

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, Gladys Healey, Ian Hodge, Alasdair Ibbotson, Gina Maddison, Billy Mullin, Vicky Perfect, Jason Shallcross ac Ant Turton

+1 Aelod o'r Gwir Annibynwyr

6 Rhagfyr 2024

Annwyl Gynghorydd,

RHYBUDD O GYFARFOD HYBRID
PWYLLGOR TROSOLWG A CHRAFFU ADNODDAU CORFFORAETHOL
DYDD IAU, 12FED RHAGFYR, 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 CADEIRYDD

Pwrpas: Yn ystod y cyfarfod 4 Rhagfyr 2024 penderfynodd y Cyngor mai'r Grŵp Annibynnol fydd yn cadeirio'r cyfarfod hwn. Hysbysir y Pwyllgor mai'r Cynghorydd Bill Crease yw Cadeirydd y Pwyllgor am weddill blwyddyn y Cyngor.

2 PENODI IS-GADEIRYDD

Pwrpas: Penodi Is-Gadeirydd ar gyfer y Pwyllgor.

3 YMDDIHEURIADAU

Pwrpas: I dderbyn unrhyw ymddiheuriadau.

4 DATGAN CYSYLLTIAD (GAN GYNNWYS DATGANIADAU CHWIPIO)

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

5 COFNODION (Tudalennau 5 - 10)

Pwrpas: I gadarnhau, fel cofnod cywir gofnodion y cyfarfod ar 14 Tachwedd 2024.

6 OLRHAIN GWEITHRED (Tudalennau 11 - 14)

Adroddiad Rheolwr Gwasanaethau Democraidd -

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

7 RHAGLEN GWAITH I'R DYFODOL (Tudalennau 15 - 22)

Adroddiad Rheolwr Gwasanaethau Democraidd -

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

8 STRATEGAETH ARIANNOL TYMOR CANOLIG A CHYLLIDEB 2025/26 (Tudalennau 23 - 38)

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

Pwrpas: Darparu'r wybodaeth ddiweddaraf am sefyllfa cyllideb referniw'r Cyngor ar gyfer blwyddyn ariannol 2025/26 cyn cael Setliad Dros Dro Llywodraeth Leol Cymru ar 11 Rhagfyr.

9 **MONITRO CYLLIDEB REFENIW 2024/25 (MIS 7)** (Tudalennau 39 - 64)

Adroddiad Rheolwr Cyllid Corfforaethol - Aelod Cabinet Cyllid a Gwerth Cymdeithasol

Pwrpas: I gyflwyno Adroddiad Monitro Cyllideb Refeniw 2024/25 (Mis 7) ac amrywiant sylweddol i'r Aelodau.

10 **PARTH BUDDSODDI AR GYFER SIR Y FFLINT A WRECSAM** (Tudalennau 65 - 82)

Adroddiad Prif Weithredwr - Arweinydd y Cyngor

Pwrpas: Darparu'r wybodaeth ddiweddaraf am ddatblygiad y Parth Buddsoddi ar gyfer Sir y Fflint a Wrecsam.

11 **DIWEDDARIAD CANOL BLYWDDYN CYFLOGAETH A GWEITHLU** (Tudalennau 83 - 102)

Adroddiad Rheolwr Corfforaethol, Pobl a Datblygu Cyfundrefnol - Aelod Cabinet Gwasanaethau Corfforaethol

Pwrpas: Mae'r adroddiad hwn yn cynnwys diweddariadau strategol yn ogystal ag ystadegau chwarterol y gweithlu a dadansoddiad ohonynt.

12 **ADRODDIAD ARCHWILIO ASED AU CYMUNEDOL A HAMDDEN** (Tudalennau 103 - 118)

Adroddiad Rheolwr Corfforaethol, Rhaglen Gyfalaf ac Asedau - Dirprwy Arweinydd ac Aelod Cabinet Trawsnewid ac Asedau

Pwrpas: Darparu diweddariad cynnydd am Adroddiad Archwilio Rheoli Asedau Cymunedol a Hamdden.

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

Mae'r eitem a ganlyn yn cael ei hystyried yn eitem eithriedig yn rhinwedd Paragraff(au) 15 Rhan 4 Atodiad 12A o Ddeddf Llywodraeth Leol 1972 (fel y cafodd ei diwygio)

Mae'r adroddiad yn cynnwys manylion sy'n ymwneud â materion cyflogaeth ac mae budd y cyhoedd wrth beidio â datgelu'r wybodaeth yn drech na budd y cyhoedd o ddatgelu'r wybodaeth, nes bydd y materion wedi'u datrys.

13 **RHAGLEN DRAWSNEWID** (Tudalennau 119 - 130)

Adroddiad Prif Swyddog (Llywodraethu) - Dirprwy Arweinydd ac Aelod Cabinet Trawsnewid ac Asedau

Pwrpas: Mae'r Cyngor yn sefydlu rhaglen o brosiectau er mwyn adolygu ei arferion gweithio er mwyn arbed costau fel dewis amgen i doriadau gwasanaeth traddodiadol. Bydd Cynghorwyr yn penderfynu a gaiff prosiectau eu hychwanegu at y rhaglen neu beidio a byddant yn monitro lefel yr arbedion a wneir.

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

Mae'r adroddiad yn ymwneud â materion ariannol Cambrian Aquatics ac mae budd y cyhoedd i gelu'r wybodaeth yn drech na budd y cyhoedd mewn datgelu'r wybodaeth.

14 **CAMBRIAN AQUATICS** (Tudalennau 131 - 138)

Adroddiad Rheolwr Corfforaethol, Rhaglen Gyfalaf ac Asedau - Dirprwy Arweinydd ac Aelod Cabinet Trawsnewid ac Asedau

Pwrpas: Cyflwyno adroddiad gyda'r wybodaeth ddiweddaraf ynghylch Cambrian Aquatics.

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

Eitem ar gyfer y Rhaglen 5

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE **14 NOVEMBER 2024**

Minutes of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held as a hybrid meeting on Thursday, 14 November 2024

PRESENT: **Councillor Bill Crease (Chair)**
Councillors: Tina Claydon, David Coggins Cogan, Rob Davies, Gladys Healey, Ian Hodge, Alasdair Ibbotson, Gina Maddison, Allan Marshall, Billy Mullin, Vicky Perfect and Jason Shallcross

ALSO PRESENT: Councillors: Councillor Mared Eastwood (Cabinet Member for Education, Welsh Language and Culture), Dave Hughes (Leader of the Council), Christine Jones (Deputy Leader and Cabinet Member for Social Services and Well-being) and Andrew Parkhurst and attended as observers

APOLOGIES: None

CONTRIBUTORS: Councillor Richard Jones (Cabinet Member for Transformation and Assets), Councillor Paul Johnson (Cabinet Member for Finance and Social Value), Councillor Linda Thomas (Cabinet Member for Corporate Services), Chief Executive, Chief Officer (Governance), Chief Officer (Social Services), Corporate Finance Manager, Strategic Finance Managers, Corporate Manager - Capital Programme and Assets, Customer Contact Service Manager

IN ATTENDANCE: Democratic Services Manager, Committee Services Team Leader and Democratic Services Officer

56. APPOINTMENT OF VICE-CHAIR ([Link to recording](#))

RESOLVED:

That Councillor Jason Shallcross be appointed Vice-Chair of the Committee.

57. DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)
([Link to recording](#))

None.

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

RESOLVED:

That the [minutes](#) of the meeting held on 10 October 2024 be approved as a correct record.

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

The Democratic Services Manager presented a [report \(agenda item 5\)](#) on progress with actions from previous meetings. He agreed to include the request by Councillor Shallcross at the previous meeting and to pursue a response as soon as possible.

On that basis, the recommendation was supported.

RESOLVED:

That the Committee notes the progress which has been made.

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

The Democratic Services Manager presented a [report \(agenda item 6\)](#) on the Committee's current Forward Work Programme. He agreed to provide the item previously requested on lessons learned from the fire at Synthite Ltd.

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.

61. BUDGET 2025/26 - STAGE 2 ([Link to recording](#))

The Corporate Finance Manager presented a [report \(agenda item 7\)](#) for Members to review and comment on cost pressures and associated risks under the remit of the Committee.

In response to questions on Corporate Services, a detailed response would be provided to the Committee in respect of additional costs for the street lighting network. On corporate building energy bills, officers would be working through a potential reduction in the budget requirement which would be reflected in forthcoming budget reports. On the separation of the North Wales Fire and Rescue Authority precept, the Chief Officer (Governance) would seek confirmation on whether the Chief Fire Officer would be present at the Committee's meeting in December.

On Governance, the Chief Officer (Governance) would respond separately on the £210K carry-forward request from the previous year which had not been fully utilised to fund the designated posts.

In respect of future budget reports, the Chair said it would be useful for Members to submit more detailed questions in advance so that a full response could be provided.

The recommendations in the report were supported.

RESOLVED:

- (a) That the comments raised by the Committee on the Corporate Services cost pressures be referred to Cabinet; and
- (b) That the comments raised by Committee on the Governance Portfolio's cost pressures be referred to Cabinet.

62. REVENUE BUDGET MONITORING 2024/25 (MONTH 6) AND CAPITAL PROGRAMME MONITORING 2024/25 (MONTH 6) ([Link to recording](#))

The Strategic Finance Managers presented the [reports \(agenda item 8\)](#) on the 2024/25 month 6 position for the Council Fund and Housing Revenue Account (HRA) and Capital Programme, prior to consideration by Cabinet.

On Revenue Budget Monitoring, explanation would be sought from colleagues in Housing & Communities on the rationale for the 'red' impact assessment status of action 3 within the Action Plan for ten STORI leased properties for families requiring temporary accommodation.

The recommendations in the report were supported.

RESOLVED:

- (a) That having considered the Revenue Budget Monitoring 2024/25 (month 6) report, the comments raised by the Committee be referred to Cabinet; and
- (b) That having considered the Capital Programme Monitoring 2024/25 (month 6) report, the comments raised by the Committee be referred to Cabinet.

There was a brief adjournment during the above item.

63. CAPITAL STRATEGY INCLUDING PRUDENTIAL INDICATORS 2025/26 - 2027/28 ([Link to recording](#))

The Strategic Finance Manager presented the [report \(agenda item 9\)](#) on the updated Capital Strategy prior to submission to Cabinet. The Strategy was an overarching document which brought together various strategies and policies, split into a number of sections incorporating details of the Council's Prudential Indicators for 2025/26-2027/28.

The recommendations in the report were supported.

RESOLVED:

- (a) That the Committee recommends the Capital Strategy to Cabinet; and
- (b) That the Committee recommends to Cabinet:-

- The Prudential Indicators for 2025/26-2027/28 as detailed within Tables 1, and 4-8 of the Capital Strategy, and
- 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).

64. CAPITAL PROGRAMME 2025/26 - 2027/28 ([Link to recording](#))

The Strategic Finance Manager introduced a [report \(agenda item 10\)](#) and accompanying presentation on the proposed Capital Programme 2025/26 - 2027/28 which set out long-term investment in assets to enable the delivery of high quality and value for money public services split between three sections: Statutory/Regulatory, Retained Assets and Investment.

The recommendations in the report were supported.

RESOLVED:

That the Committee:

- Supports 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;
- Supports the schemes included in Table 4 (paragraph 1.31) for the Investment section of the Council Fund Capital Programme 2025/26 - 2027/28;
- Notes that the shortfall in funding of schemes in 2027/28 in Table 5 (paragraph 1.35) although there are surplus in years prior;
- Supports 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; and
- Notes that the comments will be referred to Cabinet to consider before the Capital Programme 2025/26 - 2027/28 report is considered by Council.

65. PUBLIC SERVICES OMBUDSMAN FOR WALES ANNUAL LETTER 2023-24 AND HALF-YEAR COMPLAINTS PERFORMANCE 2024-25 ([Link to recording](#))

The Customer Contact Service Manager presented a [report \(agenda item 11\)](#) to consider the Public Services Ombudsman for Wales (PSOW) Annual Letter 2023-24 for the Council, together with an overview of complaints received by each portfolio between 1 April 2023 - 30 September 2024.

The Chief Officer (Governance) and Members praised the work undertaken by the Manager and her team in contributing to the positive outcomes of the report.

The recommendations were supported.

RESOLVED:

That the Committee:

- (a) Notes the positive annual performance of the Council in respect of complaints made to the Public Services Ombudsman for Wales during 2023-24;
- (b) 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; and
- (c) Supports the priorities outlined in paragraph 1.25.

66. MEMBERS OF THE PRESS AND PUBLIC IN ATTENDANCE

None.

(The meeting started at 10am and ended at 12.25pm)

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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 6



CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday, 12 December 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	<p>In previous meetings, requests for information, reports or actions have been made. These have been summarised as action points.</p> <p>Following the meeting of the committee in July 2018, it was recognised that there was a need to formalise such reporting back, as 'Matters Arising' is not an item which can feature on an agenda.</p>
1.02	<p>This paper summarises those points and where appropriate provides an update on the actions resulting from them.</p> <p>The Action Tracking details are attached in appendix 1.</p>
2.00	RESOURCE IMPLICATIONS
2.01	<p>The creation of the Action Tracking report increases workflow but should provide greater understanding and efficiency.</p>

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 These are provided corporately on the Infonet (link) and maintained by the Executive Office
8.01	None.

ACTION TRACKING FOR THE CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Meeting Date	Agenda item	Action Required	Action Officer(s)	Action taken	Status
19.07.2024	5. Medium Term Financial Strategy and Budget 2025/26	It was agreed to provide a response to the Committee on:			
		<ul style="list-style-type: none"> 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
	6. Revenue Budget Monitoring 2023/24 (Outturn) and Capital Programme 2023/24 (Outturn)	It was agreed to provide a response to the Committee on:			
		<ul style="list-style-type: none"> the cost of purchasing vehicles for the Fleet contract renewal. 	Strategic Finance Manager	This was the subject of a question put to and answered at Council on 04.12.2024.	Closed
12.09.2024	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

ACTION TRACKING

APPENDIX 1

Meeting Date	Agenda item	Action Required	Action Officer(s)	Action taken	Status
	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
14.11.2024	8. Revenue Budget Monitoring 2024/25 (Month 6) and Capital Programme Monitoring 2024/25 (Month 6)	To seek an explanation from colleagues in Housing & Communities on the rationale for the 'red' status of the action for ten STORI leased properties for families requiring temporary accommodation.	Strategic Finance Manager	Response being collated with the Service.	Open

Eitem ar gyfer y Rhaglen 7



CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday, 12 December 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	The Forward Work Programme (FWP) is intended to set out the Committee's schedule of work for the coming months.

