable value which is set by the Valuation Office Agency (VOA). Billing authorities work out the business rates liability for every hereditament by multiplying the rateable value of the property by the appropriate multiplier. There are two multipliers, the standard non-domestic rate multiplier (previously called the non-domestic rate multiplier) and the small non-domestic rate multiplier.

13. Non-Standard Inflation Fuel - £0.250m

Projected impact of above inflationary fuel increases in 2025/26.

14. Non-Standard Inflation Energy - £0.150m

Projected impact of above inflationary Energy increases in 2025/26, including Street Lighting.

15. Mockingbird Loan Repayment - £0.287m

In 2019/20 Social Services successfully applied for an interest free loan from Welsh Government to be used to develop the Mockingbird in-house fostering model which is designed to reduce foster placement breakdowns and avoid further placements and subsequent escalating costs. The total loan amount was for £1.150m and was to be repaid over a four-year time period, with 2025/26 being year 1 of 4.

16. NJC Pay Award Estimate (Non Schools) - £3.952m

Estimated pay inflation has been included in the forecast for 2025/26.

17. Pay Modelling Potential Pressures - £2.000m

An indicative estimated impact of pay modelling has been included in the forecast for 2025/26.

18. Capital Borrowing Costs 22/23 £0.105m

Estimated revenue costs of borrowing for the relocation of the current Tri-ffordd day service provision to an integrated learning disability centre in Maes Gwern and Theatr Clwyd redevelopment scheme. This is net of all external funding for the projects.

19. Croes Atti Extension – Borrowing Costs £0.035m

Estimated revenue costs of borrowing for the relocation of the current Croes Atti Residential Care Home, net of all external funding for the project.

20. Children’s Residential Care – Borrowing Costs £0.028m

Estimated revenue costs of borrowing for the development of in-house children’s residential care.

21. Corporate Loans and Investment Account (CLIA) £0.500m

A £1m efficiency was included in the 2024/25 budget setting, based on the reduction of borrowing payments and increased investment income. However, it was stated this would need to be reviewed on an annual basis, therefore £0.500m of the original £1m was included as a one-off temporary budget efficiency.

22. ADM Resource - £0.024m

Continuation of a temporary support role to assist with the increase in work and additional workload being required in relation to Alternative Delivery Models.

1.06 Governance – Cost pressures

These are set out in the paragraphs which follow.

1.07 Table 2: Governance – Cost Pressures

Cost Pressure Title	£m	Note
Schools Information Management System (SIMS)	0.011	1.
Digital Delivery – Digital Solutions Technician*	0.038	2.
Digital Officers*	0.060	3.
Corporate GIS Software Re-procurement*	0.030	4.
Corporate LLPG Compliance & Software Re-procurement*	0.033	5.
Digital Business Analyst (0.6 FTE)*	0.030	6.
Microsoft E5 Security Licenses	0.038	7.

Network Connected Device Compliance & Assurance Solution	(0.015)	8.
VMWare Licensing	0.055	9.
Midland iTrent Maintenance	0.087	10.
Total Cost Pressures	0.367	

Notes:

1. Schools Information Management System (SIMS) - £0.011m

All schools in Flintshire use a schools information management system called Capita Sims. Four servers are used split between the Council's two datacentres to provide individual SIMs servers for every school in Flintshire, 80 in total. A new supplier has taken over the contract for SIMS and has indicated that the current arrangements for on premise hosting must cease in December 2023 and that all Flintshire schools must move to a cloud hosted version of the software provided by the supplier which will be subject to an implementation and hosting charge over and above the existing licence.

2. Digital Delivery – Digital Solutions Technician - £0.038m

3. Digital Officers - £0.060m

4. Corporate GIS Software Re-procurement - £0.030m

5. Corporate LLPG Compliance & Software Re-procurement - £0.033m

6. Digital Business Analyst (0.6FTE) - £0.030m

*Pressures 2 – 6 can be funded from previous Carry Forwards approved in 2024/25 totalling £0.191m.

7. Microsoft E5 Security Licenses - £0.038m

There is an increasing Cyber threat to the councils IT infrastructure and information highlighted by the recent elevation of the threat nationally by UK Government and the National Cyber Security Centre. There are a range of security products and technologies that are identified as best practice and whilst investment in them does not guarantee the protection of our assets, it heightens the protection level. The council currently operates a range of Microsoft security technologies but with the increasing threat there is a requirement to move from the existing basic provision included within the current Microsoft Agreement to enhanced technologies recognised as best practice through recent security accreditation processes and engagement with the wider industry and security community.

8. Network Connected Device Compliance & Assurance Solution – (£0.015m)

A Network Connected Device Compliance and Assurance Solution system can deny network access to noncompliant devices, place them in a quarantined area, or give them only restricted access to computing resources, thus keeping insecure nodes from infecting the network. The increase in home/hybrid working has elevated the risk of devices being compromised whilst they are sitting on home networks that will not afford the same degree of protection as the corporate

	<p>network. This solution will ensure devices meet minimum security requirements before they can connect to corporate network. It was also recommended by our independent accredited security advisers.</p> <p>9. VMWare Licensing - £0.055m</p> <p>This allows Flintshire to run our cloud environments on the leading virtualisation software, with licensing delivered by VMware experts. With VMware Cloud Foundation, manage your own cloud platform with support from a VMware Premier Partner.</p> <p>10. Midland iTrent Maintenance - £0.087m</p> <p>To cover the upfront and increased annual costs of migrating to the cloud solution. The current contract ending on 31/03/2025.</p>																
1.08	<p>Ongoing Risks – Corporate Services</p> <p>A list of ongoing risks, outlined below, are being monitored and given further consideration which may change the additional budget forecast requirement further.</p> <ol style="list-style-type: none"> 1. Assessing the financial impact of the National Insurance Employers contributions increasing as part of the UK Government Budget proposals. 2. Outcome of the updated statistics from the Distribution Sub-Group (DSG) and potential impacts to the Aggregate External Finance (AEF) in 2025/26. 																
1.09	<p>Budget Timeline</p> <p>An outline of the local budget timeline at this stage is set out in the table below:</p> <p><u>Table 5: Budget Timeline</u></p> <table border="1"> <thead> <tr> <th>Date</th> <th>Event</th> </tr> </thead> <tbody> <tr> <td>October/November 2024</td> <td>Overview and Scrutiny Committees</td> </tr> <tr> <td>10/11 December 2024</td> <td>Draft Welsh Government Budget and Provisional Local Government Settlement</td> </tr> <tr> <td>17 December 2024</td> <td>Cabinet</td> </tr> <tr> <td>16 January 2025</td> <td>Overview and Scrutiny Committees – as required</td> </tr> <tr> <td>21 January 2025</td> <td>Cabinet – Budget Review</td> </tr> <tr> <td>18 February 2025</td> <td>Cabinet and Council – Final Budget Setting</td> </tr> <tr> <td>February 2025</td> <td>Welsh Government Final Budget/Settlement</td> </tr> </tbody> </table>	Date	Event	October/November 2024	Overview and Scrutiny Committees	10/11 December 2024	Draft Welsh Government Budget and Provisional Local Government Settlement	17 December 2024	Cabinet	16 January 2025	Overview and Scrutiny Committees – as required	21 January 2025	Cabinet – Budget Review	18 February 2025	Cabinet and Council – Final Budget Setting	February 2025	Welsh Government Final Budget/Settlement
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February 2025	Welsh Government Final Budget/Settlement																

2.00	RESOURCE IMPLICATIONS
2.01	Revenue: the revenue implications for the 2025/26 budget are set out in the report.

	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
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3.00	CONSULTATIONS REQUIRED / CARRIED OUT
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3.01	<ul style="list-style-type: none"> • Cabinet • Member Budget Briefings July and October 2024 • Specific Overview and Scrutiny Committees • Corporate Resource Overview and Scrutiny Committee Meetings
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4.00	RISK MANAGEMENT
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4.01	As set out in the report.
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5.00	APPENDICES
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5.01	None.
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6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
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6.01	<ul style="list-style-type: none"> • MTFs and Budget 2025/26 Cabinet Report July 2024 • MTFs and Budget 2025/26 Cabinet Report September 2024 • Member Briefing Slides
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7.00	GLOSSARY OF TERMS
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7.01	<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>Budget Requirement: The amount of resource required to meet the Councils financial priorities in a financial year.</p>
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Forecast: An estimate of the level of resource needed in the future based on a set of demands or priorities.

Capital: Expenditure on the acquisition of **non-current assets** or expenditure which extends the useful life of an existing asset.

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.

Specific Grants: An award of funding from a grant provider (e.g. Welsh Government) which must be used for a pre-defined purpose.

Welsh Local Government Association: the representative body for unitary councils, fire and rescue authorities and national parks authorities in Wales.

Financial Year: the period of 12 months commencing on 1 April.

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.

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.

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.

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.

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 8



CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Thursday 14th November, 2024
Report Subject	Revenue Budget Monitoring 2024/25 (Month 6) and Capital Programme 2024/25 (Month 6)
Cabinet Member	Cabinet Member for Finance and Social Value
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 2024/25 (Month 6) and Capital Programme 2024/25 (Month 6).

RECOMMENDATIONS

1	That the committee considers and comments on the Revenue Budget Monitoring 2024/25 (Month 6) report. Any specific matters for attention will be noted and reported back to the Cabinet when it considers the report.
2	That the committee considers and comments on the Capital Programme 2024/25 (Month 6) report. Any specific matters for attention will be noted and reported back to the Cabinet when it considers the report.

REPORT DETAILS

1.00	EXPLAINING THE REVENUE BUDGET MONITORING POSITION 2024/25 (MONTH 6), CAPITAL PROGRAMME 2024/25 (MONTH 6)
1.01	The Revenue Budget Monitoring 2024/25 (Month 6) report will be presented to Cabinet on Tuesday 19 th November, 2024. A copy of the report is attached as Appendix A to this report.
1.02	The Capital Programme 2024/25 (Month 6) report will be presented to Cabinet on Tuesday 19 th November, 2024. 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 2024/25 (Month 6); Appendix B; Capital Programme 2024/25 (Month 6).
3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	As set out in Appendix A; Revenue Budget Monitoring 2024/25 (Month 6); Appendix B; Capital Programme 2024/25 (Month 6).
4.00	CONSULTATIONS REQUIRED / CARRIED OUT
4.01	None required.
5.00	APPENDICES
5.01	Appendix A; Revenue Budget Monitoring 2024/25 (Month 6). Appendix B; Capital Programme 2024/25 (Month 6).
6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None required.
7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Dave Ledsham, Finance Manager 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>

CABINET

Date of Meeting	Tuesday 19th November, 2024
Report Subject	Revenue Budget Monitoring Report 2024/25 (Month 6)
Cabinet Member	Cabinet Member for Finance and Social Value
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

This monthly report provides the latest detailed overview of the budget monitoring position for the 2024/25 financial year for the Council Fund and Housing Revenue Account and presents the position, based on actual income and expenditure as at Month 6.

The projected year end position is as follows:

Council Fund

- An operating deficit of £5.809m (this reduces to £2.809m with the utilisation of the budget risk reserve of £3m agreed when setting the budget) which is a favourable movement of £0.153m from the deficit figure reported at Month 5.
- A projected contingency reserve balance as at 31 March 2025 of £1.349m (after taking account of previously approved allocations including those approved as part of the 2024/25 Budget and a contribution of £1.026m from Earmarked Reserves).

This significant projected overspend (and impact on our available reserves) continues to be of major concern and needs to continue to be addressed urgently in an attempt to bring expenditure back in line with the approved budget. Based on current projections the council still has a low level of contingency reserve which it uses to deal with any significant in-year unforeseen events. It should also be noted that there are still a number of risks identified in the report that could further worsen the Council's financial position.

As required by Financial Procedure Rules - Action Plans have been compiled by Social Services, Streetscene and Transportation and Housing and Communities which detail the measures being put in place to improve the position by the end of the financial year. These are attached as Appendix 6.

Our ability to mitigate pressures and risks during the financial year will again predominantly centre on review and challenge of non-essential spend and maximising income streams and grant funding. The moratorium on non-contractually committed spend and vacancy management process put in place during 2023/24 continues throughout 2024/25 and is being applied with rigour. Appendix 2 details the split of the moratorium savings to date.

In addition to the above a review of our Earmarked Reserves has been undertaken to identify any un-committed areas that can be released to improve our overall position. As part of the further work completed on this, it has resulted in a further £0.859m being identified to release to the contingency reserve, which is in addition to the £0.167m identified at Month 5 (para 1.23 refers).

Housing Revenue Account

- Net in-year revenue expenditure is forecast to be £0.222m lower than budget.
- A projected closing balance as of 31 March, 2025 of £4.674m

RECOMMENDATIONS

1.00	To note 1) the report and the estimated financial impact on the 2024/25 budget and 2) the measures being considered for inclusion towards improving the financial position by the end of the financial year.
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REPORT DETAILS

1.00	EXPLAINING THE REVENUE BUDGET MONITORING 2024/25
1.01	<p>This monthly report provides the latest detailed overview of the budget monitoring position for the 2024/25 financial year for the Council Fund and Housing Revenue Account and presents the position, based on actual income and expenditure as at Month 6.</p> <p>The projected year end position is as follows:</p> <p>Council Fund</p> <ul style="list-style-type: none"> • An operating deficit of £5.809m (this reduces to £2.809m with the utilisation of the budget risk reserve of £3m agreed when setting the budget) which is a favourable movement of £0.153m from the deficit figure reported at Month 5.

- A projected contingency reserve balance as at 31 March 2025 of £1.349m (after taking account of previously approved allocations including those approved as part of the 2024/25 Budget and a contribution of £1.026m from Earmarked Reserves).

Housing Revenue Account

- Net in-year revenue expenditure is forecast to be £0.222m lower than budget.
- A projected closing balance as of 31 March, 2025 of £4.674m

1.02

Table 1. Projected Position by Portfolio

The table below shows the projected position by portfolio:

Portfolio/Service Area	Approved Budget	Projected Outturn	In-Year Over / (Under) spend
	£m	£m	£m
Social Services	92.047	95.657	3.610
Out of County Placements	19.299	20.717	1.418
Education & Youth (Non Schools)	10.148	10.297	0.149
Schools	117.302	117.136	(0.166)
Streetscene & Transportation	42.695	44.548	1.853
Planning Env & Economy	7.682	7.727	0.045
People & Resources	4.290	4.191	(0.099)
Governance	12.066	11.753	(0.313)
Assets	11.403	11.414	0.010
Housing & Communities	18.161	20.606	2.445
Chief Executive	1.641	1.625	(0.016)
Central & Corporate Finance	31.372	28.246	(3.126)
Total	368.106	373.915	5.809
Utilisation of Budget Risk Reserve			(3.000)
Total – Revised Overspend			2.809

1.03

Appendix 1 shows all monthly movements of £0.025m since Month 5 with relevant narratives. In addition, the reasons for the projected variances are summarised within Appendix 2 and shows the detail of all variances over £0.050m and a summary of minor variances for each portfolio.

	Significant Movements at Month 6
1.04	<p>Social Services £0.908m</p> <p><u>Older Peoples Service</u></p> <ul style="list-style-type: none"> Localities – £0.562m. Demand levels on older people care services are leading to increased costs. This includes pressures from ensuring safe hospital discharges, this pressure will likely increase during winter. The residential care service cost has increased by £0.305m and the domiciliary service increased by £0.248m. Minor variances account for the balance. <p><u>Adults of Working Age</u></p> <ul style="list-style-type: none"> Resources and Regulated Services £0.063m. This is due to the net increase to PDSI and Learning Disabilities care packages. Children to Adult Transition Services £0.036m. This is from an increase to care packages for young people transferring from Childrens Services to Adult Social Care. Residential Placements (£0.085m). This is from a reduction in the care package costs for clients with mental ill health. <p><u>Children’s Services</u></p> <ul style="list-style-type: none"> Residential Placements £0.152m. A new cohort of Flintshire employed care staff posts have been recruited. Agency costs have not decreased as much as hoped as some cover delivered through care agencies is still currently required to meet care needs. Professional Support £0.232m. New social worker agency requirements in the First Contact and Permanency teams are costing an additional £0.100m. Seven additional unaccompanied asylum-seeking children have reached, or very soon will reach, the age of 18. There will be an additional cost of £0.160m due to this. Some minor cost reductions have netted against these costs. <p><u>Safeguarding and Commissioning</u></p> <ul style="list-style-type: none"> Business Systems and Financial Assessments (£0.027m). Some software costs have transferred to the Performance and Information team. Charging Policy Income (£0.050m). This is an increase in the anticipated income received through contributions to care. Safeguarding Unit (£0.034m). This is due to additional grant income. Performance and Information £0.029m. This is due to software costs transferred across from the Business Systems and Financial Assessments team. <p>There is a net £0.030m in minor movement across the portfolio.</p>
1.05	Out of County Placements £0.047m

	<ul style="list-style-type: none"> • Children's Services (£0.030m) – Various new and ending placements, plus rate adjustments to projected expenditure based on actual data. • Education & Youth £0.077m – A number of new Education Day placements have been added to the caseload causing an adverse movement.
1.06	<p>Streetscene & Transportation (£0.171m)</p> <p>The positive movement is as a result of:</p> <ul style="list-style-type: none"> • Transportation £0.054m – additional transport requests in School Transport and Social Services Transport. • Regulatory Services (£0.227m) – Improved tendering process and vacancy savings. <p>Minor movements across the Portfolio account for the remainder of £0.002m.</p>
1.07	<p>Housing and Communities – (£0.117m)</p> <p>Housing Solutions - A positive movement of (£0.117m) as a result of a reduction in the number of placements in Temporary Housing Accommodation in September.</p>
1.08	<p>Central and Corporate Finance (£0.870m)</p> <p>The projection on the Central Loans and Investment Account (CLIA) for the 2024/25 indicates a further underspend of (£0.100m) as the trend from previous years continues with reduced short-term borrowing costs and income from investments in line with current bank interest rates. The 2024 Pay Award has now been agreed which has resulted in costs being £0.765m less than budgeted for in 2024/25.</p>
1.09	<p>Cumulative minor variances across the Council of £0.050m account for the remainder of the total monthly movement.</p>
1.10	<p>Tracking of In-Year Risks and Emerging Issues</p> <p>Members were made aware when setting the budget that there were a number of open risks that would need to be kept under close review. An update on these is provided below.</p>
1.11	<p>Council Tax Income</p> <p>Council Tax collections are stable and on track. As at the end of September, in-year collections were 56.61%, compared to 56.60% in the previous financial year.</p>
1.12	<p>Pay Awards (Teacher and Non-Teacher)</p> <p><u>Teachers Pay</u></p>

	<p>The 2024/25 budget provides additional funding for a 5% pay award from September 2024. The Independent Wales Pay Review Body (IWPRB) had recommended a 4.3% increase, but Welsh Government increased this to 5.5% due to the “no detriment” principle, which means that teacher pay rises in Wales keep pace with those in England. In September 2024, the First Minister accepted the recommendations of the Independent Pay Review bodies for 2024-25.</p> <p>It is anticipated that additional funding will be received from Welsh Government to meet the in-year shortfall, but this is yet to be confirmed.</p> <p>Confirmation is still awaited on funding for additional Teacher Pay employer pension costs and negotiations are ongoing between UK Government and Welsh Government – no provision was included in the budget. There is a risk that the costs may not be met in full.</p> <p><u>NJC (Green Book)</u></p> <p>The pay offer for NJC (Green Book) employees for the current year (2024/25) was agreed nationally on 22 October 2024 covering the period 1 April 2024 to 31 March 2025.</p> <p>The pay award comprises £1,290 (pro-rata for part-time employees) on all NJC points 2 to 43 inclusive and 2.50% on all pay points above the maximum of the national pay spine (in Flintshire this relates to SCP 45-61).</p> <p>As a result, there is an in-year benefit to the budget of £0.765m and the Pay Award will be disseminated across service pay budgets in Month 7.</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.</p>
1.13	<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>
1.14	<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 (WG) can therefore take steps to impose a penalty on the Council by way of an infraction fine. A potential penalty of up to £0.663m has previously been confirmed.</p>

	<p>The statutory recycling targets were also not achieved in 2022/23 and 2023/24, which means that further infraction fines of £0.356m and £0.184m respectively could be levied. Therefore, the financial risk across all 3 financial years currently totals £1.203m.</p> <p>WG officials have now provided their advice for the Minister on the 2021/22 Infraction Charges. We are hopeful we will know the outcome of this in the coming weeks. However, they are yet to start considering the 2022/23 or 2023/24 Infraction Charges so further updates will be provided as further details become available.</p>
1.15	<p>Homelessness</p> <p>There is a significant and growing demand within the Homelessness service. The Council has a statutory duty to provide suitable temporary accommodation for Homeless persons and families who meet the Welsh Government eligibility criteria which are less stringent than in England. The growth in demand commenced in the second half of 2022/23 and has accelerated markedly since the start of 2023.</p> <p>The Council will continue to lobby Welsh Government via the WLGA in conjunction with other Welsh LA's who are experiencing these pressures to seek additional financial support.</p> <p>WG are currently providing support via the No One Left Out grant for which the 2024/25 allocation is currently £0.423m and a grant for £0.112m to assist with the early release of prisoners. One favourable impact of the increase in costs and demand is the ability to recover additional Housing Benefit income over and above the amount budgeted which is currently helping to offset the projected overspend by £0.573m.</p>
1.16	<p>Storm Ashley</p> <p>The County was hit by severe flooding in October, together with storm damage from high winds. The response and subsequent clean-up from this are currently being assessed and any financial implications will be reported in future reports.</p>
1.17	<p>Other Tracked Risks</p> <p>In addition, there are a number of risks being tracked which may be subject to change and these are summarised below.</p>
1.18	<p>Medium Term Financial Strategy (MTFS) Impact</p> <p>Cabinet considered the latest projection for the MTFS in September which showed a revised budget requirement of £38.420m.</p> <p>Options for solutions to meet the budget requirement are currently being considered and a further update is scheduled for December. The Council</p>

	<p>is expecting to be advised of its Welsh Local Government Provisional Settlement on 11 December.</p> <p>All Portfolios consider their financial position, the risks within their service and the impacts on the Medium Term on a monthly basis as part of their Portfolio Management Team meetings.</p>
1.19	<p>Benefits</p> <p>Council Tax Reduction Scheme (CTRS) – Based on current demand, costs are currently projected to be £0.767m over 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> <p>Other pressures within the service such as meeting income targets for recovery of overpayments and related bad debt provision increases are also expected to remain. The £0.767m can be fully mitigated by use of the Reserve previously set aside.</p>
1.20	<p>Harpur Trust vs Brazel Case</p> <p>The potential financial impacts are still being determined in response to the Employment Appeal Tribunal (EAT) decision in the case of Harpur Trust v Brazel. The Supreme Court upheld the EAT judgment in the Brazel case in July 2022 which impacts on the calculation of holiday pay entitlements for staff who work for part of the year (i.e., term time). An approved carry forward from 2022/23 for £0.254m has provided some funding towards these costs. There are currently 319 live employment tribunal claims in respect of this. We are awaiting feedback from the preliminary hearing that was scheduled for 18th October 2024. It is hopeful that we will get to a position where we could seek to settle on ‘without prejudice basis’.</p>
1.21	<p>Achievement of Planned In-Year Efficiencies</p> <p>The 2024/25 budget contains £14.921m of specific efficiencies which are tracked and monitored throughout the year. The Council aims to achieve a 95% rate in 2024/25 as reflected in the MTFS KPI’s and fully achieved all efficiencies in the previous financial year.</p> <p>It is projected that 96% of efficiencies will be achieved in 2024/25 and further details can be seen in Appendix 3.</p>
1.22	<p>Unearmarked Reserves</p> <p>The final level of Council Fund Contingency Reserve brought forward into 2024/25 was £2.972m as detailed in the 2023/24 outturn report (subject to audit) elsewhere on this agenda.</p> <p>The Base Level Reserves have been increased to £8.985m by using the remaining balance of £3.216m of the COVID-19 Hardship Fund Reserve from 2023/24.</p>

Taking the current projected final outturn and Earmarked Reserves review into account, the contingency reserve available is £1.349m.

As required by Financial Procedure Rules all Portfolios will be expected to identify solutions in-year to mitigate the risks and potential overspends identified in the report.

1.23

Earmarked Reserves

The initial review of earmarked reserves undertaken at Month 5 identified an amount of £0.167m for release to the Contingency Reserve.

Further work during Month 6 included a detailed review of service balances has resulted in an additional £0.859m being identified for release. The overall total therefore being released to the Contingency Reserve is £1.026m.

The table below provides a summary of earmarked reserves as at 1 April 2024 and an estimate of projected balances as at the end of the current financial year.

Reserve Type	Balance as at 01/04/24	Balance as at Month 6	Release to General Reserve	Estimated Balance as at 31/03/25
Service Balances	3,326,381	3,116,381	467,247	697,449
Workforce Costs	843,190	455,045	0	455,045
Investment in Organisational Change	972,142	972,142	0	571,086
County Elections	374,693	374,693	0	0
Warm Homes Admin Fee	294,835	294,835	0	192,156
Design Fees	238,684	238,684	38,684	0
Severe Weather	250,000	250,000	0	0
Car Parking	88,059	88,059	0	0
Insurance Reserves	2,382,509	2,382,509	0	2,575,000
School HWB ICT Replacement	789,670	789,670	0	1,052,893
Flintshire Trainees	321,614	321,614	0	321,614
Rent Income Shortfall	131,118	131,118	0	131,118
Plas Derwen Wave 4	5,339	5,339	0	7,119
Customer Service Strategy	7,468	7,468	0	0
Supervision Fees	48,798	48,798	48,798	0
IT COVID Enquiry	142,301	142,301	100,000	42,301
IT Infrastructure HWB	139,442	139,442	55,310	0
Schools Intervention Reserve	51,251	45,008	0	212,490
Organisational Change/ADM	600,560	810,560	0	360,000
NWEAB	690,685	690,685	0	0
Solar Farms	180,192	180,192	0	0

Employment Claims	109,846	109,846	0	0
Community Benefit Fund NWRWTP	913,925	913,925	0	863,925
Total Balances	9,576,321	9,391,933	242,792	6,784,747
Schools Balances	3,336,011	3,336,011	0	-2,052,149
Grants & Contributions	6,768,522	3,897,899	315,576	1,486,956
TOTAL	23,007,236	19,742,224	1,025,615	6,917,003

Based on latest information school balances are projected to move into an overall net deficit position. However, this will be subject to change and dependent on a number of factors in the remainder of the year.

1.24

Summary and Conclusion

The significant projected overspend (and impact on our available reserves) continues to be of major concern and needs to be addressed urgently in an attempt to bring expenditure back in line with the approved budget. Based on current projections the Council still only has a contingency reserve of £1.349m available to deal with any significant in-year unforeseen events. It should also be noted that there are also still a number of risks identified in the report that could further worsen the Council's financial position.

As required by Financial Procedure Rules - Action Plans have been compiled by Social Services, Streetscene and Transportation and Housing and Communities which detail the measures being put in place to improve the position by the end of the financial year (Appendix 6).

Our ability to mitigate pressures and risks during the financial year will again predominantly centre on review and challenge of non-essential spend and maximising income streams and grant funding. The moratorium on non-contractually committed spend and vacancy management process put in place during 2023/24 will continue throughout 2024/25 and needs to be applied with rigour.

1.25

Housing Revenue Account (HRA)

The 2023/24 Outturn Report to Cabinet on 23rd July 2024 showed an un-earmarked closing balance at the end of 2023/24 of £3.512m and a closing balance of earmarked reserves of £2.471m.

1.26

The 2024/25 budget for the HRA is £42.166m which includes a movement of (£0.193m) from reserves.

1.27

The projected outturn for the HRA shows an in-year revenue expenditure (£0.222m) lower than budget with a closing un-earmarked balance as at 31st March, 2025 of £4.674m.

The favourable movement of (£0.111m) from Month 5 is as follows:

- Income (£0.030m) movement on the Bad Debt Provision and movement on Voids
- Estate Management (£0.058m) movement in salaries and agency costs

	<ul style="list-style-type: none"> Landlord Service Costs (£0.035m) movement in salaries and minor variances <p>Minor variances account for the remainder £0.012m.</p>
1.28	The budget contribution towards capital expenditure (CERA) is £14.467m.