	<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>Items from previous reports have since been scheduled, as updated below.</p> <ul style="list-style-type: none"> <p>• 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. <i>Scheduled for June 2025.</i></p> <p>• 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. <i>To be incorporated with the Transformation work items.</i></p> <p>A number of items from previous Committee meetings are still to be scheduled, as listed below.</p> <ul style="list-style-type: none"> <p>• Community Asset Transfers To provide an update on the Community Asset Transfer (CAT) process.</p> <p>• Acquisition of land for Flintshire cemeteries To provide details of how Flintshire County Council provided value for money in its land acquisition for cemeteries.</p> <p>• Review of Industrial Estates</p>

	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>A number of items were identified for inclusion on the committees FWP at recent meetings. The following is an update for these items.</p> <ul style="list-style-type: none"> • An update on mitigation options for homelessness was requested for the Autumn. <i>This is being considered as part of the work of the Community and Housing Overview and Scrutiny Committee reviewing the Action Plan. Details will be brought before Committee once this has been concluded.</i> • A report was requested detailing how the Public Service Board operates, its benefits, and costs etc. <i>To be scheduled.</i> • An invitation be extended to the Chief Fire Officer for a representative to attend a future meeting of this Committee. <i>Scheduled for January 2025, subject to confirmation.</i> • A report was requested about the Council’s long-term financial strategy. <i>This will be covered in the work of the transformation programme.</i> • That regular items on transformation projects are reported, and these are to include the impact on equalities. <i>These will be included within the FWP as items are identified.</i>
1.06	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.
1.07	Members are also encouraged to consider and propose items for inclusion on the FWP, noting the guidance at paragraph 1.08.
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 of legislation? 5. Is it prompted by the work carried out by Regulators/Internal Audit? 6. Is the issue of public or Member concern?

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

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	Not applicable.

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

5.00	APPENDICES
5.01	Appendix 1 – Draft Forward Work Programme.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None.

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

8.00	GLOSSARY OF TERMS
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 (December 2024)

Date of meeting	Subject	Purpose of Report / Presentation	Responsible / Contact Officer
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
	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)
tbc Tudalen 19	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>
	Presentation from North Wales Fire & Rescue Authority	<i>To receive a presentation from the MWFRA in relation to their work and precept setting arrangements.</i>	<i>Democratic Services Manager</i>
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 Manager
	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>
tbc			

CORPORATE RESOURCES OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

Date of meeting	Subject	Purpose of Report / Presentation	Responsible / Contact Officer
13 th March 2025	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
	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			
12 th June 2025	Council Tax Collections, Discretionary (s13a) Discounts/Write Offs	To report 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.	Revenues & Procurement 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)

CORPORATE RESOURCES OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

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

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
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)

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 8



CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Thursday 12th December, 2024
Report Subject	Medium Term Financial Strategy
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 an update on the Council's revenue budget position for the 2025/26 financial year in advance of the receipt of the Welsh Local Government Provisional Settlement on 11 December.

RECOMMENDATIONS

1	That the committee considers and comments on the Medium Term Financial Strategy and Budget 2025/26 report. Any specific matters for attention will be noted and reported back to the Cabinet when it considers the report.
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REPORT DETAILS

1.00	EXPLAINING THE MEDIUM TERM FINANCIAL STRATEGY
1.01	The Medium Term Financial Strategy and Budget 2025/26 report will be presented to Cabinet on Tuesday 17 th December, 2024. A copy of the report is attached as Appendix A.

2.00	RESOURCE IMPLICATIONS
2.01	As set out in the attached report.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	As set out in the attached report.

4.00	CONSULTATIONS REQUIRED / CARRIED OUT
4.01	As set out in the attached report.

5.00	APPENDICES
5.01	Appendix A; Medium Term Financial Strategy and Budget 2025/26.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None required.

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Gary Ferguson, Corporate Finance Manager Telephone: 01352 702271 E-mail: gary.ferguson@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 17 December 2024
Report Subject	Medium Term Financial Strategy and Budget 2025/26
Cabinet Member	Cabinet Member for Finance and Social Value
Report Author	Corporate Finance Manager and Chief Executive
Type of Report	Strategic

EXECUTIVE SUMMARY

This report provides an update on the Council's revenue budget position for the 2025/26 financial year in advance of the receipt of the Welsh Local Government Provisional Settlement on 11 December which had not been received at the time of writing the report. An update on the key headlines and impacts of the Provisional Settlement will be provided at the meeting.

In July, Cabinet and Corporate Resources Overview and Scrutiny Committee were advised of an initial additional budget requirement for the 2025/26 financial year of £37.778m

This was revised upwards to £38.420m in September and the cost pressures were referred to and considered by relevant Overview and Scrutiny Committees from October to December.

The UK Chancellor announced her Autumn Budget Statement on 30 October and the potential impact on the Welsh Government budget is set out in the report. The actual impact for Local Government and Welsh Councils will not be known until the publication of the Welsh Government draft budget and provisional settlement which are scheduled for 10/11 December.

Following receipt of the provisional settlement a detailed briefing will be provided to all members to advise of the impact on the Council's overall 2025/26 budget position.

This report sets out the changes to the 2025/26 additional budget requirement since the last reported position in September. The report also updates on the progress made to identify solutions to bridge the budget gap and advises of the

remaining options available to the Council to enable it to set a legal and balanced budget once the provisional settlement is confirmed.

RECOMMENDATIONS

1	To receive and note the revised additional budget requirement for the 2025/26 financial year.
2	To note the progress made to identify solutions to bridge the budget gap and to also note the remaining options available to set a legal and balanced budget once the provisional settlement is confirmed.

REPORT DETAILS

1.00	EXPLAINING THE MEDIUM-TERM FINANCIAL STRATEGY AND BUDGET 2025/26
1.01	This report provides an update on the Council's revenue budget position for the 2025/26 financial year in advance of the receipt of the Welsh Local Government Provisional Settlement on 11 December which had not been received at the time of writing the report. An update on the key headlines and impacts of the Provisional Settlement will be provided at the meeting.
1.02	In July, Cabinet and Corporate Resources Overview and Scrutiny Committee were advised of an initial additional budget requirement for the 2025/26 financial year of £37.778m
1.03	This was revised upwards to £38.420m in September and the cost pressures were referred to and considered by relevant Overview and Scrutiny Committees from October to December.
1.04	National Context It is clear from a recent Society of Welsh Treasurers survey coordinated by the Welsh Local Government Association that all Councils in Wales are experiencing similar significant financial challenges. Across Wales total cost pressures of £563m have been identified for the 2025/26 financial year with additional cost pressures of £457m in 2026/27 and £462m in 2027/28.
1.05	The UK Chancellor announced her Autumn Budget Statement on 30 October and the potential impact on the Welsh Government budget is set out below.
1.06	For the 2024/25 financial year Welsh Government will receive additional revenue consequential funding of £774m with a further £929m anticipated for the 2025/26 financial year (£694m revenue and £235m capital).

	Therefore, over the next two years Welsh Government are expected to receive additional funding of around £1.7bn.																											
1.07	The actual impact for Local Government and Welsh Councils will not be known until the publication of the Welsh Government draft budget and provisional settlement which are scheduled for 10/11 December.																											
1.08	Based on the above, Welsh Government will have much greater funding flexibility than previously expected to allocate to local government so that they can meet the impact of pay awards and escalating service demand in areas such as social care, homelessness and additional learning needs. The Council will continue to make representations for a better funding settlement which will be essential to enable the Council to be able to set a legal and balanced budget.																											
	THE REVISED ADDITIONAL BUDGET REQUIREMENT																											
1.09	<p>Since September there have been some changes to the additional budget requirement, and these are set out in the table below:</p> <p><u>Table 1: Changes to the Additional Budget Requirement 2025/26</u></p> <table border="1" data-bbox="320 927 1404 1391"> <thead> <tr> <th></th> <th style="text-align: right;">£m</th> <th></th> </tr> </thead> <tbody> <tr> <td>September Cabinet Report</td> <td style="text-align: right;">38.420</td> <td>Note</td> </tr> <tr> <td colspan="3">New Pressures:</td> </tr> <tr> <td>Employers National Insurance Contributions</td> <td style="text-align: right;">4.189</td> <td>(1)</td> </tr> <tr> <td>Employers Teacher Pension Contributions</td> <td style="text-align: right;">3.147</td> <td>(2)</td> </tr> <tr> <td>Hawarden High School – Resource Unit</td> <td style="text-align: right;">0.138</td> <td>(3)</td> </tr> <tr> <td>Additional Teacher Pay Award – Sep 2024</td> <td style="text-align: right;">0.399</td> <td>(4)</td> </tr> <tr> <td>Out of County Placements</td> <td style="text-align: right;">1.200</td> <td>(5)</td> </tr> <tr> <td>Revised Additional Budget Requirement</td> <td style="text-align: right;">47.493</td> <td></td> </tr> </tbody> </table> <p>Notes in support of table 1:</p> <ol style="list-style-type: none"> 1. Impact of Employers National Insurance contribution increase following UK Autumn Budget Statement – it is anticipated that additional funding will be provided for this from HM Treasury. 2. Impacts of the increase in Employers Teacher Pension contributions effective from April 2024 – it is anticipated that additional funding will be provided by UK Government / Welsh Government. 3. Specialist Additional Learning Needs provision as approved by Cabinet in October (full annual impact of £0.237m from 26/27) 4. A Teacher Pay Award of 5.5% has been approved effective from 1 Sep 2024 – an additional 0.5% compared with the budgeted amount of 5%. 5. Impact of current in-year projected overspend 		£m		September Cabinet Report	38.420	Note	New Pressures:			Employers National Insurance Contributions	4.189	(1)	Employers Teacher Pension Contributions	3.147	(2)	Hawarden High School – Resource Unit	0.138	(3)	Additional Teacher Pay Award – Sep 2024	0.399	(4)	Out of County Placements	1.200	(5)	Revised Additional Budget Requirement	47.493	
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	<u>FUNDING SOLUTIONS</u>																											

1.10 Since September a significant amount of work has been undertaken to identify solutions to meet the remaining budget shortfall. An update on the latest position is detailed in the table below:

Table 2: Funding Solutions identified to date

	£m
Additional Budget Requirement	47.493
Less:	
Additional Funding	
Additional Funding for Employer NI increase	(4.189) (1)
Additional Funding for Teacher Pension increase	(3.147) (2)
Reduction in Existing Cost Pressures:	
Homelessness Demand	(3.017) (3)
Pay Award 2024/25	(0.754) (4)
Streetscene and Transportation – various removed	(0.681) (5)
Central Loans and Investment Account	(0.500) (6)
Children’s Group Homes	(0.450) (7)
Reduction of indexation pressures	(0.700) (8)
Revised Teachers Pay Award 25/26	(0.294) (9)
Mockingbird Repayment deferred for one year	(0.287) (10)
Digital Posts - various	(0.191) (11)
Recycling Income	(0.150) (12)
Local Bus Services	(0.150) (13)
Net Changes to borrowing costs	(0.129) (14)
Homecare Capacity	(0.100) (15)
Regional Collaboration Team	(0.050) (16)
Specialist Legal Expenses	(0.040) (17)
Empty Homes Grant	(0.025) (18)
ADM Resource	(0.024) (19)
Increased Income:	
Fees and Charges (annual review)	(0.150) (20)
Fast Track Income	(0.022) (21)
New Cost Reductions:	
School Demography	(1.349) (22)
Residual Waste Collection frequency	(0.653) (23)
County Hall vacation	(0.371) (24)
Reduction in Travel Budgets (indicative)	(0.160) (25)
Digital Strategy	(0.058) (26)
Reduction in NDR Transitional Relief	<u>(0.001) (27)</u>
Total Funding Solutions identified to date	(17.642)
Remaining Additional Budget Requirement	29.851

Notes in support of table 2:

1. Funding is expected through HM Treasury – assumed in full.
2. Funding is expected to be transferred into the Settlement – assumed in full.
3. Reduction in cost pressure based on Independent Homelessness Review Report in October – mid range.
4. Reduction following the NJC Pay Award for 2024/25 being agreed in October.
5. Reduction in cost pressures following a review and some alternative funding solutions being identified.
6. Reduction in cost pressure due to continuation of relatively stable interest rate forecasts.
7. Pressure deferred due to application for Welsh Government grant to provide funding for the pressure.
8. Review and Challenge of external partner and projected savings on the central utilities budget across Corporate Buildings and Schools.
9. Reduced cost pressure due to revised calculations.
10. Deferment of the first Mockingbird Loan Repayment to 2026/27 as agreed with Welsh Government.
11. Digital posts that can now be funded from approved carry forward balances.
12. Recycling income is not projected to reduce as much as originally forecast.
13. Removed Choice cost pressure as included in the September Cabinet report.
14. The level of anticipated borrowing costs from various capital schemes is not as high as originally anticipated.
15. Deferred pressure due to in-house Homecare Service not yet at full capacity due to current recruitment challenges.
16. Deferment of pressure to 2026/27 in agreement with Welsh Government.
17. Removed Choice cost pressure as included in the September Cabinet report.
18. Removed Choice cost pressure as included in the September Cabinet report.

	<p>19. Removed Choice cost pressure as included in the September Cabinet report.</p> <p>20. Estimate of increased income from the 2025 review of fees and charges.</p> <p>21. Anticipated income forecast to be received from the Fasttrack project.</p> <p>22. Based on the downturn in overall pupil numbers</p> <p>23. Reduction in cost following implementation of the Residual Waste Service moving to 3 weekly from April 2025</p> <p>24. Initial projected savings from vacation of County Hall</p> <p>25. Indicative 20% reduction in travel budgets based on increased home working.</p> <p>26. Digital Strategy net savings from Care Cubed and Paris systems.</p> <p>27. Minor adjustment in NDR Transitional Relief.</p>
1.11	<p><u>AREAS STILL UNDER CONSIDERATION</u></p> <p>There are still a number of areas that will need to be subject to final consideration for final budget setting purposes once we have received our funding allocation from Welsh Government and these are set out below.</p>
1.12	<p>Welsh Government Aggregate External Finance (AEF)</p> <p>As set out earlier in the report we will be notified of our provisional settlement on 11 December which will provide more certainty on our overall budget position. Final budget proposal options will then need to be prepared for consideration by members prior to final budget setting day scheduled for 18 February.</p> <p>Following the UK Autumn Budget Statement there is scope for a much more positive funding allocation than previously anticipated. Each 1% uplift in our AEF equates to £2.595m so it is essential that a significant uplift is provided.</p> <p>However, as was the case last year changes to data sets as a result of PLASC and the latest statutory returns are likely to have a significant negative impact on our allocation.</p>

1.13	<p>Pay Assumptions</p> <p><u>Impact of National Pay Awards</u></p> <p>A pay award uplift of 4% for both Teaching (from September 2025) and Non-Teaching (from April 2025) is currently included in our estimates. This is a higher assumption than many other Welsh councils and will be reviewed again in advance of final budget setting in conjunction with latest economic forecasts.</p> <p><u>Pay Modelling</u></p> <p>An ‘aspirational’ amount of £2m is currently included for the potential impact of the pay modelling review which is being undertaken to address the recruitment and retention difficulties being experienced across the Council. A further assessment of affordability, including any potential compensatory cost reductions will need to be undertaken for final budget setting although there is a possibility that this cost pressure may need to be removed/deferred.</p>
1.14	<p>Schools Budget</p> <p>The delegated schools budget has been relatively protected in recent years.</p> <p>However, as the Council's largest budget it is inevitable that consideration will need to be given to a further contribution to the overall budget gap in the 2025/26 financial year including the amount of £0.750m currently included as a contribution to addressing school deficit budgets.</p> <p>School budgets benefitted from a net uplift of £3.995m in 2024/25 after taking into account increases for pay, NDR, free school meals and specialist mobile classroom provision which was offset by a 3% reduction and agreed savings on energy, demography and Pension Contributions.</p> <p>The current additional budget requirement for 2025/26 includes total cost pressures of £12.521 for school budgets for pay awards and other identified pressures.</p> <p>Each 1% reduction on the schools budget would equate to £1.173m off the cumulative cost pressures currently included.</p>
1.15	<p>Homelessness</p> <p>The homelessness service has continued to see increasing numbers presenting for support, and the projected overspend in the current financial year is £2.3m, net of ‘No One Left Out’ Grant and additional Housing Benefit income.</p> <p>In response to growing concerns over the financial implications of increasing levels of homelessness, the Chief Executive engaged an Independent Consultant to complete a review of the Councils Homelessness Service and the Council’s approach to tackling homelessness more broadly.</p>

	<p>The outcome of this review was considered by Cabinet in October and a number of recommended measures were agreed which could potentially reduce the cost pressure for 2025/26 within a range of £3.500m - £5.500m (from the £7.5m currently included) however, it is important to note that this is based on demand levels staying within the range we have seen over the last 18 months and any spikes in demand could further increase the financial pressure to the service.</p> <p>Therefore, at this stage a mid-range reduction of £3.017m has been assumed but this will be reviewed in advance of final budget setting based on latest demand projections.</p>
1.16	<p>Portfolio Cost Reductions</p> <p>It is unlikely that the other remaining options available to the Council will be sufficient to meet the current funding shortfall.</p> <p>Therefore, all portfolios are revisiting their cost base with a view to identifying the impact of potential further budget reductions of up to 10%. This will be a very significant challenge but is essential to provide Council with the options it requires for consideration at final budget setting.</p>
1.17	<p>Transformation Programme</p> <p>The resourcing and governance arrangements of this key programme are now underway and an update is included as a separate item on this agenda. The areas identified in the report will be reviewed with regards to achievability although it is anticipated that most of the cost reduction benefits will be over the medium to longer term. However, in view of the major challenge facing the Council priority will be directed to any areas that may be able to generate savings for the 2025/26 budget.</p>
1.18	<p>Review of In Year Budget Position</p> <p>The Council's latest budget monitoring position (as at Month 7) shows an overall projected overspend of £6.466m which is partly mitigated by a one-off budget risk reserve of £3m. To address the situation Action Plans have been put in place by the relevant overspending portfolios in an attempt to try and bring spend back in line with the approved budget by the end of the financial year.</p> <p>However, service demand levels continue to be at unprecedented levels in areas such as social care and there is a significant risk that spend cannot be contained within existing budget levels. A review of the latest in-year budget position will need to be assessed prior to final budget setting.</p>
1.19	<p>Social Care – Commissioning Costs</p> <p>Social Care budgets have been relatively protected in recent years and commissioning costs will be subject to negotiation with care providers over the coming weeks.</p>

	<p>The impact of the recently announced increase in Employers National Insurance contributions and Real Living Wage is likely to significantly impact on the independent care sector and will need to be factored into negotiations.</p>
1.20	<p>Out of County Placements</p> <p>There continues to be significant volatility in this area and the trend of increasing costs is continuing with the projected overspend in the current financial year now being £1.7m. An initial amount of £0.500m was included in the forecast which has now been increased to £1.7m to re-set at existing levels. However, this will need to continue to be kept under close review and risk assessed as part of final budget setting, and it appears inevitable that a further increase may be required.</p>
1.21	<p>Council Tax</p> <p>The impact of an annual uplift in Council Tax is not currently included within the Budget Solutions identified in Table 2. As in previous years council tax levels will be a key consideration in the final stage of the budget process.</p> <p>However, it is anticipated that a similar increase to the current year will be required as there continues to need to be a greater reliance on local taxation.</p> <p>Each increase of 1% in Council Tax (net of the impact on the Council Tax Reduction Scheme) would provide an additional £1.1m towards the gap.</p>
1.22	<p>Summary and Conclusions</p> <p>The United Kingdom Autumn Budget Statement on 30 October included welcome additional consequential funding for Welsh Government to consider as part of its upcoming draft budget for 2025/26 (see para 1.06)</p> <p>We now need to await the provisional settlement allocation from Welsh Government scheduled for the 11 December and it is essential that we receive a significant contribution to reduce the reliance on local taxation and the other measures set out in the report.</p> <p>As set out in the report, the Council will need to identify sufficient solutions to meet the remaining gap of £29.851m to meet its statutory duty of setting a legal and balanced budget. It is important to note that no account has been taken to date on the Council's two main funding streams of Welsh Government Grant and annual Council Tax uplifts.</p> <p>Further reports and specific proposals from the considerations detailed in paragraphs 1.12 – 1.21 will then be brought to members in January and February 2025 in line with the timeline below.</p> <p>Following receipt of the provisional settlement a briefing will be provided to all members to advise of the impact on the overall 2025/26 budget position.</p>

1.23	Table 3: Budget Timeline	
	Date	Event
	10/11 December 2024	WG Draft Budget/Provisional Settlement
	17 December 2024	Report to Cabinet and Corporate Resources Overview and Scrutiny Committee - Budget Update
	16 January 2025	Overview and Scrutiny Committees – as required
	21 January 2025	Report to Cabinet and Corporate Resources Overview and Scrutiny Committee - Proposed budget requirement and solutions
	18 February 2025	Report to Cabinet and Council - Final Budget Proposals
	February 2025	WG Final Budget/Settlement

2.00	RESOURCE IMPLICATIONS
2.01	<p>Revenue: the revenue implications for the 2025/26 budget are set out in the report.</p> <p>Capital: the borrowing needs for the capital programme are built into the revenue estimates for 2025/26.</p>

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT		
3.01	<p>Ways of Working (Sustainable Development) Principles Impact</p> <table border="1" style="width: 100%;"> <tr> <td style="width: 30%; vertical-align: top;">Long-term</td> <td> <p>Negative – the absence of longer-term funding settlements from Welsh Government means that sustainable support for service delivery is challenging for the longer term. Sustainable funding from Welsh Government that provides additional funding for Indexation, service demands and new legislation will provide a positive and sustainable position for the Council in the longer term.</p> <p>Negative – failure to agree a balanced and legal budget and may lead to potential Welsh Government intervention.</p> <p>Negative – failure to balance the budget may lead to the section 151 Officer issuing a section 114 notice effectively declaring the Council bankrupt.</p> </td> </tr> </table>	Long-term	<p>Negative – the absence of longer-term funding settlements from Welsh Government means that sustainable support for service delivery is challenging for the longer term. Sustainable funding from Welsh Government that provides additional funding for Indexation, service demands and new legislation will provide a positive and sustainable position for the Council in the longer term.</p> <p>Negative – failure to agree a balanced and legal budget and may lead to potential Welsh Government intervention.</p> <p>Negative – failure to balance the budget may lead to the section 151 Officer issuing a section 114 notice effectively declaring the Council bankrupt.</p>
Long-term	<p>Negative – the absence of longer-term funding settlements from Welsh Government means that sustainable support for service delivery is challenging for the longer term. Sustainable funding from Welsh Government that provides additional funding for Indexation, service demands and new legislation will provide a positive and sustainable position for the Council in the longer term.</p> <p>Negative – failure to agree a balanced and legal budget and may lead to potential Welsh Government intervention.</p> <p>Negative – failure to balance the budget may lead to the section 151 Officer issuing a section 114 notice effectively declaring the Council bankrupt.</p>		

Prevention	As above
Integration	Neutral Impact
Collaboration	Services continue to explore opportunities for collaboration with other services and external partners to support positive impacts.
Involvement	Communication with Members, residents and other stakeholders.

Well-Being Goals Impact

Prosperous Wales	Longer term funding settlements from Welsh Government that provide additional funding for indexation, service demands and new legislation will aid sustainability and support a strong economy that encourage business investment in the region. The opposite will be true if settlements are inadequate.
Resilient Wales	Continuation of services to support communities and social cohesion will have a positive impact. The opposite will be true if settlements are inadequate.
Healthier Wales	An appropriate level of funding will ensure that communities are supported and will have a positive impact. The opposite will be true if settlements are inadequate.
More equal Wales	A positive impact with greater parity of funding from Welsh Government for all Welsh Local Authorities. The opposite will be true if settlements are inadequate.
Cohesive Wales	Appropriate level of funding will support services working alongside partners. The opposite will be true if settlements are inadequate.
Vibrant Wales	As Healthier and Cohesive Wales above
Globally responsible Wales	Neutral impact.

4.01	Consultation has taken place with Portfolio Management Teams and the Chief Officer Team, the Finance Team, Cabinet Members, Group Leaders and Overview and Scrutiny Committees. Workforce conferences have been scheduled in January for employees.
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5.00	APPENDICES
5.01	None to this report

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Cabinet Report July 2024 Cabinet Report September 2024 Overview and Scrutiny Reports and Presentations October-December 2024

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

8.00	GLOSSARY OF TERMS
8.01	<p>Medium Term Financial Strategy (MTFS): a written strategy which gives a forecast of the financial resources which will be available to a Council for a given period, and sets out plans for how best to deploy those resources to meet its priorities, duties and obligations.</p> <p>Revenue: a term used to describe the day to day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.</p> <p>Capital: Expenditure on the acquisition of non-current assets or expenditure which extends the useful life of an existing asset.</p> <p>Budget: a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p> <p>Revenue Support Grant: the annual amount of money the Council receives from Welsh Government to fund what it does alongside the</p>

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.

External Partners: Organisations outside of the Council that we work alongside to deliver services.

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 9



CORPORATE RESOURCES OVERVIEW AND SCRUTINY

Date of Meeting	Thursday 12th December, 2024
Report Subject	Revenue Budget Monitoring 2024/25 (Month 7)
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 7).

RECOMMENDATIONS

1	That the committee considers and comments on the Revenue Budget Monitoring 2024/25 (Month 7) report. Any specific matters for attention will be noted and reported back to the Cabinet when it considers the report.
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REPORT DETAILS

1.00	EXPLAINING THE REVENUE BUDGET MONITORING POSITION 2024/25 (MONTH 7)
1.01	The Revenue Budget Monitoring 2024/25 (Month 7) report will be presented to Cabinet on Tuesday 17 th December, 2024. A copy of the report is attached as Appendix A to this report.

2.00	RESOURCE IMPLICATIONS
2.01	As set out in Appendix A; Revenue Budget Monitoring 2024/25 (Month 7).
3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	As set out in Appendix A; Revenue Budget Monitoring 2024/25 (Month 7).
4.00	CONSULTATIONS REQUIRED / CARRIED OUT
4.01	None required.
5.00	APPENDICES
5.01	Appendix A; Revenue Budget Monitoring 2024/25 (Month 7).
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 17th December, 2024
Report Subject	Revenue Budget Monitoring Report 2024/25 (Month 7)
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 7.

The projected year end position is as follows:

Council Fund

- An operating deficit of £6.375m (this reduces to £3.375m with the utilisation of the budget risk reserve of £3m agreed when setting the budget) which is an adverse movement of £0.566m from the deficit figure of £5.809m reported at Month 6.
- A projected contingency reserve balance as of 31 March 2025 of £0.783m (after taking account of previously approved allocations – this will reduce to £0.381m if the recommended use for illegal tipping costs is approved).

This significant projected overspend (and impact on our available reserves) continues to be of major concern and needs to continue to be addressed urgently to bring expenditure back in line with the approved budget. Based on current projections the council still has a very 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 lead to further deterioration of 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 and these plans have been referred to the relevant Overview and Scrutiny Committees.

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.

Housing Revenue Account

- Net in-year revenue expenditure is forecast to be on budget.
- A projected closing balance as of 31 March, 2025 of £4.451m

RECOMMENDATIONS

1.00	<p>That Cabinet</p> <ol style="list-style-type: none"> 1) Note and comment on the report and the estimated financial impact on the 2024/25 budget 2) Approve funding from the Contingency Reserve for illegal tipping costs as detailed in section 1.20. 3) Support the measures being put in place to improve 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 7.</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 £6.375m (this reduces to £3.375m with the utilisation of the budget risk reserve of £3m agreed when setting the budget) which is an adverse movement of £0.566m from the deficit figure of £5.809m reported at Month 6. • A projected contingency reserve balance as at 31 March 2025 of £0.783m (after taking account of previously approved allocations – this will reduce to £0.381m if the recommended use for illegal tipping costs is approved).