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	<p>Appendix 1: Council Fund – Movement in Variances from Month 5</p> <p>Appendix 2: Council Fund – Budget Variances</p> <p>Appendix 3: Council Fund – Programme of Efficiencies</p> <p>Appendix 4: Council Fund – Movement on Un-earmarked Reserves</p> <p>Appendix 5: Housing Revenue Account Variances</p> <p>Appendix 6: Portfolio Action Plans</p>

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> <p>Reserves: these are balances in hand that have accumulated over previous years and are held for defined (earmarked reserves) and general (general reserves) purposes. Councils are required to regularly review the level and purpose of their reserves and to take account of the advice of the Chief Finance Officer.</p> <p>Revenue: a term used to describe the day-to-day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.</p> <p>Variance: difference between latest budget and actual income or expenditure. Can be to date if reflecting the current or most up to date position or projected, for example projected to the end of the month or financial year.</p> <p>Virement: the transfer of budget provision from one budget head to another. Virement decisions apply to both revenue and capital expenditure heads, and between expenditure and income, and may include transfers from contingency provisions. Virements may not however be approved between capital and revenue budget heads.</p>

Budget Monitoring Report
Council Fund Variances

MONTH 6 - SUMMARY

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £0.025m
Social Services		
Older People		
Localities	0.562	Demands on older peoples services are leading to increased costs. This includes pressures from ensuring safe hospital discharges and this pressure will likely increase during winter. The residential care service has increased by £0.305m and the domiciliary service increased by £0.248m.
Minor Variances	0.035	
Adults of Working Age		
Resources & Regulated Services	0.063	This is due to the net increase to PDSI and Learning Disabilities care packages
Children to Adult Transition Services	0.036	This is from increase to care packages for young people transferring from Childrens Services to Adult Social Care.
Residential Placements	-0.085	This is from a reduction in care package costs for people with mental ill health.
Minor Variances	-0.010	
Children's Services		
Residential Placements	0.152	A new cohort of Flintshire employed care workers has been recruited. Agency costs have not decreased as much as hoped as some cover delivered through care agencies is still currently required.
Professional Support	0.232	New social worker agency requirements in the First Contact and Permanency teams are costing an additional £0.100m. Seven additional unaccompanied asylum seeking children have reached, or very soon will reach, the age of 18. There will be an additional cost of £0.160m due to this. Some minor cost reductions have netted against these costs.
Minor Variances	-0.008	
Safeguarding & Commissioning		
Business Systems & Financial Assessments	-0.027	Some software costs have transferred to the Performance and Information team.
Charging Policy income	-0.050	This is an increase to the anticipated income recieved through contributions to care.
Safeguarding Unit	-0.034	This is due to additional grant income.
Performance and Information	0.029	This is due to software costs transferred across from the Business Systems and Financial Assessments team.
Minor Variances	0.012	
Total Social Services (excl Out of County)	0.908	
Out of County		
Children's Services	-0.031	Various new and ending placements, rate adjustments and other adjustments to projected expenditure based on actual data has caused a £0.031m favourable movement in comparison to Month 5.
Education & Youth	0.077	A number of new Education Day placements have been added to the caseload, causing a £0.077m adverse movement in comparison to Month 5.
Total Out of County	0.047	
Education & Youth		
Minor Variances	0.012	
Total Education & Youth	0.012	
Schools	0.016	
Streetscene & Transportation		
Transportation	0.054	Additional request in School Transport and Social Services Transport.
Regulatory Services	-0.227	Improved tendering process and vacancy savings.
Other Minor Variances	0.002	
Total Streetscene & Transportation	-0.171	
Planning, Environment & Economy		
Minor Variances	0.004	
Total Planning & Environment	0.004	
People & Resources		
HR & OD	0.011	
Corporate Finance	-0.010	
Total People & Resources	0.001	

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £0.025m
Governance		
Procurement	0.026	Movement relates to a potential extra £25k for recruitment. This is likely to increase further but wont know until September
Minor Variances	-0.021	
Total Governance	0.006	
Assets		
Minor Variances	0.011	
Total Assets	0.011	
Housing and Community		
Housing Solutions	-0.117	A positive movement of (£0.117m) as a result of a reduction in the number of placements in Temporary Housing Accommodation in September
Total Housing and Community	-0.117	
Chief Executive's	0.000	
Central & Corporate Finance	-0.870	At Month 6 a further review of the CLIA account results in a further £0.100m favourable movement. The 2024 Pay Award has now been agreed at a level that has resulted in a favourable movement of £0.765m compared to what was originally budgeted for.
Grand Total	-0.153	

Budget Monitoring Report - Month 6

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Moratorium related Savings (£m)	Cause of Major Variances greater than £0.050m	Action Required
Social Services							
Older People							
Localities	23.879	25.499	1.619	1.057		Residential care costs for older people are projecting an overspend of £0.908m due to demands for this service. This amount is net of client income from property recharges and reimbursements for deputyships and assets held in trust. Homecare is £0.639m overspent and due to the high demand. Locality workforce and professional support budgets are overspent by £0.054m and day care is overspent by £0.019m. There is a significant risk that costs will continue to escalate as pressure to minimise stays in hospitals continues. This risk will increase over the winter period.	To mitigate expected escalating costs a number of policies are being reviewed and amended to maximise financial benefit and reduce costs.
Resources & Regulated Services	9.999	9.909	-0.091	-0.110		In-house residential care is projecting an overspend by £0.338m due to employee and running costs. Homecare is predicted to underspend by £0.444m, although demand is high it cannot be met due to recruitment challenges. The Extra Care budget is expected to overspend by £0.126m from employee costs and day care will underspend by £0.111m.	
Minor Variances	1.511	1.529	0.018	0.002			
Adults of Working Age							
Resources & Regulated Services	36.005	36.173	0.167	0.105		The PDSI (physical disability and sensory impaired) budget is reporting a £0.080m underspend due to costs of care packages. The in-house supported living service is £0.394m overspent due to care hours and agency costs. The care package costs for independently provided care for learning disability services is £0.033m underspent. The learning disability day and work provision service is £0.114m underspent.	Any requests for increases to care packages are reviewed by a panel. Current care packages are being reviewed to ensure the right level of care is provided.
Children to Adult Transition Services	0.848	1.057	0.209	0.173		This is the costs of care packages for young adults transferring from Childrens Services to Adult Social Care services. Care packages are usually new within the financial year and initial estimates are made around the costs. When care packages are agreed there can be variances against the initial estimate. This year some confirmed care packages have already been confirmed as higher than the initial estimate.	
Professional and Administrative Support	0.458	0.358	-0.100	-0.089	-0.089	The underspend is due to in-year staff vacancies.	
Supporting People	-0.386	-0.487	-0.101	-0.101	-0.100	Additional Supporting People funding is expected this year.	
Minor Variances	7.012	6.906	-0.106	-0.022		Positive movement of -£0.085m in Residential Placements at Month 6. A reduction in care package costs for people with mental ill health.	
Children's Services							
Family Support	0.412	0.461	0.050	0.050		This is a demand led service and demand is currently high	

Budget Monitoring Report - Month 6

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Moratorium related Savings (£m)	Cause of Major Variances greater than £0.050m	Action Required
Legal & Third Party	0.283	0.744	0.460	0.471		Legal costs are overspent by £0.234m due to the number of cases going through the courts and some use of external professionals. Client support and Section 17 costs are overspent by £0.143m and Direct Payment are overspent by £0.083m.	
Professional Support	6.228	7.715	1.487	1.255		To support adequate levels of child protection the established structure needs to be at a sufficient level to meet mandatory safeguarding standards. Vacancies try to be minimised where possible and temporary posts are sometimes required to be able to continue meeting the challenges and demands of Childrens Services. Two managed agency teams were contracted to support the service, one of these teams has ceased and the other is planned to finish later this year. The associated costs are £0.939m. This is being partially mitigated from underspends, mostly vacancies, of £0.211m. The Leaving Care budget which supports young people who are Looked After Children, is overspending by £0.563m due to increased care leavers which includes unaccompanied asylum seeking children (UASC). The costs of some external contracts are £0.074m overspent due to inflationary pressures. Costs of Direct Payments to provide support to children with disabilities are £0.122m overspent due to demand.	Alternative accomodation for UASC is being explored and cheaper rates have been negotiated with a current accomodation provider.
Minor Variances	5.721	5.762	0.040	-0.115			
Safeguarding & Commissioning							
Charging Policy income	-2.650	-2.790	-0.140	-0.090		This is income from service users who financially contribute to their care.	
Vacancy Management	-0.893	-0.828	0.066	0.046		This budget holds in-year portfolio efficiencies achieved through vacancy savings and grant maximisation. There is a target set for these efficiencies, this target will currently not be achieved this financial year.	
Minor Variances	3.619	3.650	0.031	0.071			
Total Social Services (excl Out of County)	92.047	95.657	3.610	2.702	-0.189		
Out of County							
Children's Services	13.795	15.035	1.240	1.270		Detailed projections show a significant overspend within the Out of County pooled budget as a result of the following:- an increase in the number of new placements agreed in-year and fees incurred to external providers. The overspend includes no further contingency and is projected based on current caseload only.	
Education & Youth	5.504	5.682	0.178	0.101			
Total Out of County	19.299	20.717	1.418	1.372			
Education & Youth							

Budget Monitoring Report - Month 6

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Moratorium related Savings (£m)	Cause of Major Variances greater than £0.050m	Action Required
Inclusion & Progression	5.650	5.907	0.257	0.260		Variance due to an in year pressure of £0.152m against the Home Tuition service due to an increase in pupil numbers accessing Creative In Excellence (an external education provider) We have used £0.100m from the ALN grant to mitigate some of this pressure - previously £0.252m. The remaining variance of £0.106m relates to Canolfan Enfys. This is due to an increase in staff as a response to an increase in pupil numbers. There has also been a reliance on agency staff due to long term sickness.	
Integrated Youth Provision	0.918	0.859	-0.059	-0.053	-0.055	Recruitment delays, enabling grant utilisation against trainee costs. Income generation increases on room hire.	
School Planning & Provision	0.625	0.550	-0.075	-0.060	-0.075	Reduction in expenditure from transition budget due to delayed Capital Projects and reduction in the number of mobile classrooms	
Minor Variances	2.956	2.982	0.026	-0.010	-0.010		
Total Education & Youth	10.148	10.297	0.149	0.137	-0.140		
Schools	117.302	117.136	-0.166	-0.182		The variance primarily relates to the following:- Free School Meals (FSM) budget - (£0.098m) underspend, due to meal take up and levels of eligible FSM children. The Unallocated budget containing Added Years and Copyright Licenses indicates a (£0.124m) underspend. The above underspends are offset by a number of insignificant adverse variances within Primary and Secondary non-delegated, totalling £0.055m.	
Streetscene & Transportation							
Service Delivery	8.617	9.617	1.000	1.000		Significant variance of £0.400m in highways maintenance costs, £0.200m Alltami depot running costs increased. Method Statements have been submitted for both budget pressures above. Budget efficiency pressure of £0.400m in total related to HRCs (charging and trade waste) implementation date later than initially planned. Income from Workplace Recycling Regs legislative changes lower than anticipated.	
Highways Network	11.624	12.093	0.470	0.467		Winter Maintenance costs of £0.300m are anticipated to escalate for the provision of equipment, labour and salt, which have seen significant year-on-year inflation, plus fleet hire costs for gritters are higher than the previous purchased model. We continue to investigate options to reduce procurement costs and ensure appropriate income/funding in preparation for the start of the season. Street-lighting energy cost of £0.100m forecasts continue to rise, and this has been accommodated in budget monitoring.	A report was presented to Cabinet in September 2024, which approved the delivery of efficiencies relating to decision making for marginal forecasts for Winter Maintenance.

Budget Monitoring Report - Month 6

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Moratorium related Savings (£m)	Cause of Major Variances greater than £0.050m	Action Required
Transportation	11.023	11.237	0.214	0.161	-0.120	School Transport significant variances due to transport contractor costs increasing driven by inflation and cost of living (fuel, energy, insurance, wages). Additional routes for increased demand for ALN transport is also having an impact. Social Services Transport costs increased due to recent procurement and additional adult social services and childrens services requests for transport, which has been raised with the client portfolio. Bereavement Services reporting a pressure of £0.057m, plus public health burials increasing year on year.	
Regulatory Services	11.432	11.601	0.169	0.396	-0.052	The overspend variance is mainly due to increasing volumes of residual waste being collected along with gate fee indexation inflation, increased tipping and gate fees for some recyclable waste, together with the reduction in income levels for both recyclable materials and electricity generation from gas and solar at the former landfill sites.	
Total Streetscene & Transportation	42.695	44.548	1.853	2.024	-0.172		
Planning, Environment & Economy							
Business	2.327	2.153	-0.175	-0.171	-0.171	Part year vacancy savings, the recruitment process has commenced	
Development	-0.200	0.008	0.208	0.209		Fee income estimated shortfall in Building Control, Land Charges and Planning	
Access	1.591	1.720	0.129	0.127		Commitment for the cost Ash Die Back tree works £0.120m projected to March, 2025	
Management & Strategy	1.897	1.799	-0.098	-0.096	-0.096	Part year vacancy savings	
Minor Variances	2.066	2.047	-0.020	-0.028	-0.015		
Total Planning & Environment	7.682	7.727	0.045	0.040	-0.282		
People & Resources							
HR & OD	2.211	2.276	0.065	0.054		Historic Business Efficiency for DBS Checks unrealised together with additional legal fees paid.	
Corporate Finance	2.080	1.915	-0.164	-0.154	-0.104	Part year vacancy savings	
Total People & Resources	4.290	4.191	-0.099	-0.100	-0.104		
Governance							
Customer Services	0.985	0.869	-0.116	-0.116	-0.030	Part year vacancy savings and fee income over recovery in Registrars	
Revenues	0.371	0.212	-0.159	-0.159		Potential Surplus on the Council Tax Collection Fund	
Minor Variances	10.710	10.672	-0.039	-0.045	-0.040		
Total Governance	12.066	11.753	-0.313	-0.319	-0.070		
Assets							
Minor Variances	0.000	0.000	0.000	0.000			
Total Assets	11.403	11.414	0.010	-0.000			
Housing and Community							

Budget Monitoring Report - Month 6

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Moratorium related Savings (£m)	Cause of Major Variances greater than £0.050m	Action Required
Housing Solutions	4.309	6.755	2.446	2.563		Anticipated £2.446m overspend for the service. Temporary accommodation costs anticipated to be £3.288m overspent, offset with an increase in the HB Income collected (£0.573m) and NOLO Grant of (£0.423m).	
Minor Variances	13.852	13.851	-0.002	-0.002			
Total Housing and Community	18.161	20.606	2.445	2.562			
Chief Executive's	1.641	1.625	-0.016	-0.016	-0.016		
Central & Corporate Finance	31.372	28.246	-3.126	-2.257		The initial projection on the Central Loans and Investment Account (CLIA) for the 2024/25 indicates an underspend of (£0.250m) as the trend from previous years continues with reduced short term borrowing costs and income from investments in line with current bank interest rates. This is mitigated by potential shortfalls in Corporate windfall income targets based on actual receipts to date. As a result of the refinancing of Enfinium Group Ltd into Enfinium Parc Adfer Ltd, there is a gainshare benefit to all partner authorities within the North Wales Residual Waste Partnership. Flintshires estimated gainshare from this undertaking is £2.108m, net of fees. A commitment has been included to fund the on-going clean-up from the impact of fly tipping at land adjacent to the Riverside Site, Queensferry at a current cost of £0.091m that includes the machine hire, transport and manpower related to the necessary works. At Month 5 following a review on the CLIA a further £0.120m favourable variance has been identified. At Month 6 a further £0.100m favourable variance has been identified. The 2024 Pay Award has now been agreed at a level that has resulted in a favourable movement of £0.765m compared to what was originally budgeted for.	
Grand Total	368.106	373.915	5.809	5.963	-0.973		

2024/25 Efficiencies Outturn Tracker - Month 6

Efficiency Description		Accountable Officer	Efficiency Target	Projected Efficiency	(Under)/Over Achievement	Efficiency Open/Closed (O/C)	Confidence in Achievement of Efficiency - Based on (see below) R = High Assumption A = Medium Assumption G = Figures Confirmed	Reason for variation	Mitigating Action if Amber or Red
			2024/25 £m	2024/25 £m	2024/25 £m				
Portfolio							R		
Corporate							A		
Actuarial Review	Portfolio budget reductions	Gary Ferguson	4.000	4.000	0.000	C	G		
Central Loans and Investment Account	Increased income/reduced borrowing	Chris Taylor	1.000	1.000	0.000	C	G		
Additional Income from Fastrack Project	Portfolios	Debbie Griffiths	0.018	0.018	0.000	O	G		
Total Corporate Services			5.018	5.018	0.000				
Assets									
Strategic Funding		Damian Hughes	0.028	0.028	0.000	O	G		
Rent Review - Commercial Assets		Damian Hughes	0.021	0.021	0.000	O	G		
Valuation & Estates	Restructure	Damian Hughes	0.010	0.010	0.000	O	G		
Assets - ADMs			0.059	0.059	0.000				
ADM Budget	Reduction in ADM Budget	Rachael Corbelli	0.065	0.065	0.000	O	G		
Review of External Partners		Rachael Corbelli	0.087	0.087	0.000	O	G		
Total Assets - ADMs			0.152	0.152	0.000				
Chief Executives									
Executive Office	Reduction in Promotions Budget	Joanne Pierce	0.010	0.010	0.000	C	G	Budget Removed	
IT - Mobile Phone contract	Chief Executive's element	Joanne Pierce	0.001	0.001	0.000	C	G	Budget Removed	
Total Chief Executives			0.011	0.011	0.000				
People & Resources									
Corporate Finance	Reduction in Staffing	Gary Ferguson	0.104	0.104	0.000	C	G	Budget Removed	
Feasibility Study budget	Reduction in Budget	Gary Ferguson	0.050	0.050	0.000	C	G	Budget Removed	
HR & OD	Reduction in TU facilities budget	Sharon Carney	0.030	0.030	0.000	C	G	Budget Removed	
Flintshire Trainees	Recruitment Freeze 2024/25	Sharon Carney	0.138	0.138	0.000	C	G	Budget Removed	
Total People & Resources			0.322	0.322	0.000				
Governance									
RSA Tags	Governance element	Gareth Owen	0.003	0.003	0.000	C	G	Budget Removed	
Fees & Charges Review 2023 - Registration Services	Increased income from 2023 Review	Gareth Owen	0.002	0.002	0.000	C	G	Fee Income expected to meet target	
Discretionary Rate Relief		Gareth Owen	0.004	0.004	0.000	C	G	Budget Removed	
Internal Audit	Removal of Vacant Posts	Gareth Owen	0.104	0.104	0.000	C	G	Budget Removed	
IT - Equipment reduction in requirements		Gareth Owen	0.018	0.018	0.000	C	G	Budget Removed	
IT - Mobile Phone contract	Governance element	Gareth Owen	0.015	0.015	0.000	C	G	Budget Removed	
Contact Centre	Reduction in budget	Gareth Owen	0.010	0.010	0.000	C	G	Budget Removed	
Single Person Discount Review 24/25		Gareth Owen	0.250	0.250	0.000	C	G	Achieved	
Procurement	Reduction in contribution	Gareth Owen	0.009	0.009	0.000	C	G	Budget Removed	
HRA Recharging	Management Costs Apportionment	Gareth Owen	0.027	0.027	0.000	C	G	Recharge at increased rate agreed with HRA	
Granicus	GovDelivery	Gareth Owen	0.025	0.025	0.000	C	G	Budget Removed	
Registration Services		Gareth Owen	0.040	0.040	0.000	C	G	Fee Income expected to meet target	
Graphic Design		Gareth Owen	0.039	0.039	0.000	C	G	Removal of posts Sept 2024	
Total Governance			0.546	0.546	0.000				
Planning, Environment & Economy									
Fees & Charges Review 2023	Increased income from 2023 Review	Andrew Farrow	0.050	0.050	0.000	O	A	Dependant on actual fee income levels received in year	
Fees & Charges Review 2024	Increased income from 2024 Review	Andrew Farrow	0.017	0.017	0.000	O	A	Dependant on actual fee income levels received in year	
IT - Mobile Phone contract	PE&E element	Andrew Farrow	0.008	0.008	0.000	C	G	Budget Removed	
Planning Fee Income	Fee Income Target Increase	Andrew Farrow	0.295	0.251	(0.044)	O	A	Dependant on actual fee income levels received in year	
Ambition North Wales Contribution	Budget Saving	Andrew Farrow	0.035	0.035	0.000	C	G	Budget Removed	
Wales Rally GB	Budget Saving	Andrew Farrow	0.030	0.030	0.000	C	G	Budget Removed	
Total Planning, Environment & Economy			0.435	0.391	(0.044)				
Streetscene & Transportation									
Cash in Transit - reduced costs	Part of transition to Card and App payments at car parks	Katie Wilby	0.012	0.012	0.000	O	G	Efficiency originated by Revenues but operated by S&T	
Fees & Charges Review 2023 - Green Waste	Increased income from 2023 Review	Katie Wilby	0.099	0.099	0.000	O	G		
Fees & Charges Review 2023 - Car Parking	Increased income from 2023 Review	Katie Wilby	0.063	0.063	0.000	O	G		
Fees & Charges Review 2023 - Bersavement Services	Increased income from 2023 Review	Katie Wilby	0.033	0.033	0.000	O	G		
Fees & Charges Review 2024 - Bersavement Services	Increased income from 2024 Review	Katie Wilby	0.012	0.012	0.000	O	G		
IT - Mobile Phone contract	S&T element	Katie Wilby	0.011	0.011	0.000	C	G		
Part time opening of HWRC's		Katie Wilby	0.250	0.225	(0.025)	O	A	HWRC sites open over part of the week rather than the full 7 days e.g. Friday to Monday. Savings would come from labour. Security of sites could become an issue when they are closed, which could incur additional costs. Fly tipping could increase as a result of the part-time closure (as happened during the pandemic) and there may be an impact on residual waste tonnages as residents seek to divert the waste to other collection methods. Started on 6th May hence £25k shortfall of Efficiency pressure.	Implementation Date 6th May
Review/reduce service standards	Grass cutting etc.	Katie Wilby	0.025	0.025	0.000	O	G	Range of grass cutting and grounds maintenance operations in place, which vary from external contracted services on highway verges, roundabouts and central reservations, weed spraying, tenant gardens and school grounds to our own in-house service delivery for amenity areas and public open spaces, such as car parks, cemeteries, leisure centres, libraries, Council offices and housing estates, town centres, sheltered housing, bus stops and play areas and playing fields, nature conservation areas. This proposal would see all grass cutting operations externalised through a contract.	

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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) High Assumption A = Medium Assumption G = Figures Confirmed	Reason for variation	Mitigating Action if Amber or Red
			2024/25 £m	2024/25 £m	2024/25 £m		R A		
Portfolio									
Review/reduce service standards	Cemetery maintenance	Katie Wilby	0.025	0.025	0.000	O	G	Discretionary service - savings would come from reduction in labour, plant and materials. Likely to generate complaints from members of the public. Previously considered transferring responsibility to Town/Community Councils, but no appetite or capacity to take this on.	
Introduce Night Working		Katie Wilby	0.025	0.025	0.000	O	G	Streetscene introduced an evening shift in 2012. A small number of people work through the night (365 days a year) dealing with emergencies and small amounts of planned works. The proposal will see this level of work increase with operations such as gully emptying, town centre sweeping etc. carried out during the evening and overnight period. The saving will be generated by a reduction in plant and equipment. Impact on communities due to evening and night working. Workforce/Trade Union support will be required. There was a lack of appetite to continue when previously introduced and unable to recruit or maintain staff on a night time shift, due to the unsociable hours	
Reduce cleansing standards and enforce zero balance for littering		Katie Wilby	0.030	0.030	0.000	O	G	Potential consequential impact on littering and fly tipping, which would require additional resources for enforcement.	
In-house services e.g. weed spraying, traffic management		Katie Wilby	0.035	0.035	0.000	O	G	Cost-benefit assessment to be undertaken to assess whether in-house provision would be more cost efficient than a contracted service	
Full cost recovery for supporting community events		Katie Wilby	0.010	0.010	0.000	O	G	Introduce a charge for providing support for community events for road closures, such as fairs, festivals, street parties etc. Currently, costs are approx. £25k per annum. The charge would help to mitigate the cost.	
Reduce non essential services on Bank Holidays (x5)		Katie Wilby	0.077	0.077	0.000	O	G	Stand 85% of Grounds, Highways, Streetlighting, Cleansing on 5 Bank Holidays per year. Currently, operations for these services continue on public holidays. Savings would come from the reduction in overtime.	
Charging for DIY Waste streams at HWRC's		Katie Wilby	0.300	0.075	(0.225)	O	A	A number of local authorities charge for DIY waste streams, such as soil, rubble, plasterboard and waste wood, as these waste streams are costly to treat and dispose, which is no longer sustainable or affordable. Charging would ensure cost recovery of these non-household waste streams.	August Implementation Date - Further delayed
Remove vacancies for Schools Crossing Patrols		Katie Wilby	0.084	0.084	0.000	O	G	The portfolio currently has vacancies for crossing patrol officers within the road safety team, which could be given up.	
Remove Officer vacancies across the Portfolio		Katie Wilby	0.294	0.294	0.000	O	G	2 x Transport Strategy Officers; 1 x Road Safety Officer; 1 x Business Manager; 1 x Support Services Officer; 1 x Enforcement Officer; 1 x Waste Disposal Manager.	
Charge for Trade Waste at one HRC site		Katie Wilby	0.200	0.050	(0.150)	O	A	A number of local authorities currently provide a facility for commercial traders and businesses to dispose of their waste through a chargeable service. There is the potential to designate one of the Council's HRC sites for trade waste only for the receipt of other chargeable recyclable materials (wood, soil, rubble, green waste etc) from businesses.	August Implementation Date - Further delayed
Increase fees for Bulky Waste		Katie Wilby	0.010	0.010	0.000	O	G	Currently charge for bulky waste collections. The fee could be increased in line with inflation (by £5 per collection).	
Reduce SmartClient for Technical Support		Katie Wilby	0.025	0.025	0.000	O	G	ground surveys. Reduce budget available.	
Winter Maintenance Review of Weather Stations for 2024/25		Katie Wilby	0.025	0.025	0.000	O	G	Review is already underway for the use of route-based forecasting or domain-based forecasting instead of the current approach	
Total Streetscene & Transportation			1.644	1.244	(0.400)				
Social Services									
Fees & Charges Review 2023	Increased income from 2023 Review	Craig Macleod	0.063	0.063	0.000	O	G		
Fees & Charges Review 2024	Increased income from 2024 Review	Craig Macleod	0.021	0.021	0.000	O	G		
RSA Tags	Social Services element	Craig Macleod	0.002	0.002	0.000	O	G		
IT - Mobile Phone contract	Social Services element	Craig Macleod	0.046	0.011	(0.035)	O	A	The efficiency is a high proportion of the total cost of mobile units in 2023/24 and unlikely it will be achieved in full	
Newydd Cleaning Contracts	Reduction to contract with Newydd	Craig Macleod	0.100	0.000	(0.100)	C	R	Negotiations with Newydd have not yielded any efficiencies and therefore will not lead to cost reductions in 2024/25.	
Reduce Regional Contribution	Reduction to in-year contribution to Regional Team	Craig Macleod	0.025	0.025	0.000	O	G		
Extra BCUHB contribution to Marleyfield	Additional income from BCUHB for hospital discharge beds	Craig Macleod	0.040	0.040	0.000	O	G		
Service Review	Reduction in posts		0.075	0.035	(0.040)	O	A	This is dependent on natural wastage of posts which can then be deleted. This will occur within the financial year and so the efficiency will not likely be achieved in full this financial year.	
Vacancy Management	In-year vacancy savings	Craig Macleod	0.100	0.100	0.000	O	G		
Increase to Income budget	Older People Commissioning	Craig Macleod	0.050	0.050	0.000	O	G		
Disability Day Service	Reduced budget	Craig Macleod	0.040	0.040	0.000	O	G		
Appointeeship service charging	Increased income	Craig Macleod	0.050	0.025	(0.025)	O	A	There will be a requirement for a consultation with stakeholders meaning the efficiency will be unable to be implemented at the start of the financial year and will likely be towards the midway point.	
Additional Contributions for residential care from BCUHB	Additional income from BCUHB for hospital discharge beds	Craig Macleod	0.010	0.010	0.000	O	G		
Efficiencies to Planned Contracts with Third Sector	Reduced expenditure	Craig Macleod	0.020	0.020	0.000	O	G		
Grant Maximisation		Craig Macleod	0.100	0.100	0.000	O	G		
Reduced NEWCES contribution	Reduced expenditure	Craig Macleod	0.010	0.010	0.000	O	G		
Grant funding for Adult Social Services	2024/25 only	Craig Macleod	0.100	0.100	0.000	O	G		
Disability services	Charging for college placements pending financial assessments	Craig Macleod	0.020	0.020	0.000	O	G		
Total Social Services			0.872	0.672	(0.200)				
Housing & Communities									
RSA Tags	Housing & Communities element	Vicky Clark	0.001	0.001	0.000	O	G		

Efficiency Description	Accountable Officer	Efficiency Target	Projected Efficiency	(Under)/Over Achievement	Efficiency Open/Closed (O/C)	Confidence in Achievement of Efficiency - Based on (see below) R = High Assumption A = Medium Assumption G = Figures Confirmed	Reason for variation	Mitigating Action if Amber or Red
Portfolio		2024/25	2024/25	2024/25		R		
		£m	£m	£m		A		
IT - Mobile Phone contract	Housing & Communities element	Vicky Clark	0.009	0.009	0.000	C	G	Use of the Reserve in 2024/25 instead of base budget pressure
CTRS Reduction	Budget Reduction	Vicky Clark	0.254	0.254	0.000	O	G	
Total Housing & Communities			0.264	0.264	0.000			
Education & Youth								
Fees & Charges Review 2023 - Integrated Youth Service	Increased income from 2023 Review	Claire Homard	0.001	0.001	0.000	O	G	
Fees & Charges Review 2024 - Integrated Youth Service	Increased income from 2024 Review	Claire Homard	0.001	0.001	0.000	O	G	
RSA Tags	Education & Youth element	Claire Homard	0.007	0.007	0.000	O	G	
IT - Mobile Phone contract	Education & Youth element	Claire Homard	0.005	0.005	0.000	C	G	
GWE - Reduction in Contribution	Education & Youth element	Claire Homard	0.099	0.099	0.000	O	G	
Early Entitlement	Reduced numbers accessing Early Entitlement	Claire Homard	0.075	0.075	0.000	O	G	
Adult Community Learning	Income generation	Claire Homard	0.010	0.010	0.000	O	G	
Youth Services	Buildings Asset transfer of some buildings	Claire Homard	0.032	0.032	0.000	O	G	
Business Support Review		Claire Homard	0.032	0.032	0.000	O	G	
School Planning & Provision	Mobile Classrooms	Claire Homard	0.010	0.010	0.000	O	G	
School Planning & Provision	Transition Funding	Claire Homard	0.010	0.010	0.000	O	G	
Inclusion & Progression	Contribution towards PEP Caseworker	Claire Homard	0.020	0.020	0.000	O	G	
Total Education & Youth			0.302	0.302	0.000			
Schools								
Utility Costs		Claire Homard	0.600	0.600	0.000	O	G	
School Demography		Claire Homard	0.675	0.675	0.000	O	G	
3% Reduction in Delegated Funding		Claire Homard	3.273	3.273	0.000	O	G	
Remove Schools Deficit Subsidy for 1 year		Claire Homard	0.750	0.750	0.000	C	G	
Total Schools			5.298	5.298	0.000			
Total 2024/25 Budget Efficiencies			14.921	14.278	(0.644)			

	%	£
Total 2024/25 Budget Efficiencies	100	14.921
Total Projected 2024/25 Budget Efficiencies Underachieved	-4	(0.644)
Total Projected 2024/25 Budget Efficiencies Achieved	96	14.278
Total 2024/25 Budget Efficiencies (Less Previously agreed Decisions)	100	0.000
Total Projected 2024/25 Budget Efficiencies Underachieved	0	0.000
Total Projected 2024/25 Budget Efficiencies Achieved	0	0.000

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Movements on Council Fund Unearmarked Reserves

	£m	£m
Total Reserves as at 1 April 2024	15.271	
Less - Base Level	(8.985)	
Total Reserves above base level available for delegation to Cabinet		6.286
Less - Children's Services Legal Costs		(0.142)
Less - Approved "Budget Risk" Reserve 2024/25		(3.000)
Less - Approved Time Limited Pressures 2024/25		(0.172)
Add - Transfer to Reserve Budget 2024/25		0.437
Add - Reimbursement from Aura Leisure and Libraries		0.200
Less - Cambrian Aquatics approved funding		(0.200)
Less - Provision of Free School Meals payment to eligible children during the summer school holidays		(0.277)
Add- Review of Earmarked Reserves at Month 5		0.167
Add- Review of Earmarked Reserves at Month 6		0.859
Less - Month 6 projected outturn		(2.809)
Total Contingency Reserve available for use		1.349

Budget Monitoring Report
Housing Revenue Account Variances

MONTH 6 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Housing Revenue Account						
Income	(42.166)	(42.040)	0.126	0.155	There is a net pressure relating to void properties of £0.158m. This relates to costs such as void rent loss, council tax charges and service charges and is net of additional income relating to new build properties and voids moving to target rent. We are anticipating a variance of approximately £0.001m on garage rents. We are forecasting a reduction in the requirement to top up the Bad Debt Provision of £(0.025)m. Other minor variances of (£0.006m).	
Capital Financing - Loan Charges	6.845	6.845				
Estate Management	3.206	3.007	(0.199)	(0.141)	Projected vacancy savings of approximately (£0.179m) which is being offset by agency costs of £0.100m. Additional allocation of Housing Support Grant (£0.125m). Other minor variances of £0.005m.	
Landlord Service Costs	1.798	1.798	0.000	0.035	Projected vacancy savings of approximately (£0.174m) which is being offset by agency costs of £0.110m. Material increased costs of £0.033. Other minor variances of £0.031m.	
Repairs & Maintenance	12.741	12.725	(0.017)	(0.006)	Minor Variances	
Management & Support Services	2.787	2.655	(0.132)	(0.155)	Projected vacancy savings of approximately (£0.080m). Reduction in Support Recharge -(£.068m). Other minor variances of £0.028	
Capital Expenditure From Revenue (CERA)	14.467	14.467				
HRA Projects	0.130	0.130	0.000	0.000		
Contribution To / (From) Reserves	0.193	0.193				
Total Housing Revenue Account	0.000	(0.222)	(0.222)	(0.111)		

Social Services – In Year action plan 2024/2025				
No	Maximise income			
	Description	Client Groups	Savings	Impact Assessment
1	Use the classification of 'temporary care' for people moving to D2RA beds instead of treating step down care as 'Short Term Care'. People will then be financially assessed and charged under the Residential charging framework instead of the domiciliary framework which is capped at £100 a week.	Older people	Domiciliary cap is £100. Residential cap is £762.01 On average there are 622 people supported a year in short term care arrangements (up to 8 weeks). Income will be based on individual financial assessment	Red Public & Health
2	Complete a financial review of people currently assessed as 'Nil Payers' to establish if their finances have changed and they can now make a financial contribution to their care	All adults except mental health	Any contributions will be aligned to individual financial assessment	Green
3	Introduce Charging for AMHP Assessment for other local authorities	Mental Health	Very small numbers and saving will be modest <£1k	Green
4	Review of CHC and CC processes across all services	All Groups	This is unlikely to deliver quick saving given processes involved in making claims/ resolving disputes	Green
5	Review Charging Policy to maximise income	All Groups	Opportunity to review further approaches, unlikely to deliver significant in years savings	Amber

No	Support people to access their own resources			
	Description	Client Groups	Savings	Impact Assessment
6	Review our service offer in line with the SSW(W)Act introducing a 'Framework of Support' which has a clear focus on access personal, family and community resources	All	Development and implementation of more defined and tighter eligibility, reducing additional service demand	Amber
7	Revised offer to be applied to all new referrals	All		Amber
8	Introduce the 'Framework of Support' into refocused review and reassessment processes	All	Review and where appropriate reducing existing service provision	Red
9	Raise awareness of small aids available for private purchase	Disabled adults and children Older People	Cost avoidance through demand management	Amber
10	Review delivery model for low value equipment	Disabled adults and children Older People	Cost avoidance through demand management	Amber
11	Retain a core meal and snack provision in our 3 Residential Homes with additional snacks such as chocolate bars and crisps being available through a resident and visitor 'tuck shop'	Older People	If implemented from January 2025 could save £15k	Red
12	Invite Education colleagues to attend the daily Safeguarding Hub	Children & Families	Cost avoidance through demand management	Green
13	Review the Exit From Care Strategy to step children down from statutory services where safe and appropriate	Children & Families	Cost avoidance through demand management	Green
14	Review back office and authorisation processes for expenditure to support people through pre-paid cards	Children & Families	Cost avoidance through demand management	Green
No	Right size care packages			