	<p>Housing Revenue Account</p> <ul style="list-style-type: none"> • Net in-year revenue expenditure is forecast to be on budget. • A projected closing balance as of 31 March, 2025 of £4.451m 																																																																				
1.02	<p>Table 1. Projected Position by Portfolio</p> <p>The table below shows the projected position by portfolio:</p> <table border="1"> <thead> <tr> <th>Portfolio/Service Area</th> <th>Approved Budget £m</th> <th>Projected Outturn £m</th> <th>In-Year Over / (Under) spend £m</th> </tr> </thead> <tbody> <tr> <td>Social Services</td> <td>92.047</td> <td>96.418</td> <td>4.372</td> </tr> <tr> <td>Out of County Placements</td> <td>19.299</td> <td>21.025</td> <td>1.726</td> </tr> <tr> <td>Education & Youth (Non Schools)</td> <td>10.148</td> <td>10.227</td> <td>0.079</td> </tr> <tr> <td>Schools</td> <td>117.302</td> <td>117.138</td> <td>(0.164)</td> </tr> <tr> <td>Streetscene & Transportation</td> <td>42.695</td> <td>44.495</td> <td>1.799</td> </tr> <tr> <td>Planning Env & Economy</td> <td>7.682</td> <td>7.726</td> <td>0.044</td> </tr> <tr> <td>People & Resources</td> <td>4.290</td> <td>4.202</td> <td>(0.089)</td> </tr> <tr> <td>Governance</td> <td>12.066</td> <td>11.684</td> <td>(0.382)</td> </tr> <tr> <td>Assets</td> <td>11.403</td> <td>11.366</td> <td>(0.037)</td> </tr> <tr> <td>Housing & Communities</td> <td>18.161</td> <td>20.451</td> <td>2.289</td> </tr> <tr> <td>Chief Executive</td> <td>1.641</td> <td>1.619</td> <td>(0.022)</td> </tr> <tr> <td>Central & Corporate Finance</td> <td>31.372</td> <td>28.131</td> <td>(3.241)</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Total</td> <td>368.106</td> <td>374.481</td> <td>6.375</td> </tr> <tr> <td colspan="3">Utilisation of Budget Risk Reserve</td> <td>(3.000)</td> </tr> <tr> <td>Total – Revised Overspend</td> <td></td> <td></td> <td>3.375</td> </tr> </tbody> </table>	Portfolio/Service Area	Approved Budget £m	Projected Outturn £m	In-Year Over / (Under) spend £m	Social Services	92.047	96.418	4.372	Out of County Placements	19.299	21.025	1.726	Education & Youth (Non Schools)	10.148	10.227	0.079	Schools	117.302	117.138	(0.164)	Streetscene & Transportation	42.695	44.495	1.799	Planning Env & Economy	7.682	7.726	0.044	People & Resources	4.290	4.202	(0.089)	Governance	12.066	11.684	(0.382)	Assets	11.403	11.366	(0.037)	Housing & Communities	18.161	20.451	2.289	Chief Executive	1.641	1.619	(0.022)	Central & Corporate Finance	31.372	28.131	(3.241)					Total	368.106	374.481	6.375	Utilisation of Budget Risk Reserve			(3.000)	Total – Revised Overspend			3.375
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1.03	<p>Appendix 1 shows all monthly movements of £0.025m since Month 6 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.</p>																																																																				
	<p>Significant Movements at Month 7</p>																																																																				
1.04	<p>Social Services £0.762m</p> <p><u>Older Peoples Service</u></p> <ul style="list-style-type: none"> • Localities – £0.617m. Demands for Older People services are leading to increased costs. This includes pressures from ensuring 																																																																				

	<p>safe hospital discharges and this pressure will likely increase during the winter period. Residential care service costs have increased by £0.288m and domiciliary care costs by £0.320m. Minor variances account for the balance.</p> <ul style="list-style-type: none"> Resources & Regulated Services (£0.052m). There has been an overall decrease in the projected outturn due to changes to projected workforce costs to deliver in-house care services. Homecare costs have reduced by (£0.054m), residential care increased by £0.023m and Extra Care reduced by (£0.022m). <p><u>Adults of Working Age</u></p> <ul style="list-style-type: none"> Resources and Regulated Services £0.362m. There was an increase in costs in the Physical Disabilities and Sensory Impairment (PDSI) service of £0.167m due to an additional placement. In-house Supported Living service costs have increased by £0.034m and Learning Disability service costs have increased by £0.172m due to changes to care packages. Day service costs reduced by (£0.011m). Residential Placements (£0.098m). This is due to a reduction in care package costs following review. <p><u>Children's Services</u></p> <ul style="list-style-type: none"> Early Years and Family Support (£0.144m). Service Balances have been drawn upon to offset eligible expenditure. Professional Support £0.169m – There has been an additional agency worker required within the Childrens First Contact team. Contributions from external funding has reduced as there is less slippage on grant funded schemes than originally anticipated. <p><u>Safeguarding and Commissioning</u></p> <ul style="list-style-type: none"> Charging Policy Income (£0.070m). This is due to an increase in the anticipated income received through contributions to care. <p>There is a net (£0.022m) in minor movements across the portfolio.</p>
1.05	<p>Out of County Placements £0.308m</p> <ul style="list-style-type: none"> Children's Services £0.555m – Due to an increased number of new placements, causing a significant adverse variance of £0.555m. Education & Youth (£0.247m) – A number ending Education Day placements have been removed from the current placement caseload, causing a (£0.247m) favourable movement.
1.06	<p>Education and Youth (Non Schools) – (£0.070m)</p> <p>The positive movement is as a result of:</p> <ul style="list-style-type: none"> Inclusion and Progression (£0.026m) – This is due to funding claw back from schools, as a result of permanent exclusions of (£0.018m). The remaining (£0.008m) relates to additional income received and a reduction in forecasts across all service areas.

	<ul style="list-style-type: none"> School Improvement Systems (£0.033m) – Favourable movement of (£0.024m) within Early Entitlement service which primarily relates to the maximisation of Early Years Pupil Development Grant against core expenditure. Favourable movement of (£0.009m) within the School Improvement Service. The amount calculated for the GwE recharge was estimated based on the service reduction of 10%. Actual recharge amount has now been confirmed. <p>Minor movements across the Portfolio account for the remainder of (£0.011m).</p>
1.08	<p>Governance – (£0.069m)</p> <p>A number of minor movements across the Portfolio account for the positive movement at Month 7, each less than £0.025m.</p>
1.09	<p>Housing and Communities – (£0.155m)</p> <p>Housing Solutions - A positive movement of (£0.155m) as a result of additional Housing Support Grant (£0.133m) plus (£0.022m) of minor variances across the service.</p>
1.10	<p>Central and Corporate Finance – (£0.091m)</p> <p>A previous commitment of £0.091m to fund the on-going clean-up from the impact of illegal tipping at land adjacent to the Riverside Site, Queensferry has been removed as this expenditure is now recommended to be funded from Contingency Reserve (see para 1.20).</p>
1.11	<p>Cumulative minor variances across the Council of (£0.119m) account for the remainder of the total monthly movement.</p>
1.12	<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>
1.13	<p>Council Tax Income</p> <p>Council Tax collections remain stable and on track. As at the end of October, in-year collections were 65.82%, compared to 66.08% in the previous financial year. In recently published benchmarking data, the Council's in-year collections for 2024/25 remain in the upper quartile across Wales, despite a marginal reduction in collections at Month 7.</p>
1.14	<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)</p>

	<p>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. The ongoing pressure from 2025/26 also remains a risk.</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, both in-year and on an ongoing basis.</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 £0.755m and the Pay Award were disseminated across service pay budgets during November.</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 ongoing recruitment and retention of staff.</p>
1.15	<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>
1.16	<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 three 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 details become available.</p>
1.17	<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 when changes in policy by Welsh Government were implemented 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>
1.18	<p>Storm Ashley and Storm Bert</p> <p>In October the County was hit by severe flooding and storm damage due to Storm Ashley. In November, Storm Bert also brought further flooding to the County. The response and subsequent clean-up from these storms are currently being assessed and the financial implications will be included in future reports.</p>
1.19	<p>Winter Maintenance</p> <p>Heavy snowfall in November has led to additional Winter Maintenance costs being incurred and 1,700 tonnes of additional salt being required for spreading over the six days, at a cost of £0.120m. The outturn for this service is already projected to be £0.370m over budget at Month 7, so costs will be closely monitored through the winter period and any variation to the current projected outturn reported in future reports.</p>
1.20	<p>Illegal Tipping Costs</p>

	<p>Costs associated with illegal tipping on Council land adjacent to the Riverside Site, Queensferry are estimated to be £0.402m. Natural Resources Wales (NRW) have approved the engagement of the waste contractors and carriers, and the waste volume is in the region of 1,200 tonnes. The matter is being investigated by external agencies with those responsible likely to be pursued through legal channels. The cost of the clean-up operation will be pursued as part of any legal action. It is recommended that the cost of this is funded from Contingency Reserve in 2024/25.</p>
1.21	<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>
1.22	<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>Further work has been undertaken on options for solutions to meet the budget requirement and an update on the latest position is detailed in a separate report on this agenda.</p> <p>The Council is expecting to be advised of its Welsh Local Government Provisional Settlement allocation 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>
1.23	<p>Benefits</p> <p>Council Tax Reduction Scheme (CTRS) – Based on current demand, costs are currently projected to be £0.765m 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 £0.765m can be fully mitigated by use of the Reserve previously set aside.</p>
1.24	<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</p>

	<p>tribunal claims in respect of this. The next preliminary hearing is scheduled for 8th May 2025.</p> <p>It is hopeful that we will get to a position where we could seek to settle on a without prejudice basis, but there is some further work to undertake first. There is also a risk that it will cost considerably more than the £0.254m currently held in reserves.</p>
1.25	<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 95% of efficiencies will be achieved in 2024/25 and further details can be seen in Appendix 3.</p>
1.26	<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> <p>As per section 1.20, it is recommended that £0.402m of estimated costs associated with illegal tipping are approved to be funded from Contingency Reserve, with the intention that recovery of these costs is made in the future from the organisation responsible for the illegal tipping.</p> <p>Taking into account the current projected final outturn and previously agreed allocations the contingency reserve available is £0.783m – this will reduce to £0.381m if the recommended use for illegal tipping costs is approved.</p> <p>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.</p>
1.27	<p>Summary and Conclusion</p> <p>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 £0.783m (which will reduce to £0.381m if the recommended allocation is approved) 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.</p>

	<p>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 and these have been referred to relevant Overview and Scrutiny Committees.</p> <p>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.</p>
1.28	<p>Housing Revenue Account (HRA)</p> <p>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.</p>
1.29	<p>The 2024/25 budget for the HRA is £42.166m which includes a movement of (£0.193m) from reserves.</p>
1.30	<p>The projected outturn for the HRA shows an in-year revenue expenditure at the same level as the Annual Budget with a closing un-earmarked balance as at 31st March, 2025 of £4.451m.</p> <p>The adverse movement of £0.222m from Month 6 is explained as follows:</p> <ul style="list-style-type: none"> • Income (£0.104m) movement on the Bad Debt Provision and movement on Voids • Estate Management (£0.010m) minor movements • Landlord Service Costs (£0.134m) movement in salaries and usage of Garden Reserve (£0.112m) and minor variances (£0.012m) • Repairs and Maintenance £3.966m resulting from the drive to reduce the backlog of void properties within the HRA. An additional £3.5m CERA has been introduced to meet the overspend. The balance has been met from underspend within the service. • Capital Expenditure from Revenue Account (CERA) transfer of (£3.500m) <p>Minor variances account for the remainder £0.002m.</p>
1.31	<p>The budget contribution towards capital expenditure (CERA) is £10.967m.</p>

2.00	RESOURCE IMPLICATIONS
2.01	As set out within the report.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	The financial impacts as set out in the report are 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	Appendix 1: Council Fund – Movement in Variances from Month 6 Appendix 2: Council Fund – Budget Variances Appendix 3: Council Fund – Programme of Efficiencies Appendix 4: Council Fund – Movement on Un-earmarked Reserves Appendix 5: Housing Revenue Account Variances

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Various budget records.

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

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

Housing Revenue Account: The Housing Revenue Account (HRA) is a local authority account showing current income and expenditure on housing services related to its own housing stock. The account is separate from the Council Fund and trading accounts and is funded primarily from rents and government subsidy.

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

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

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

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

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

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

Council Fund Variances**MONTH 7 - SUMMARY**

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £0.025m
Social Services		
Older People		
Localities	0.617	Demands for Older People services are leading to increased costs. This includes pressures from ensuring safe hospital discharges and this pressure will likely increase further during the winter period. The residential care service has increased by £0.288m and domiciliary care by £0.320m. Minor variances account for the balance.
Resources & Regulated Services	-0.052	There has been an overall decrease in the outturn due to changes to projected workforce costs to deliver in-house care services. Homecare has reduced by (£0.054m), residential care increased by £0.023m and Extra Care reduced by (£0.022m).
Minor Variances	0.001	
Adults of Working Age		
Resources & Regulated Services	0.362	There was an increase in the Physical Disabilities and Sensory Impairment (PDSI) service of £0.167m due to an additional placement. The in-house Supported Living service costs have increased by £0.034m and the Learning Disability service costs increased by £0.172m due to changes to care packages. Day service costs reduced by £0.011m.
Residential Placements	-0.098	Care package costs have reduced following reviews
Minor Variances	-0.008	
Children's Services		
Early Years & Family Support	-0.144	Service Balances have been drawn upon to offset eligible expenditure.
Professional Support	0.169	There has been an additional agency worker required within the Childrens First Contact team. Contributions from external funding have been reduced as there is less slippage on grant funded schemes expected than originally anticipated.
Minor Variances	-0.024	
Safeguarding & Commissioning		
Charging Policy income	-0.070	Increased projected contributions from service users towards their care costs
Minor Variances	0.010	
Total Social Services (excl Out of County)	0.762	
Out of County		
Children's Services	0.555	An increased number of new placements were captured at Month 7, causing a significant adverse variance of £0.555m in comparison to Month 6.
Education & Youth	-0.247	A number of ending Education Day placements have been removed from the current placement caseload, causing a £0.247m favourable movement in comparison to Month 6.
Total Out of County	0.308	
Education & Youth		
Inclusion & Progression	-0.026	Favourable movement of (£0.026m). This is due to the calculation of funding to claw back from schools, as a result of permanent exclusions for (£0.018m). The remaining (£0.008m) relates to additional income received and a reduction in forecasts across all service areas.
School Improvement Systems	-0.033	Favourable movement of (£0.024m) within Early Entitlement service which primarily relates to the maximisation of Early Years Pupil Development Grant against core expenditure. Favourable movement of (£0.009m) within the School Improvement Service. The amount calculated for the GwE recharge was estimated based on the service reduction of 10%. Actual recharge amount has now been confirmed.
Minor Variances	-0.011	
Total Education & Youth	-0.070	

MONTH 7 - SUMMARY

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £0.025m
Schools	0.002	
Streetscene & Transportation		
Highways Network	0.039	Increased Streetlighting and Drainage costs.
Transportation	-0.052	Mix of Moratorium Vacancy savings and reduced transport costs in Social Services.
Regulatory Services	-0.060	Moratorium Vacancy Savings
Other Minor Variances	0.020	
Total Streetscene & Transportation	-0.053	
Planning, Environment & Economy		
Development	0.031	Revised Planning Fee Income shortfall projected to March, 2025
Regeneration	-0.025	Maximisation of Grant Income - staff costs reallocated against Shared Prosperity Fund Grant at a higher percentage than previously applied
Minor Variances	-0.007	
Total Planning & Environment	-0.000	
People & Resources		
HR & OD	-0.017	
Corporate Finance	0.028	Successful recruitment to 2 posts resulting in additional staff costs committed to March, 2025
Total People & Resources	0.011	
Governance		
ICT	-0.024	Minor favourable movements across the service
Minor Variances	-0.045	Cumulative minor movements across the portfolio
Total Governance	-0.069	
Assets		
Property Holdings	-0.042	Additional Wayleaves income received for (£0.030m) and R&M costs capitalised of (£0.012m).
Minor Variances	-0.006	
Total Assets	-0.048	
Housing and Community		
Housing Solutions	-0.155	Additional HSG Funding of (£0.133m) and minor variances of (£0.022m).
Total Housing and Community	-0.155	
Chief Executive's	-0.006	
Central & Corporate Finance	-0.115	A previous commitment of (£0.091m) to fund the on-going clean-up from the impact of illegal tipping at land adjacent to the Riverside Site, Queensferry at a cost of £0.091m that includes the machine hire, transport and manpower related to the necessary works, has now been removed as the overall cost has increased and it is recommended all of this expenditure is funded from Contingency Reserve. In addition, an improvement on the Central Loans and Investment Account (CLIA) of (£0.040m) from reduced short term borrowing costs and increased income from investments.
Grand Total	0.566	

Budget Monitoring Report - Month 7

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Moratorium Month 7 (£m)	Moratorium related Savings (£m)	Cause of Major Variances greater than £0.050m	Action Required
Social Services								
Older People								
Localities	23.879	26.116	2.237	1.619			Residential care costs for older people are projecting an overspend of £1.196m for this service. This amount is net of client income from property recharges and reimbursements for deputyships and assets held in trust. Homecare is £0.958m overspent due to high demand. Locality workforce and professional support budgets are overspent by £0.062m and day care is overspent by £0.021m. There is a significant risk that costs will continue to escalate as pressure to minimise stays in hospital 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	9.857	-0.143	-0.091			In-house residential care is projecting an overspend of £0.361m due to employee and running costs. Homecare is predicted to underspend by (£0.498m), demand is high but recruitment challenges mean the demand cannot be fully met. The Extra Care budget is expected to overspend by £0.104m from employee costs and day care will underspend by (£0.109m).	
Minor Variances	1.511	1.529	0.019	0.018				
Adults of Working Age								
Resources & Regulated Services	36.005	36.535	0.529	0.167			The Physical Disability and Sensory Impaired (PDSI) budget is reporting a £0.080m overspend due to costs of care packages. The in-house Supported Living service is £0.424m overspent due to care hours and agency costs. The care package costs for independently provided care for Learning Disabilities services is a £0.033m overspend. The Learning Disability 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	1.051	0.203	0.209			This is the cost 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 for 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	0.423	0.322	-0.101	-0.100	-0.012	-0.101	The underspend is due to in-year staff vacancies.	
Transition & Disability Services Team	0.894	0.842	-0.052	-0.045	-0.052	-0.052	Vacancies are the cause of the projected underspend.	
Supporting People	-0.386	-0.487	-0.101	-0.101		-0.100	Additional Supporting People funding is expected this year.	
Residential Placements	2.729	2.618	-0.111	-0.013			This is the underspend for mental health care packages. Care packages are being reviewed more frequently and some costs have reduced as a result.	
Minor Variances	3.153	3.110	-0.043	-0.048				
Children's Services								
Early Years & Family Support	0.338	0.192	-0.146	-0.001			Some service balances have been drawn upon to offset eligible spend and reduce the overall projected outturn.	
Legal & Third Party	0.283	0.733	0.450	0.460			Legal costs are overspent by £0.235m 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 £0.138m and Direct Payments are overspent by £0.077m.	

Budget Monitoring Report - Month 7

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Moratorium Month 7 (£m)	Moratorium related Savings (£m)	Cause of Major Variances greater than £0.050m	Action Required
Professional Support	6.228	7.884	1.656	1.487			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 £0.931m. This is being partly mitigated by underspends, mostly vacancies and assumed external funding, of (£0.027m). The Leaving Care budget which supports young people who are Looked After Children, is overspending by £0.5360m 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 £0.118m overspent because of demand.	Alternative accommodation for UASC is being explored and cheaper rates have been negotiated with an alternative accommodation provider.
Minor Variances	5.796	5.874	0.078	0.091				
Safeguarding & Commissioning								
Charging Policy income	-2.650	-2.860	-0.210	-0.140			This is income from service users who financially contribute towards their care	
Vacancy Management	-0.622	-0.552	0.071	0.066			This budget holds in-year portfolio efficiency targets for vacancy savings and grant maximisation. There is a target set for these efficiencies and this target is not currently being achieved this financial year.	
Minor Variances	3.619	3.655	0.036	0.031				
Total Social Services (excl Out of County)	92.047	96.418	4.372	3.610	-0.064	-0.252		
Out of County Placements								
Children's Services	13.795	15.590	1.795	1.240			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	5.436	-0.068	0.178			Positive movement at Month 7 as a number of ending Education Day placements have been removed from the current placement caseload	
Total Out of County Placements	19.299	21.025	1.726	1.418		0.000		
Education & Youth (Non-Schools)								
Inclusion & Progression	5.650	5.881	0.231	0.257			Previous in-year pressure of £0.252m against the EOTAS (Education Other than at School) service has reduced by £0.018m due to the calculation of funding to claw back budget from schools as a result of permanent exclusions. The service have also used £0.100m from the ALN grant to mitigate some of this pressure. This now leaves the service with an in year pressure of £0.134m. The remaining variance relates to Canolfan Enfys. Pupil numbers have increased which has led to the need for an increase in staff.	
Integrated Youth Provision	0.918	0.856	-0.062	-0.059	-0.007	-0.062	Recruitment delays, enabling grant utilisation against trainee costs. Income generation increases on room hire.	
School Planning & Provision	0.625	0.535	-0.090	-0.075	-0.015	-0.090	Reduction in expenditure from transition budget due to delayed Capital Projects and reduction in the number of mobile classrooms.	
Minor Variances	2.956	2.956	0.000	0.026		-0.010		

Budget Monitoring Report - Month 7

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Moratorium Month 7 (£m)	Moratorium related Savings (£m)	Cause of Major Variances greater than £0.050m	Action Required
Total Education & Youth (Non-Schools)	10.148	10.227	0.079	0.149	-0.022	-0.162		
Schools	117.302	117.138	-0.164	-0.166			Free School Meals (FSM) budget - (£0.096m) 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	9.635	1.018	1.000			Significant variance of £0.400m in highways maintenance costs, £0.200m Alltarni depot running costs increased. 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 Regulations legislative changes lower than anticipated.	
Highways Network	11.671	12.179	0.508	0.470			Winter Maintenance costs of £0.370m 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 contract arrangements. We continue to investigate options to reduce procurement costs and ensure appropriate income/funding in preparation for the start of the season. A report was presented to Cabinet in September 2024, which approved the delivery of efficiencies relating to decision making for marginal weather forecasts. Additional Street-lighting energy costs of £0.131m are forecast as prices continue to rise.	
Transportation	10.976	11.138	0.162	0.214	-0.020	-0.140	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, with public health burials increasing year on year	
Regulatory Services	11.432	11.541	0.109	0.169	-0.057	-0.109	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.	
Other Minor Variances	0.000	0.002	0.002	0.000				
Total Streetscene & Transportation	42.695	44.495	1.799	1.853	-0.077	-0.249		
Planning, Environment & Economy								
Business	2.327	2.149	-0.179	-0.175	-0.008	-0.179	Part year vacancy savings as the recruitment process has commenced	
Development	-0.200	0.040	0.239	0.208			Fee income estimated shortfall in Building Control, Land Charges and Planning	
Access	1.591	1.729	0.138	0.129			Commitment for the cost Ash Die Back tree works £0.120m projected to March, 2025	
Regeneration	0.711	0.640	-0.071	-0.046			Maximisation of Grant Funding - reallocating staff costs against the eligible grant	
Management & Strategy	1.897	1.792	-0.105	-0.098	-0.009	-0.105	Part year vacancy savings	

Budget Monitoring Report - Month 7

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Moratorium Month 7 (£m)	Moratorium related Savings (£m)	Cause of Major Variances greater than £0.050m	Action Required
Minor Variances	1.355	1.377	0.022	0.026		-0.015		
Total Planning & Environment	7.682	7.726	0.044	0.045	-0.017	-0.299		
People & Resources								
HR & OD	2.211	2.258	0.047	0.065			Historic Efficiency for DBS Checks unrealised together with additional legal fees paid.	
Corporate Finance	2.080	1.944	-0.136	-0.164		-0.104	Part year vacancy savings	
Total People & Resources	4.290	4.202	-0.089	-0.099	0.000	-0.104		
Governance								
Customer Services	0.985	0.859	-0.126	-0.116	-0.005	-0.035	Part year vacancy savings and fee income over recovery in Registrars	
Revenues	0.371	0.203	-0.168	-0.159			Potential Surplus on the Council Tax Collection Fund	
Minor Variances	10.710	10.622	-0.088	-0.039	-0.015	-0.055		
Total Governance	12.066	11.684	-0.382	-0.313	-0.020	-0.090		
Assets								
Minor Variances	0.000	0.000	0.000	0.000				
Total Assets	11.403	11.366	-0.037	0.010		0.000		
Housing and Communities								
Housing Solutions	4.309	6.600	2.291	2.446			Temporary accommodation net costs anticipated to be £2.136m overspent, with £0.155m minor variances across the service.	
Minor Variances	13.852	13.851	-0.002	-0.002	-0.002	-0.004		
Total Housing and Communities	18.161	20.451	2.289	2.445	-0.002	-0.004		
Chief Executive's	1.641	1.619	-0.022	-0.016	-0.006	-0.022		
Central & Corporate Finance	31.372	28.131	-3.241	-3.126			The Central Loans and Investment Account (CLIA) for the 2024/25 indicates an increased underspend of (£0.510m) 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. The 2024 Pay Award has now been agreed at a level that has resulted in a favourable movement of £0.755m compared to what was originally budgeted for. A previous commitment of (£0.091m) to fund the on-going clean-up from the impact of illegal tipping at land adjacent to the Riverside Site, Queensferry at a cost of £0.091m has now been removed as the overall cost has increased and it is recommended all of this expenditure is funded from Contingency Reserve.	
Grand Total	368.106	374.481	6.375	5.809	-0.208	-1.182		

2024/25 Efficiencies Outturn Tracker - Month 7

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		R A G		
Portfolio									
Corporate									
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		
			0.059	0.059	0.000				
Assets - ADMs									
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	0.201	(0.094)	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	0.341	(0.094)				
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) 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		R A G		
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	Buildings Asset transfer of some buildings	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	14.228	(0.694)			

	%	£
Total 2024/25 Budget Efficiencies	100	14.921
Total Projected 2024/25 Budget Efficiencies Underachieved	-5	(0.694)
Total Projected 2024/25 Budget Efficiencies Achieved	95	14.228
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 7 projected outturn		(3.375)
Total Contingency Reserve available for use		0.783 *

*Currently Excludes Cabinet recommendation of £0.402m for Illegal Tipping Costs

Budget Monitoring Report
Housing Revenue Account Variances

MONTH 7 - 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)	(42.144)	0.022	0.126	There is a net pressure relating to void properties of £0.094m. 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 forecasting a reduction in the requirement to top up the Bad Debt Provision of (£0.075m). Other minor variances of £0.003m.	
Capital Financing - Loan Charges	6.845	6.845	0.000	0.000	£3.500m Reduction in the contribution required to the HRA Capital Programme which will be utilised to offset the voids spend. This has been agreed by the Capital Asset and Programme Board.	
Estate Management	3.206	2.996	(0.209)	(0.199)	Projected vacancy savings of approximately (£0.172m) which is being offset by agency costs of £0.086m. Additional allocation of Housing Support Grant (£0.125m). Other minor variances of £0.002m.	
Landlord Service Costs	1.798	1.663	(0.134)	0.000	Projected vacancy savings of approximately (£0.186m) which is being offset by agency costs of £0.104m. Material increased costs of £0.029m. Reduced electricity costs (£0.102m). Other minor variances of £0.021m.	
Repairs & Maintenance	12.741	16.690	3.949	(0.017)	Adverse variance of £3.949m resulting from the drive to reduce the backlog of void properties within the HRA. An additional £3.500m CERA has been introduced to meet the overspend.	
Management & Support Services	2.787	2.660	(0.127)	(0.132)	Projected vacancy savings of approximately (£0.096m). Reduction in Support Recharge (£0.068m). Other minor variances of £0.037m.	
Capital Expenditure From Revenue (CERA)	14.467	10.967	(3.500)	0.000		
HRA Projects	0.130	0.130	(0.000)	0.000		
Contribution To / (From) Reserves	0.193	0.193	0.000	0.000		
Total Housing Revenue Account	0.000	0.000	0.000	(0.222)		

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 10



CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	12 th December 2024
Report Subject	Flintshire and Wrexham Investment Zone
Cabinet Member	Leader of the Council
Report Author	Chief Executive
Type of Report	Operational

EXECUTIVE SUMMARY

Flintshire County Council and Wrexham County Borough Council are working with the North Wales Corporate Joint Committee (CJC), Welsh Government and UK Government on an advanced manufacturing Investment Zone - the Flintshire and Wrexham Investment Zone (the Investment Zone). The aim is to create over 6,000 new jobs across the manufacturing sector and attract approximately £1bn of investment, as evidenced by an open call process. The match funding is driven by the investment of private sector delivery partners across the three tax sites and some of the major investment projects delivered by private sector partners.

The Investment Zone will provide £160m of Flexible Funding and a programme of occupier and developer focused tax benefits to accelerate the development of the Investment Zone Tax Sites.

The three tax sites are:

- **Deeside Gateway** - development sites across four ownerships delivering a range of commercial premises
- **Warren Hall** - the strategic location owned by Welsh Government
- **Wrexham Industrial Estate** - the key large development sites at Wrexham Industrial Estate

In addition to the Flexible Funding and Tax Site benefits, Flintshire and Wrexham Councils can retain a proportion of the new business rates generated by the Deeside Gateway and Wrexham Industrial Estate Tax Sites. These collected business rates can be invested by the Councils to further the objectives of the Investment Zone and can fund revenue and capital projects. The retained rates are protected for 25 years and may be used to fund capital projects by borrowing against future collected rates income. The arrangements for how these Retained

Rates Funds will be set up by the Councils will be determined in the early part of 2025.