	Description	Client Groups	Savings	Impact Assessment
15	Work with Dom Care Providers to identify where care and support can be appropriately decreased	Adults	Reductions based on assessed need	Green
16	Review and where appropriate reduce Double Handed Dom Care Packages	Adults	Reductions based on assessed need	Amber
17	Rightsizing review of LD Supported Living care packages	Learning Disability	Reductions based on assessed need	Amber
18	Review and reduce respite offer where appropriate aligned to need	Learning Disability	Reductions based on assessed need	Red
19	Increase use of Telecare Equipment and Technology	All Groups	Cost avoidance	Green
20	Review back office processes around Direct Payments	All Groups	Cost avoidance	Green
21	Reduce direct payment funding from 6 week to 4 week credits	All Groups	One off saving of moving from a 6 week top a 4 week permissible allowance	Green
22	Evaluate the D2RA Model operating at Marleyfield House Care Home and identify potential savings	Older People	Cost avoidance	Amber
No	Efficient commissioning			
	Description	Client Groups	Savings	Impact Assessment
23	Review process for using Block Booked Beds (BBB)	Adults	Cost avoidance	Amber
24	Ensure all Dom Care Package Retainers cease after 2 weeks	Adults	Cost avoidance	Amber
25	Broker representation at Top-Up Panel to challenge and ensure consistency of approach	Older people	Cost avoidance	Green
26	Review the pathways from hospital to home	Adults	Cost avoidance	Amber
27	Review the Hospital Discharge Process for independent providers	Adults	Cost avoidance	Green

28	Review of OP and Disability Panel Process	Older people and disabled adults	Cost avoidance	Amber
29	Support use of CareCubed across all services for High Cost/Low Volume placements initially, as well as other high cost placements	All groups	Cost avoidance and reduction in care packages	Red
30	Refine governance processes for accessing legal advice	Children and families	Cost avoidance	Green
31	Review all UASC post 18 individuals and reduce support in line with need	UASC	Cost saving of £100 pw for 22 UASC's - saving of £44k	Green
32	Return all unused or no longer required IT equipment and Mobile Phones to reduce costs	None	Cost avoidance	Green
No	Exit strategy for agency staff			
	Description	Client Groups	Savings	Impact Assessment
33	Review team structures	Children and families	Cost avoidance	Green
34	Review of all cases	Children and families	Cost avoidance	Green

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Date: 6 October 2024

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Streetscene & Transportation – In Year action plan 2024/2025					
No	Description	Category	Notes	Cost reduction £m	Impact Assessment (RAG)
Service Delivery					
1	Revise security arrangements for Alltami depot, HRC sites and Brookhill landfill to a monitored CCTV with reactive keyholder service instead of nightly security guard/dog handler patrols	Cost avoidance	Reduced. Annual saving of £75k	£0.075	Green. Already actioned and deliverable in-year
2	Maximise income / cost recovery from in-house construction service	Maximise income	Income target required	£0.120	Amber. Dependent upon grant funding and work being awarded in-house
3	Maximise NMWTRA income and cost recovery	Maximise income	Income target required	£0.100	Amber. Dependent upon NMWTRA funding
4	Review of additional hours, overtime through HFX rostering system	Cost avoidance	Underway.	£0.100	1% reduction in sickness absence (agency saving)
5	Vehicle wash improvements - capital funding granted to replace the vehicle wash system at Alltami depot, which will reduce the monthly revenue costs for disposing waste water (estimated to be costing £6k per month)	Cost avoidance	95% complete. Annual saving £60k	£0.060	Green. Scheme is underway and on track for completion by March 2025
6	Move to 5-day shift pattern Mon-Fri (instead of 4-day shift pattern) on sweepers, gully emptying vehicles, highways operations (subject to consultation and agreement with employees and TUs)	Cost reduction	Saving of 2 operatives	£0.070	Subject to agreement with employees and TUs

Highway Network					
7	Close public conveniences over the winter period from December to March	Cost avoidance	Close for 4 months	£0.030	Red. Likely to receive complaints and objections. Likely to have contractual implications
8	Part-night lighting / switch off further lights in low populated areas, such as industrial estates	Cost avoidance	Delivered and actioned	£0.050	Amber. May generate complaints. Night-time economy impact and safety critical. Energy costs still likely to increase on all remaining assets
9	Fleet efficiencies following insourcing	Efficient commissioning	Some benefit from sale of old plant and vehicles below the value of £10k and review of demand plans	£0.700	Amber. Further work required to confirm efficiencies
Transportation					
10	Local bus re-procurement / service changes to Service 5 (Mold-Buckley-DIP) to curtail the service at DIP in order to meet the budget	Efficient commissioning	Already received support from EOSC to implement	£0.270	Green. Cabinet approval 15.10.2024 to implement service changes to achieve the reduction in cost
Waste Strategy					
11	Re-procurement of waste disposal contracts to achieve better rebate rates	Efficient commissioning	Work already underway to reprocure glass and wood.	£0.050	Green. Procurement underway for glass and wood. Bulky waste to follow. (potential income could be offset with falling rebate rates for plastic/metal)
TOTAL				£1.625	

Housing and Communities – in year action plan 2024/2025					
No	Housing Support				
	Description	Client Groups	Timescales	Savings	Impact Assessment
1	Increase the use of HRA properties by a minimum of five additional units for 3 bed house shares	Single people requiring temporary accommodation	Quarter 4 2024/25	<p>Increased use of alternative properties to hotels and bed and breakfast accommodation will support cost mitigation options to the service.</p> <p>£13,959 per unit £69,795 in total</p> <p>£58,836 full year saving per unit.</p>	Red
2	Leasing nine bed HMO	Single people requiring temporary accommodation	Quarter 4 2024/25	<p>Increased use of alternative properties to hotels and bed and breakfast accommodation will support cost mitigation options to the service.</p> <p>£61,617 per quarter</p>	Red

				£246,868 full year savings.	
3	Ten STORI leased properties (eight to come online by the end of the financial year)	Families requiring temporary accommodation.	Quarter 4 2024/25	Increased use of alternative properties to hotels and bed and breakfast accommodation will support cost mitigation options to the service. £76,620 per quarter £306,480 full year savings.	Red
4	Partial new staffing structure in place which will aim to increase HB and service charge recovery and support delivery of the options set out in the report.		Quarter 4 2024/25	Improved housing prevention, increased housing benefit recovery rates.	Red
Housing Programmes					
5	TACP grant funding to purchase new HRA properties (Flintshire has been notionally allocated £2,943,208 for 2024/25).	Those requiring temporary accommodation. Those requiring move on accommodation	Quarter 4 2024/25	Total number of property acquisitions in 2023/24 were 15. The speed of these coming through will further impact of mitigation of cost pressures.	Amber

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				Additional funding has been allocated for 2024/25 and it is anticipated that 6 new properties will come online in 2024/25 (out of an expected total of 17 acquisitions).	
Travellers and refugees					
6	Reduce the costs from the utility provider and maximise the income generated for the Riverside Site.	Gypsy and Travellers	Quarter 4 2024/25	Reduction in budget pressure	Amber
Welfare Reform					
7	Reduction in current earmarked reserve amount.		Quarter 3 2024/25	Reduction of the current earmarked reserve for Welfare Reform. This will be for one year only. There is a potential risk if HSG funding changes.	Green

Date: 17 October 2024

Mae'r dudalen hon yn wag yn bwrpasol

CABINET

Date of Meeting	Tuesday, 19 th November 2024
Report Subject	Capital Programme Monitoring 2024/25 (Month 6)
Cabinet Member	Cabinet Member for Finance and Social Value
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

The report summarises changes made to the Capital Programme 2024/25 since it was set in December 2023 to the end of Month 6 (September 2024), along with expenditure to date and projected outturn.

The Capital Programme has seen a net decrease in budget of £7.305m during the period which comprises of:-

- Net budget increase in the programme of £0.047m (See Table 2 – Council Fund (CF) £7.200m, Housing Revenue Account (HRA) (£7.153m);
- Net Carry Forward to 2025/26 of (£4.847m) (All CF)
- Identified savings at Month 6 of (£2.505m) (CF)

Actual expenditure was £38.373m (See Table 3).

Capital receipts received in the second quarter of 2024/25, along with savings identified total £2.568m. A request for an additional allocation of £0.806m towards Phase 1 of the office rationalisation programme gives a revised projected surplus in the Capital Programme at Month 6 of £2.590m (from a Month 4 funding position surplus of £0.828m) for the 2024/25 – 2026/27 Capital Programme, prior to the realisation of additional capital receipts and/or other funding sources. (See Table 5)

RECOMMENDATIONS

	Cabinet are requested to:
1	Approve the overall report.
2	Approve the carry forward adjustments, as set out at 1.12
3	Note the additional allocations approved by Cabinet on the 15 th October 2024, as set out in 1.14

REPORT DETAILS

1.00	EXPLAINING THE CAPITAL PROGRAMME MONITORING POSITION – MONTH 6 2024/25
1.01	Background Council approved a Council Fund (CF) Capital Programme of £25.326m for 2024/25 at its meeting on 6 th December 2023 and a Housing Revenue Account (HRA) Capital Programme of £29.498m for 2024/25 at its meeting on 23 rd January 2024.
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 2024/25. More detailed cumulative information relating to each Portfolio is provided in Appendix A:-

Table 1

REVISED PROGRAMME	Original Budget 2024/25	Carry Forward from 2023/24	2024/25 Previously Reported		Savings (Current)	Changes (Current)	Revised Budget 2024/25
			Changes	Carry Forward to 2025/26			
			£m	£m			
People & Resources	0.350	0.364	(0.313)	0.000	0.000	(0.015)	0.386
Governance	2.353	0.283	0.000	(0.433)	0.000	0.015	2.218
Education & Youth	11.583	5.145	2.482	(1.745)	0.000	7.050	24.515
Social Services	4.800	1.420	14.287	(0.183)	0.000	0.014	20.338
Planning, Environment & Economy	0.240	0.779	2.632	(0.508)	0.000	0.528	3.671
Streetscene & Transportation	2.470	4.621	9.163	(1.546)	(2.405)	(0.479)	11.824
Housing and Communities	1.500	0.029	1.154	0.000	0.000	0.045	2.728
Capital Programme and Assets	2.030	1.595	23.230	(0.432)	(0.100)	0.042	26.365
Council Fund Total	25.326	14.236	52.635	(4.847)	(2.505)	7.200	92.045
HRA Total	29.498	0.000	0.000	0.000	0.000	(7.153)	22.345
Programme Total	54.824	14.236	52.635	(4.847)	(2.505)	0.047	114.390

1.04

Carry Forward from 2023/24

Carry forward sums from 2023/24 to 2024/25, totalling £14.236m (CF £14.236m, HRA £0.000m), were approved as a result of the quarterly monitoring reports presented to Cabinet during 2023/24.

1.05

Changes during this period

Funding changes during this period have resulted in a net increase in the programme total of £0.047m (CF £7.200m, HRA (£7.153m)). A summary of the changes, detailing major items, is shown in Table 2 below:-

Table 2

CHANGES DURING THIS PERIOD		
	Para	£m
<u>COUNCIL FUND</u>		
Increases		
Schools Modernisation	1.06	4.828
Education - General	1.07	2.212
Other Aggregate Increases		1.048
		8.088
Decreases		
Other Aggregate Decreases		(0.888)
		(0.888)
Total		7.200
<u>HRA</u>		
Decreases		
Estate Modernisation	1.08	(4.000)
SHARP	1.08	(3.153)
		(7.153)
Total		(7.153)

1.06 Introduction of grant funding from Welsh Government for Ysgol Croes Atti Flint, to support the new Welsh Medium Primary School as part of the school modernisation programme.

1.07 Introduction of WG funding relating to schools Community Focus Grant and schools capital Repair and Maintenance Grant.

1.08 Re-profiling of prudential borrowing for the Strategic Housing and Regeneration Programme (SHARP), due to schemes progressing into 2025/26 and no schemes due to commenced in year relating to the modernisation programme.

1.09 **Capital Expenditure compared to Budget**

Expenditure as at Month 6, across the whole of the Capital Programme was £38.373m. The breakdown of expenditure is analysed in Table 3, along with the percentage spend against budget.

This shows that 33.55% of the budget has been spent (CF 31.00%, HRA 44.03%). Corresponding figures for Month 6 2023/24 were 29.07% (CF 25.81%, HRA 37.56%).

1.10 The table also shows a projected underspend (pending carry forward and other adjustments) of £1.681m on the Council Fund and a break-even position on the HRA.

Table 3

EXPENDITURE	Revised Budget	Cumulative Expenditure Month 6	Percentage Spend v Budget	Projected Outturn	Variance Budget v Outturn (Under)/Over
	£m	£m	%	£m	£m
People & Resources	0.386	0.000	0.00	0.386	0.000
Governance	2.218	0.017	0.76	2.148	(0.070)
Education & Youth	24.515	5.811	23.70	23.779	(0.736)
Social Services	20.338	5.635	27.71	20.338	0.000
Planning, Environment & Economy	3.671	0.035	0.95	3.471	(0.200)
Streetscene & Transportation	11.824	5.420	45.84	11.574	(0.250)
Housing & Communities	2.728	1.815	66.53	2.728	0.000
Capital Programme & Assets	26.365	9.802	37.18	25.940	(0.425)
Council Fund Total	92.045	28.534	31.00	90.364	(1.681)
Disabled Adaptations	1.100	0.750	68.18	1.100	0.000
Energy Schemes	4.563	1.995	43.72	4.563	0.000
Major Works	2.156	1.530	0.60	2.156	0.000
Accelerated Programmes	0.532	0.309	58.08	0.532	0.000
WHQS Improvements	12.994	4.931	9.48	12.994	0.000
SHARP Programme	1.000	0.325	32.46	1.000	0.000
Housing Revenue Account Total	22.345	9.839	44.03	22.345	0.000
Programme Total	114.390	38.373	33.55	112.709	(1.681)

1.11 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 2025/26 has been identified, this is also included in the narrative.

1.12 **Carry Forward into 2025/26**
During the quarter, carry forward requirements of £1.681m (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 2025/26 and Corporate provision that are allocated as requested and approved.

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

Table 4

CARRY FORWARD INTO 2025/26					Total
	Month 4	Reversed	Sub Total	Month 6	
	£m	£m	£m	£m	£m
Governance	0.433	0.000	0.433	0.070	0.503
Education & Youth	1.745	0.000	1.745	0.736	2.481
Social Services	0.183	0.000	0.183	0.000	0.183
Planning, Environment & Economy	0.508	0.000	0.508	0.200	0.708
Streetscene & Transportation	3.951	(2.405)	1.546	0.250	1.796
Capital Programme & Assets	0.532	(0.100)	0.432	0.425	0.857
Council Fund	7.352	(2.505)	4.847	1.681	6.528
TOTAL	7.352	(2.505)	4.847	1.681	6.528

1.14

Additional Allocations

Additional allocations have been identified in the programme in this quarter as follows:

- Office Rationalisation Programme and County Hall Campus (Phase One) - £0.806m. The objective of this phase of the project is to move as many people as possible out of County Hall by the end of February 2025. To enable this to happen, works are required at both Ty Dewi Sant and Flint offices. These works are essential to be undertaken as soon as possible under phase one of the project as they are necessary to provide alternative office accommodation for employees moving out of County Hall. This allocation was approved by Cabinet at its meeting of the 15th October 2024.

1.15

Savings

The following savings have been identified in the programme this quarter:

- Waste Transfer Station Project - £2.405m. Work has commenced to scope the feasibility study and review of operational depots and infrastructure, which will help to determine the direction of the Waste Transfer Station Project. Due to the timescales associated with this work, a proportion of funding has been released back into the capital programme in the interim.
- Community Asset Transfer - £0.100m. This money had been earmarked for Mancot Library, however the allocation is no longer required as the Community Library Organisation has found alternative premises.

1.16

Funding of 2024/25 Approved Schemes

The position at Month 6 is summarised in Table 5 below for the three year Capital Programme between 2024/25 – 2026/27:-

Table 5

FUNDING OF APPROVED SCHEMES 2024/25 - 2026/27		
	£m	£m
Balance carried forward from 2023/24		(0.819)
Increases		
Reduction of funding compared to estimated	0.051	
Additional allocation for office rationalisation	0.806	<u>0.857</u>
Decreases		
Surplus in 2024/25 to 2026/27 Budget	(0.052)	
Actual In year receipts	(0.071)	
Savings (para 1.15)	(2.505)	<u>(2.628)</u>
Funding - (Available)/Shortfall		(2.590)

1.17 Capital receipts received in the second quarter of 2024/25, along with savings identified total £2.568m. A request for an additional allocation of £0.806m towards Phase 1 of the office rationalisation programme gives a revised projected surplus in the Capital Programme at Month 6 of £2.590m (from a Month 4 funding position surplus of £0.828m) for the 2024/25 – 2026/27 Capital Programme, prior to the realisation of additional capital receipts and/or other funding sources.

1.18 **Investment in County Towns**
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.

1.19 Table 6 below shows a summary of the 2023/24 actual expenditure, the 2024/25 revised budget and budgets for future years as approved by Council at its meeting of 6th December, 2024. Further detail can be found in Appendix C, including details of the 2024/25 spend to Month 6.

Table 6**INVESTMENT IN COUNTY TOWNS**

	2023/24	2024/25	2025 -
	Actual	Revised	2027
	£m	Budget	Budget
	£m	£m	£m
Buckley / Penyffordd	1.872	1.184	9.288
Connah's Quay / Shotton	1.150	2.340	0.000
Flint / Bagillt	5.452	29.123	1.880
Holywell / Caerwys / Mostyn	1.894	1.416	0.000
Mold / Treuddyn / Cilcain	17.880	28.641	12.800
Queensferry / Hawarden / Sealand	0.518	4.420	0.000
Saltney / Broughton / Hope	0.835	0.033	16.000
Unallocated / To Be Confirmed	0.856	3.793	26.642
Total	30.457	70.950	66.610

1.20 The inclusion of actuals for 2023/24 and approved schemes for future years allows a slightly fuller picture of investment plans. However, expenditure which has occurred in years prior to 2023/24 has not been included, and the expenditure and budgets reported should be considered in that context.

1.21 A significant factor which will increase allocations to areas is new or remodelled schools. The impact of these can be seen in the detail shown in Appendix C.

1.22 Some expenditure cannot yet be allocated to specific towns as schemes are not yet fully developed or are generic in nature and not easily identifiable to one of the seven areas. As such schemes are identified the expenditure will be allocated to the relevant area.

1.23 Information on the split between internal and external funding can be found in Appendix C.

1.24 In addition to the information contained in Appendix C, there is also considerable capital expenditure on the HRA Welsh Housing Quality Standard (WHQS), which was originally outside the scope of this analysis. A summary is provided in Table 7 below, albeit using a slightly different catchment area basis.

Table 7

WHQS Programme		
	2023/24 Actual £m	2024/25 Budget £m
Holywell	5.588	5.356
Flint	1.610	1.277
Deeside & Saltney	1.410	1.277
Buckley	1.360	1.277
Mold	2.289	2.530
Connah's Quay & Shotton	0.160	1.277
Total	12.417	12.994

1.25 The 2021 Prudential Code introduced a new requirement that monitoring of prudential indicators should be reported quarterly as part of capital monitoring. This update is provided in Appendix D.

2.00 RESOURCE IMPLICATIONS

2.01 Financial implications - As set out in the body of the report.

2.02 Personnel implications - None directly as a result of this report.

3.00 IMPACT ASSESSMENT AND RISK MANAGEMENT

3.01 The 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 year. Due to the re-profiling of schemes from 2023/24 and resources available to manage and deliver schemes, the levels of planned expenditure in 2024/25 may be affected, resulting in a high level of carry forward requests to re-phase budgets into the 2025/26 programme.

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.

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 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 2024/25
5.02	Appendix B: Variances
5.03	Appendix C: Investment in Towns
5.04	Appendix D: Prudential Indicators – Quarter 2 2024/25

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Capital Programme monitoring papers 2024/25.

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 the relevant funding is carried forward to meet the delayed, contractually committed expenditure.</p>

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

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 2024/25

	Original Budget 2024/25	Carry Forward from 2023/24	2024/25 Previously Reported		Savings (Current)	Changes (Current)	Revised Budget 2024/25
			Changes	Carry Forward to 2025/26			
	£m	£m	£m	£m	£m	£m	£m
Council Fund :							
People & Resources							
'Headroom'	0.350	0.364	(0.313)	0.000	0.000	(0.015)	0.386
	0.350	0.364	(0.313)	0.000	0.000	(0.015)	0.386
Governance							
Information Technology	2.353	0.283	0.000	(0.433)	0.000	0.015	2.218
	2.353	0.283	0.000	(0.433)	0.000	0.015	2.218
Education & Youth							
Education - General	0.600	3.944	0.574	(1.445)	0.000	2.005	5.678
Primary Schools	1.000	0.228	(0.445)	0.000	0.000	0.008	0.791
Schools Modernisation	9.483	0.001	0.456	0.000	0.000	4.828	14.768
Secondary Schools	0.000	0.458	1.897	0.000	0.000	0.329	2.684
Special Education	0.500	0.514	0.000	(0.300)	0.000	(0.120)	0.594
	11.583	5.145	2.482	(1.745)	0.000	7.050	24.515
Social Services							
Services to Older People	4.800	1.337	9.006	(0.183)	0.000	0.231	15.191
Learning Disability	0.000	0.000	4.536	0.000	0.000	(0.217)	4.319
Children's Services	0.000	0.083	0.745	0.000	0.000	0.000	0.828
	4.800	1.420	14.287	(0.183)	0.000	0.014	20.338
Planning, Environment & Economy							
Closed Landfill Sites	0.000	0.250	0.000	(0.250)	0.000	0.000	0.000
Engineering	0.000	0.383	0.000	(0.258)	0.000	0.259	0.384
Energy Services	0.000	0.000	0.315	0.000	0.000	0.065	0.380
Town Centre Regeneration	0.200	0.141	2.307	0.000	0.000	0.200	2.848
Private Sector Renewal/Improv't	0.040	0.005	0.010	0.000	0.000	0.004	0.059
	0.240	0.779	2.632	(0.508)	0.000	0.528	3.671
Streetscene & Transportation							
Waste Services	0.000	3.405	0.217	(1.000)	(2.405)	0.000	0.217
Cemeteries	0.490	0.259	0.000	0.000	0.000	0.000	0.749
Highways	1.980	0.911	1.378	(0.500)	0.000	(0.479)	3.290
Local Transport Grant	0.000	0.000	7.568	0.000	0.000	0.000	7.568
Solar Farms	0.000	0.046	0.000	(0.046)	0.000	0.000	0.000
	1.470	4.621	9.163	(1.546)	(2.405)	(0.479)	11.824

	Original Budget 2024/25	Carry Forward from 2023/24	2024/25 Previously Reported		Savings (Current)	Changes (Current)	Revised Budget 2024/25
			Changes	Carry Forward to 2025/26			
	£m	£m	£m	£m	£m	£m	£m
Housing & Communities							
Affordable Housing	0.000	0.000	0.868	0.000	0.000	(0.007)	0.861
Disabled Facilities Grants	1.500	0.029	0.286	0.000	0.000	0.052	1.867
	1.500	0.029	1.154	0.000	0.000	0.045	2.728
Capital Programme & Assets							
Administrative Buildings	1.630	0.509	0.031	(0.041)	0.000	0.000	2.129
Community Asset Transfers	0.000	0.580	0.007	(0.391)	(0.100)	0.050	0.146
Leisure Centres & Libraries	0.200	0.245	(0.031)	0.000	0.000	(0.050)	0.364
Play Areas	0.200	0.233	0.163	0.000	0.000	0.042	0.638
Theatr Clwyd	0.000	0.028	23.060	0.000	0.000	0.000	23.088
	2.030	1.595	23.230	(0.432)	(0.100)	0.042	26.365
Housing Revenue Account :							
Disabled Adaptations	1.100	0.000	0.000	0.000	0.000	0.000	1.100
Energy Schemes	4.563	0.000	0.000	0.000	0.000	0.000	4.563
Major Works	1.538	0.000	0.618	0.000	0.000	0.000	2.156
Accelerated Programmes	0.000	0.000	0.532	0.000	0.000	0.000	0.532
WHQS Improvements	14.144	0.000	(1.150)	0.000	0.000	0.000	12.994
Modernisation / Improvements	4.000	0.000	0.000	0.000	0.000	(4.000)	0.000
SHARP Programme	4.153	0.000	0.000	0.000	0.000	(3.153)	1.000
	29.498	0.000	0.000	0.000	0.000	(7.153)	22.345
Totals :							
Council Fund	25.326	14.236	52.635	(4.847)	(2.505)	7.200	92.045
Housing Revenue Account	29.498	0.000	0.000	0.000	0.000	(7.153)	22.345
Grand Total	54.824	14.236	52.635	(4.847)	(2.505)	0.047	114.390

PEOPLE & RESOURCES

Capital Budget Monitoring 2024/25 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
'Headroom'	0.386	0.000	0.386	0.000	0	0.000		Corporate provision - to be allocated as requested and approved.	Any unspent allocation will be the subject of a carry forward request at outturn.
Total	0.386	0.000	0.386	0.000	0	0.000			

GOVERNANCE

Capital Budget Monitoring 2024/25 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Information Technology	2.218	0.017	2.148	(0.070)	-3	(0.433)	SQL Server implementation to fall into 2025/26.	Carry Forward - Request approval to move funding of £0.070m into 2025/26.	
Total	2.218	0.017	2.148	(0.070)	-3	(0.433)			

Variance = Budget v Projected Outturn

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EDUCATION & YOUTH

Capital Budget Monitoring 2024/25 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Education - General	5.678	1.158	5.577	(0.101)	-2	(1.445)	£0.035m Joint Archive Facility works and £0.066m pool ventilation works at Pen Coch to fall into 2025/26.	Carry Forward - Request approval to move funding of £0.101m into 2025/26.	
Primary Schools	0.791	0.037	0.756	(0.035)	-4	0.000	£0.035m Sandycroft Primary R&M works to fall into financial year 2025/26.	Carry Forward - Request approval to move funding of £0.035m into 2025/26.	
Schools Modernisation	14.768	3.822	14.768	0.000	0	0.000			
Secondary Schools	2.684	0.760	2.084	(0.600)	-22	0.000	£0.500m Holywell Campus works and £0.100m Buckley Elfed R&M mechanical works to fall into 2025/26.	Carry Forward - Request approval to move funding of £0.600m into 2025/26.	
Special Education	0.594	0.033	0.594	0.000	0	(0.300)			
Total	24.515	5.811	23.779	(0.736)	-3	(1.745)			

Variance = Budget v Projected Outturn

SOCIAL SERVICES

Capital Budget Monitoring 2024/25 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Services to Older People	15.191	3.995	15.191	0.000	0	(0.183)			
Learning Disability Services	4.319	1.195	4.319	0.000	0	0.000			
Children's Services	0.828	0.446	0.828	0.000	0	0.000			
Total	20.338	5.635	20.338	0.000	0	(0.183)			

Variance = Budget v Projected Outturn

PLANNING, ENVIRONMENT & ECONOMY

Capital Budget Monitoring 2024/25 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Closed Landfill Sites	0.000	0.000	0.000	0.000		(0.250)			
Engineering	0.384	0.000	0.384	0.000	0	(0.258)			
Energy Services	0.380	(0.187)	0.380	0.000	0	0.000			
Ranger Services	0.000	(0.003)	0.000	0.000		0.000			
Townscape Heritage Initiatives	2.848	0.193	2.648	(0.200)	-7	0.000	Planning permission in relation to the demolition of redundant business units at Greenfield Business Park is currently being explored. Therefore, the demolition is unlikely to take place until the next financial year.	Carry Forward - Request approval to move funding of £0.200m into 2025/26.	
Private Sector Renewal/Improvement	0.059	0.031	0.059	0.000	0	0.000			
Total	3.671	0.035	3.471	(0.200)	-5	(0.508)			

Variance = Budget v Projected Outturn

STREETSCENE & TRANSPORTATION

Capital Budget Monitoring 2024/25 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Waste Services	0.217	0.003	0.217	0.000	0	(3.405)			A saving identified of £2.405m. Work has commenced to scope the feasibility study and review of operational depots and infrastructure, which will help to determine the direction of the Waste Transfer Station Project. Due to the timescales associated with this work, a proportion of funding has been released back into the capital programme in the interim.
Cemeteries	0.749	0.012	0.499	(0.250)	-33	0.000	The purchase of required land at Hawarden Cemetery is anticipated to be completed in 2024/25. However, the development at the site is programmed for the 2025/26 financial year.	Carry Forward - Request approval to move funding of £0.250m to 2025/26.	
Highways	3.290	1.371	3.290	0.000	0	(0.500)			
Local Transport Grant	7.568	4.032	7.568	0.000	0	0.000			
Solar Farms	0.000	0.000	0.000	0.000		(0.046)			
Total	11.824	5.420	11.574	(0.250)	-2	(3.951)			

Variance = Budget v Projected Outturn

HOUSING & COMMUNITIES

Capital Budget Monitoring 2024/25 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Affordable Housing	0.861	0.861	0.861	0.000	0	0.000			
Disabled Facilities Grants	1.867	0.953	1.867	0.000	0	0.000			DFG spend is customer driven and volatile.
Total	2.728	1.815	2.728	0.000	0	0.000			

Variance = Budget v Projected Outturn

CAPITAL PROGRAMME & ASSETS

Capital Budget Monitoring 2024/25 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Administrative Buildings	2.129	0.471	2.129	0.000	0	(0.041)			
Community Asset Transfers	0.146	0.071	0.096	(0.050)	-34	(0.491)	The CAT at the Glanrafon Community Centre has yet to be completed. Therefore, works are looking unlikely to be completed in 2024/25.	Carry Forward - Request approval to move funding of £0.050m to 2025/26.	A saving identified of £0.100m. This money had been earmarked for Mancot Library however, the allocation is no longer required as the Community Library Organisation has found alternative premises.
Leisure Centres & Libraries	0.364	0.035	0.207	(0.157)	-43	0.000	Deeside Leisure Centre AWP replacement works likely to fall into 2025/26.	Carry Forward - Request approval to move funding of £0.157m into 2025/26.	
Play Areas	0.638	0.209	0.420	(0.218)	-34	0.000	Match funding schemes progressing into 2025/26.	Carry Forward - Request approval to move funding of £0.218m into 2025/26.	Playarea spend is volatile and is driven by the replacement rolling programme.
Theatr Clwyd	23.088	9.016	23.088	0.000	0	0.000			
Total	26.365	9.802	25.940	(0.425)	-2	(0.532)			

Variance = Budget v Projected Outturn

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HOUSING REVENUE ACCOUNT

Capital Budget Monitoring 2024/25 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Disabled Adaptations	1.100	0.750	1.100	0.000	0	0.000	Client led and volatile. Potential overspend of £0.300m due to an increase in large adaptations required, will continue to monitor and review.		
Energy Services	4.563	1.995	4.563	0.000	0	0.000	ORP 3 works continuing in Leeswood and Holywell - £1.6m WG Funding.		Additional funding offered of £0.735m ORP bid for in year. Funding to be used within 2024/25, additional properties identified.
Major Works	2.156	1.530	2.156	0.000	0	0.000	Smoke Alarm Installation programme, Urgent Capital Works and Fire Risk Assessments. Full spend assumed.		Fire Safety Heights Grant awarded from WG, £3m. Work to be carried on in 2024/25. Works currently delayed. Current shortfall in funding due to these delays, WG have offered to meet this shortfall in additional funding.
Accelerated Programmes	0.532	0.309	0.532	0.000	0	0.000	Asbestos Removal programme. Full spend assumed.		
WHQS Improvements	12.994	4.931	12.994	0.000	0	0.000	Additional £0.516m received from WG for WHQS Implementation which is to be used for Stock Condition Surveys. WHQS 2 Schemes ongoing.		
Modernisation/Improvements	0.000	0.000	0.000	0.000		0.000	No schemes currently identified. Business Plan assumes Prudential Borrowing to fund any schemes.		
SHARP	1.000	0.325	1.000	0.000	0	0.000	A number of pipeline schemes at feasibility stage ,potential buy backs identified to assist with the reduction in Homeless spend.		Additional £2.9m TACP funding awarded for 2024/25 which could potentially contribute to any buy backs identified.
Total	22.345	9.839	22.345	0.000	0	0.000			

Variance = Budget v Projected Outturn

SUMMARY

Capital Budget Monitoring 2024/25 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
People & Resources	0.386	0.000	0.386	0.000	0	0.000			
Governance	2.218	0.017	2.148	(0.070)	-3	(0.433)			
Education & Youth	24.515	5.811	23.779	(0.736)	-3	(1.745)			
Social Services	20.338	5.635	20.338	0.000	0	(0.183)			
Planning, Environment & Economy	3.671	0.035	3.471	(0.200)	-5	(0.508)			
Streetscene & Transportation	11.824	5.420	11.574	(0.250)	-2	(3.951)			
Housing & Communities	2.728	1.815	2.728	0.000	0	0.000			
Capital Programme & Assets	26.365	9.802	25.940	(0.425)	-2	(0.532)			
Sub Total - Council Fund	92.045	28.534	90.364	(1.681)	-2	(7.352)			
Housing Revenue Account	22.345	9.839	22.345	0.000	0	0.000			
Total	114.390	38.373	112.709	(1.681)	-1	(7.352)			

Variance = Budget v Projected Outturn

INVESTMENT IN COUNTY TOWNS - 2023/24 ACTUAL SPEND

APPENDIX C

TOWN FUNDING	23/24 ACTUAL £000	BUCKLEY		CONNAH'S QUAY		FLINT		HOLYWELL		MOLD		QUEENSFERRY		SALTNEY		UNALLOCATED		TOTALS			
		Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Total £000	
EXPENDITURE																					
HOUSING - HRA																					
SHARP	2,399		273	158	644	131		619	50				99		126	299			1,207	1,192	2,399
EDUCATION & YOUTH																					
Ysgol Croes Atti, Flint	847						847												0	847	847
Ysgol Penyffordd Extension	1,015	672	343																672	343	1,015
SOCIAL SERVICES																					
Croes Atti Newydd Residential Care Home, Flint	3,294						3,294												0	3,294	3,294
Relocation of Tri-Ffordd Day Service provision	43										43								0	43	43
STREETSCENE & TRANSPORTION																					
Highways Maintenance	2,350	395		222		420		343		392		244		243		91			2,350	0	2,350
Transport Grant	3,490		189		126	760		5	877		426		175		466	4	462		9	3,481	3,490
CAPITAL PROGRAMME & ASSETS																					
Theatr Clwyd - Redevelopment	17,019									1,747	15,272								1,747	15,272	17,019
	30,457	1,067	805	380	770	551	4,901	967	927	2,139	15,741	244	274	243	592	394	462		5,985	24,472	30,457
AREA TOTAL			1,872	1,150	5,452	1,894	17,880	518	835	856											

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INVESTMENT IN COUNTY TOWNS - 2024/25 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	1,000	318															682			1,000	0	1,000
EDUCATION & YOUTH																						
Ysgol Croes Atti Flint	12,925					2,834	10,091													2,834	10,091	12,925
St Richard Gwyn, Flint	1,017						1,017													0	1,017	1,017
SOCIAL SERVICES																						
Croes Atti Newydd Residential Care Home, Flint	14,960					5,954	9,006													5,954	9,006	14,960
Relocation of Tri-Ffordd Day Service provision	4,319									1,429	2,890									1,429	2,890	4,319
STREETSCENE & TRANSPORTION																						
Cemeteries	749	190											559							749	0	749
Highways Maintenance	3,290	45			188	186		273		262			389		28		1,581	338	2,952	338	3,290	
Transport Grant	7,568		513		1,402		35		720					3,472		5		1,192	0	7,568	7,568	
CAPITAL PROGRAMME & ASSETS																						
Theatr Clwyd - Redevelopment	23,088									7,028	16,060									7,028	16,060	23,088
Greenfield Business Centre	423								423											423	0	423
PLANNING, ENVIRONMENT & ECONOMY																						
Rivertown Community Hub, Shotton	750						750													0	750	750
HOUSING & COMMUNITIES																						
Affordable Housing	861	118									743									861	0	861
	70,950	671	513	188	2,152	8,974	20,149	696	720	9,462	19,179	948	3,472	28	5	2,263	1,530		23,230	47,720	70,950	
AREAS TOTAL			1,184		2,340		29,123		1,416		28,641		4,420		33		3,793					

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INVESTMENT IN COUNTY TOWNS - 2025 - 2027 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																					
Joint Archive Facility, FCC and DCC	12,800									3,079	9,721								3,079	9,721	12,800
Ysgol Croes Atti Flint	1,697					1,697													1,697	0	1,697
Drury County Primary	4,800	1,680	3,120																1,680	3,120	4,800
Elfed High School	4,488	1,571	2,917																1,571	2,917	4,488
Sallney/Broughton Area	16,000													5,600	10,400				5,600	10,400	16,000
SOCIAL SERVICES																					
Croes Atti Newydd Residential Care Home, Flint	183					183													183	0	183
Development of Children's Residential Care	1,000																1,000		1,000	0	1,000
STREETSCENE & TRANSPORTION																					
Highways Asset Management Plan	3,000																3,000		3,000	0	3,000
HOUSING & COMMUNITIES																					
Affordable Housing	22,642																22,642		22,642	0	22,642
	66,610	3,251	6,037	0	0	1,880	0	0	0	3,079	9,721	0	0	5,600	10,400	26,642	0	40,452	26,158	66,610	
AREA TOTAL			9,288	0	0	1,880	0	0	0	12,800	0	0	16,000	26,642							

Prudential Indicators Q2 2024/25

The Council measures and manages its capital expenditure, borrowing and commercial and service investments with references to the following indicators.