The Investment Zone proposal is progressing through the five Government 'Gateways'. Gateway 1, the Vision, has been approved by UK and Welsh Governments. Gateway 2, the Sector and Geography, has been prepared in draft form and will be submitted formally in early November following the confirmation in the October 2024 Budget that the Investment Zone programme will continue UK wide. The Gateway documents will be prepared in sequence with the aim of having all approvals in place to commence in April 2025.

RECOMMENDATIONS

1	That Members review and support the identified Tax Sites (Deeside Gateway, Warren Hall and Wrexham Industrial Estate) and Retained Rates Areas (Deeside Gateway and Wrexham Industrial Estate).
2	That Members review and support the proposed Governance Model.
3	That Members review and support the Investment Zone Themes (Innovation, Skills, and Transport) and the high-level interventions, which will be refined as part of Gateway 4.

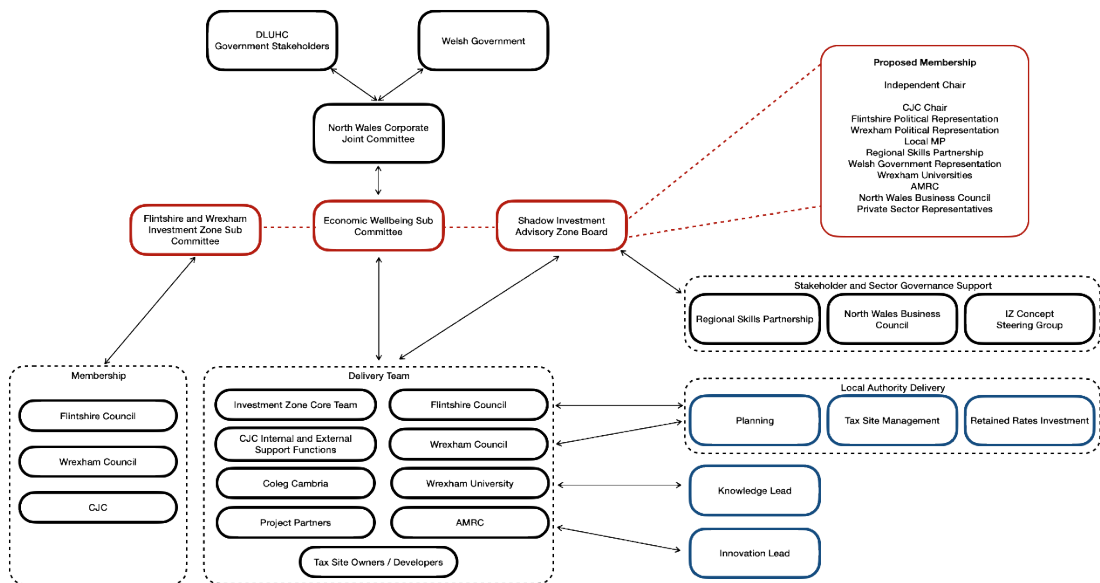
REPORT DETAILS

1.00	Explaining the Flintshire and Wrexham Investment Zone
	<u>Introduction</u>
1.01	Flintshire County Council and Wrexham County Borough Council are working with Ambition North Wales, Welsh Government and UK Government on an advanced manufacturing Investment Zone. The aim is to create over 6,000 new jobs across the manufacturing sector and attract an estimated £1bn of investment.
1.02	The Investment Zone, if agreed by Government, will attract £160m of investment for 10 years from April 2025 for investment in projects that create jobs and attract private sector investment to grow the manufacturing cluster across Flintshire and Wrexham.
1.03	In addition to the eight Investment Zones in England and two in Scotland, there are two proposed Investment Zones in Wales: <ul style="list-style-type: none"> • Cardiff and Newport - delivered by the South East Wales Corporate Joint Committee • Flintshire and Wrexham - delivered by the North Wales Corporate Joint Committee

	<p>Alongside the £160m grant, three tax sites can be designated to allow a series of tax reliefs to support site development, attract investment and accelerate business and job growth. These benefits are:</p> <ul style="list-style-type: none"> • 5 year relief from business rates for new business growth; • Stamp Duty Land Tax (SDLT). A full SDLT relief for land and buildings bought for commercial use or development for commercial purposes. • Employer National Insurance Contributions Relief Zero-rate employer national insurance contributions on salaries of any new employee working in the tax site for at least 60% of their time, on earnings up to £25,000 per year (for 36 months per employee). • Enhanced Capital Allowance 100% first year allowance for companies' qualifying expenditure on plant and machinery assets for use in tax sites. • Enhanced Structures and Buildings Allowance Accelerated relief to allow businesses to reduce their taxable profits by 10% of the cost of qualifying non-residential investment per year, relieving 100% of their cost of structures and buildings over 10 years.
1.04	<p>Investment Zones allow for two areas where half the new business rate growth can be retained by the Councils to invest in the delivery and management of the Investment Zone and to fund projects either from the balance accumulated or by borrowing against future business rates income. This arrangement is protected for 25 years.</p>
	<p><u>The Flintshire and Wrexham Investment Zone Gateway Process</u></p>
1.05	<p>The Gateway process was discussed at Cabinet on 23 July 2024 and approval given for the development and submission of the Gateway documents to Government. The process for developing Investment Zones is collaborative in nature and relies on the sharing of documentation for review across local stakeholders, Welsh Government and UK Government Ministry of Health, Communities, and Local Government (MHCLG). The intention is to share draft Gateway documents as they are prepared for feedback and agreement. Gateway 1 has been agreed by Welsh and UK Governments and Gateway 2 has been drafted and will be submitted in early November 2024. Progress on the remaining Gateways will continue over November - January 2025 to allow the programme to commence in April 2025.</p>
1.06	<p>Gateway 1: Vision – has been agreed by Government and sets out the area's vision and ambition to grow the manufacturing sector and increase the productivity, innovation, investment, and number of quality manufacturing jobs.</p>
1.07	<p>Gateway 2: Sector and Geography - sets out the economic context; an understanding of the manufacturing sector such that we can demonstrate our understanding of the key interventions Government investment could make to help accelerate investment, innovation, skills development, and jobs growth.</p>

	<p>This Gateway also requires the Investment Zone to confirm the locations of any Tax Sites and Retained Rates Investment Areas that represent the greatest opportunity to support growth of manufacturing premises. Finally, Gateway 2 also considers planning and research. Wrexham University is the Investment Zone’s Knowledge Partner with Bangor University and AMRC involved as a key innovation partners.</p> <p>To support our appraisal of the project interventions and tax sites available across Wrexham and Flintshire an open 'Call for Projects and Sites' was launched and run between 15-26 July 2024. Proposals were submitted by means of a standard proforma with over 45 project ideas and 21 proposed Tax Sites and Retained Rates Investment Areas received.</p> <p>Project proposals - the 45 project ideas totalled approximately £250m of investment required from the proposed Investment Zone funding and represented c.£1bn of private match funding. Ongoing discussions with local partners indicate further opportunities not yet presented which will come forward over the forthcoming weeks and months. This will further strengthen the case for an Investment Zone focused on growth of a globally significant advanced manufacturing sector. Data received through the open call for projects indicates that the Investment Zone could create approximately 6,000 new jobs and therefore increase manufacturing employment by an estimated 20% over the ten years Investment Zone term.</p> <p>Tax Sites and Retained Rates Investment Areas - a total of 21 sites were promoted and seven were shortlisted (four in Flintshire and three in Wrexham). The shortlisted sites all conform with local planning policy. Meetings were held with development proposers on the 4th and 5th of September to help determine the locations to be proposed as Tax Sites. The two sites with the largest opportunity for retained business rates will be designated for business rates retention. Flintshire and Wrexham Councils will be able to re-invest fifty percent of income from business rate growth received from these designation areas for the ten-year term of the Investment Zone. This income can be directed at supporting economic growth across the Investment Zone and to support borrowing for investment in key projects.</p>
1.08	<p>Gateway 3: Governance – sets out the governance, assurance, and financial aspects of the Investment Zone. These are to be managed by the CJC via the Economic Wellbeing Sub-Committee. A new Investment Zone partnership board will be established in 'Shadow' form to support the establishment of the programme and will become operational once the Investment Zone Memorandum of Understanding (MoU) is signed with Government. The private sector partners that supported the development of Gateway 1 are being kept informed of progress.</p> <p>Gateway 3 will set out the mechanism for which projects are determined as eligible within the Investment Zone programme. The approach will establish a joint Council basis for the further development of projects to be supported or evaluated by the CJC Assurance Process prior to final decision by the CJC or as delegated to the Investment Zone Board.</p>

The diagram below sets out the current Governance model.



1.09 **Gateway 4: Interventions** – will provide details regarding the financial allocations to the interventions (projects) and the expected outputs of the Investment Zone programme.

1.10 **Gateway 5: Delivery Plan** - will summarise the delivery arrangements for the Investment Zone.

Key Components of the Flintshire and Wrexham Investment Zone

1.11 As well as direct investments in manufacturing and infrastructure, the Investment Zone will cluster investment across three core themes. These are:

1. Skills - a jointly curated programme of skills support, led by the Regional Skills Partnership and delivered by higher education, further education and independent skills providers to address a general under qualification in the workforce relative to other areas and to allow local people to access the new jobs created across the role and skills profile (from low skilled to high skilled roles).
2. Innovation - in partnership with the Advanced Manufacturing Research Centre (AMRC) and Welsh Government Innovation Leads, the Investment Zone will jointly develop a programme of innovation revenue and capital investment in 'innovation infrastructure' as well as deliver investments in innovation by businesses.
3. Transport - in partnership with Transport for Wales, a transformation programme of transport projects will be delivered to enhance access to the key sites and support bus services, active travel, and strategic transport improvements.

1.12	The Investment Zone can have three Tax Sites up to 200 hectares each. The proposed Tax Sites are illustrated in Table 1 below. The UK Government guidance suggests the cost of Tax Site benefits to be £75,000 per hectare. Based on this assumption, the cost of the benefits, funded from the £160m allocation is an estimated £10.7m. The actual allocation will need to be agreed with HM Treasury and Welsh Government and could increase given the scale and density of development proposed.																																																		
1.13	The three proposed Tax Sites cover 148 hectares, include 5,190,000 sq.ft. of development floorspace and have the potential to support over 6,400 new jobs. Further jobs, approximately 1,000, could be created by projects identified in the call for projects.																																																		
1.14	<p>Table 1 Proposed Tax Site Summary</p> <table border="1"> <thead> <tr> <th>Tax Site Name</th> <th>Plot Name</th> <th>Landowners</th> <th>Hectares</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Deeside Gateway</td> <td>B, D and 3 Stealth</td> <td>Marshalls CDP</td> <td>19.16</td> </tr> <tr> <td>Airfields</td> <td>Pochin Goodman</td> <td>31.56</td> </tr> <tr> <td>Link 56</td> <td>Smartstage Limited / Great Bear Distribution Limited</td> <td>18.65</td> </tr> <tr> <td>Warren Hall</td> <td>Eastern Parcels</td> <td>Welsh Government</td> <td>12 (TBC)</td> </tr> <tr> <td>Flintshire Total</td> <td></td> <td></td> <td>81.37</td> </tr> <tr> <td colspan="4"> </td> </tr> <tr> <td>Wrexham Industrial Estate</td> <td>Utopia Phase 1</td> <td>Networld Sports</td> <td>35.96</td> </tr> <tr> <td></td> <td>Wrexham 1M</td> <td>First Investments</td> <td>25.29</td> </tr> <tr> <td></td> <td>Wrexham 152</td> <td>First Investments</td> <td>2.99</td> </tr> <tr> <td></td> <td>Bridgeway Centre</td> <td>First Investments</td> <td>3.37</td> </tr> <tr> <td>Wrexham Total</td> <td></td> <td></td> <td>67.61</td> </tr> <tr> <td>Overall Total</td> <td></td> <td></td> <td>148.98</td> </tr> </tbody> </table>	Tax Site Name	Plot Name	Landowners	Hectares	Deeside Gateway	B, D and 3 Stealth	Marshalls CDP	19.16	Airfields	Pochin Goodman	31.56	Link 56	Smartstage Limited / Great Bear Distribution Limited	18.65	Warren Hall	Eastern Parcels	Welsh Government	12 (TBC)	Flintshire Total			81.37					Wrexham Industrial Estate	Utopia Phase 1	Networld Sports	35.96		Wrexham 1M	First Investments	25.29		Wrexham 152	First Investments	2.99		Bridgeway Centre	First Investments	3.37	Wrexham Total			67.61	Overall Total			148.98
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1.15	The Tax Site Maps are included in this report at Appendix 1. The Retained Rates areas are as per the Tax Site Map for Flintshire (Deeside Cluster) and the Wrexham Tax Site. The Warren Hall Tax site is not part of the Retained Rates area.																																																		
	<u>Retained Rates</u>																																																		
1.16	The Investment Zone can have two areas designated for Retained Rates Investment. To optimise the value of retained rates, the largest two Tax Sites have been proposed as Retained Rates Retention Areas. Except for the																																																		

'Wrexham 1M' and 'Wrexham 152' development sites which are assumed to be fully developed, the model below is based on 50% of the development floorspace generating rates in the first 10 years (and therefore being retained for 15 years) and a contingency of 20%, the total rates fund is expected to be approximately £93.64m. The breakdown is illustrated in Table 2 below. The illustrated Fund amount would need to factor in its own operating costs and interest costs in establishing a funding resource. Funding allocations from the Fund will be determined by the host authority on a case-by-case basis.

The total floorspace set out in the masterplans for the identified sites is 2,465,000 sqft in Flintshire and 2,502,762 sqft in Wrexham. The Rateable Value is assumed to be £5/sqft.

1.17 Further work will be undertaken to provide a more granular assessment of this aspect of the programme. Figures intended to be illustrative of scale at this point.

Table 2 Estimated Retained Rates Summary					
Retained Rates Location	Estimated floorspace delivered in first 10 years (sqft)	Collected Rates Per Annum	Total Collected over 15 years	Estimated Retained Rates Fund with 20% contingency	Share for Investment by local Council
Flintshire	1,232,500	£3,142,875	£47,143,125	£37,714,500	£18,857,250
Wrexham	1,827,762	£4,660,793	£69,911,897	£55,929,517	£27,964,759
Total				£93,644,017	£46,822,009

1.18 The above resources can fund Council functions associated with the Investment Zone as well as 'in year' projects and major projects funded by borrowing against future retained rates secured by confirmed Rateable Value from new development. Projects supported by this fund are expected to directly align to the objectives of the Investment Zone. Projects that accelerate the delivery of new business rates in the Tax Sites are likely to be a priority. The 'Call for Projects' process identified suitable infrastructure projects in Flintshire and Wrexham that would help unlock development plots and secure significant development within the first 10 years of the Investment Zone.

1.19 The Council will need to develop an accounting mechanism for these Retained Rates and develop criteria and governance for the deployment of the funds. This will be brought forward in a future report to Cabinet.

Investment Allocations

1.20 Gateway 4 requires the Investment Zone to establish the allocation of the £160m flexible funding to interventions.

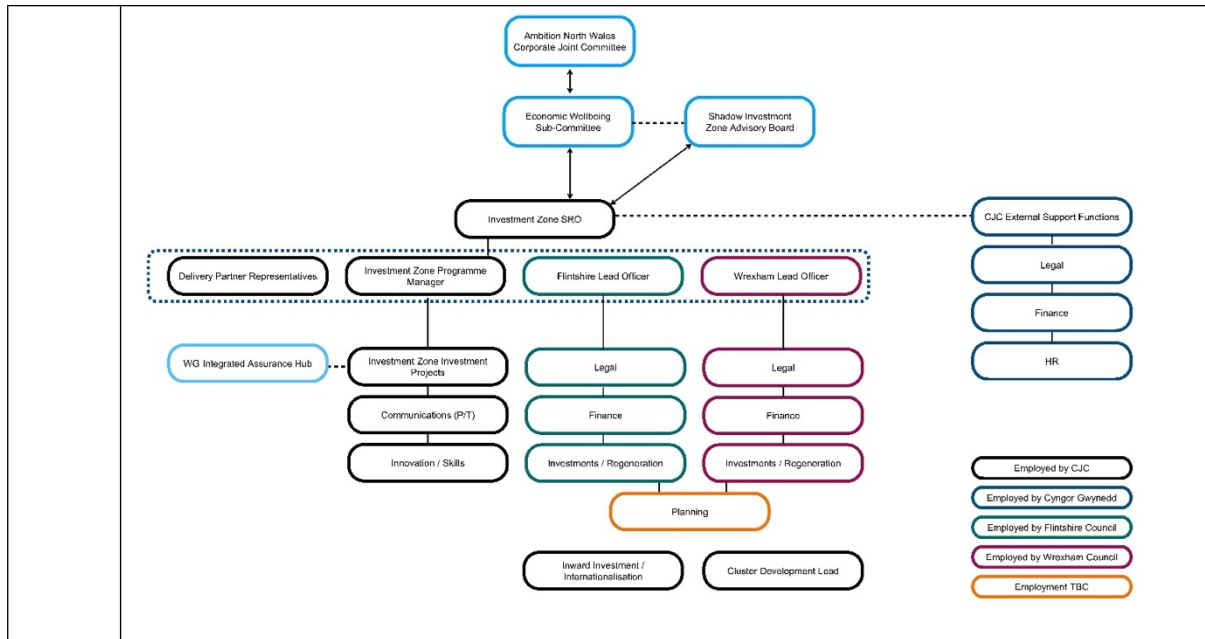
The top level Interventions are:

- Skills

	<ul style="list-style-type: none"> • Local Infrastructure • Research and Innovation • Business / Stakeholder Support • Planning 																																				
1.21	<p>Table 3 below sets out an indicative allocation. These are to be refined following collaborative workshops on skills, innovation and transport as well as further discussions with partners on the available co-investment opportunities.</p> <table border="1"> <thead> <tr> <th colspan="3">Table 3 Indicative Top Level Intervention Allocations</th> </tr> <tr> <th>Budget Area</th> <th>Allocation</th> <th>Proportion (% rounded)</th> </tr> </thead> <tbody> <tr> <td>Programme Delivery</td> <td>£6,400,000</td> <td>4%</td> </tr> <tr> <td>Feasibility and Business Case Support</td> <td>£2,500,000</td> <td>2%</td> </tr> <tr> <td>Skills</td> <td>£21,100,000</td> <td>13%</td> </tr> <tr> <td>Local Infrastructure (includes innovation and transport)</td> <td>£87,150,000</td> <td>54%</td> </tr> <tr> <td>Research and Innovation</td> <td>£10,000,000</td> <td>6%</td> </tr> <tr> <td>Business / Stakeholder Support</td> <td>£10,000,000</td> <td>6%</td> </tr> <tr> <td>Planning</td> <td>£1,000,000</td> <td>1%</td> </tr> <tr> <td>Occupier Benefits</td> <td>£10,200,000</td> <td>6%</td> </tr> <tr> <td>Currently Unallocated</td> <td>£11,650,000</td> <td>7%</td> </tr> <tr> <td>Total</td> <td>£160,000,000</td> <td>100%</td> </tr> </tbody> </table>	Table 3 Indicative Top Level Intervention Allocations			Budget Area	Allocation	Proportion (% rounded)	Programme Delivery	£6,400,000	4%	Feasibility and Business Case Support	£2,500,000	2%	Skills	£21,100,000	13%	Local Infrastructure (includes innovation and transport)	£87,150,000	54%	Research and Innovation	£10,000,000	6%	Business / Stakeholder Support	£10,000,000	6%	Planning	£1,000,000	1%	Occupier Benefits	£10,200,000	6%	Currently Unallocated	£11,650,000	7%	Total	£160,000,000	100%
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Occupier Benefits	£10,200,000	6%																																			
Currently Unallocated	£11,650,000	7%																																			
Total	£160,000,000	100%																																			

2.00	RESOURCE IMPLICATIONS
2.01	<p>The Investment Zone is jointly delivered by the North Wales CJC, Flintshire County Council and Wrexham County Borough Council. Each partner is accountable for different aspects of the programme:</p> <p>Flintshire Council / Wrexham Council</p> <ol style="list-style-type: none"> 1. Core member of Investment Zone Delivery Team 2. Employment of local Delivery Team 3. Regeneration, business support, skills, planning, finance, legal, human resources, communications team resources 4. Support for an Investment Zone Combined Planning Unit 5. Management of Tax Site Benefits 6. Delivery of Gateway Policy process (see Glossary for definition) 7. Management and delivery of Retained Rates Fund <p>North Wales CJC</p> <ol style="list-style-type: none"> 1. Employment of core team 2. Secretarial support to the Investment Zone Board

	<p>3. Management of Gateway Policy (see Glossary for definition)</p> <p>4. Accountable Body for the £160m Grant Funding and Reporting - ANW will apply its Assurance Process on agreed 'in principle' projects.</p>																																										
	Revenue funding																																										
2.02	The Investment Zone funding allows for £640,000 per annum for revenue costs. The funding is available for 10 years. The proposed split of this funding between the core partners is set out in the Table 4 below.																																										
2.03	<table border="1"> <thead> <tr> <th colspan="6">Table 4 Indicative Resource Allocation</th> </tr> <tr> <th>Partner</th> <th>Programme Per Annum</th> <th>Programme Total Resource</th> <th>Planning Per Annum</th> <th>Planning Unit Resource Total</th> <th>Total Revenue Resource</th> </tr> </thead> <tbody> <tr> <td>Flintshire</td> <td>£220,000</td> <td>£2,200,000</td> <td>£75,000</td> <td>£375,000</td> <td>£2,575,000</td> </tr> <tr> <td>Wrexham</td> <td>£220,000</td> <td>£2,200,000</td> <td>£75,000</td> <td>£375,000</td> <td>£2,575,000</td> </tr> <tr> <td>CJC</td> <td>£200,000</td> <td>£2,000,000</td> <td></td> <td></td> <td>£2,000,000</td> </tr> <tr> <td>NRW / Planning Unit Support</td> <td></td> <td></td> <td>£50,000</td> <td>£250,000</td> <td>£250,000</td> </tr> <tr> <td>Total</td> <td>£640,000</td> <td>£6,400,000</td> <td>£200,000</td> <td>£1,000,000</td> <td>£7,400,000</td> </tr> </tbody> </table>	Table 4 Indicative Resource Allocation						Partner	Programme Per Annum	Programme Total Resource	Planning Per Annum	Planning Unit Resource Total	Total Revenue Resource	Flintshire	£220,000	£2,200,000	£75,000	£375,000	£2,575,000	Wrexham	£220,000	£2,200,000	£75,000	£375,000	£2,575,000	CJC	£200,000	£2,000,000			£2,000,000	NRW / Planning Unit Support			£50,000	£250,000	£250,000	Total	£640,000	£6,400,000	£200,000	£1,000,000	£7,400,000
Table 4 Indicative Resource Allocation																																											
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Flintshire	£220,000	£2,200,000	£75,000	£375,000	£2,575,000																																						
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CJC	£200,000	£2,000,000			£2,000,000																																						
NRW / Planning Unit Support			£50,000	£250,000	£250,000																																						
Total	£640,000	£6,400,000	£200,000	£1,000,000	£7,400,000																																						
2.04	The £220,000 annual allocation is intended to support the roles employed by each local Council, bespoke for their current capability and requirements.																																										
2.05	The first claim will include costs incurred in 2024/25 and relate to officer time and a share of the consultancy costs incurred by AMION Consulting. Consultancy costs are expected to be £100,000 inclusive of VAT to end of March 2025. Welsh Government, Flintshire and Wrexham Councils have each pledged £25,000 towards the costs of the Investment Zone proposal at risk which will be recovered by the Year 1 revenue claim. The breakdown of this will be provided at the next stage.																																										
2.06	Further revenue funding will be available to the Councils from collected business rates. The resources required to manage the fund will be deducted or 'top sliced' from the income generated by retained rates and also contribute to revenue shortfalls from the flexible funding set out above.																																										
2.07	The Councils will also each receive £75,000 per annum for 5 years to secure senior planning resource as part of the proposal for an Investment Zone Planning Unit.																																										
2.08	The overall draft team structure is set out below.																																										



	Capital funding
2.09	The Councils will be responsible for the investment of capital funds generated by the Investment Zone Retained Rates Fund. The intention is to develop this further and bring a report to Cabinet once developed on the arrangements and plans for this aspect of the Investment Zone.
2.10	The Councils may access funding from the Investment Zone Flexible Fund, administered by the North Wales CJC, for projects it delivers as part of the delivery programme. Decisions regarding future projects will be considered in future reports to Cabinet.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	<p>This report is operational in nature and does not include an Impact Assessment.</p> <p>The Investment Zone will prepare a comprehensive risk register to address programme level risks and set out an approach to risk management, governed by the Investment Zone Board.</p> <p>Risks to the Councils will be identified and consulted upon as part of the next stage of work.</p>

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	<p>Collaborative Approach</p> <p>The Investment Zone is collaborative in nature and the preparation of the Gateway responses includes key stakeholders, including:</p> <ul style="list-style-type: none"> • Regeneration, planning, business support, finance and legal specialists from the Council • Wrexham University • Bangor University

	<ul style="list-style-type: none"> • Coleg Cambria • AMRC Cymru • Transport for Wales • Welsh Government, including regional, development and innovation • North Wales CJC, including cluster specialists • Regional Skills Partnership • Many local businesses including large businesses and SMEs <p>Call for Sites As set out above, the Investment Zone promoted a 'Call for Sites' to help identify the key development sites across Flintshire and Wrexham.</p> <p>Call for Projects As set out above, the Investment Zone promoted a 'Call for Projects' to help identify the key investment projects across Flintshire and Wrexham.</p>
--	--

5.00	APPENDICES
5.01	Appendix 1 - Flintshire and Wrexham Tax Site Maps (proposed)

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>Summary of Investment Zones https://www.great.gov.uk/international/content/investment/why-invest-in-the-uk/uk-investment-zones/</p> <p>Investment Zone Information Pack https://assets.publishing.service.gov.uk/media/660ff5739f92ac001a516d5a/Investment_Zone_Pack.pdf</p> <p>Investment Zone Technical Document https://www.gov.uk/government/publications/investment-zones-technical-document/investment-zones-technical-document</p>

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Niall Waller Telephone: English 07342 093133 / Cymraeg 01267 224923 E-mail: niall.waller@flintshire.gov.uk / niall.waller@siryfflint.gov.uk</p>

8.00	GLOSSARY OF TERMS
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These are provided corporately on the Infonet (link) and maintained by the Executive Office

Economic Wellbeing Sub-Committee – a sub-committee of the North Wales Corporate Joint Committee with authority to act in relation to the Investment Zone.

Flexible Fund - the £160m grant funding available over 10 years to support investment in the Flintshire and Wrexham Investment Zone.

Gateway – The Gateways refer to the 5 stages of appraisal by Welsh and UK Government of the Investment Zone proposal. They are:

- Gateway 1 - Vision (the description of the advanced manufacturing sector)
- Gateway 2 - Sector and Geography (setting out the approach and evidencing the location and focus of the investment zone)
- Gateway 3 - Governance (the basis for assuring the programme will be governed and managed effectively)
- Gateway 4 - Interventions (the allocation of resources and outputs of the programme)
- Gateway 5 - Delivery (the Investment Zone delivery arrangements)

Gateway Policy – the Policy relating to the Tax Sites to retain sector focus and protect the sites from unwanted local relocation to the Tax Sites simply to take advantage of the occupier tax benefits.

Investment Zone Memorandum of Understanding (MoU) – the Agreement between Welsh Government, UK Government and the CJC to establish the Investment Zone and the basis for the Investment Zone implementation, management and reporting.

Knowledge Partner - Investment Zones focus on innovation and skills. To ensure that Investment Zones deliver appropriate resources and strategies relating to innovation and skills they have a named 'Knowledge Partner'. For Flintshire and Wrexham Investment Zone this is Wrexham University.

North Wales Corporate Joint Committee (CJC) - the partnership of 6 local authorities in North Wales. The CJC is the Accountable Body for the Investment Zone.

Retained Rates Fund – the fund generated by the business rates collected from new businesses on the Retained Rates Sites.

Retained Rates Sites - the two designated areas in the Investment Zone for which the new collected business rates can be used to deliver on the objectives of the Investment Zone. Future collected rates are protected for 25 years to allow funds to be created from collected rates or from borrowing against future rates.