It is now a requirement of the CIPFA Prudential Code that these are reported on a quarterly basis.

Table 1 - Capital Expenditure in £ millions: The Council has undertaken and is planning capital expenditure as summarised below. The increase in forecasted expenditure between 2023/24 to 2024/25, in the main relate to works at Theatr Clwyd, Ty Croes Atti and the Band B schools programme.

	2023/24 Actual	2024/25 Forecast	2025/26 Estimate	2026/27 Estimate
Council Fund	46.277	90.364	26.435	25.418
Housing Revenue Account	23.530	22.345	28.683	23.987
Total	69.807	112.709	55.118	49.405

Table 2 - Capital Financing Requirement in £ millions: The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and capital receipts used to replace debt.

	2023/24 Actual	2024/25 Forecast *	2025/26 Estimate	2026/27 Estimate
Council Fund	219.706	315.506	323.482	337.463
Housing Revenue Account	133.150	132.921	139.734	142.410
Total	352.856	448.427	463.216	479.873

* £77m of the CFR increase in 2024/25 arises from a change in the accounting for leases.

The increase in estimated CFR between 2023/24 and 2024/25 in the main, relates to the change in accounting for leases under IFRS 16. This means that under the new rules, the lease of any assets must be recognised on the Council's balance sheet.

In addition to this, is estimated expenditure for the HRA and NEW Homes, Supported Borrowing, and Council Fund schemes including the Sustainable Communities for Schools programme, Theatr Clwyd and Ty Croes Atti Residential Care Home.

Table 3 - Gross Debt and the Capital Financing Requirement in £ millions: Statutory guidance is that debt should remain below the capital financing requirement, except in the short term. The Authority has complied and expects to continue to comply with this requirement in the medium

term as is shown below.

	2023/24 Actuals	2024/25 Forecast	2025/26 Estimate	2026/27 Estimate
Debt (Incl Leases)	334.743	412.466	432.854	451.870
Capital Financing Requirement	352.856	448.427	463.216	479.873

Table 4 - Debt and the Authorised Limit and Operational Boundary in £ millions: The Council is legally obliged to set an affordable borrowing limit (also termed the Authorised Limit for external debt) each year. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

	2024/25 Limit	30.09.24 Actual
Operational Boundary - Total	£485m	£397m
Authorised Limit - Total	£520m	£397m

Since the operational boundary is a management tool for in-year monitoring it is not significant if the boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure.

Table 5 - Net Income from Commercial and Service Investments to Net Revenue Stream in £ millions: The Council’s income from commercial and service investments as a proportion of its net revenue stream has been and is expected to be as indicated below.

	2023/24 Actual	2024/25 Forecast	2025/26 Estimate	2026/27 Estimate
Total net income from service and commercial investment	1.710	1.674	1.673	1.673
Proportion of net revenue stream	0.49%	0.45%	0.45%	0.45%

Table 6 - Proportion of Financing Costs to Net Revenue Stream in £ millions: Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue.

The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

	2023/24 Actual	2024/25 Forecast	2025/26 Estimate	2026/27 Estimate
Council Fund	3.8%	4.1%	4.2%	4.5%
HRA	17.0%	16.2%	18.2%	18.6%

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CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Thursday, 14 th November 2024
Report Subject	Capital Strategy Including Prudential Indicators 2025/26 to 2027/28
Cabinet Member	Cabinet Member for Finance and Social Value
Report Author	Corporate Finance Manager
Type of Report	Strategic

EXECUTIVE SUMMARY

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

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

Under the Prudential Code for Capital Finance in Local Authorities (the Prudential Code), authorities are required to set a range of Prudential Indicators (PI's). The Capital Strategy includes details of the Council's Prudential Indicators for 2025/26 – 2027/28.

RECOMMENDATIONS

1	To consider and recommend the Capital Strategy to Cabinet.
2	To consider and recommend to Cabinet:- <ul style="list-style-type: none">• The Prudential Indicators for 2025/26 - 2027/28 as detailed within Tables 1, and 4 – 8 of the Capital Strategy.• Delegated authority for the Corporate Finance Manager to effect movements between the separately agreed limits within the authorised limit for external debt and the operational boundary for external debt (Table 6 of the Capital Strategy).

REPORT DETAILS

1.00	CAPITAL STRATEGY 2025 – 2028
1.01	The Chartered Institute of Public Finance and Accountancy’s Treasury Management in the Public Services: Code of Practice 2021 Edition (the Code), requires that the Council has in place a Capital Strategy (the Strategy). The guidance to the Code defines the specific requirements of the Strategy. This report updates the Strategy for Council’s consideration.
1.02	The key aims of the Strategy are to explain the ways in which the capital programme is developed and funded, the potential impact it has on the Council’s Medium Term Financial Strategy (MTFS) and the way in which it relates to the Council’s Treasury Management Strategy. The Strategy is an overarching document and refers to other documents such as the Capital Programme, the Treasury Management Strategy, and the Minimum Revenue Provision Policy. The Strategy is split into a number of sections as described below. The Strategy is enclosed as Appendix 1.
1.03	Capital Expenditure This section defines capital expenditure. There is some limited local discretion in the definition as reflected in the Council’s accounting policies.
1.04	Resources This section explains the way in which the Capital Programme is funded. The Council has a number of funding sources, but these sources are limited and in some cases, particularly capital receipts, diminishing. Some of those sources, particularly prudential borrowing, add pressure to the Council’s MTFS.
1.05	Prioritisation of Capital Expenditure This section explains the way in which the Capital Programme is divided into three sections and how decisions are made as to which schemes to include in each section in each year.
1.06	Governance This section explains the governance arrangements in place in the development and monitoring of the capital programme.
1.07	Capital Expenditure Plans This section refers to the Council’s capital expenditure plans as agreed in its Capital Programme. It covers: <ul style="list-style-type: none">• Capital expenditure plans• The way in which those plans are expected to be financed• Minimum Revenue Provision• Estimates of the Capital Financing Requirement, a measure of unfinanced expenditure

1.08	<p>Treasury Management</p> <p>This section covers the way in which the Strategy relates to the Council's treasury management activity. It covers:</p> <ul style="list-style-type: none"> • The Council's Borrowing Strategy • The relationship between the Council's debt portfolio and its Capital Financing Requirement • The Authorised Limit and Operational Debt Limits for borrowing, ensuring the limits on the Council's exposure to debt are set • The Council's Investment Strategy • Treasury management governance.
1.09	<p>Commercial activities</p> <p>This section reports that the Council has limited commercial activity, having a limited portfolio of investment properties (agricultural properties and industrial units). The Council does not borrow to invest for the primary purpose of financial return.</p>
1.10	<p>Liabilities</p> <p>This section explains the liabilities which the Council has, in particular the deficit on its pension fund, and links with the Council's Statement of Accounts.</p>
1.11	<p>Revenue budget implications</p> <p>This section shows the impact of the capital financing costs on the revenue stream of the Council's budget.</p>
1.12	<p>Knowledge and skills</p> <p>This section details the skills of officers involved in developing and managing the capital programme and treasury management activity, and explains that the Council makes use of external advisers to assist with this activity.</p>
1.13	<p>Prudential Indicators</p> <p>The Council is required by the Code to develop and monitor Prudential Indicators. These are contained within the various sections of the Strategy, and are indicated as such.</p>

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

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT								
3.01	Decisions made which involve the Council's assets and its Capital Programme often have very large and long-term financial implications. The purpose of the Capital Strategy includes setting a clear framework within which such decisions can be made, therefore mitigating the risks involved.								
3.02	Ways of Working (Sustainable Development) Principles Impact								
	<table border="1"> <tr><td>Long-term</td></tr> <tr><td>Prevention</td></tr> <tr><td>Integration</td></tr> <tr><td>Collaboration</td></tr> <tr><td>Involvement</td></tr> </table>	Long-term	Prevention	Integration	Collaboration	Involvement	The impacts upon sustainable development principles of the Capital Programme which influences the Capital Strategy are listed in the Capital Programme 2025/26 – 2027/28 report included elsewhere on this agenda.		
Long-term									
Prevention									
Integration									
Collaboration									
Involvement									
3.03	Well-being Goals Impact								
	<table border="1"> <tr><td>Prosperous Wales</td></tr> <tr><td>Resilient Wales</td></tr> <tr><td>Healthier Wales</td></tr> <tr><td>More equal Wales</td></tr> <tr><td>Cohesive Wales</td></tr> <tr><td>Vibrant Wales</td></tr> <tr><td>Globally responsible Wales</td></tr> </table>	Prosperous Wales	Resilient Wales	Healthier Wales	More equal Wales	Cohesive Wales	Vibrant Wales	Globally responsible Wales	The impacts upon the well-being goals of the Capital Programme which influences the Capital Strategy are listed in the Capital Programme 2025/26 – 2027/28 report included elsewhere on this agenda.
Prosperous Wales									
Resilient Wales									
Healthier Wales									
More equal Wales									
Cohesive Wales									
Vibrant Wales									
Globally responsible Wales									
3.04	Integrated Impact Assessments								
	The integrated impact assessment of the Capital Programme which influences the Capital Strategy are discussed in the Capital Programme 2025/26 – 2027/28 report included elsewhere on this agenda.								

4.00	CONSULTATIONS REQUIRED / CARRIED OUT
4.01	Any comments from Corporate Resources Overview and Scrutiny Committee on the proposed Capital Strategy will be referred back to the November 2024 meeting of the Cabinet for consideration before the final Capital Strategy for 2025-2028 is considered and approved by County Council in December 2024.

5.00	APPENDICES
5.01	Appendix 1 – Capital Strategy 2025/26 – 2027/28

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None

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

8.00	GLOSSARY OF TERMS
8.01	<p>Capital Expenditure - Expenditure on the acquisition of Non-current Assets or expenditure that extends the life or value of an existing asset</p> <p>Capital Programme - The Council's financial plan covering capital schemes and expenditure proposals for the current year and a number of future years. It also includes estimates of the capital resources available to finance the programme</p> <p>Capital Receipt - Receipts (in excess of £10,000) from the disposal of an asset</p> <p>Capital Scheme - An individual capital project which is monitored and managed in isolation. The aggregate of all schemes comprises the Capital Programme</p> <p>Capital Strategy - A corporate document providing clear strategic guidance about an authority's objectives, priorities and spending plans, demonstrating the link to key corporate and service objectives</p> <p>Council Fund - The fund to which all the Council's revenue and capital expenditure is charged</p> <p>Disposal - The decommissioning or transfer of an asset to another party</p> <p>Non-current Asset - A resource controlled (but not necessarily owned) by the Council, from which economic benefits or service potential are expected to flow to the Council for more than 12 months</p> <p>Prudential Code - The Code of Practice drawn up by the Chartered Institute of Public Finance and Accountancy (CIPFA) to underpin the requirements of the Local Government Act 2003 in respect of an authority's duty to determine the affordability, prudence and sustainability of its capital investment needs</p> <p>Prudential Indicators - Required by the Prudential Code, these take the form of limits, estimates or actual figures used to support the local decision making process for capital investment</p>

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

CAPITAL STRATEGY

2025/26 TO 2027/28

CONTENTS

1	INTRODUCTION
2	CAPITAL EXPENDITURE
3	RESOURCES
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8	LIABILITIES
9	REVENUE BUDGET IMPLICATIONS
10	KNOWLEDGE AND SKILLS

CAPITAL STRATEGY REPORT 2025/26

1. INTRODUCTION

The creation and approval of a capital strategy is now a requirement of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2021 Edition (the CIPFA Code).

The Code requires the Council to set Prudential Indicators in relation to its Capital Programme. This document includes those Prudential Indicators in tables 1 and, 4 - 8.

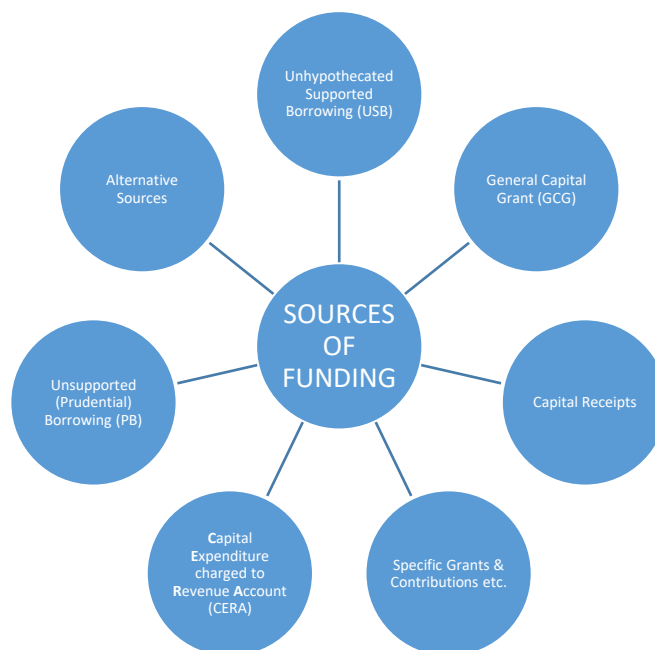
This document updates the capital strategy approved by Council in December 2023. It gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.

2. CAPITAL EXPENDITURE

Capital expenditure occurs when the Council spends money on assets, such as property or vehicles, which will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets.

3. RESOURCES

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



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

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

General Capital Grant (GCG)

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

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

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

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

Capital Receipts

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

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

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

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

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

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

Specific Grants and Contributions etc.

Specific Grants

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

Specific Contributions

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

Specific Capital Loans

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

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

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

Local Government Borrowing Initiative (LGBI)

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

Capital Expenditure charged to Revenue Account (CERA)

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

Unsupported Prudential Borrowing (commonly referred to as Prudential Borrowing)

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

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

Alternative Sources

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

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

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

4. PRIORITISATION OF CAPITAL EXPENDITURE

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

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

Funding of schemes will be allocated as shown below:

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

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

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

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

5. GOVERNANCE

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

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

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

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

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

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

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

Capital expenditure plans

The Council's planned capital expenditure for the period 2025/26 to 2027/28 is summarised below:

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

	2025/26 Estimate *	2026/27 Estimate	2027/28 Estimate
Council Fund	26.435	25.418	22.625
Housing Revenue Account	28.683	23.987	24.058
Total	55.118	49.405	46.683

*£7.6m of capital expenditure in 2025/26 arises from a change in the accounting for leases and does not represent cash expenditure.

The Council's Capital Programme is due to be approved by Council in December 2024, and details can be found on the Council's website.

The Council is planning a number of significant investments during the period of this strategy. In particular, it is investing substantially in its schools in conjunction with Welsh Government through the Sustainable Communities for Learning programme; development of children’s residential care to expand our in-house provision; has plans, and in conjunction with its partners, to create a new archive building to deliver a single archive service for North East Wales. More detail is available in the Capital Programme 2025/26 – 2027/28 report.

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

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

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

Table 2: Capital Financing in £ millions

	2025/26 Estimate *	2026/27 Estimate	2027/28 Estimate
Council Fund			
<u>External Sources</u>			
USB	4.017	4.017	4.017
GCG	4.125	4.125	4.125
Specific Grants/Contrib's/Loans	9.843	10.885	10.785
<u>Own Resources</u>			
Capital Receipts	2.315	0.000	0.000
<u>Debt</u>			
Prudential Borrowing	6.135	6.391	3.698
Sub Total - Council Fund	26.435	25.418	22.625

Housing Revenue Account			
<u>External Sources</u>			
MRA	4.978	4.978	4.978
Specific Grants/Contrib's/Loans	0.300	0.300	0.300
<u>Own Resources</u>			
CERA	14.811	14.115	14.186
<u>Debt</u>			
Prudential Borrowing	8.594	4.594	4.594
Sub Total - HRA	28.683	23.987	24.058
TOTAL	55.118	49.405	46.683

*£7.6m of capital expenditure in 2025/26 arises from a change in the accounting for leases and does not represent cash expenditure.

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

Table 3: Replacement of prior years' debt finance in £ millions

	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate
Council Fund	3.892	4.204	4.568
Housing Revenue Account	1.781	1.918	2.011

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

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

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

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

	2025/26 Estimate *	2026/27 Estimate	2027/28 Estimate
Council Fund	323.482	337.463	349.285
Housing Revenue Account	139.734	142.410	144.993
Total	463.216	479.873	494.278

*£75m of the CFR increase in 2025/26 arises from a change in the accounting for leases.

6. TREASURY MANAGEMENT

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

Due mainly to decisions taken in the past, the Council currently (30th September 2024) has £316m long-term borrowing at an average interest rate of 4.49%, and short-term borrowing of £10m at an average interest rate of 4.63%. It also has £24.9m treasury investments at an average interest rate of 5.03%.

Borrowing strategy: The Council's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which the funds are required. The flexibility to renegotiate loans, should the Council's long-term plans change, is a secondary objective. Short-term loans are currently available at around 5% and long-term fixed rate loans where the future cost is known but higher are currently 5.11% to 5.52%.

The Council does not borrow to invest for the primary purpose of financial return and therefore retains full access to the Public Works Loans Board.

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

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

	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate
Debt (Incl Leases)	432.854	451.870	461.594
Capital Financing Requirement	463.216	479.873	494.278

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

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

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

	2025/26 Limit	2026/27 Limit	2027/28 Limit
Authorised Limit - Borrowing	483	500	514
Authorised Limit - Other long term liabilities	35	35	35
Authorised Limit - Total External Debt	518	535	549
Operational Boundary - Borrowing	408	427	443
Operational Boundary - Other long term liabilities	75	73	71
Operational Boundary - Total External Debt	483	500	514

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

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

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

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

7. COMMERCIAL ACTIVITIES

The Council has a portfolio of investment properties, in the form of agricultural property and industrial units. Although these are classified as investment properties, they are legacy assets and the Council is managing down its agricultural portfolio and is reviewing its position in regard to industrial units. The Council does not borrow to invest for the primary purpose of financial return.

Table 7: Prudential Indicator: Net Income from Commercial and Service Investments to Net Revenue Stream

	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate
Total net income from service and commercial investment	1.673	1.673	1.673
Proportion of net revenue stream	0.45%	0.45%	0.45%

8. LIABILITIES

In addition to debt of £316m detailed above, the Council is committed to making future payments to cover any required pension fund deficit (valued at £18m, March 2024). It has also set aside £1.1m to cover the risks associated with the aftercare of former landfill sites, and £3.5m as a provision against bad debts.

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

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

Further details on liabilities and guarantees are in the contingent liability section in Note 34 of the Council's 2023/24 Statement of Accounts available on its website.

9. REVENUE BUDGET IMPLICATIONS

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

Table 8: Prudential Indicator: Proportion of Financing Costs to Net Revenue Stream

	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate
Council Fund	4.24%	4.47%	4.60%
HRA	18.25%	18.60%	18.58%

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

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

10. KNOWLEDGE AND SKILLS

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

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

Eitem ar gyfer y Rhaglen 10



CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Thursday, 14 th November 2024
Report Subject	Capital Programme 2025/26 – 2027/28
Cabinet Member	Cabinet Member for Transformation and Assets Cabinet Member for Finance and Social Value
Report Author	Chief Executive Corporate Manager – Capital Programme and Assets Corporate Finance Manager
Report Type	Strategic

EXECUTIVE SUMMARY

This report presents the proposed Capital Programme for the period 2025/26 – 2027/28.

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

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

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

1. Statutory / Regulatory - allocations to cover regulatory and statutory works.
2. Retained Assets - allocations to fund infrastructure works necessary to ensure service and business continuity.

3. Investment - allocations to fund works necessary to remodel services to deliver efficiencies outlined in portfolio business plans and invest in services as outlined in the Council Plan.

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

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

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

RECOMMENDATIONS

1	To consider and support the allocations and schemes in Table 3 (paragraph 1.09) for the Statutory/Regulatory and Retained Assets sections of the Council Fund Capital Programme 2025/26 - 2027/28.
2	To consider and support the schemes included in Table 4 (paragraph 1.31) for the Investment section of the Council Fund Capital Programme 2025/26 - 2027/28.
3	To note that the shortfall in funding of schemes in 2027/28 in Table 5 (paragraph 1.35) although there are surplus in years prior.
4	To consider and support the schemes included in Table 6 (paragraph 1.39) for the specifically funded section of the Council Fund Capital Programme which will be funded in part through borrowing.
5	To consider the report and feedback any comments for Cabinet to consider before the Capital Programme 2025/26 – 2027/28 report is considered by Council.

REPORT DETAILS

1.00	EXPLAINING THE CAPITAL PROGRAMME 2025/26 – 2027/28
1.01	<p>The Council's Capital Programme encompasses investing significant resources in assets for the long term to enable the delivery of high quality, value for money public services. Assets include buildings (such as schools and care homes), infrastructure (such as highways and ICT networks), and assets not owned by the Council (such as works to improve and adapt private sector homes). The proposed capital investments outlined within this report are closely aligned to portfolio service business plans and the Council Plan.</p> <p>The Council has limited capital resources from Welsh Government (WG) to support Council priorities, needs and liabilities; however, it has the powers to fund capital schemes by borrowing, but this is temporary and ultimately the cost and repayment of any borrowing is charged to the Council's revenue budget. Schemes funded by borrowing are carefully considered due to the long-term impacts on the Council's revenue budget.</p> <p>The first half of this report covers parts of the Capital Programme where the Council invests in local infrastructure, facilities and assets, which will be funded from general capital resources (General Capital Grant, Unhypothecated Supported Borrowing and Capital Receipts). Regional programmes such as the Growth Deal for North Wales which will draw on national funds, and the Housing Revenue Account (HRA) Capital Programme, which is reported separately and includes the Welsh Housing Quality Standard (WHQS) work programme and Strategic Housing and Regeneration Programme (SHARP), supplement the Council funded Capital Programme.</p> <p>The second half of the report covers parts of the Capital Programme which includes specific grants as far as information is available at the time of writing and borrowing. This includes the Sustainable Communities for Learning Programme, delivered in partnership between the Council and WG.</p>
1.02	<p>General Capital Programme 2024/25 – 2026/27 Update</p> <p>The Council's Capital Strategy divides the Capital Programme into three parts as follows.</p> <ol style="list-style-type: none">1. Statutory / Regulatory section – to cover regulatory and statutory works. Examples include providing support to improve and adapt private sector homes (Disabled Facilities Grants), adaptations to schools for children with disabilities and any works required to keep buildings open by meeting Health and Safety requirements.2. Retained Assets section – to ensure service and business continuity. This includes schemes that enhance and improve retained assets and infrastructure to deliver services and meets significant need identified by service plans or through condition surveys etc.

3. **Investment section** – to fund costs incurred when remodelling and investing in services. This includes new schemes arising from portfolio business plans, the Council Plan, other relevant and emerging plans, and other strategies or emerging Council priorities approved through a selection process based on the provision of a business case.

1.03 Table 1 below summarises the updated Council funded Capital Programme for 2024/25 – 2026/27 as reported at Month 6 2024/25:

Table 1

ESTIMATED FUNDING 2024/25 - 2026/27				
	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m
Funding				
Un-hypothecated Supported Borrowing (USB) ¹	4.017	4.017	4.017	12.051
General Capital Grant (GCG) ¹	4.125	4.125	4.125	12.375
Capital Receipts Available	0.071	0.000	0.000	0.071
Surplus B/Fwd from 2023/24	5.445	0.000	0.000	5.445
Total Funding	13.658	8.142	8.142	29.942
Expenditure				
Total Capital Programme 2024/25 - 2026/27	11.343	8.988	7.021	27.352
	11.343	8.988	7.021	27.352
Surplus / (Shortfall)	2.315	(0.846)	1.121	2.590
¹ As per 2024/25 Final Settlement				

1.04 Table 1 shows the current position of the Capital Programme 2024/25 – 2026/27 as reported at Month 6 to Cabinet and Corporate Resources Overview and Scrutiny Committee, an overall surplus in funding of £2.590m, with a surplus in 2024/25 of £2.315m.

When the budget was set in December 2023, there was a shortfall in funding of schemes in 2024/25 and 2025/26 and surplus in 2026/27. At that point in the approval process the position was kept flexible and this was explained in the report to Council at that time. Options included a combination of future capital receipts, alternative grants, prudential borrowing, or scheme phasing over several years which would be considered during 2024/25.

1.05 Given the current position in setting the Capital Programme for the next three years 2025/26 – 2027/28, careful consideration has been given to new schemes proposed for inclusion.

1.06

Projected General Funding Available 2025/26 - 2027/28

Table 2 below shows the general capital funding currently projected to be available to fund the Capital Programme over the next three years (2025/26 - 2027/28).

Table 2

ESTIMATED AVAILABLE FUNDING 2025/26 - 2027/28				
	2025/26	2026/27	2027/28	Total
	£m	£m	£m	£m
Funding (Excluding Specific Funding)				
Un-hypothecated Supported Borrowing (USB) ¹	4.017	4.017	4.017	12.051
General Capital Grant (GCG) ¹	4.125	4.125	4.125	12.375
Surplus B/Fwd from 2024/25	2.315	0.000	0.000	2.315
Total	10.457	8.142	8.142	26.741
¹ As per 2024/25 Settlement				

1.07

Table 2 assumes that the Un-hypothecated Supported Borrowing allocation and the General Capital Grant received from WG in the years 2025/26 to 2027/28 remains at the same level as 2024/25. The 2025/26 Welsh Local Government Provisional Settlement is expected to be announced on the 11th December 2024.

1.08

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

General Capital Programme 2025/26 – 2027/28

1.09

Statutory / Regulatory and Retained Asset Allocations – 2025/26 – 2027/28

Table 3 shows the proposed allocations for the period 2025/26 - 2027/28 for the Statutory / Regulatory and Retained Asset sections of the Capital Programme.

Table 3

PROPOSED ALLOCATIONS 2025/26 - 2027/28				
	2025/26	2026/27	2027/28	Total
	£m	£m	£m	£m
Statutory / Regulatory Section				
Equalities Act - Individual pupils	0.500	0.500	0.500	1.500
Disabled Facilities Grants	1.500	1.500	1.500	4.500
Private Sector Housing Renewal	0.040	0.040	0.040	0.120
School building works	0.500	0.500	0.500	1.500
Corporate property works	0.300	0.300	0.300	0.900
School safeguarding works	0.100	0.100	0.100	0.300
Target Hardening	0.030	0.030	0.000	0.060
Total Statutory / Regulatory	2.970	2.970	2.940	8.880
Retained Assets Section				
School building works	1.000	1.000	1.000	3.000
Corporate property works	0.300	0.300	0.300	0.900
Highways Asset Management Plan	2.000	1.500	1.500	5.000
Play areas	0.200	0.200	0.200	0.600
ICT - Equipment at Datacentres	0.000	0.079	0.000	0.079
ICT - Server Technology Replacements	0.264	0.176	0.212	0.652
ICT - Laptop / PC Replacements	0.268	0.134	0.158	0.560
ICT - Storage Technology Replacement	0.850	0.031	0.000	0.881
ICT - Cyber Security	0.066	0.133	0.000	0.199
Schools WiFi and Networking Infrastructure	1.020	0.000	1.445	2.465
Base Provision for Leisure and Libraries Estate	0.200	0.200	0.200	0.600
Safety Improvements in Cemeteries	0.057	0.000	0.000	0.057
Office Rationalisation Programme - Phase 2	0.795	0.000	0.000	0.795
Terrig House Hutments Demolition	0.043	0.000	0.000	0.043
'Headroom'	0.350	0.350	0.350	1.050
Total Retained Assets Section	7.413	4.103	5.365	16.881

1.10 The information in Table 3 in relation to the new and previously approved schemes is explained in more detail in paragraphs 1.11 to 1.30 below.

1.11 Equalities Act – Individual pupils

An annual allocation to adapt and modify schools for children who have disabilities to support and create increasingly inclusive school environments. These works help the Council to meet its obligations under disability legislation, and reduce the potential costs and disruption associated with transporting pupils to alternative sites.

No changes are proposed for 2025/26 to 2027/28.

1.12 Disabled Facilities Grants (DFG)

An annual allocation to improve and adapt private sector homes comprising:

- Disabled Facilities Grants – adaptations enabling residents to continue to live independently in their own homes
- Partnership working with Care and Repair to support vulnerable residents

	<p>No changes are proposed for 2025/26 to 2027/28.</p>
1.13	<p><u>Private Sector Housing Renewal</u></p> <p>An annual allocation for private sector housing renewal and improvement loan management and administration. This had previously been reported under the DFG section before the services were disaggregated across portfolios.</p> <p>No changes are proposed for 2025/26 to 2027/28.</p>
1.14	<p><u>School building works</u></p> <p>An annual allocation to fund the most urgent property works required at schools split across the regulatory / statutory and retained assets sections of the Capital Programme.</p> <p>A programme of toilet upgrades in both primary and secondary schools to ensure compliance with Education (School Premises) Regulations 1999 and Department for Education and Skills document "Toilets in Schools". There is currently a backlog of such works estimated to be in the region of £1.5m which is often reflected as a Health and Safety issue in Estyn inspections of schools, £0.100m per annum. When building new schools or extending current ones, the Council takes the approach to upgrade to the current standards at that time.</p> <p>Works to upgrade ventilation systems at school kitchens which are failing building regulations and gas safety legislation and are at risk of closure, £0.200m per annum.</p> <p>Fire Inspection Works at schools which are the responsibility of the Local Authority and have been identified during statutory fire risk assessments, £0.200m per annum.</p> <p>A £1m per annum allocation has been included within the retained assets section of the programme to cover all other urgent works required, such as roofing works.</p> <p>No changes are proposed for 2025/26 to 2027/28.</p>
1.15	<p><u>Corporate property works</u></p> <p>An annual allocation to fund the most urgent property works required at non-school premises split across the regulatory / statutory and retained assets sections of the Capital Programme, including managing risks from legionella, fire safety, asbestos, accessibility and health and safety.</p> <p>No changes are proposed for 2025/26 to 2027/28.</p>

1.16	<p><u>School safeguarding works</u></p> <p>There is a requirement to carry out works/adaptations at schools, to address safeguarding concerns raised about access at main entrances and site. These works are required to ensure both children and adults can attend schools in a safe and secure environment.</p> <p>No changes are proposed for 2025/26 to 2027/28.</p>
1.17	<p><u>Target Hardening</u></p> <p>The target hardening budget requires replenishment over the next two year period to prevent unauthorised use of land or buildings within the County.</p> <p>No changes are proposed for 2025/26 to 2026/27.</p>
1.18	<p><u>Highways Asset Management Plan (HAMP)</u></p> <p>An annual allocation of £1.5m to fund the HAMP which includes resurfacing of the classified Highway Network, replacement programme for street lighting columns and structural maintenance, with £0.100m to be top sliced for 'streetscape' improvements.</p> <p>Whilst the Council has a statutory duty to maintain the Highways Network in a safe condition for travel, how the Council does this is not defined. WG set targets for road condition indices and invested a significant amount of grant funding in the network, however this funding ceased after the 2021/22 financial year. The condition of the highway network will naturally continue to deteriorate each year and without sufficient annual investment the overall condition of the network will decline.</p> <p>See paragraph 1.51 for more detail in regard to the position on the potential development of the HAMP.</p> <p>One off increase of £0.500m proposed in 2025/26 and no changes for 2026/27 to 2027/28.</p>
1.19	<p><u>Play areas</u></p> <p>An annual allocation of £0.200m to fund the most urgent requirements to replace play equipment that has reached the end of its useful life at play areas, as well as upgrades to play areas.</p> <p>No changes are proposed for 2025/26 to 2027/28.</p>
1.20	<p><u>ICT - Equipment at Datacentres</u></p> <p>Allocations have previously been approved for the replacement of networking technologies to provide segregation of online systems from internal systems, £0.045m and networking technologies at remote sites replacements, £0.034m. Both allocations have been included in 2026/27.</p>

1.21	<p><u>ICT - Server Technology Replacement</u></p> <p>In 2025/26 and 2026/27 the server infrastructures currently used to deliver business systems through Citrix, will come to the end of their useable life and could lead to a degradation of service if not replaced, at a cost of £0.264m and £0.124m. This has previously been approved in the programme.</p> <p>Further bids have been received for replacement equipment to deliver virtual desktop solutions in 2026/27, £0.052m along with the replacement technologies to ensure there is adequate capacity for the delivery of existing business systems and services used across the whole of the Council in 2027/28, £0.212m.</p>
1.22	<p><u>ICT - Laptop / PC Replacements</u></p> <p>The project will deliver a programme of device replacement based on the “just in time” principle of replacement to ensure the Council maximises the useable life of its laptop assets. It will ensure that the devices used by members of staff are fit for purpose and can deliver the required level of service and can support the latest operating systems and security software.</p> <p>The absence of a replacement budget for replacement devices will result in devices that perform poorly and will not be able to accommodate the operating system and security software require to ensure the required level of performance. The inability to operate up to date security software poses a significant cyber security risk.</p> <p>Capital funding of £0.560m is required over a three year programme.</p>
1.23	<p><u>ICT - Storage Technology Replacement</u></p> <p>The Council uses storage technologies that allow the allocation of storage to systems as and when they need it. It prevents unused storage sitting against systems and is the most efficient and cost-effective way of allocating storage against all systems used by the Council, from business applications to the general file share.</p> <p>Previously approved was the Councils corporate storage technology that requires replacing in 2025/26, £0.850m and the storage system specifically allocated to the Council’s Graphic Designers in 2026/27, £0.031m.</p>
1.24	<p><u>ICT – Cyber Security</u></p> <p>£0.066m has previously been approved in the programme in 2025/26 for the replacement of firewall and email scanning technologies.</p> <p>Another scheme previously approved was for £0.133m in 2026/27 relating to the Council’s main firewalls which are the main and first line of defence from cyber-attack. This ensures the Council’s technology is up to date and current, in order to provide the required level of protection.</p>

1.25	<p><u>Schools WiFi and Networking Infrastructure</u></p> <p>Flintshire, along with all other authorities in Wales were awarded a significant amount of money by WG to replace old and outdated networking infrastructures within all schools. This has provided schools with a sound digital platform to deliver the curriculum for a number of years. The school infrastructures formed part of the Hwb programme (WG programme), and subsequent funding has been directed towards end user devices.</p> <p>A condition of the grant was that Local Authorities put in place sustainability plans to fund replacement infrastructures when they are needed.</p> <p>Funding previously approved was for the wireless equipment which will reach the end of its usable life in 2025/26. £1.445m has been added to the programme for networking equipment replacement in 2027/28.</p> <p>No change is proposed for 2025/26.</p>
1.26	<p><u>Base Provision for Leisure and Libraries Estate</u></p> <p>An annual allocation to fund the most urgent property works required across the Leisure and Libraries estate. The Council recognises its landlord responsibilities for the assets that remain in its ownership, having retained ownership of all buildings.</p> <p>No changes are proposed for 2025/26 to 2027/28.</p>
1.27	<p><u>Safety Improvements in Cemeteries</u></p> <p>Funding is required to undertake urgent health & safety improvements within Flintshire cemeteries which will also assist with environmental improvements on the sites.</p> <p>This includes a memorial safety programme to address a backlog of unsafe memorials and kerb-sets within cemeteries. This is along with a transition to battery operated small plant to replace outdated equipment, to be more energy efficient as well as the associated health & safety improvements for the operatives.</p> <p>New schemes included in 2025/26.</p>
1.28	<p><u>Office Rationalisation Programme and County Hall Campus</u></p> <p>The ambitions of the Corporate Asset Management Plan, alongside the shift towards more hybrid working arrangements and the unprecedented financial challenge currently facing the Council, have combined to create factors that now make it desirable to pursue the next stage of the office rationalisation programme and County Hall Campus redevelopment.</p> <p>Phase one of the project has already commenced with the objective to move as many people as possible out of County Hall by the end of February 2025. To enable this to happen, works are required at both Ty Dewi Sant and Flint</p>

	<p>offices. These works are essential to be undertaken as soon as possible under phase one of the project as they are necessary to provide alternative office accommodation for employees moving out of County Hall.</p> <p>Phase two of the project will have three key areas of focus:</p> <ol style="list-style-type: none"> 1. An alternative heating system and utilities supply for the other organisations/assets that remain on the County Hall Campus. (This is currently uncosted). 2. Moving the NEWydd central production kitchen out of County Hall. 3. Complete clear out of County Hall. <p>Phase three of the project will focus on the longer-term redevelopment of the County Hall Campus.</p> <p>New scheme included in 2025/26.</p>
1.29	<p><u>Terrig House Hutments Demolition</u></p> <p>The Terrig House Hutments are currently vacant and in an unlettable condition. The state of repair can only be described as very poor. The walls and windows being constructed of timber and are rotten, exposing the building to the elements and requiring periodical maintenance to remain secure from unauthorised entry. Annual costs each year in business rate and repair and maintenance costs upwards of £0.010m.</p> <p>This proposal would pay back in four years, return a parcel of land and make the site as a whole more attractive for redevelopment.</p> <p>New scheme included in 2025/26.</p>
1.30	<p><u>Funding ‘Headroom’</u></p> <p>‘Headroom’ has been built into the Capital Programme to enable the programme to be more flexible so that funding can be allocated to small schemes as they present in year either as a result of opportunities or unforeseen circumstances (£0.350m per annum). An example would be the need to complete further highways works as a result of an exceptionally severe winter over and above any planned works funded from the annual allocation.</p> <p>No changes are proposed for 2025/26 to 2027/28.</p>
1.31	<p>Investment Section of the Capital Programme 2025/26 – 2027/28</p> <p>Table 4 below shows the proposed schemes for the period 2025/26 - 2027/28 for the Investment section of the Capital Programme. Details are provided in paragraphs 1.32 to 1.34.</p>

Table 4

PROPOSED INVESTMENT SCHEMES 2025/26 - 2027/28				
	2025/26 £m	2026/27 £m	2027/28 £m	Total £m
Investment Section				
<u>Previously Approved</u>				
Joint Archive Facility, FCC and DCC	0.000	1.031	1.606	2.637
Re-Fit Framework	0.500	0.000	0.000	0.500
Development of Children's Residential Care	0.600	0.400	0.000	1.000
	1.100	1.431	1.606	4.137
<u>New Schemes for Approval</u>				
Development of Children's Residential Care	0.400	0.600	0.000	1.000
	0.400	0.600	0.000	1.000
Total Investment Section	1.500	2.031	1.606	5.137

1.32

Joint Archive Facility, Flintshire and Denbighshire Councils

This scheme recognises and responds to the need and demand of the two Councils' archive services. Both services occupy old buildings, unfit for purpose. They lack suitable public spaces and appropriate storage, are too full to accept new collections and are listed buildings lacking scope for adaptation, requiring expensive maintenance. The proposal is to construct a new building adjacent to Theatr Clwyd, Mold, to house both the physical archives and the new service operations.

In October 2023, Cabinet approved a joint bid with Denbighshire County Council (DCC) to the National Lottery Heritage Fund, seeking a grant of £7.4m towards the construction of a new archive centre in Mold, to house the joint service and the delivery of an engagement programme. This is along with £0.300m from a WG Culture and Leisure grant.

In March this year, the Council was notified that it had been awarded funding for the development phase of the project, which is Royal Institute of British Architects (RIBA) 1-3. Both Councils are funding RIBA 4 the technical design phase, to progress the project whilst the delivery phase submission is reviewed by NLHF. If the development phase submission is satisfactory and the project is progressing as planned, the NLHF delivery phase grant funding is offered for RIBA 5-7 which is construction, handover and the defects period.

Direct Costs:

- Estimated funding available for the project is £12.9m, with £7.7m from grant funding, £3.079m from FCC and £2.052m from DCC. £0.442m included in a previous programme, which included core funding of £0.197m.
- It has been assumed that borrowing will be required to fund this project. The estimated revenue costs associated with borrowing

	<p>£2.882m over 50 years totals £9.654m. In year 1 revenue debt costs are estimated to be £0.170m, rising to £0.225m in year 50, with an average of £0.193m over 50 years.</p> <p>Direct Benefits:</p> <ul style="list-style-type: none"> • Sustainable and improved archive service for Denbighshire and Flintshire via the creation of a single shared service. • The construction of a new purpose built environmentally friendly building adjacent to Theatr Clwyd, Mold, to house both the physical archives and the new service operations. Provide a sustainable archive repository for the region for the foreseeable future from the perspective of storage space and building maintenance and management. • The overall revenue impact is an estimated saving of £11,647 per annum once the new building is open, with a potential further revenue saving once the joint service is running. <p>Indirect Benefits:</p> <ul style="list-style-type: none"> • Share knowledge and skills between the workforce of both Councils • Sphere of health, education and wellbeing (connectivity, involvement, identity) can be achieved. • The transferrable skills of our volunteers will develop and will contribute to increasing their employability. • Deliver the long-term development of a resilient, relevant service: inspiring communities in North East Wales and enacting the Wellbeing of Future Generations Act; securing historic collections, diversifying audiences, volunteers and depositors. • Cost avoidance of £10,000 per annum additional revenue storage costs, and in excess of £0.718m to address the need for environmental management equipment, compliant storage areas and upgrading public facilities and access.
1.33	<p><u>Re-Fit Framework</u></p> <p>The Re-fit framework is part of Local Partnerships - a joint venture between the Local Government Association, HM Treasury and WG. The partnership works solely for the benefit of the public sector and brings public and private sector experience that provides confidence, capacity, and capability, helping councils achieve and maintain financial resilience.</p> <p>The framework provides a guaranteed 100% of the energy saving or generation (kWh) via a contractual agreement for the payback period of the project. This key feature is helping to remove risk of failure with new developments, plus protecting the client and their investment.</p> <p>Re-fit uses a competitively tendered and OJEU-compliant framework which can be utilised by any public sector organisation in England and Wales and covers the retrofit of buildings and assets to save energy and carbon. This includes a large range of technologies and measures such as: heat networks, lighting, and controls, BMS controls, heat recovery, solar thermal, heat pumps, solar PV, insulation, draught proofing, street</p>

	<p>lighting, etc.</p> <p>Re-fit would also aid in addressing capacity issues, as officers can only procure and implement a given number of projects per year. Through Refit, an energy services company (ESCo) is appointed in order to review the built estate, identify energy and carbon saving opportunities and implement on a wider scale than would likely be possible 'in-house'</p> <p>Direct Costs:</p> <ul style="list-style-type: none"> • Capital investment required is £1.5m. Based on preliminary data potential savings have been calculated at £0.230m per annum, with an estimated payback period of 7 years. £1m included in the previous programme. <p>Direct Benefits:</p> <ul style="list-style-type: none"> • Allow the Council to accelerate the push towards achieving NZC by 2030 • Provide external support and expertise, supplementing and expanding the works that the Council are currently undertaking • Achieve potential annual CO2 savings of 892 tonnes • Meeting the priorities and objectives set within the Council Plan under 'Green Society and Environment' theme • Contributing towards the achievement of WG targets and obligations under the Climate Change Act, Wellbeing of Future Generations Act and Environment Act • Implementing this project will provide mitigation against future utility price increases
1.34	<p><u>Development of Children's Residential Care</u></p> <p>There is a need to expand our in-house residential care for children. There is a statutory duty to ensure that we have sufficient registered placements to meet the placement needs of looked after children. Traditionally we have commissioned 'out of county' placements for looked after children requiring residential care. However, WG's strategy to 'eliminate profit' from the children's residential care market is likely to lead to a reduction in placement availability and requires local authorities to proactively expand in-house provision at pace to avoid us having to set up services that operate without registration and risk prosecution against the local authority.</p> <p>WG's strategy is to rebalance the market so that the duties on local authorities in relation to looked after children are not contracted out to for-profit companies and remain with public sector or not-for-profit providers. Under the strategy new legislation will require:</p> <ul style="list-style-type: none"> • independent providers to demonstrate a not-for-profit status, based on a new pre-defined definition of non-profit, by 1 April 2026 • any current "for profit" providers will need to transition to, and register with Care Inspectorate Wales, as not-for-profit by 1 April 2027

If we do not have sufficient placements, we will breach our duty to secure sufficient accommodation for looked after children (Section 75) and increase the risk of needing to set up bespoke unregistered services to support looked after children.

The out of county placement revenue budgets continue to have significant pressures, with ongoing high demand for placements where children and young people cannot be supported within in-house provision. Market supply limitation factors and inflationary pressures are leading to higher costs, with current in year projected overspends of £1.372m. Services continue to do everything to manage these risks, with this development of in-house provision helping to mitigate against these pressures.

Direct Costs:

- Capital funding required is £2m, split over two financial years. It has been assumed that borrowing will be required to fund this project. The estimated revenue costs associated with borrowing £2m over 50 years totals £4.7m. In year 1 revenue debt costs are estimated to be £0.118m, rising to £0.156m in year 50, with an average of £0.134m over 50 years.
- A £1m was approved in the previous capital programme, however an additional £1m is required to continue to develop an expansion model. The service is developing a WG bid for revenue and capital funding to reduce the requirement where possible.
- WG have allocated £0.561m in year to support their strategic intent. This money can contribute to the initial phase in the design, consultancy, and support of developments in the financial year.
- Pressures of £0.450m and £0.250m for the associated revenue costs for service provision have been included within the 2025/26 and 2026/27 MTFS position.

Direct Benefits:

- Opportunity for children to maintain local links with appropriate friends, family and support networks
- Opportunity to maintain local education provision and be able to access local partnership support services
- Reunification and step-down plans for children can be managed more effectively
- Significant reduction in out-of-county placement costs, which is a huge pressure on the revenue budget.
- Improved efficiency and control over the quality and availability of care placements
- Local Job Creation: New residential homes will create local employment opportunities
- Aligns to WG's not for profit agenda
- Demonstrate that we have met our duty to ensure market sufficiency enable us to meet the current placement needs of our looked after children

Indirect Benefits:

- Improved Outcomes for Children: Children will benefit from stable, locally-based placements that support their education, health, and social development

- Enhanced community integration for children, maintaining connections with local support networks, schools, and family
- Community Integration: Children in care will remain connected to their communities, fostering better long-term outcomes
- Strategic Flexibility: Enhanced capacity to meet future demand for residential placements, reducing the risk of being unable to fulfil statutory duties

1.35

Summary (Generally funded) Capital Programme 2025/26 – 2027/28

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

Table 5

SUMMARY (GENERALLY FUNDED) CAPITAL PROGRAMME 2025/26 - 2027/28				
	2025/26	2026/27	2027/28	Total
	£m	£m	£m	£m
Statutory / Regulatory Section	2.970	2.970	2.940	8.880
Retained Assets Section	7.413	4.103	5.365	16.881
Investment Section	1.500	2.031	1.606	5.137
Total (All Sections)	11.883	9.104	9.911	30.898
Estimated available general funding ¹	10.457	8.142	8.142	26.741
Total	10.457	8.142	8.142	26.741
Surplus / (Shortfall) - no borrowing	(1.426)	(0.962)	(1.769)	(4.157)
Schemes requiring funding by borrowing:				
Joint Archive Facility, FCC and DCC	0.000	1.031	1.606	2.637
Re-Fit Framework	0.500	0.000	0.000	0.500
Development of Children's Residential Care	1.000	1.000	0.000	2.000
Total	1.500	2.031	1.606	5.137
Surplus / (Shortfall) - with borrowing	0.074	1.069	(0.163)	0.980
1 As per 2024/25 Settlement				

1.36

Table 5 shows that before any prudential borrowing is considered there is an overall shortfall in projected funding of £4.157m over the three year period, with an estimated shortfall of £1.426m in 2025/26.

It has previously been approved that the schemes for the Joint Archive Facility, Re-Fit Framework and £1m of the development of Childrens Residential Care be funded from borrowing with the associated costs of borrowing included as revenue pressures within the Medium Term Financial Strategy (MTFS).

1.37	<p>Table 5 shows that after prudential borrowing is considered, there is an overall surplus in projected funding of £0.980m over the three year period, with an estimated surplus of £0.074m in 2025/26.</p> <p>The Council has developed a prudent policy of allocating its own capital receipts to fund capital projects only when receipts are actually received rather than when it is anticipated the receipt will be received, and this position continues to be the case.</p> <p>In recent years, much of the Council's programme has been funded from capital receipts. However, the Council's ability to generate significant capital receipts is getting harder and is almost exhausted. Although the Council will, wherever possible, seek to identify assets for sale (as appropriate) to fund the Capital Programme.</p> <p>Options to fund shortfalls include a combination of future capital receipts, alternative grants, and scheme phasing as the expenditure profile of large complex projects such as those included in the investment section of the programme could change. Every effort will be made to ensure that other sources of funding are utilised to fund the programme.</p> <p>Ultimately, should other sources of funding not materialise the Council will need to use prudential borrowing to finance any shortfalls.</p>
1.38	<p>Specific Grants and Borrowing</p> <p>Sustainable Communities for Learning Band B Programme</p> <p>WG has approved the Council's in principle submission for Sustainable Communities for Learning Band B, with a funding envelope of £85.4m. The programme is to be funded from specific grant from WG at an agreed intervention rate, with the Council's contribution to be funded by prudential borrowing. The WG intervention rate for funding the Sustainable Communities for Learning Band B programme has increased from 50% to 65% for schools, 75% for Pupil Referral Units (PRUs) and Additional Learning Needs (ALN) provision, and 81% for Mutual Investment Models (MIM).</p> <p>Each of the schemes are subject to individual approval to ensure that each meets the Council's continuing priorities and is affordable in the context of the Council's MTFS.</p> <p>Schemes currently in progress are Ysgol Croes Atti, Flint and Drury Primary School. The next scheme for consideration is the Saltney/Broughton area review.</p> <p>For the primary sector, it is recommended to amalgamate Saltney Ferry CP and Saltney Wood Memorial CP to create a new 3-11 primary school for the area.</p> <p>In relation to the secondary sector, there is a significant risk that the Council will not be successful through the business case process to secure the funding from WG to build a new 11-16 secondary school. To maintain a secondary school in the area, it is therefore proposed to seek a local</p>

capital solution for St David's High School to reduce its current capacity by remodelling and refurbishing the existing accommodation.

There is also a growing pressure on the ALN section relating to increased capacity across the special school's network which will need to be monitored and considered within the programme moving forward.

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

Saltney & Broughton Area	Total Cost	WG funded	Council funded
	£m	£m	£m
Primary Sector	12.00	7.800	4.200
Secondary Sector	7.000	0.000	7.000
Total	19.000	7.800	11.200

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

Direct Benefits:

- Enabling 65%-81% external investment in schools
- Continuing to raise educational standards
- Reduction in backlog maintenance costs
- Reduction in fixed costs associated with buildings and leadership focuses investment on learners
- Removal of mobile classrooms and increase in permanent capacity to meet local demand
- New build Welsh Medium primary school strategically linked to the Council's Welsh Education Strategic Plan (WESP)
- Energy efficiency improvements

Direct Costs:

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

Saltney & Broughton Area	Year 1	Year 50	Average over 50 years
	£m	£m	£m
Primary Sector	0.243	0.324	0.277
Secondary Sector	0.405	0.540	0.462
Total	0.648	0.864	0.739

Indirect Benefits:

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

- Provision of appropriate capacity of school network
- Economic benefits of local contractor and sub-contractor spend
- Supports with the Councils net zero carbon aims

1.39 Details of schemes funded by specific grant and borrowing is shown in Table 6 below:

Table 6

SPECIFICALLY FUNDED SCHEMES 2025/26 - 2027/28				
	2025/26	2026/27	2027/28	Total
	£m	£m	£m	£m
Specifically Funded Schemes				
Sustainable Communities for Learning	6.952	9.014	5.514	21.480
Total Schemes	6.952	9.014	5.514	21.480
Funding				
Specific Capital Grants	2.243	3.585	3.585	9.413
Unsupported (Prudential) Borrowing	4.709	5.429	1.929	12.067
Total Schemes	6.952	9.014	5.514	21.480

1.40 At the time of setting the budget, the details of many capital grants have not been released by WG, and so are not included in Table 6 above. As details become available they will be reported to Members via the quarterly 2025/26 Capital Programme monitoring reports.

1.41 All schemes proposed for inclusion within the Capital Programme invest in assets and / or reconfigure models of service provision. They are pivotal to support the delivery of the Council's strategic priorities outlined in portfolio business plans and the Council Plan.

1.42 **Summary Total Council Fund Capital Programme 2025/26 - 2027/28**
Table 7 summarises the total proposals for the 2025/26 - 2027/28 Capital Programme.

Table 7

SUMMARY CAPITAL PROGRAMME 2025/26 - 2027/28				
	2025/26	2026/27	2027/28	Total
	£m	£m	£m	£m
Expenditure				
Statutory / Regulatory Section	2.970	2.970	2.940	8.880
Retained Assets Section	7.413	4.103	5.365	16.881
Investment Section	1.500	2.031	1.606	5.137
Specific Section	6.952	9.014	5.514	21.480
Total Programme (All Sections)	18.835	18.118	15.425	52.378
Funding				
General Funding ¹	10.457	8.142	8.142	26.741
Grant Funding	2.243	3.585	3.585	9.413
Unsupported (Prudential) Borrowing	6.209	7.460	3.535	17.204
Total Projected Funding	18.909	19.187	15.262	53.358
Surplus / (Shortfall)	0.074	1.069	(0.163)	0.980
¹ As per 2024/25 Provisional Settlement				

Potential future schemes

1.43

All capital schemes need to be considered in the context of the position of the Council's MTFS. All schemes which require prudential borrowing to fund them add revenue pressures in the form of interest charges and charges to the Minimum Revenue Provision (MRP).

1.44

Sustainable Communities for Learning

The WG schools investment programme is expected to continue into a more fluid rolling 'Band C' programme over a longer period up to ten years with the indications from WG officials that intervention rates will remain at the current rates.

The Council's Strategic Outline Programme (SOP) was submitted to WG at the end of March 2024 for consideration in accordance with their timetable. This is essentially the Council's 'statement of intent' for the Band C investment programme. Schemes will be subject to individual approval to ensure that each meets the Council's continuing priorities and is affordable in the context of the Council's MTFS.

WG have introduced additional criteria for Net Zero Carbon (NZC) requirements for schools. Buildings will be required to be NZC in operation, which means producing zero or negative carbon emissions as part of their operational energy. The first generation of schools and colleges under the new rules will also be required to demonstrate a 20% reduction on the amount of embodied carbon, which is the carbon emitted through construction materials and the construction process, with further

	<p>reductions required in future, in line with the WG's broader NZC plans. Industry indications have confirmed this will increase construction costs by up to 20%.</p>
1.45	<p>Llys Gwenffrwd, Holywell – Residential Care Home Review</p> <p>Llys Gwenffrwd is a 31 bed, three storey care home built in the 1970s which was refurbished in early 2000. There are challenges associated with the current building as it is built on a sloping site, as a result there are a number of levels requiring the need for ramps to access many areas both inside and outside. It includes the provision of a single undersized lift to reach the three stories which does not meet DDA requirements and there are a number of living and day spaces which are some distance from the bedroom areas. Outside space is difficult to access because of the site levels and parking can be difficult. The Holywell locality has the fewest number of care home placements available and would benefit from a new build facility on a different more accessible site which requires further consideration. A relocated new build meets the needs of an ageing population in alignment with the strategic service priorities. High level feasibility work has been undertaken to review potential options to develop a business case for the project.</p>
1.46	<p>Residential Care Home Provision – North East Flintshire</p> <p>Consideration has been made as to whether the Council can introduce in-house residential care to the North East region of Flintshire, to support with capacity and future proofing the care market in the area. Currently, a site mapping exercise is being undertaken to understand if there is a site with sufficient space to house a sufficiently sized facility.</p>
1.47	<p>Additional Learning Needs Reform</p> <p>In previous Cabinet reports, the need for specialist Autism and Moderate Learning Difficulties facilities had been highlight as short/medium term ambition. In reviewing the impact of Additional Learning Needs (ALN) transformation, extending existing ALN provision would also be a requirement along with consideration for a Secondary Phase Behaviour, Emotional & Social Difficulties (BESD) Resourced Unit, the County only has primary provision currently. A technical feasibility is currently being undertaken to provide a range of options with high level cost estimates around effective building solutions. For larger value cost options it would be prudent to consider the next phase of the WG Sustainable Communities for Learning Band rolling investment programme, given that the current intervention rate in this programme for ALN provision is 75% WG funded, with the Councils contribution being 25%.</p>
1.48	<p>County Hall Campus</p> <p>The requirement to take forward the redevelopment of the site so to address the future needs of the Council and other public sector partners; to provide a range of options and an integrated approach around the Courts, Theatr Clwyd and joint Archive service together with a wider site</p>

	development. The first phase of relocating staff to Ty Dewi Sant from County Hall is underway and is required by the end of February 2025.
1.49	<p>Register Office, Llwynegrin Hall</p> <p>The long-term proposal is to develop Llwynegrin Hall as a venue for civil marriages/partnerships in Flintshire to include the ceremony and celebrations thereafter. The internal accommodation at Llwynegrin Hall would require an upgrade, to include catering facilities and areas to celebrate. The building has potential to be available as a complete wedding venue package, like that of approved premises e.g. hotels, and has the potential to generate new income. This proposal requires a feasibility study in the first instance.</p>
1.50	<p>Review of Industrial Estates</p> <p>The Council's industrial estates are widely dispersed throughout the County and provide much needed commercial accommodation to many local businesses, preventing them from leaving the County and maintaining local sources of employment. They also bring into the Council significant revenue through rental income but are of an age where they are now likely to require investment.</p> <p>The legislation which was due to increase the Minimum Energy Efficiency Standards has not been enacted. It is not known when or if this will be introduced or whether it will be modified. Until this is confirmed we cannot assess any investment that may be required.</p> <p>Work is being undertaken to build on the initial reviews that took place on two of our estates as part of the Levelling Up bid. This work will assess our estates against criteria including regeneration, employment opportunities, sustainability and economic viability, alternative use and land values. Some of this work may determine that existing vacant buildings are demolished which will require funding.</p>
1.51	<p>Highways Asset Management Plan</p> <p>The core Capital Programme includes £1.5m per annum for the HAMP. It has been estimated that the investment required to maintain current network performance is £3.9m per annum, an increase of £2.4m per annum.</p>
1.52	<p>Digital Strategy</p> <p>A planned programme of projects required to increase the number and range of services available digitally are under consideration. The projects have an impact across a range of services, rather than in a single specific service e.g., web payment portal that will be used for all payments to the Council. These will be used to enhance the ability of customers to interact with the Council on line.</p> <p>The capital costs of purchasing new software will be calculated on a project by project basis at the time each project is ready to proceed in order to</p>

	<p>accurately capture not only the technical requirements for the software but also the costs prevailing at the time.</p> <p>The range of cross cutting projects under consideration include:</p> <ul style="list-style-type: none"> • A generic web booking system to allow customers to make appointments for services online • Integration of webchat and email into the Customer Relationship Manager application • A generic facility for customers to upload and store commonly needed documents e.g., proof of entitlement to benefits • Software to link information held in separate databases so that we can update them all at once in a single contact with the customer
1.53	<p>Deeside Leisure Centre</p> <p>Deeside Leisure Centre (DLC) is 50+ years old and reaching the end of its economic useful life. It is the largest sports facility in the County at 15,000m² and is of strategic importance in terms of sports participation and health and wellbeing. It is an ageing building occupying too large a footprint with inefficient energy systems. The building is not sustainable beyond the medium term.</p> <p>The Council has undertaken a feasibility study and business case of options for the leisure centre going forward and will review the impact this may have on the Capital Programme and any future potential revenue savings.</p>
1.54	<p>Homelessness – Young Persons Hub</p> <p>Responding to the needs of young people and particularly those who may be at a risk of homelessness is a key focus for the Council. Consideration needs to be given to not only accommodation needs but also support to assist young people with the key life skills needed to live independently and reduce risks of homelessness. When looking at best practice in this area of work, there are a number of examples of positive practice which seek to not only provide accommodation, but also co-ordinate support and service delivery.</p> <p>The Housing & Communities Portfolio is considering opportunities for the development of a Young Persons Hub which will seek to provide a number of units of self-contained accommodation with support onsite. This could potentially extend to provision of housing and homelessness advice and support and facilities for co-location of young person focussed services within a “housing hub”. A feasibility study will be considered to inform this approach once a site is identified, which may consider the provision of office and community space to ensure a joined-up approach within a multi-disciplinary team model.</p> <p>Subject to the outcome of feasibility works, capital funding may be required to deliver on this agenda. External funding streams will also be considered in order to maximise opportunities to develop the Young Persons Hub. This activity is referenced within the Councils Housing Prospectus.</p>

	<p>The service is currently revisiting and refining the details of the brief and developing a revised specification with youth justice, homelessness, youth services and social services colleague for a “Hub” and arranging visits to existing hubs in other authorities to understand the best designs and service configurations.</p>
1.55	<p>Homelessness – Emergency Bed Provision</p> <p>In late 2019, the Council undertook work to develop an Emergency Bed provision for people who are homeless and may otherwise face the prospect of sleeping rough. Significant works were completed within the Glanrafon Resource Centre in Queensferry to transform the building into a Night Shelter offering up to 12 Emergency Beds. The Council, as the owner of the building, completed refurbishment works and then partnered with The Wallich, to deliver the support required to safely operate the Night Shelter.</p> <p>At present there are 23 individual accommodation units on site offering self-contained accommodation but this is not of a standard we wish to sustain and need to develop a purpose built provision offering high quality self-contained accommodation. Following the COVID-19 pandemic, further guidance has been issued by WG regarding the future direction of homelessness service. In the guidance there is a clear steer towards offering high quality self-contained accommodation for people experiencing homelessness.</p> <p>The Glanrafon Homeless Hub was always considered a short to medium term solution for rough sleeping in Flintshire but the pandemic prolonged the need for the provision and the model has developed significantly since then. The next iteration of the Homeless Hub is identified as a priority activity within the Councils Housing Prospectus and Social Housing Grant can be prioritised in order to deliver on this activity. Sites are presently being considered and feasibility work for supported homeless provision underway. We are currently in discussion with the WG technical and social housing grant teams over a potential provision of homeless supported provision for between 10-14 unit scheme.</p>
1.56	<p>Greenfield Business Park</p> <p>Most of the remaining units in the Council ownership at Greenfield Business Park are at the end of their serviceable life and can't, in most cases, be upgraded further. Their size and condition would make them very unlikely to be lettable in the future as they no longer meet modern business needs. There will be a need to consider the future of the site with options including a) demolition with no further units being constructed, b) demolition for future Council development or private sale, c) wholesale redevelopment and construction of new business units. Capital funds may be required to cover some of these costs including acting as match funding should external capital funding become available.</p>

1.57	<p>Connah's Quay Docks</p> <p>There is an externally funded programme of improvement underway to the security and appearance at Connah's Quay Docks to help address anti-social behaviour, fly-tipping and crime in this locality. This programme does not extend to major capital investment however. The two Council-owned docks in Connah's Quay are expected to require significant investment in the medium-term to prevent further deterioration in their condition and risks thereby arising to the public, businesses, wildlife, and heritage assets.</p>
1.58	<p>Town Centre Regeneration</p> <p>The strategic approach to town centre regeneration approved by Cabinet includes the following priorities:</p> <ul style="list-style-type: none"> • identify potential future development sites and develop options for their future assembly and redevelopment; • diversify land uses to maintain the vitality and viability of town centres including the acquisition of properties; • develop potential projects for future capital funding opportunities; • start, subject to the availability of capital resources and detailed investigation into commercial viability, to acquire key sites for redevelopment; <p>Limited capital funds are available from WG to support these priorities but they require either repayment loans or a minimum of 30% match funding to be available from grants. Both would represent a future call on the capital programme if projects are to be proposed to WG for funding.</p> <p>The Council is developing Place Plans to steer investment in each town and capital projects are expected to arise from this process.</p>
1.59	<p>Net Zero Carbon Aims</p> <p>WG has set out its legal commitment to achieve net zero emissions by 2050 and work towards a net zero public sector in Wales by 2030. One of the Council's key priorities within the Council Plan is to become a NZC Council by 2030 and to support wider decarbonisation actions across the County. The capital works programme plays a vital role in accelerating the shift towards achieving the NZC target. The Council has been investing in low carbon and renewable energy systems and energy efficiency for over 10 years which has led to a 51% reduction in scope 1 and 2 greenhouse gas emissions against a 2007/08 baseline year.</p> <p>Inclusion of this priority within the programme reinforces our commitment to tackling climate change and acknowledges that we have a significant role to play in further reducing our own greenhouse gas emissions. This commitment values energy efficiency, low carbon and smart technologies as a fundamental requirement of reaching net zero for across a multitude of Council services, acting as an important contributing factor towards decarbonisation.</p>

	<p>In most cases carbon action is integrated within specific projects – for example, school modernisation programme designed and built to NZCio. These projects are not explicitly labelled ‘Carbon’ or ‘Climate Change’ but are part of the Council wide programme to decarbonise its assets and services.</p> <p>Work continues to further understand the cost implications of carbon action for inclusion in the MTFS, in line with the Council’s Net Zero Carbon by 2030 goal.</p>
1.60	<p>Investment Zone</p> <p>Following the announcement by UK Government of a potential Investment Zone for Flintshire and Wrexham in 2023 the Council, Wrexham County Borough Council, the North Wales Corporate Joint Committee and a wide range of stakeholders are developing proposals to grow the advanced manufacturing sector. Flintshire and Wrexham are home to a nationally important cluster of businesses in the sector, employing an estimated 31,000 people, and the Investment Zone would increase the scale of this sector, support the transition to advanced digital technologies and low carbon and improve skill levels and wages. On top of the £160m of investment from UK and Welsh Governments, the Investment Zone could also secure up to £1bn in private sector investment and create 5-6,000 new jobs.</p> <p>The Investment Zone funding also provides an opportunity for the Council to invest in projects that support the advanced manufacturing sector and improve the Council’s commercial estate and infrastructure. It is too early in the Investment Zone development process to quantify this. The Investment Zone is expected to operate from 2025 until 2035 and is therefore highlighted in the Capital Programme as future Council projects may need to demonstrate the availability of capital match funding.</p>
1.61	<p>Re-Fit 2</p> <p>Following the completion for the first phase of the Re-Fit programme, there could be further opportunity to invest in a second phase of energy efficiency and renewable schemes on more of the Councils building including public buildings, schools and visitor centres.</p>

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

An additional £1m for development of children’s residential care has been included in this programme, the costs of which are broken down as follows:

	Pressure in Year 1	Pressure in Year 50	Average Annual Pressure
	£m	£m	£m
Development of Children’s Residential Care	0.059	0.078	0.067
Total	0.059	0.078	0.067

These costs are reflected in the current MTFS forecast.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT	
3.01	Any decisions made which involve the Council’s assets and its Capital Programme often have very large and long-term financial implications. As it seeks approval for its Capital Programme, the Council is required to produce indicators assessing the affordability, prudence and sustainability of the capital plans. These are called the Prudential Indicators and are included in the Capital Strategy report.	
3.02	Ways of Working (Sustainable Development) Principles Impact	
	Long-term	<p>The development a new facility Joint Archive Facility will provide a sustainable archive repository for the region along with providing annual revenue savings once the service is running.</p> <p>Improve the current carbon footprint of existing cemeteries and the associated interments within those sites.</p> <p>Capital funding assists in securing the future of schools in their local communities.</p>
	Prevention	<p>Target Hardening budget prevents unauthorised use of land or buildings within the County.</p> <p>Significant reduction in out-of-county placements.</p> <p>Memorial Safety Programme will prevent future accidents associated with dilapidated infrastructure and existing practices from occurring.</p>
	Integration	The investment on the Highway Network is required to enable maintenance of good

		<p>transportation infrastructure to support the local economy and public transport links for commuters. This includes school pupils attending schools where the Council is also investing in order to improve the quality of education being delivered. Investment in IT infrastructure supports the Council to deliver these changes along with school digital connectivity and broadband improvements.</p>
	Collaboration	<p>The Joint Archive Facility identifies collaboration between both Flintshire County Council and Denbighshire County Council to meet the need and demand of the two local Councils archive services. This will allow a sustainable and improved service via the creation of a single shared service and it will improve knowledge and skill sharing between both.</p> <p>The highway asset management plan helps with collaboration by enabling the local authority to working with other public bodies, private contractors, community groups and stakeholders to deliver highway maintenance services in a coordinated and efficient way.</p> <p>Engaging with users, customers and residents to understand their needs, expectations and feedback on the highway services.</p>
	Involvement	<p>The Joint Archive Facility will deliver a revolutionary archive offer to the public, which will deliver long-term development of a resilient, relevant service, inspiring communities in North East Wales. The facility will secure historic collections, diversify audiences, volunteers and depositors.</p> <p>The proposed schools projects will help promote greater community integration/use/involvement.</p>
Well-being Goals Impact		
	Prosperous Wales	Investment in schools will improve learner outcomes by ensuring that school buildings are effective in creating the

		<p>conditions for learners to succeed which develops a skilled and well-educated population in the economy.</p> <p>Capital investment directly benefits local supply chain/economy. A percentage of local expenditure is a requirement of the grant funding for school investment.</p>
	Resilient Wales	Use of sustainable and recycled materials during construction, more energy efficient, potential reduction in carbon emissions.
	Healthier Wales	Improved physical infrastructure and facilities at schools will positively impact on the wellbeing of the school and its community.
	More equal Wales	<p>Educational opportunities will enabling people to develop the skills and knowledge to be fulfilled.</p> <p>Reduces social inequalities by ensuring that the highway assets are maintained to a safe and serviceable condition, that the needs and preferences of different user groups are considered, and that the benefits and costs of highway maintenance are distributed fairly.</p>
	Cohesive Wales	<p>Allocation to the Highways Network includes resurfacing, street lighting improvements and structural maintenance which allows residents in the County to travel in safe conditions.</p> <p>Placing our looked after children locally will provide increased opportunity for children to maintain local links.</p>
	Vibrant Wales	<p>Investment in Welsh Medium schools that supports the Council's Welsh Education Strategic Plan (WESP) and enables continued support and potential growth for Welsh Medium provision.</p> <p>Target Hardening will ensure that facilities are available for Community.</p> <p>Enhancing the historic and natural features of the highway network and promoting the use of Welsh language in the</p>

		communication and signage of highway maintenance.
	Globally responsible Wales	<p>Construction of net zero carbon schools to support WG commitment to achieve net zero emissions by 2050.</p> <p>Schools capital investment, delivers a more sustainable product, local spend and added benefits for apprenticeships, work experience in construction.</p> <p>Retrofit of buildings and assets to save energy and carbon.</p>
	<p>The impacts above include a range across several of the schemes the Council are looking at investing in over the next three years. The main body of the report breaks down the benefit for each scheme separately.</p>	
3.03	<p>Integrated Impact Assessments</p> <p>An integrated impact assessment is not required for statutory / regulatory and retained assets elements of the capital programme, as this investment is required to meet specific obligations (for example improvements and adaptations to private sector homes (Disabled Facilities Grants), adaptations to schools for children with disabilities and works required to keep buildings open by meeting Health and Safety standards) and to ensure business continuity.</p> <p>Individual integrated impact assessments have not been completed for each investment scheme as these programmes of works will be brought back to Cabinet for approval and the integrated impact assessments will be completed as part of the scheme specific reports.</p>	

4.00	CONSULTATIONS REQUIRED / CARRIED OUT
4.01	Any comments from Corporate Resources Overview and Scrutiny Committee on the proposed Capital Programme will be referred back to the November 2024 meeting of the Cabinet for consideration before the final Capital Programme for 2025/26 – 2027/28 is considered and approved by County Council in December 2024.

5.00	APPENDICES
5.01	None.

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

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

8.00	GLOSSARY OF TERMS
8.01	<p>Asset Management Plan - A plan maintained by an authority of the condition and suitability of its assets, updated regularly and utilised to assess future capital needs</p> <p>Capital Expenditure - Expenditure on the acquisition of Non-current Assets or expenditure that extends the life or value of an existing asset</p> <p>Capital Programme - The Council's financial plan covering capital schemes and expenditure proposals for the current year and a number of future years. It also includes estimates of the capital resources available to finance the programme</p> <p>Capital Receipt - Receipts (in excess of £10,000) from the disposal of an asset</p> <p>Capital Scheme - An individual capital project which is monitored and managed in isolation. The aggregate of all schemes comprises the Capital Programme</p> <p>Capital Strategy - A corporate document providing clear strategic guidance about an authority's objectives, priorities and spending plans, demonstrating the link to key corporate and service objectives. May be combined with the Asset Management Plan (AMP) to form a single document</p> <p>Council Fund - The fund to which all the Council's revenue and capital expenditure is charged</p> <p>Disposal - The decommissioning or transfer of an asset to another party</p> <p>Non-current Asset - A resource controlled (but not necessarily owned) by the Council, from which economic benefits or service potential are expected to flow to the Council for more than 12 months</p> <p>Prudential Code - The Code of Practice drawn up by the Chartered Institute of Public Finance and Accountancy (CIPFA) to underpin the requirements of the Local Government Act 2003 in respect of an authority's duty to</p>

determine the affordability, prudence and sustainability of its capital investment needs

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

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

Eitem ar gyfer y Rhaglen 11



CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday, 14 November 2024
Report Subject	Public Services Ombudsman for Wales Annual Letter 2023-24 and half-year complaints performance 2024-25
Cabinet Member	Cabinet Member for Corporate Services
Report Author	Chief Officer (Governance)
Type of Report	Operational

EXECUTIVE SUMMARY

The purpose of this report is to share the Public Services Ombudsman for Wales Annual Letter 2023-24 for Flintshire County Council. The Annual Letter provides an overview of the performance of the Council in relation to complaints of maladministration received between 1 April 2023 – 31 March 2024.

This report also provides an overview of complaints received by each portfolio of Flintshire County Council in the first half 2024-25 (1 April 2024 – 30 September 2024).

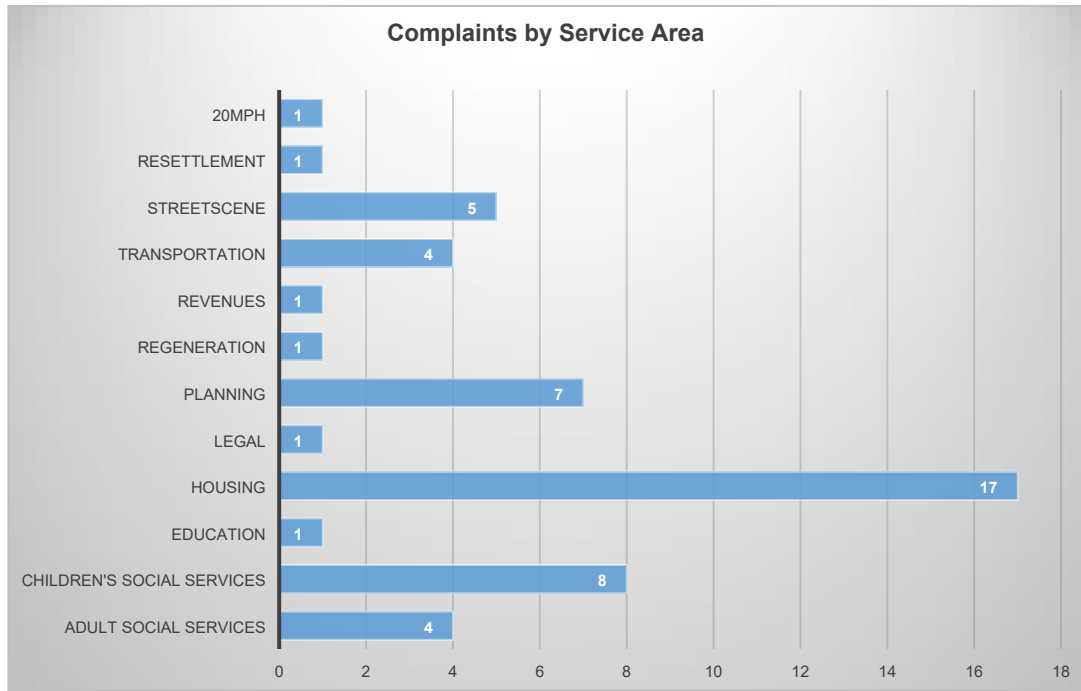
RECOMMENDATIONS

1	That scrutiny notes the positive annual performance of the Council in respect of complaints made to the Public Services Ombudsman for Wales during 2023-24.
2	That scrutiny notes the half year performance of the Council (2024-25) in respect of complaints received in line with the Council's Concerns and Complaints policy.
3	That scrutiny supports the priorities outlined in paragraph 1.25.

REPORT DETAILS

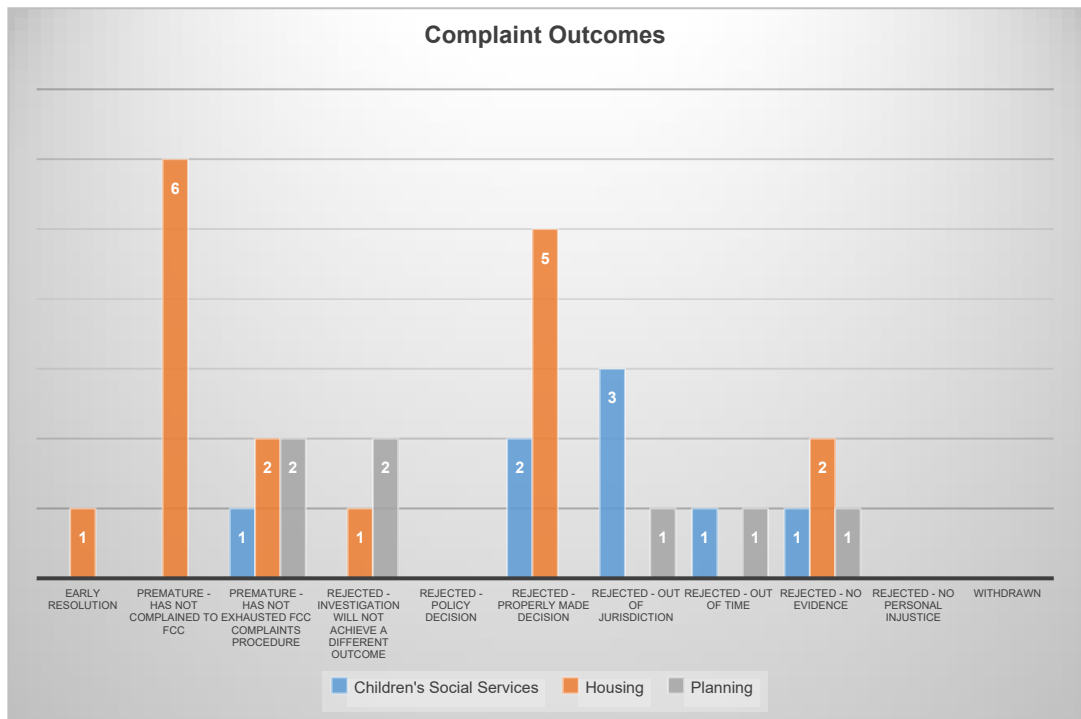
1.00	EXPLAINING THE PUBLIC SERVICES OMBUDSMAN FOR WALES ANNUAL LETTER 2023-24
1.01	The Public Services Ombudsman for Wales (“Ombudsman”), Michelle Morris, published her Annual Letter 2023-24 in September 2024. The Annual Letter considers complaints about public services, complaints relating to alleged breaches of the Code of Conduct for Members and standards for complaints handling by public bodies in Wales.
1.02	The Annual Letter coincides with the Ombudsman’s Annual Report – “A New Chapter Unfolds” which highlights during 2023-24 the Ombudsman’s office considered and closed more enquiries and complaints than ever before. The number of people asking the Ombudsman’s office for help increased by 17% overall compared to 2022-23. The Ombudsman reports that her office has seen an increase in caseload of 37% since 2019 and acknowledges the considerable pressures on public services which have led to that rise.
1.03	The Ombudsman received broadly the same number of complaints about local authority services in 2023-24 (1,108 complaints) and the Ombudsman intervened (upheld, settled or resolved at an early stage) with a similar proportion of complaints 14% compared to 13% the previous year.
1.04	Appended to this report is a link to the Annual Letter detailing Flintshire’s performance and comparative data. The following paragraphs provide a summary of performance and additional context in response to the findings.
1.05	Section A – Complaints Received Whilst the Ombudsman has reported broadly the same number of complaints about local authorities in 2023-24, Flintshire’s complaints reduced by 22% from 65 to 51. This is an indication that Flintshire’s commitment to delivering better outcomes for customers is coming to fruition. Interestingly, over the last three years complaints to the Ombudsman have reduced by 48% (99 in 2021-22 and 65 last year), bringing the number of complaints against Flintshire in line with the Welsh average (50), a positive step considering Flintshire has been higher than the Welsh average for the past few years.
1.06	Section B – Received by Subject The Ombudsman provides a breakdown of complaints by subject. However, these subjects are universal complaint categories for Councils across Wales and do not accurately reflect local records and organisational structures e.g. a complaint about school transport is categorised as “Education” by the Ombudsman but locally it is referred to “Transportation” who manage school transport.
1.07	An analysis of the Annual Letter against local data illustrates a more accurate record of complaints by subject:

Chart 1



1.08 The data in Chart 1 illustrates that Housing, Children’s Services and Planning received the highest proportion of complaints; the outcome of these cases is illustrated in Chart 2 below:

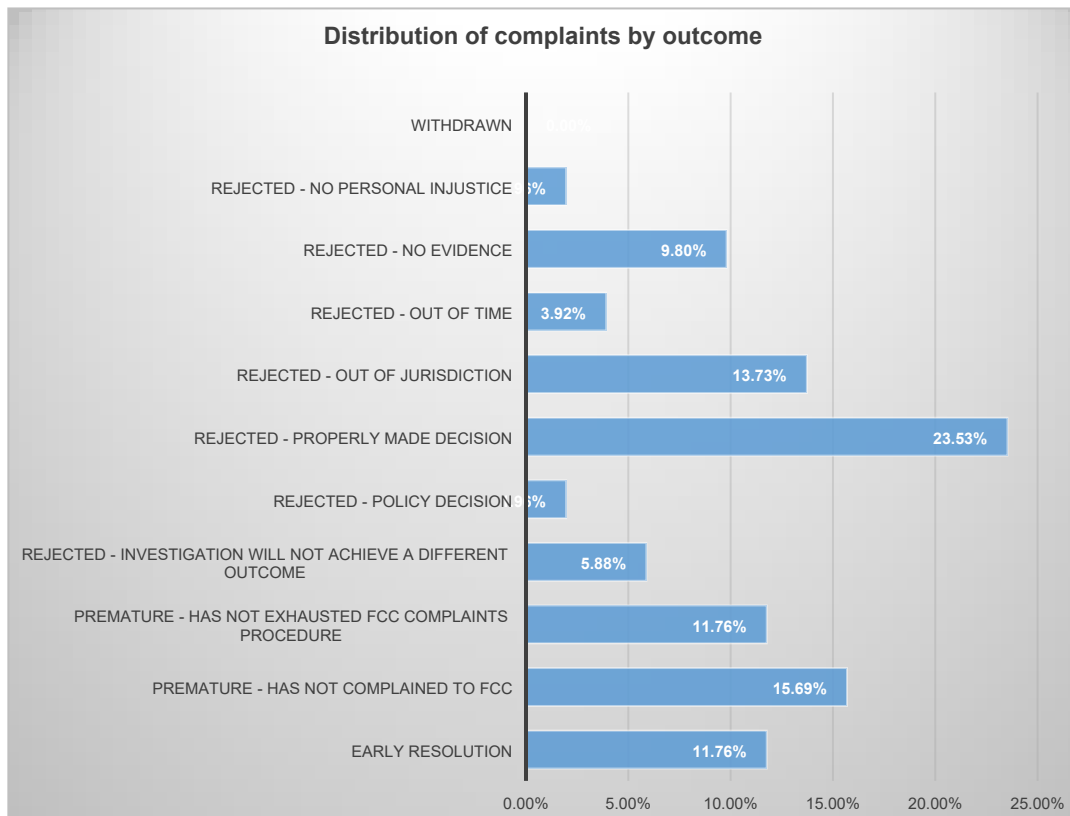
Chart 2



1.09 **Section C – Complaint Outcomes**

Flintshire has a higher-than-average number of complaints closed after initial consideration (45 or 10%) which is higher than last year and demonstrates an improvement in the quality of responses thus removing the need for the Ombudsman to intervene, and more cases closed without action. Chart 3 below illustrates the distribution of complaints by outcome:

Chart 3



1.10 Chart 3 highlights the main reason for rejecting complaints is due to a properly made decision i.e. despite a complainant raising their dissatisfaction, the Council acted in accordance with policy in reaching a decision. The second reason is complaints being brought to the Ombudsman prematurely. In 2023-24 the number of premature complaints fell by 21% which is testament to work undertaken by Customer Service to promote information and improve advice to complainants, therefore reducing these premature cases.

1.11 **Section D – Cases with PSOW Intervention**

86% (49) of all complaints against Flintshire were rejected by the Ombudsman. Eight complaints required some action through “early resolution”, examples include:

- Failure to advise the complainant of their right to escalate to Step 2 – resolved to escalate to Step 2.
- Failure to provide information requested – resolved to apologise and provide the information.

	The Ombudsman did not instigate any investigation in 2023-24 and therefore no reports were issued against the Council.
1.12	<p>Section E – Compliance Performance Comparison</p> <p>This section is new and is designed to ensure compliance with recommendations agreed by the Council. In 2023-24 a total of 17 recommendations were due, the importance of this criteria is that recommendations have been implemented and the Ombudsman has been notified. The latter point can lead to the idea that recommendations have not been implemented. The Ombudsman prepared the data in early April 2024 and since publishing the Annual Letter, all recommendations are now closed.</p>
1.13	<p>Section F – Code of Conduct Complaints</p> <p>This section of the Annual Letter is the remit of the Standards Committee.</p>
1.14	<p>Section G – Town/Community Council Code of Conduct Complaints</p> <p>This section of the Annual Letter is the remit of the Standards Committee.</p>
1.15	<p>Reflecting on the Annual Letter 2023-24, Flintshire’s achievements include:</p> <ul style="list-style-type: none"> • A reduction in the number complaints made to the Ombudsman – down from 65 to 51 (22%); • A reduction in complaints over the last three years – from 99 to 65 then to 51 (48%); • A reduction in the number of premature complaints to the Ombudsman – down from 36.92% to 15.69%; • An increase and higher-than-average number of complaints closed after initial consideration – 45 i.e. 10%; • No investigations for the second year in a run.
1.16	Flintshire County Council Complaints 1 April – 30 September 2024
1.17	The Council received 363 complaints between 1 April – 30 September 2024 which is lower than the same time last year (448) and 74% were considered within target which is broadly the same as last year (76%). Encouragingly 92.28% of all complaints were considered within 20 working days which is a slight improvement on the previous year (91%).

1.18 Chart 4 – Summary of complaints performance

1 April - 30 September 2024	Overall	CEO	E&Y	Gov	H&C	PE&E	SS	S&T
No. of complaints received	363	5	9	19	90	24	18	198
					69			
Number of complaints open and overdue	7 1.93%	0 0.00%	0 0.00%	0 0.00%	1 1.11%	0 0.00%	1 5.56%	5 2.53%
					0			
Number of complaints open and nearing target date	7 1.93%	1 0.00%	0 0.00%	0 0.00%	2 2.22%	1 4.17%	0 0.00%	3 1.52%
Number of complaints closed late (over 10 working days)	81 22.31%	1 20.00%	1 11.11%	0 0.00%	20 22.22%	10 41.67%	3 16.67%	46 23.23%
Number of complaints within target (10 working days)	268 73.83%	3 60.00%	8 88.89%	19 100.00%	67 74.44%	13 54.17%	14 77.78%	144 72.73%

1.19 Frontline services in Streetscene & Transportation and Housing & Communities received the highest proportion of complaints in the first half of 2024-25 which is a normal trend. It should also be noted that the Social Services and Wellbeing Act (Wales) 2014 and Social Services Complaints Procedure Regulations 2014, requires Local Authorities to maintain a separate representations and complaints procedure for social services functions. Social Services' complaints are reported to the Social and Health Care Overview and Scrutiny Committee.

1.20 The following charts provide an overview of complaint themes and outcomes in 2024 compared to the previous year. A breakdown of complains data by portfolio is provided in Appendix 1.

Chart 5 – Complaint Themes

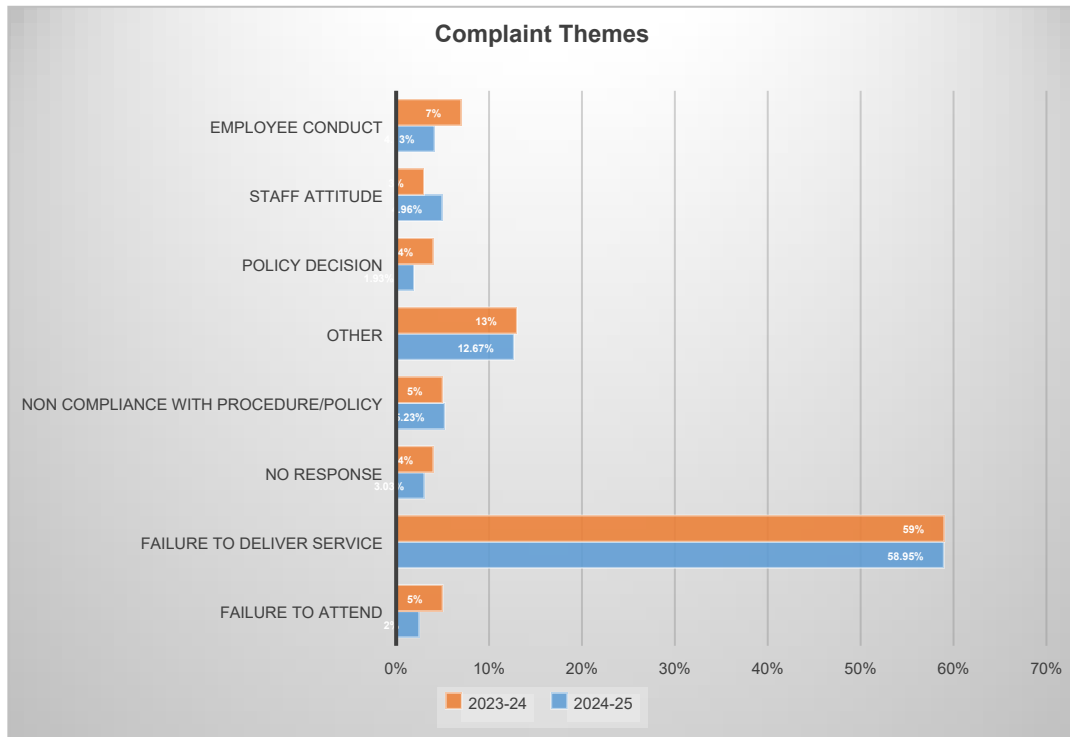


Chart 6 – Complaint Outcomes

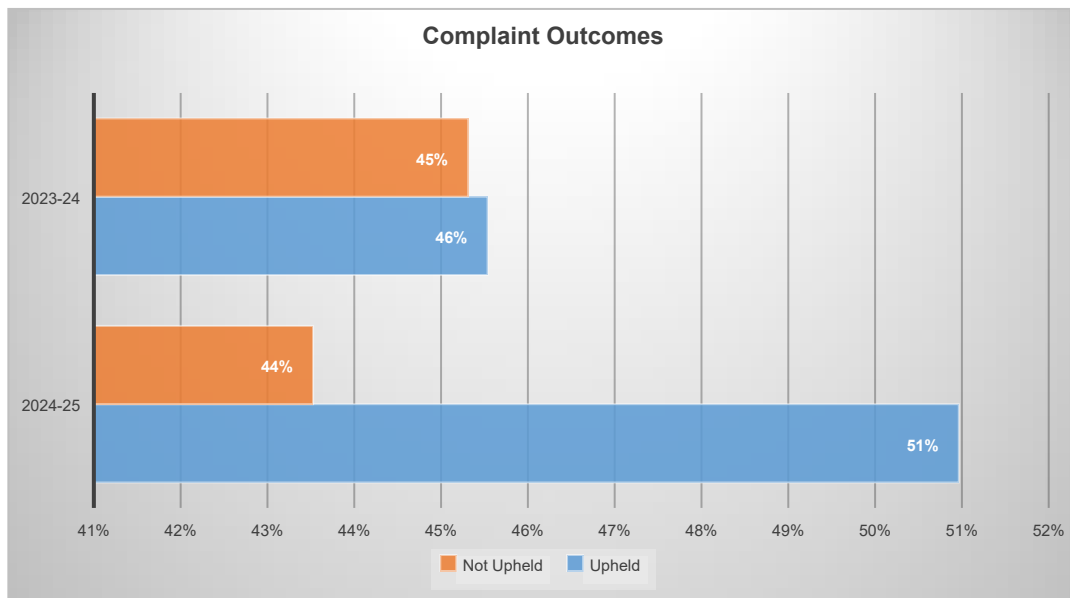
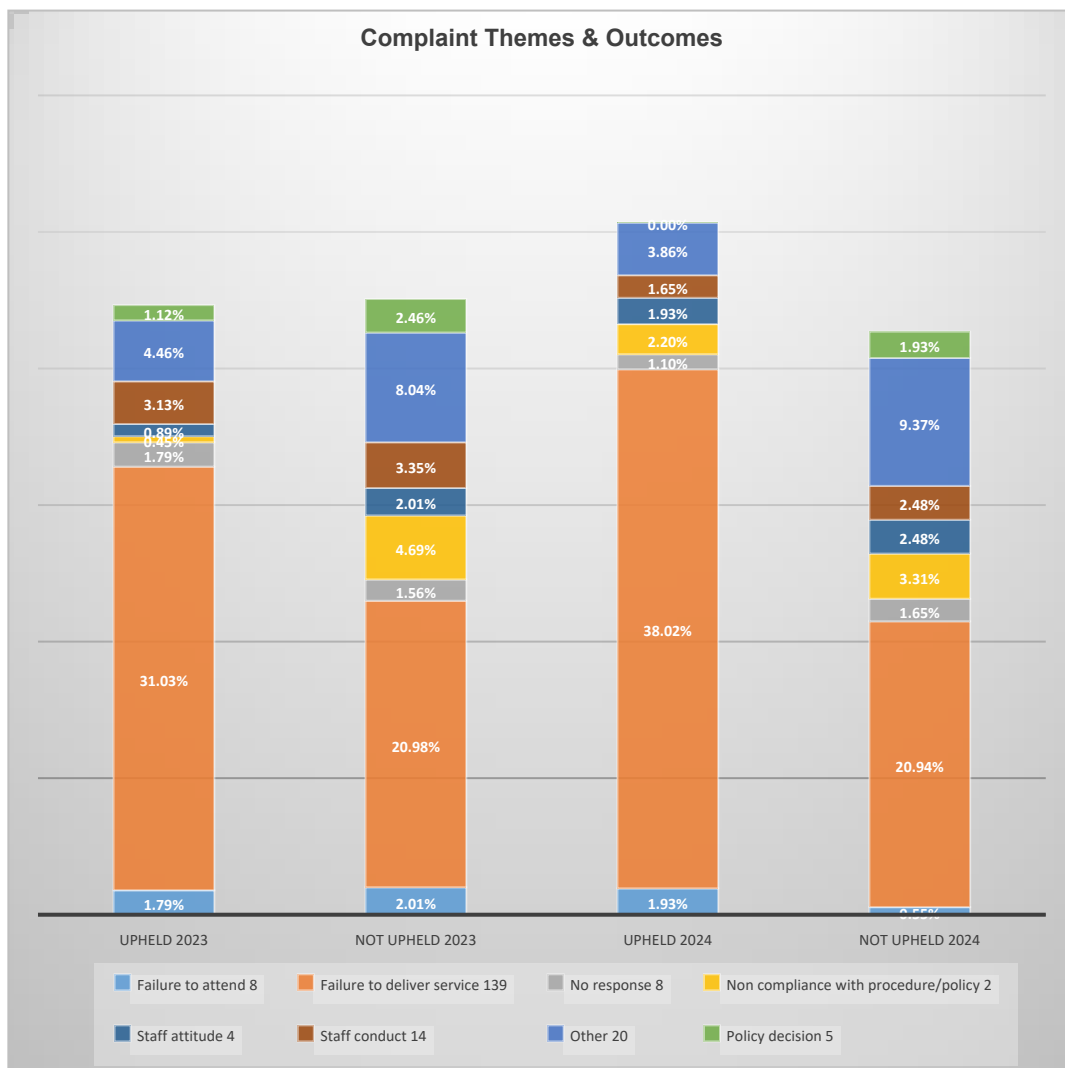


Chart 7 – Complaints Themes & Outcomes

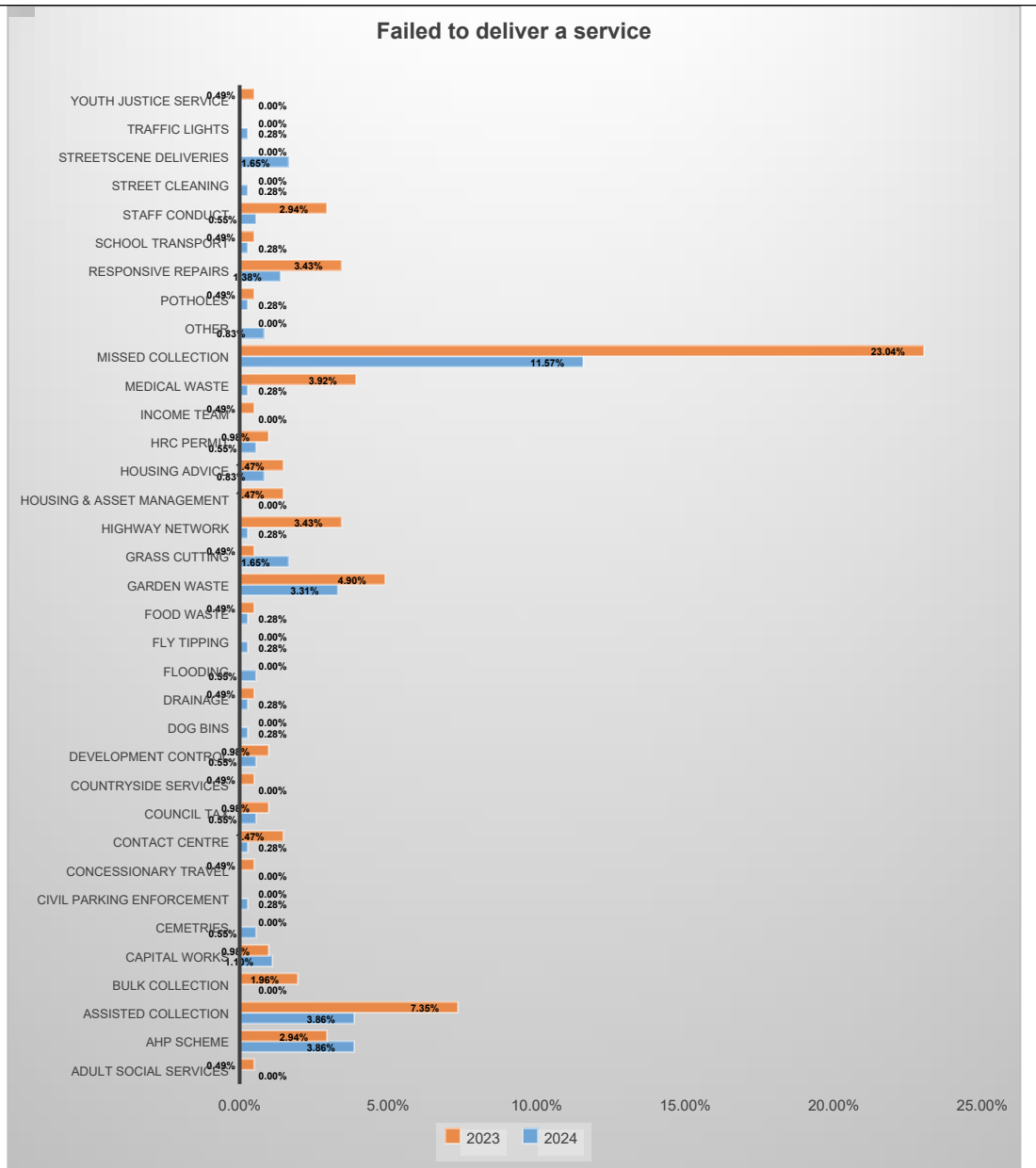


The data in the above chart illustrates that “failing to deliver a service” accounts for most upheld complaints against Council services.

1.21 Most upheld complaints about service failure relate to frontline services and Chart 8 provides an illustration of which services upheld complaints. There are several examples where the number of upheld complaints about service failure have fallen this year:

- A reduction in upheld missed collection complaints – from 23.04% to 11.57%;
- A reduction in upheld garden waste collection complaints – from 4.90% to 3.31%;
- A reduction in assisted collection complaints – from 7.35% to 3.86%;
- A reduction in responsive repair complaints – from 3.43% to 1.38%;
- A reduction in employee conduct complaints – from 2.94% to 0.55%.

Chart 8 – Failure to deliver a service

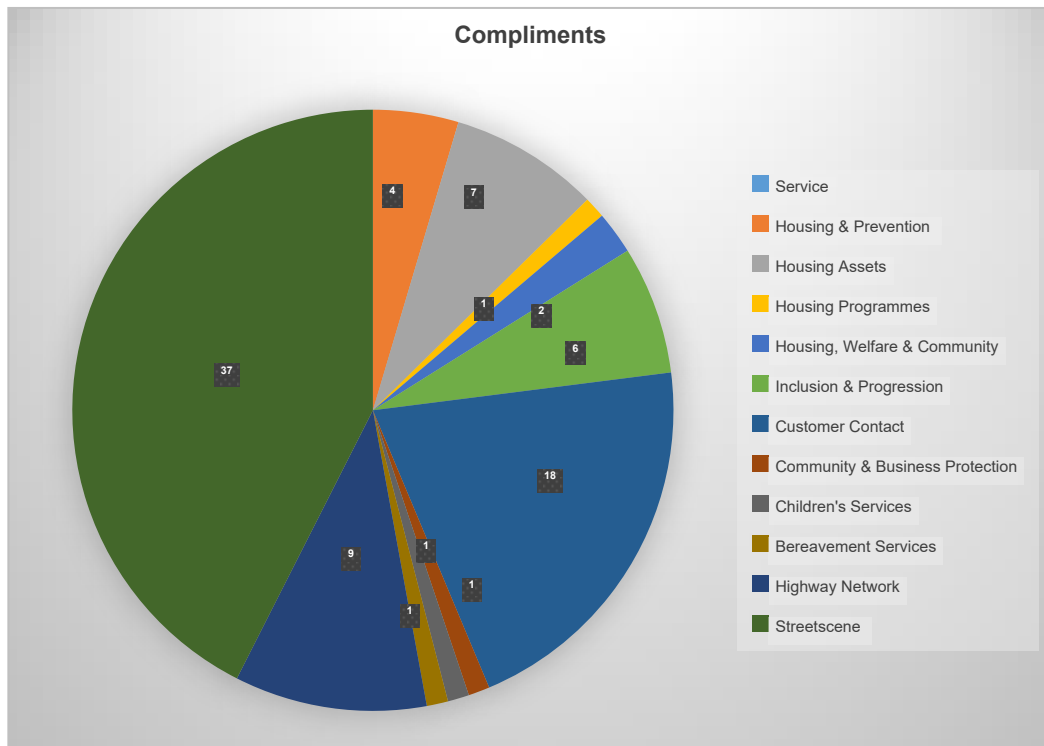


Conversely, there are examples where a higher number of complaints have been upheld e.g. Absorbent Hygiene Products (AHP) Scheme up from 2.94% to 3.86% and Streetscene are taking action to review their processes and procedures, and grass cutting has also risen from 0.49% to 1.65% because of reduced resources.

1.22 The Complaints Officer Group continue to meet regularly to review performance and share lessons learned from complaints. This group of officers, which represent each portfolio of the Council, have been the catalyst in driving improvements. This year the group has reflected on lessons learned from complaints and examples of how complaint data has been used to shape services is attached in Appendix 2.

1.23 The Council complies with an all-Wales model for complaint handling in public services and accurately records complaints. However, more work needs to be undertaken on capturing the good work that happens across the Council and capturing compliments. However, the data recorded so far this year illustrates:

Chart 9 - Compliments



1.24 Conclusion and priorities

Much of the positive achievements in the Ombudsman’s Annual Letter and the half year reporting on local complaints can be attributed to work over the last 12 months including:

- Continued positive and productive engagement with the Complaints Standards Authority;
- Continued collective work with Councils across Wales and the Ombudsman to record complaints performance data to help drive improvement in public services for citizens in Wales;
- Creation of the Complaints Officer Group to manage performance and drive improvements;
- Improved advice and guidance for complainants e.g. website and complaint responses;
- Completed Internal Audit actions which identified opportunities to improve complaints handling.

1.25 Overall, portfolios are making good progress to improve complaints handling as greater awareness is promoted by the most senior officers of the Council.

The following actions will be taken forward to further improve complaints handling across the organisation:

- Maintaining positive and productive engagement with the Complaints Standards Authority;
- Continuing work with Councils across Wales and the Ombudsman to record complaints performance data to help drive improvement in public services for citizens in Wales;

	<ul style="list-style-type: none"> • Ensuring compliance with recommendations by the Ombudsman are communicated in a timely manner; • Implement recommendations (as appropriate) following the publication of the Ombudsman’s Own Initiative Investigation into Carer’s Needs Assessment when the report is published in 2024; • Promote the need to record compliments received by services across the Council; • Review the programme of mandatory complaints training for Team Leader+ roles – 331 employees trained to date (over 70% of original target audience); • Complete the redesign of the electronic system used to record complaints to ensure it is fit for purpose; • Complete work relating to a toolkit for Schools and elected Members on how to manage unacceptable behaviour on social media; • Support to all services through regular sharing of performance data to help manage casework and keep complainants informed where targets are not achievable.
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2.00	RESOURCE IMPLICATIONS
2.01	None.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	This report provides details of the annual performance of the Council in relation to complaints. At this point there are no proposed change or actions and as such no impact or risks have been identified.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	None.

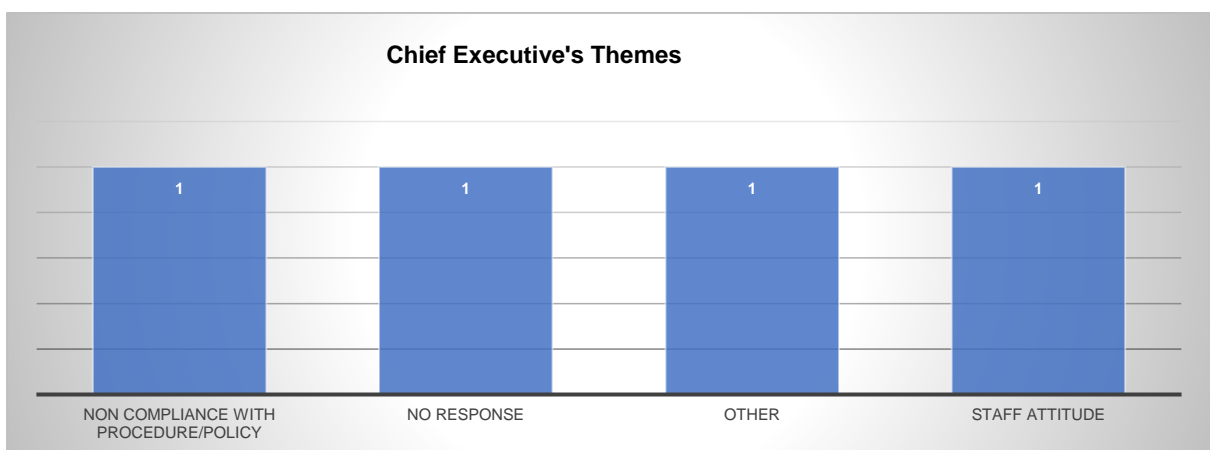
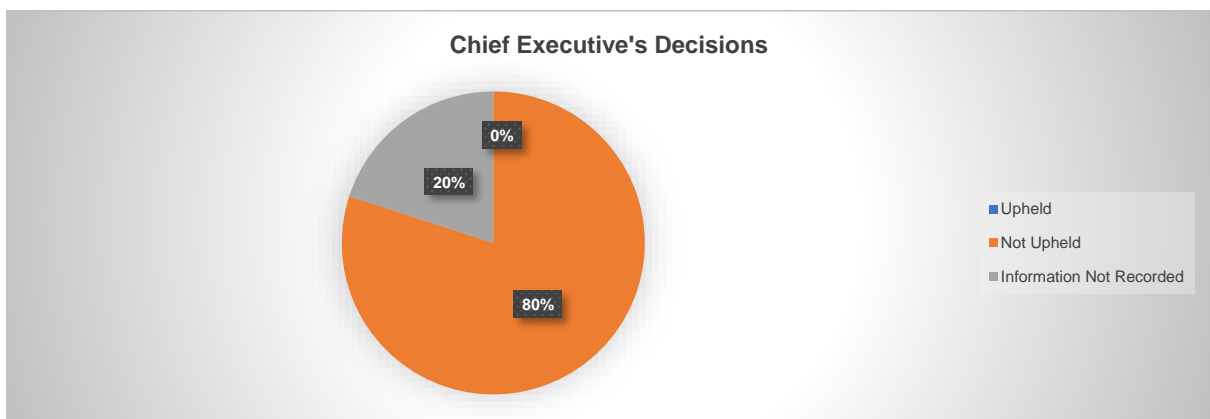
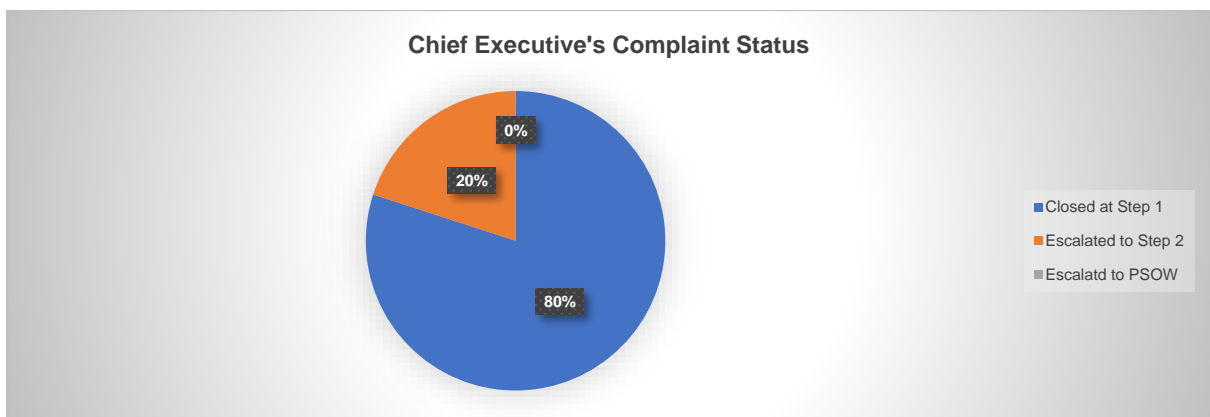
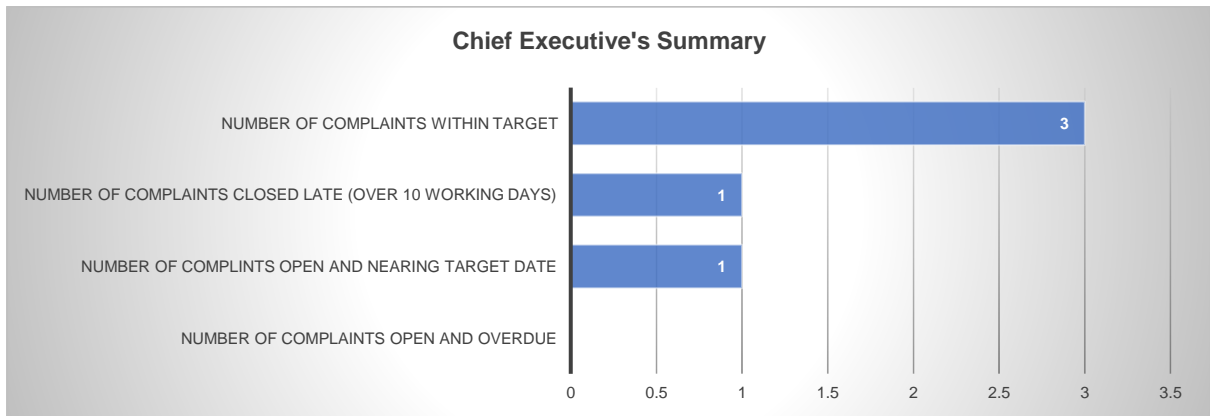
5.00	APPENDICES
5.01	Appendix 1 Flintshire County Council complaint data 1 April 2024 – 30 September 2024.
5.02	Appendix 2 Learning from complaints 2023-24.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	A copy of the Annual Letter is published on the Ombudsman's website – https://www.ombudsman.wales/app/uploads/2024/10/Flintshire-County-Council.pdf

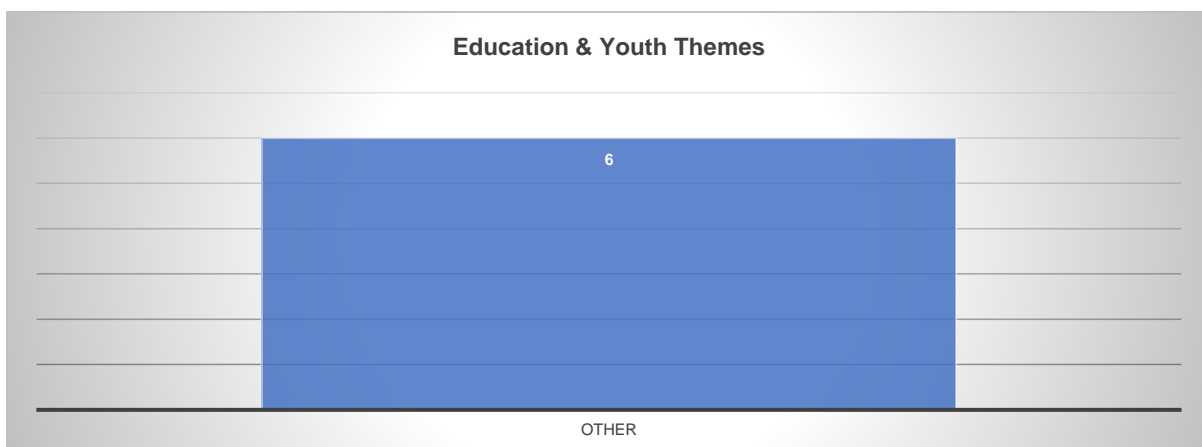
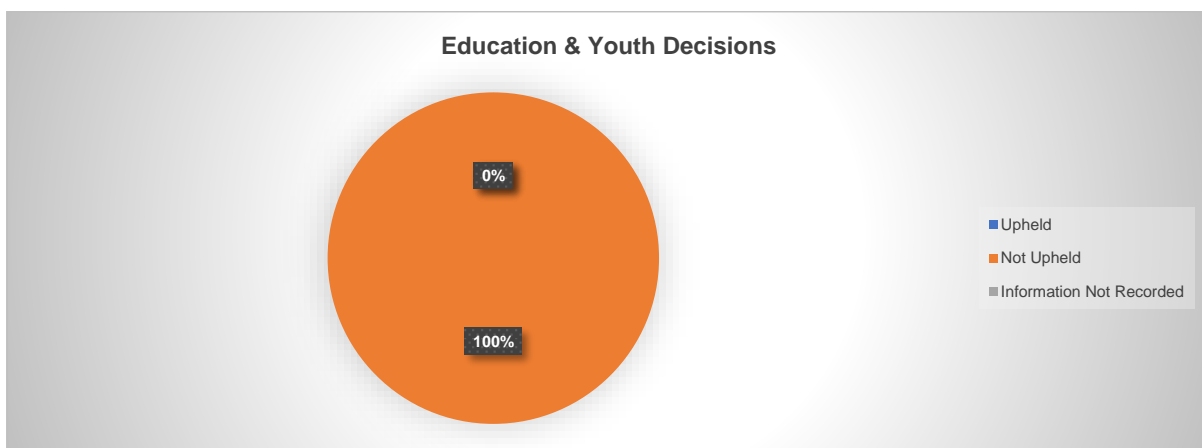
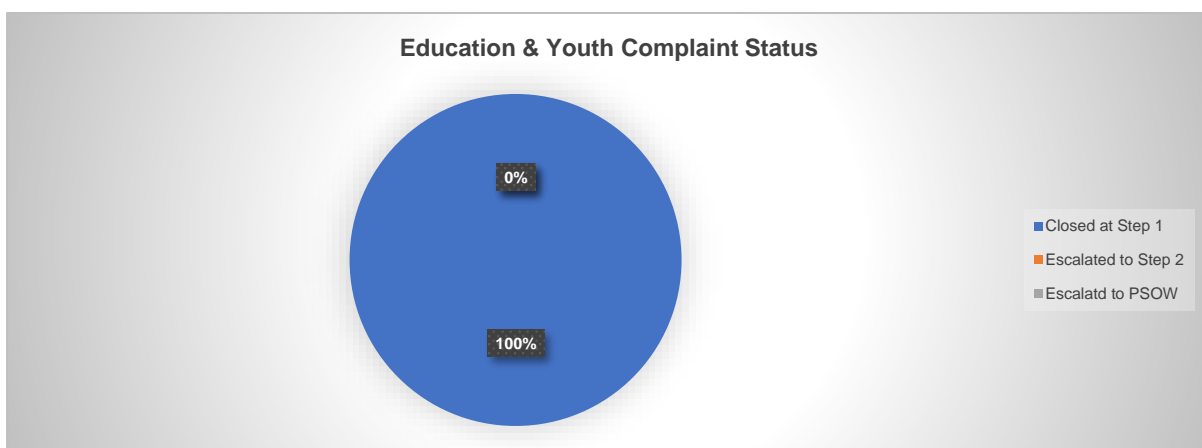
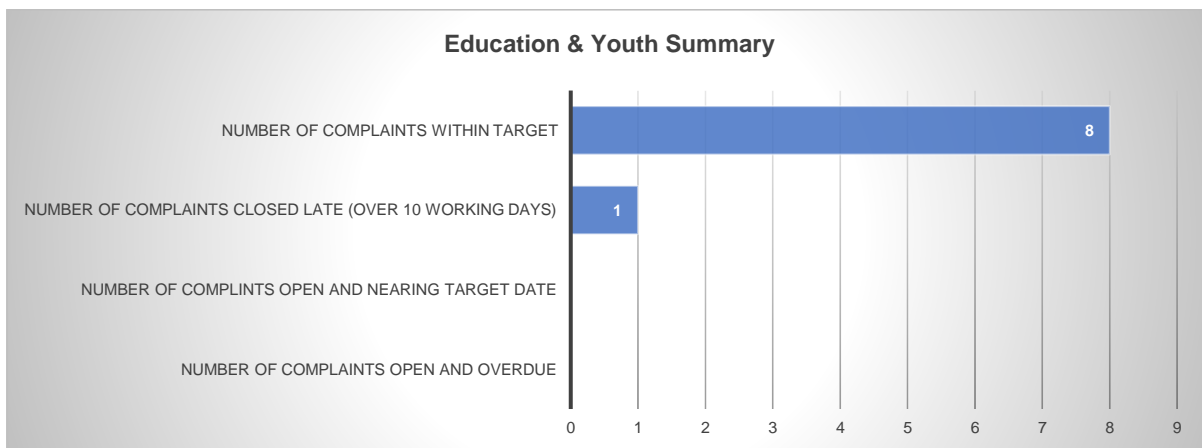
7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Rebecca Jones, Customer Contact Service Manager Telephone: 01352 702413 E-mail: rebecca.jones@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	<p>Public Services Ombudsman for Wales – investigates complaints against public service providers in Wales where people believe they have suffered an injustice through maladministration on the part of the public service provider e.g. a local authority.</p> <p>Complaints Standards Authority – a team within the Public Services Ombudsman for Wales' office focused on ensuring the procedures to complain to public service providers in Wales are complainant focused, simple, fair and objective, timely and effective, accountable and committed to continuous improvement.</p>

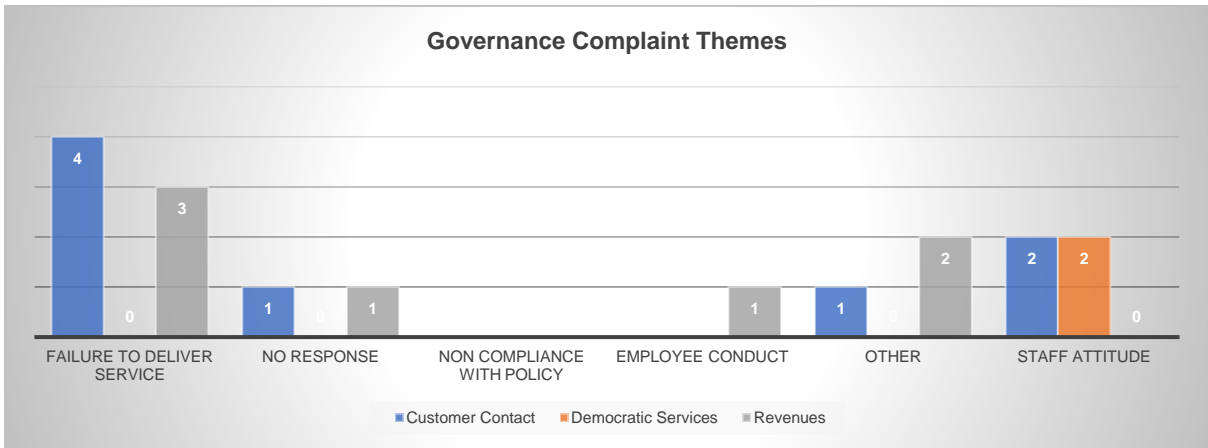
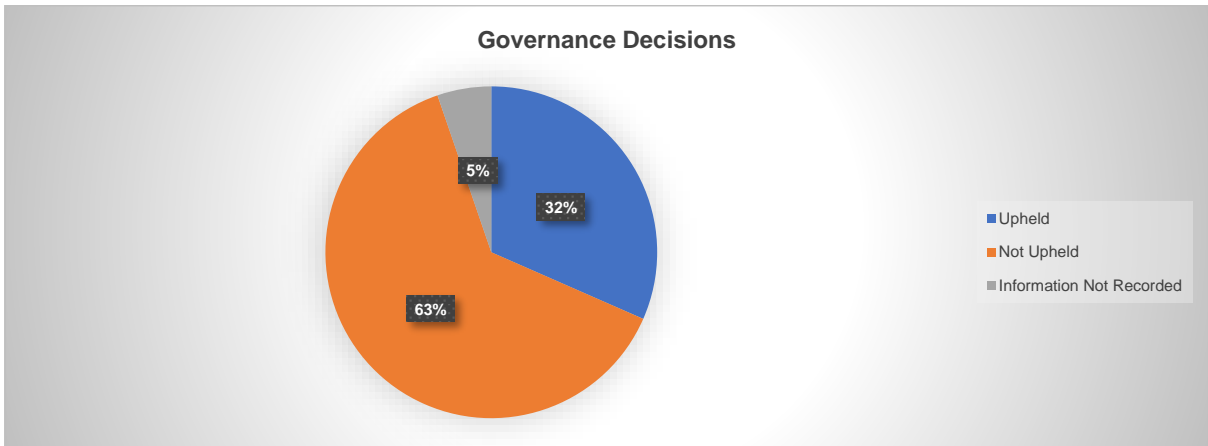
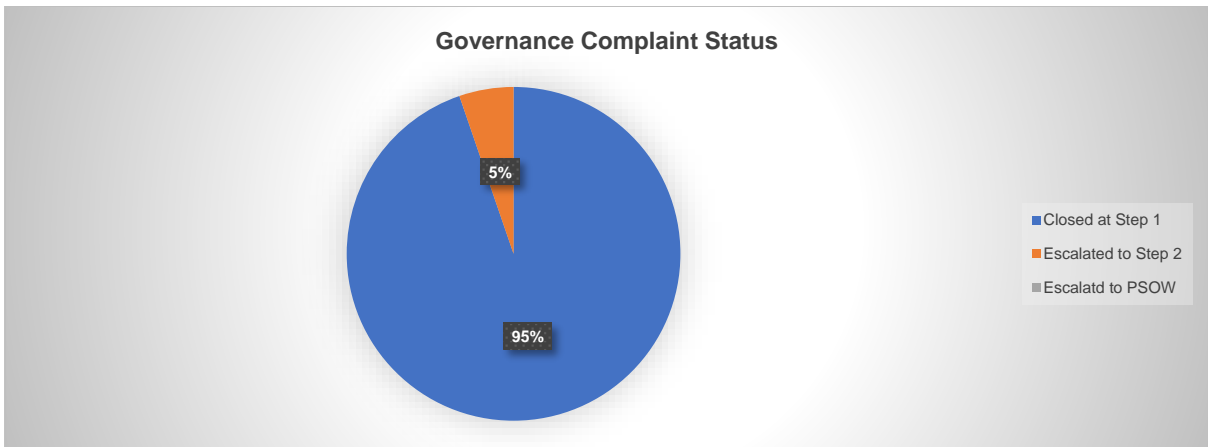
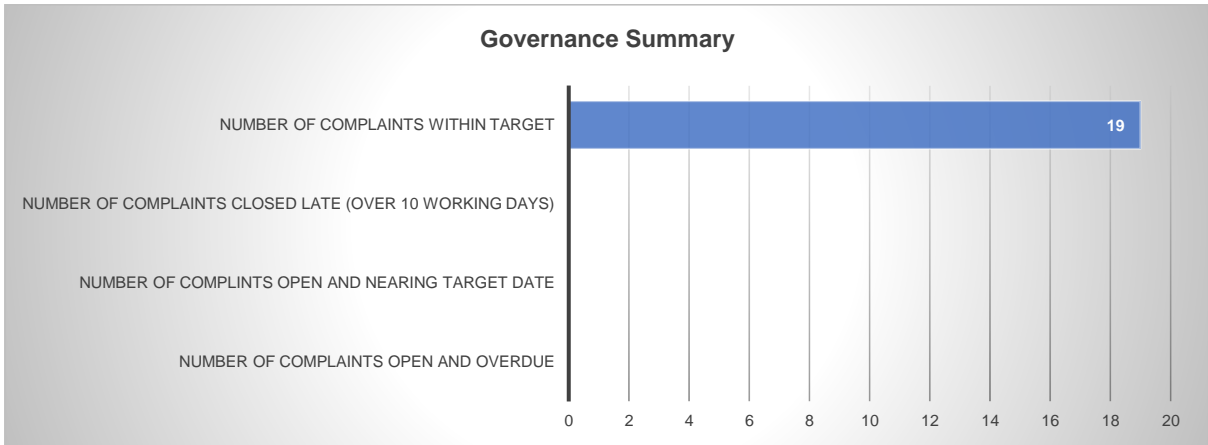
Chief Executive's



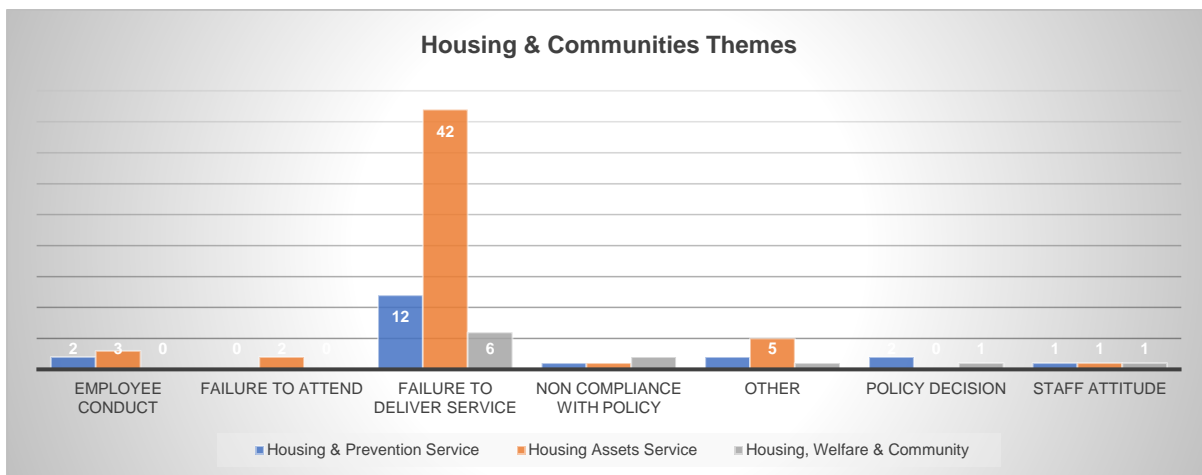
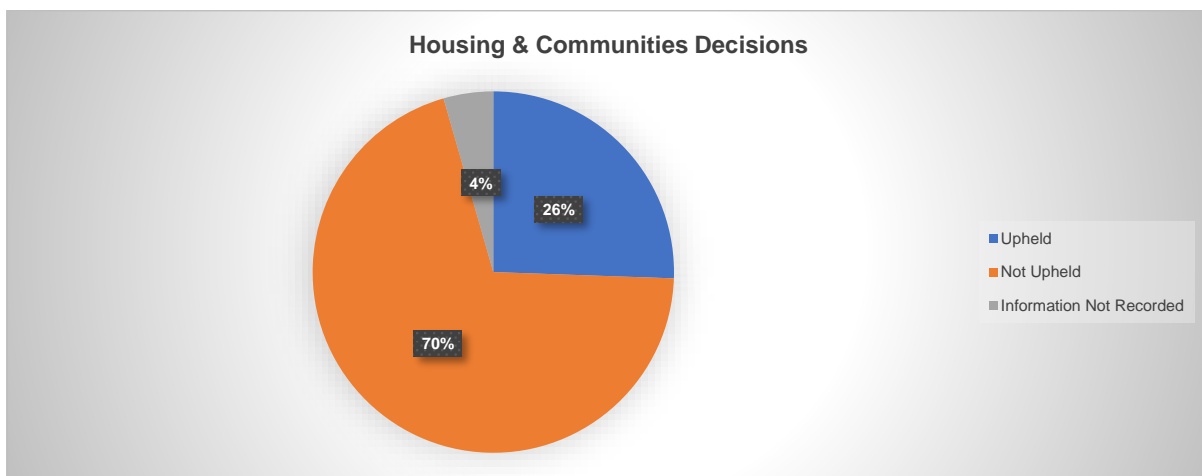
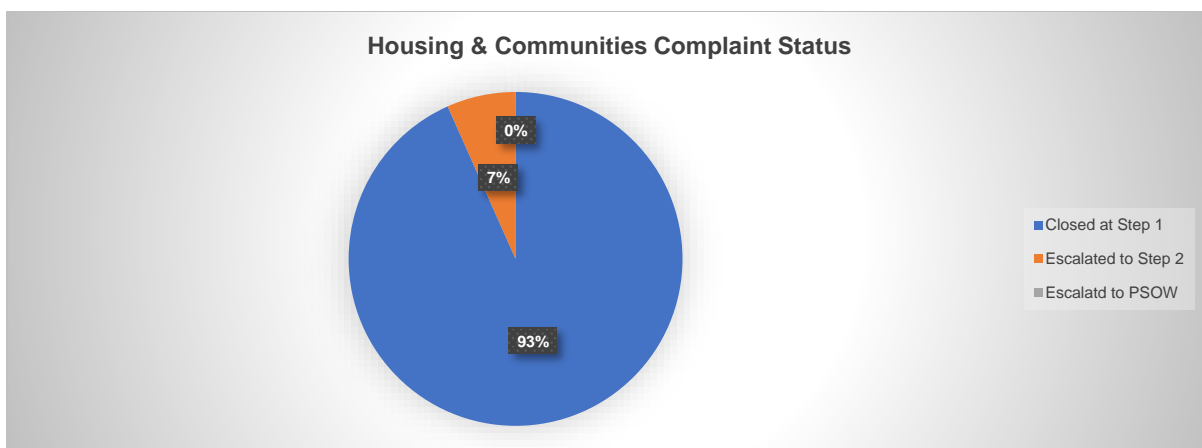
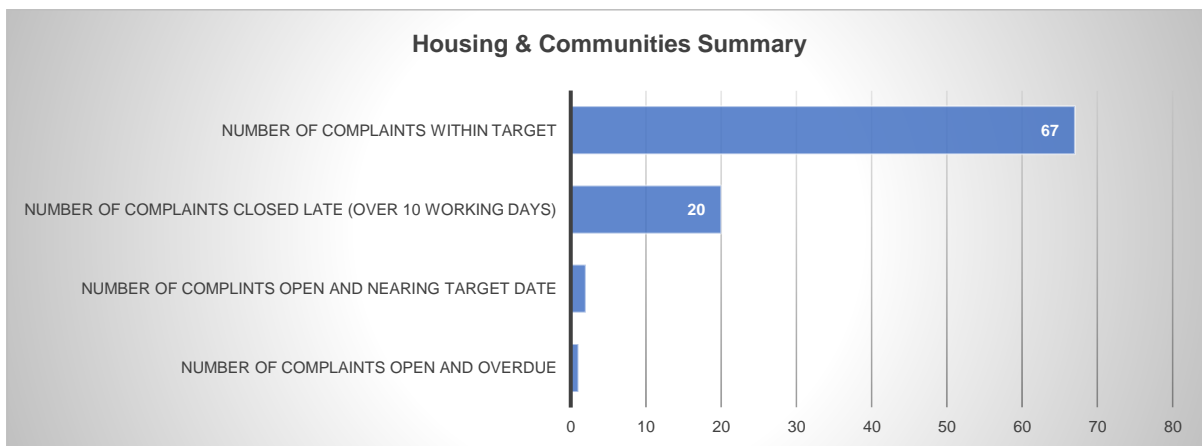
Education & Youth



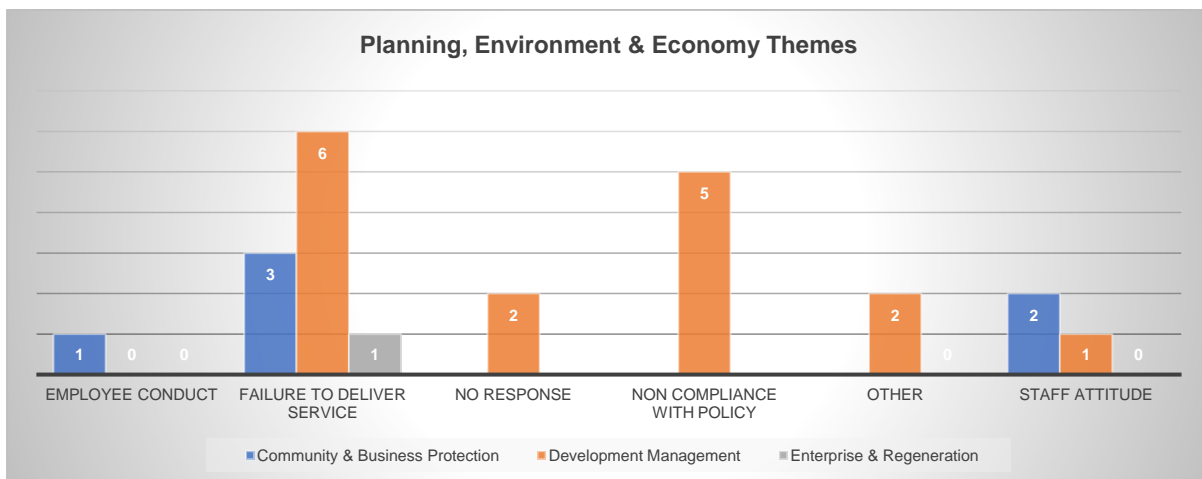
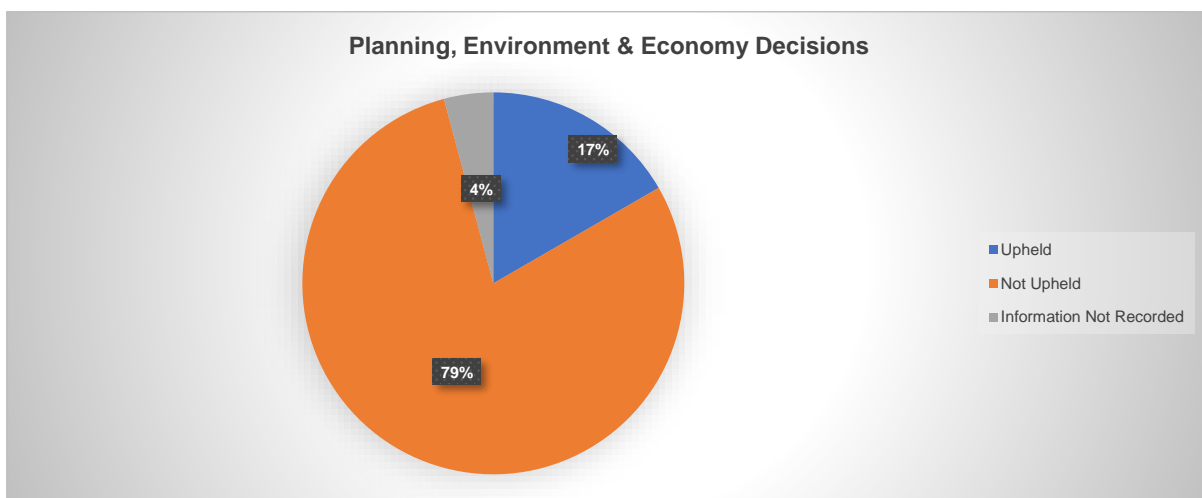
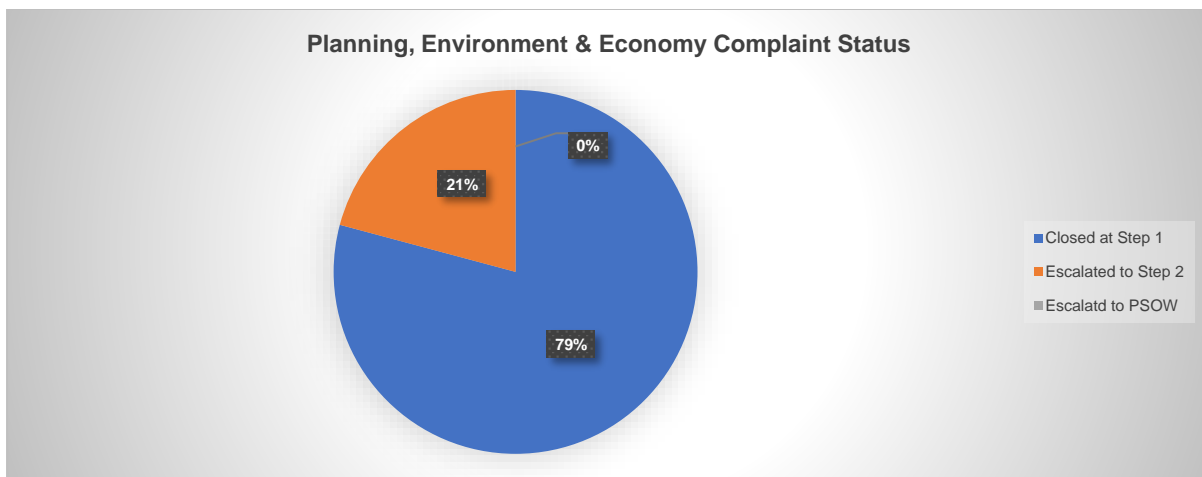
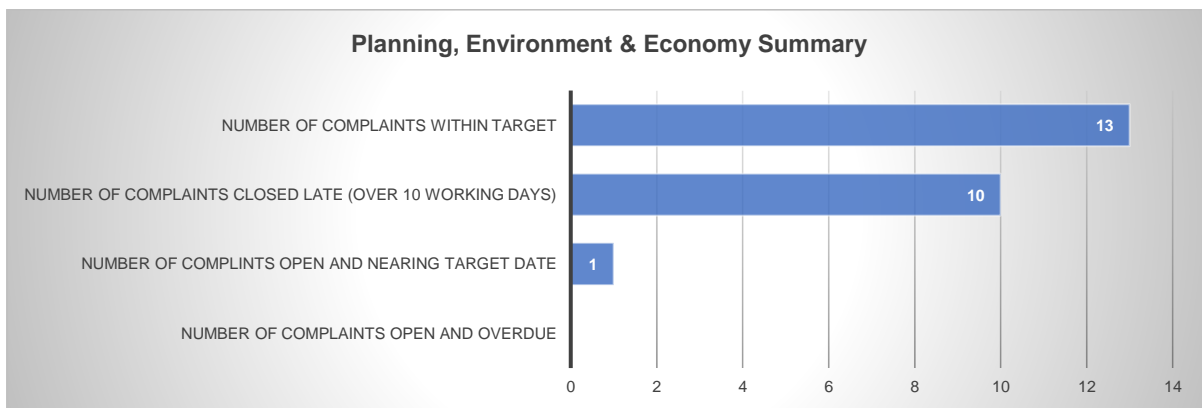
Governance



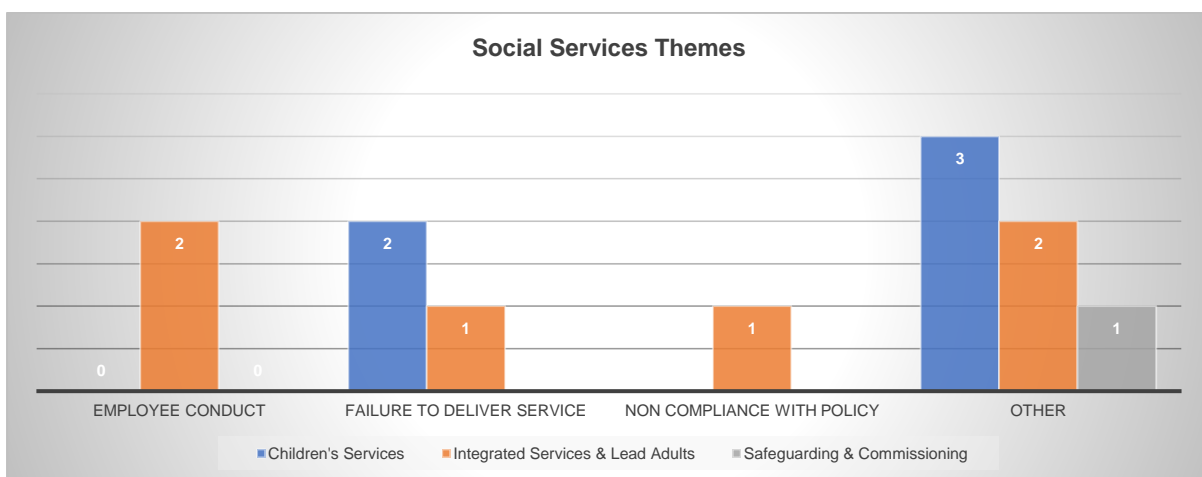
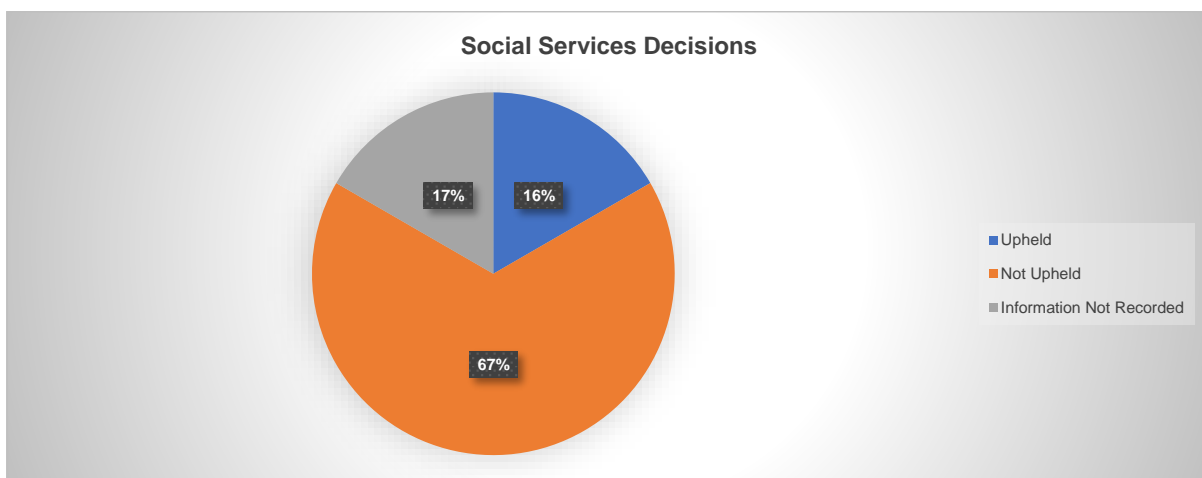
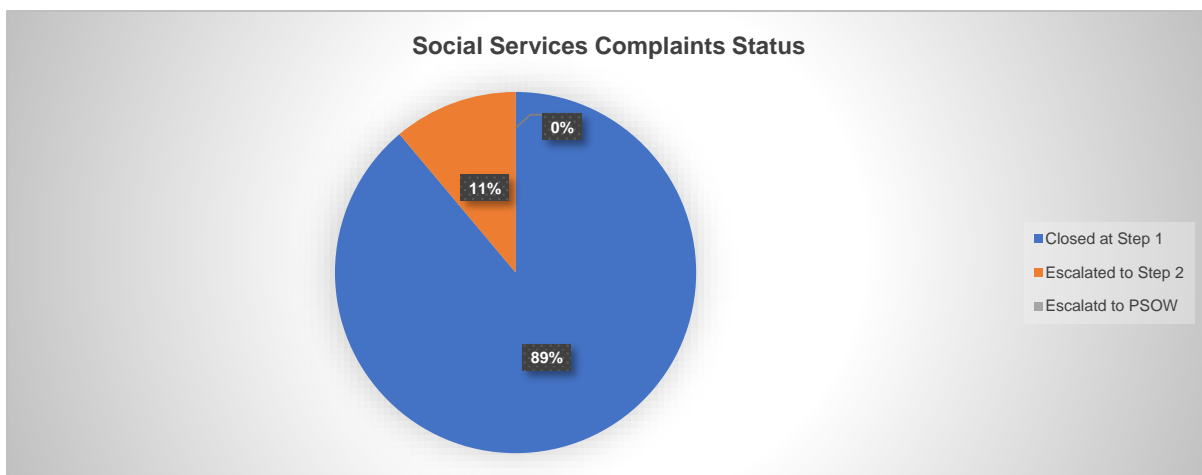
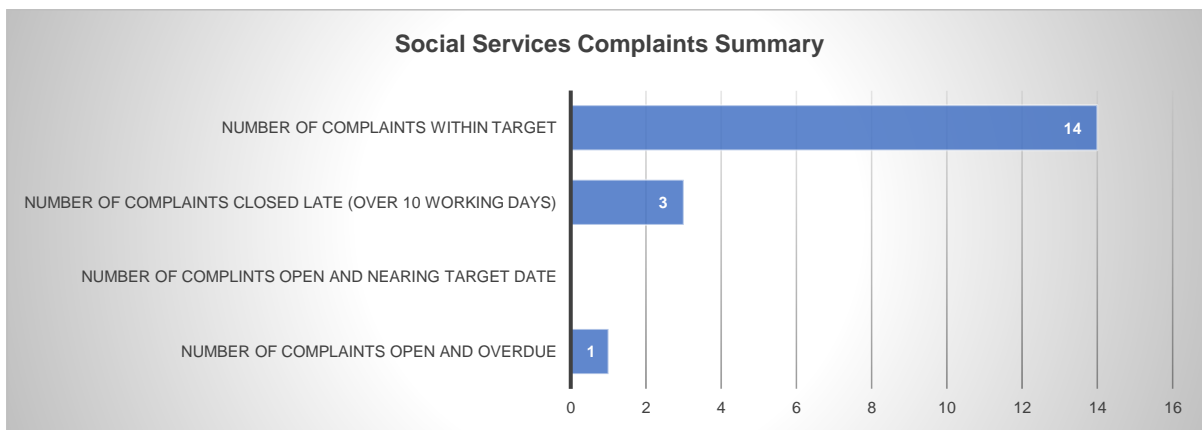
Housing & Communities



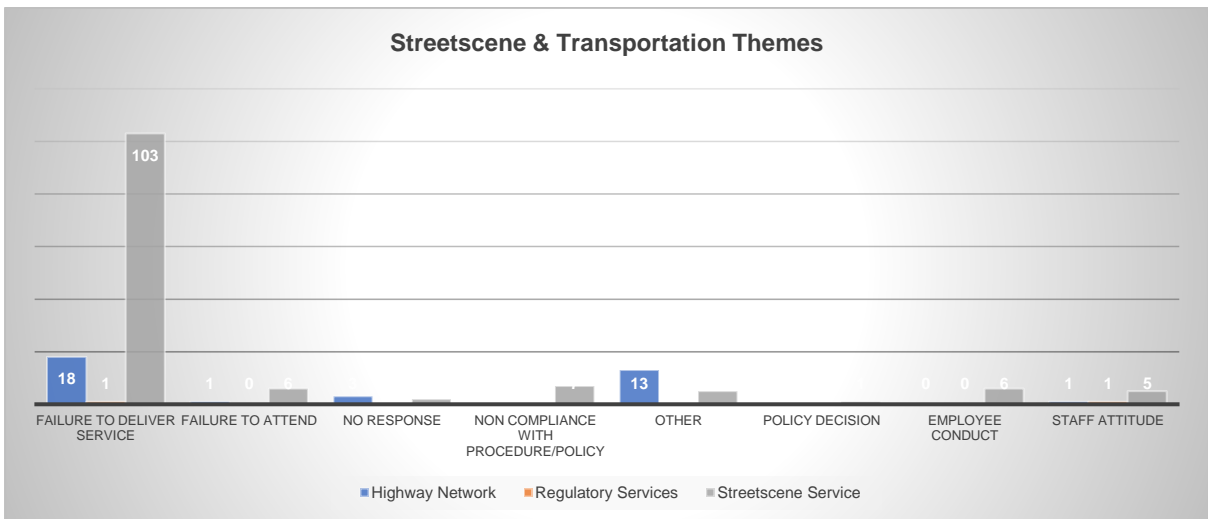
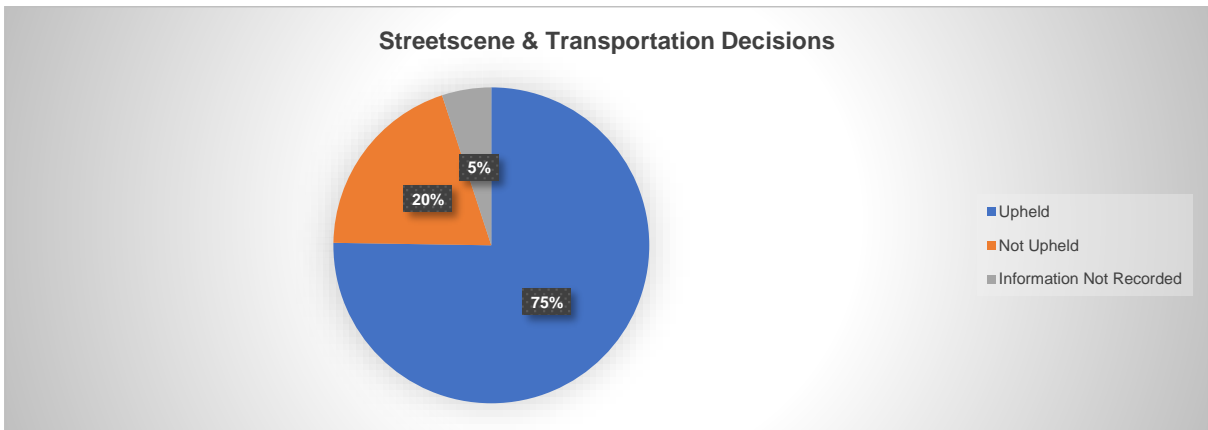
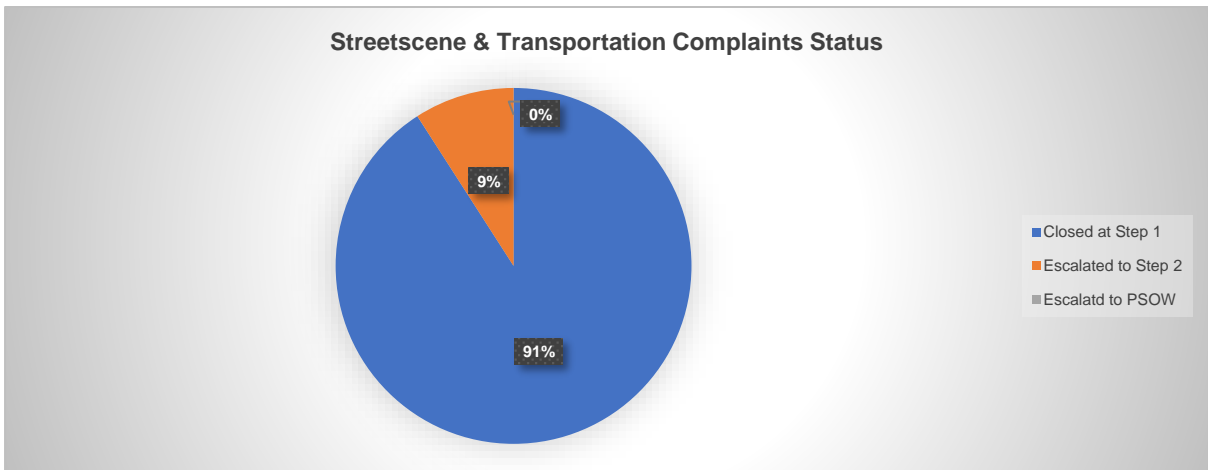
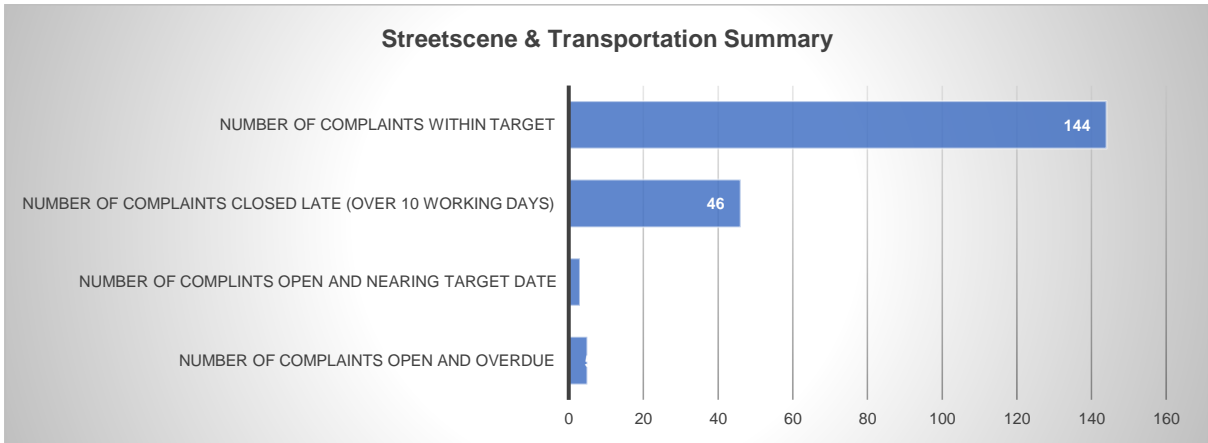
Planning, Environment & Economy



Social Services



Streetscene & Transportation



Mae'r dudalen hon yn wag yn bwrpasol

Appendix 2: Learning from complaints 2023-24

Ref	Portfolio	Service	Issue	Theme	Lesson learnt
1.	Chief Executives	Low number of complaints – no complaints upheld in 2023-24.			
2.	Education & Youth	Low number of complaints – no complaints upheld in 2023-24.			
3.	Governance	Customer Contact	Staff attitude in the Contact Centre.	Staff attitude	<ul style="list-style-type: none"> Routine call sampling by the Team Leader. Regular 1:1s with Agents and review of sampled calls. 1:1 support for any known issues.
		Revenues	Personal information recorded on ring doorbells when Enforcement Officers make enquiries with neighbours.	Service standards	<ul style="list-style-type: none"> Awareness raising especially given the increased use of ring doorbell technology. Instruction to Debt Enforcement Agents to refrain from knocking on neighbour doors to avoid inadvertently compromising third party residents who receive a cold call.
		Revenues	External Debt Enforcement Agent acted disproportionately when clamping a vehicle of a third party.	Conduct	<ul style="list-style-type: none"> Introduction of a process whereby the Council is presented with a schedule of visits that have taken place over the previous fortnight. Sampling of the cases including a review of video footage to ensure the appropriate standards are being met and that Enforcement Agents are representing the Council professionally. Feedback to the external agency where necessary to drive improvement.
4.	Housing & Communities	Strategic Housing	Gas safety concerns at NEW Homes.	Health and safety	<ul style="list-style-type: none"> Revised guidance to the Council's Gas Safety Engineers. Revised procedures for accepting handover of new homes or major refurbishments. The Council undertakes its own survey/review of each installation.
		Housing Assets	Timely of responses.	Service standards	<ul style="list-style-type: none"> New templates enabling the service to respond to frequent complaints more efficiently.

					<ul style="list-style-type: none"> Allocated specific complaints or requests for service directly to WHQS teams to bypass the inspection team (which could take longer etc.)
		Housing Assets	Pre-emptive measures to reduce number of complaints.	Service standards	<ul style="list-style-type: none"> Changed internal reporting processes and actions. Produced tenant guides for controlling mould and condensation. Produced helpful information and guides published on our website. Created specific programmes of work to deal with seasonal issues (emergency boundary and gardens works programme, Mould & Condensation works). Tenant induction handbook given to all new tenants within 2 weeks of their occupation.
Tudalen 172.5		Housing Assets	Reducing cases of no access and resulting complaints made from tenants not knowing when someone was attending to complete their reported repairs.	Service standards	<ul style="list-style-type: none"> The implementation of DRS to improve the service delivery giving our customers an appointment convenient for themselves to have their repair carried out.
	Planning, Environment & Economy	Portfolio wide	Complaints not being answered within timescale.	Service standards	<ul style="list-style-type: none"> A portfolio complaints tracker spreadsheet developed. Monthly complaints tracker meetings with officers where complaints are outstanding. Improved processes around issuing holding responses to complainants.
		Portfolio wide	Dealing with complex complaints that often involve more than one service area.	Service standards	<ul style="list-style-type: none"> Portfolio collaboration meetings held to discuss and track actions on complex complaints. Meetings are minuted to capture all agreed actions and officer responsibilities.
Portfolio wide		Ownership of complaints.	Service standards	<ul style="list-style-type: none"> All Team Leaders now responsible for answering Step 1 complaints for their service areas (unless complaint is referring to them). Feedback on complaint given at 1:1/workload review meetings. Team Leaders held accountable for actions agreed at complaint tracker meetings. 	

6.	Social Services	Adult Social Services	Increase in the volume of complaints about financial implications of charges.	Information sharing	<ul style="list-style-type: none"> Review and refreshed a range of leaflets including Paying for Residential Care, Deferred Payments Scheme, Charging for Community Care, Discharge Leaflet. Employees reminded to add a case note that leaflets have been shared with family members and when they share financial advice in conversations they have with families.
		Children's Social Services	Lack of information about direct payments and how to use payments.	Information sharing	<ul style="list-style-type: none"> Introduced a standard letter to explain to families why a direct payment has been awarded and how it should be used and why excess funding is required to be returned to the Council. Review underway for children with care and support needs to have their own individual case record, moving us away from the 'lead child' approach.
15.	Streetscene & Transportation	Garden Waste Collections	Confusion on website as to whether to apply for new sticker.	Information sharing	<ul style="list-style-type: none"> Website application reviewed and noted that wording was unclear and confusing causing residents to apply for a sticker they did not require. Application wording was adjusted and members of staff within the admin team to review reports to check additional stickers had not been ordered
		Rail Card Codes	Codes no longer supplied to FCC from TFW.	Information sharing	<ul style="list-style-type: none"> Liaised with Transport department to inform them of the changes. Made enquiries with TFW – codes no longer supplied, but residents can apply direct through TFW. Updated information on website with new link to refer residents to.
		Mattress Bookings at HRC Sites	Booking in system was ineffective, causing complaints.	Service standards	<ul style="list-style-type: none"> Process was reviewed and feedback given to waste & recycling manager. New system put into place, which links straight through to HRC sites. Updated the team on the process and website information. Training given to chargehands on site so that bookings can now be reviewed and monitored.
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