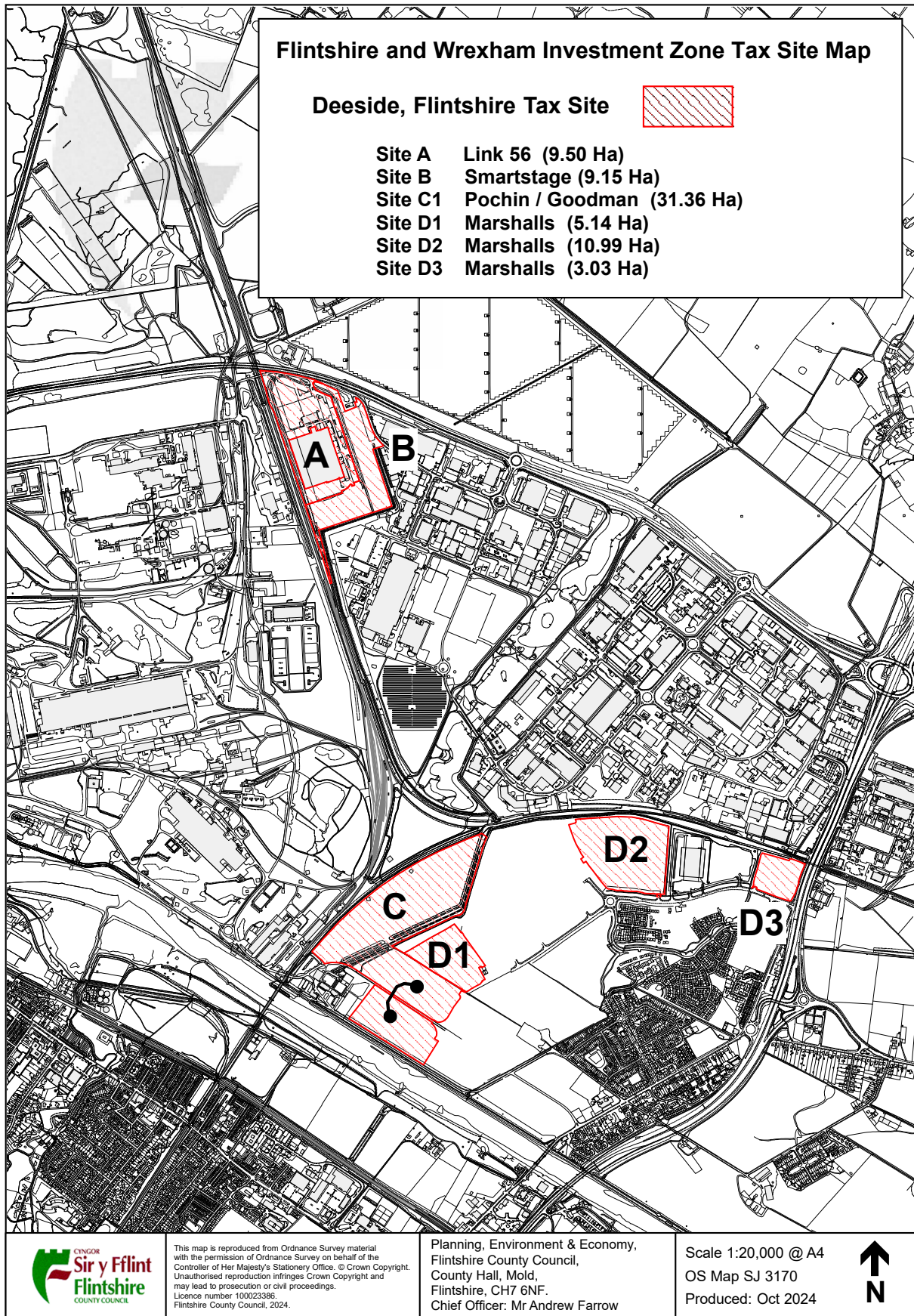
Tax Site - the three designated locations in the Investment Zone where qualifying businesses (those that meet the Gateway Policy) can benefit from a number of Tax Reliefs, these are:

- | | |
|--|---|
| | <ul style="list-style-type: none">• Business Rate Relief - 5 Years relief from business rates.• Land Transaction Tax - A full relief for land and buildings bought for commercial use or development for commercial purposes.• Employer National Insurance Contributions Relief - Zero-rate employer national insurance contributions on salaries of any new employee working in the tax site for at least 60% of their time, on earnings up to £25,000 per year (for 36 months per employee).• Enhanced Capital Allowance - 100% first year allowance for companies' qualifying expenditure on plant and machinery assets for use in tax sites.• Enhanced Structures and Buildings Allowance - Accelerated relief to allow businesses to reduce their taxable profits by 10% of the cost of qualifying non-residential investment per year, relieving 100% of their cost of structures and buildings over 10 years. |
|--|---|

Mae'r dudalen hon yn wag yn bwrpasol

Appendix 1 Tax Site Maps

Flintshire Tax Site



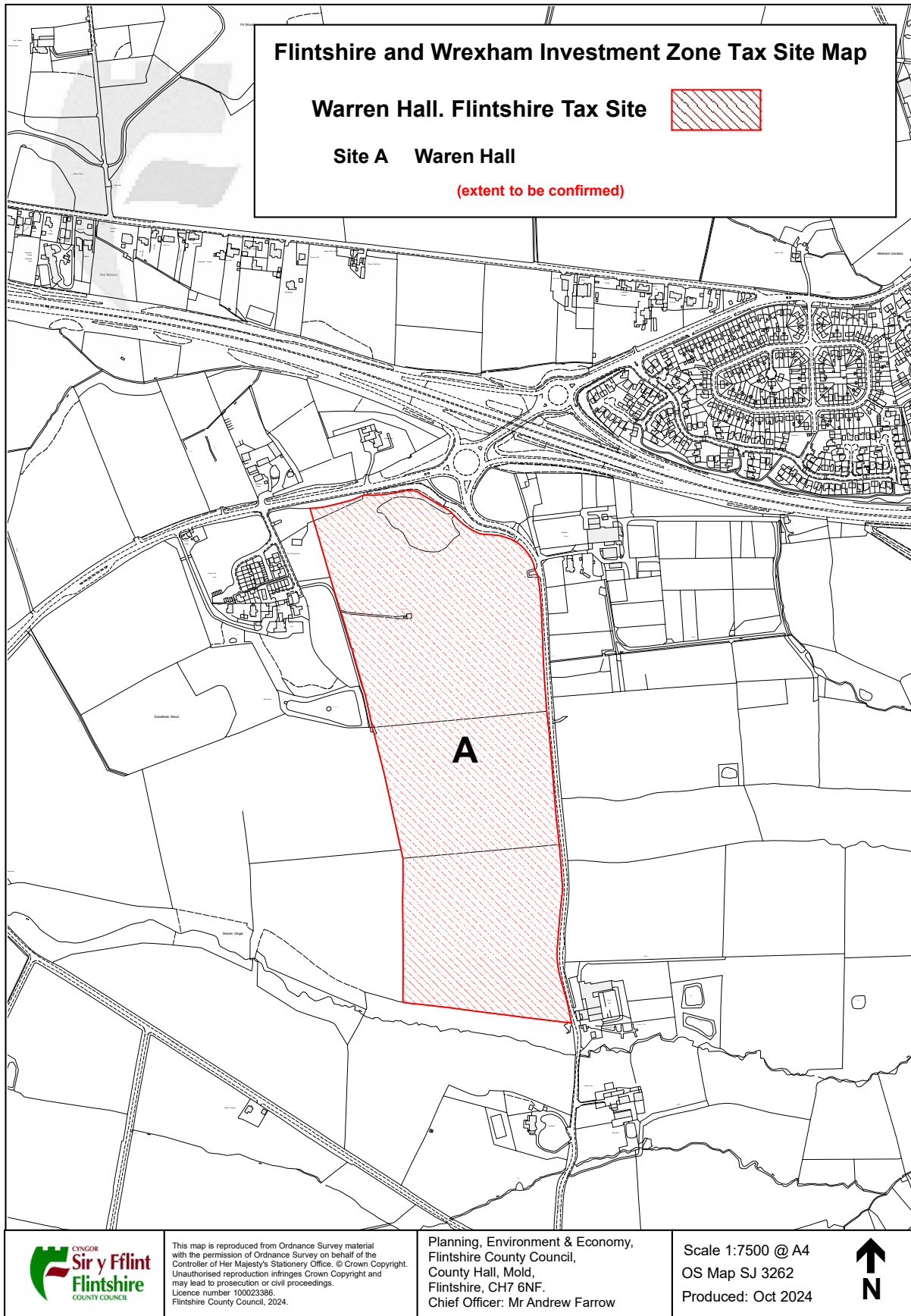
This map is reproduced from Ordnance Survey material with the permission of Ordnance Survey on behalf of the Controller of Her Majesty's Stationery Office. © Crown Copyright. Unauthorised reproduction infringes Crown Copyright and may lead to prosecution or civil proceedings. Licence number 100023396. Flintshire County Council, 2024.

Planning, Environment & Economy,
Flintshire County Council,
County Hall, Mold,
Flintshire, CH7 6NF.
Chief Officer: Mr Andrew Farrow

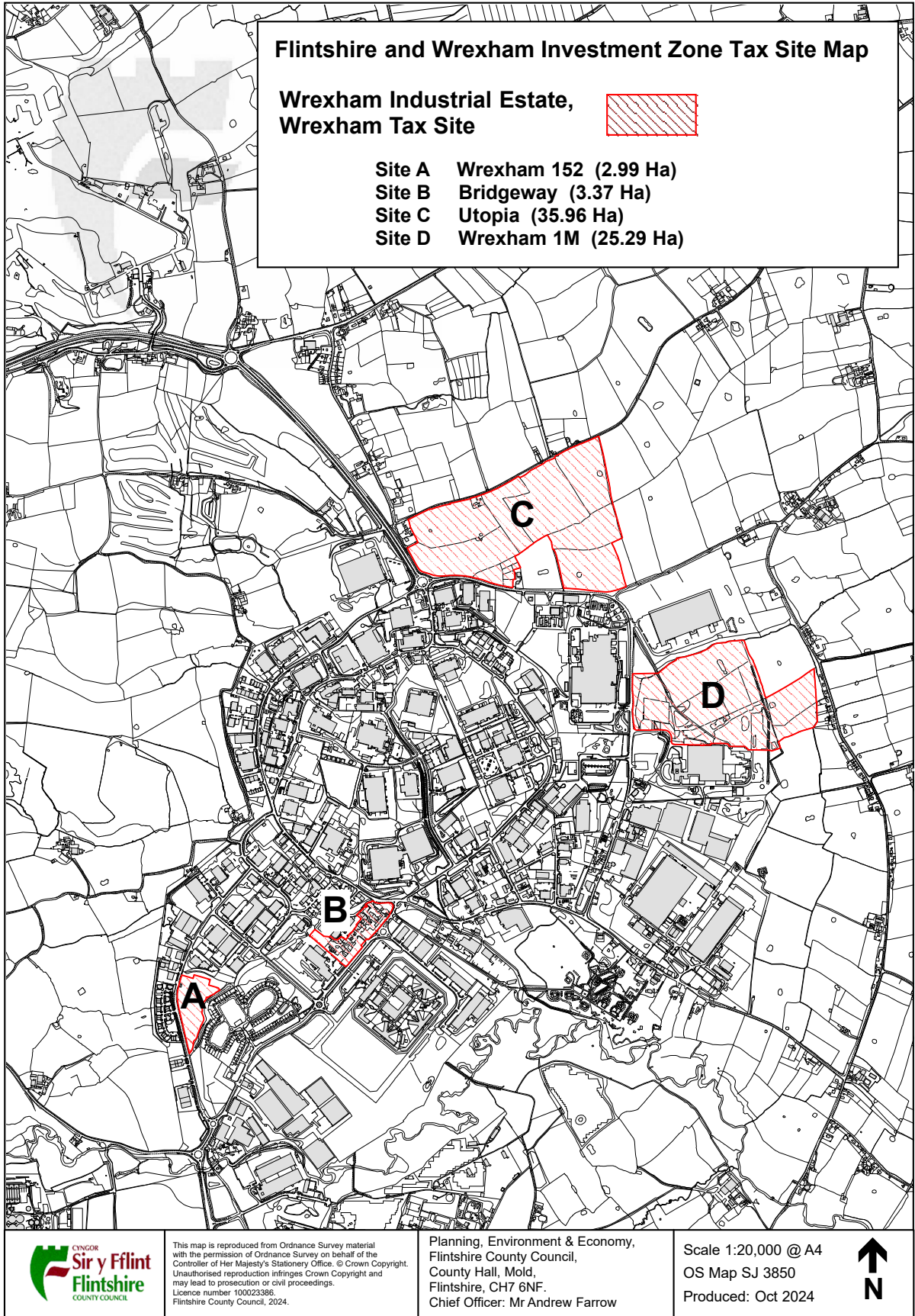
Scale 1:20,000 @ A4
OS Map SJ 3170
Produced: Oct 2024



Warren Hall Tax Site



Wrexham Tax Site



Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 11



CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Thursday, 12 December 2024
Report Subject	Employment and Workforce mid-year update
Cabinet Member	Cabinet Member for Corporate Services
Report Author	Corporate Manager, People and Organisational Development
Type of Report	Operational

EXECUTIVE SUMMARY

This report provides the workforce profile for quarter two 2024/25 including an overview of headcount, agency spend, sickness, turnover and other relevant management information, including the following:

- Headcount and Full Time Equivalent (FTE)
- Organisation Age Profile (Non –Schools and Schools)
- Employee Turnover and Stability (Including Redundancies and Early Retirements)
- Attendance
- Equality and Diversity

The report is intended to provide a focus on organisational performance and trends and provides a brief narrative on the overall performance against a number of indicators. A more detailed explanation is provided on an exceptional basis where performance is falling below organisational performance indicators or where there has been a significant movement, either upwards or downwards, in the reported trends. The narrative will include an explanation for the movement in trend and details of any proposed actions to improve or maintain performance.

The performance information is provided for the whole organisation but split to show Schools and Non-Schools data separately.

On a periodic basis, this report will highlight key achievements or projects undertaken in support of the People Strategy and/or Council Plan.

RECOMMENDATIONS

1. Members note and provide their comments on the mid-year Workforce Information Report for 2024/25.

REPORT DETAILS

1.00	EXPLAINING THE WORKFORCE INFORMATION REPORT
1.01	<p>Headcount and Full Time Equivalent (FTE)</p> <p>The headcount and FTE figures at mid-year shows a decrease of 99 FTE across the Council when compared to last year. Non-schools show an increase of 5 FTE, Schools show a decrease of 104 FTE.</p> <p>Within the previous 12 months, 18 school-based posts have been made redundant. In addition, 57 temporary fixed term posts came to an end on 31 August 2024. The Council is mindful of the impact on of ongoing financial challenges and has scheduled several briefing sessions throughout November and December 2024 to support Headteachers and Governors.</p> <p>At the time of running the report there were 93 employees on maternity leave (53 schools, 24 social services, 16 between rest of portfolios). A proportion of those will have been backfilled thus increasing the headcount albeit on a temporary basis.</p>
1.02	<p>Age Profiling</p> <p>Age profiling the organisation is an important part of understanding the age demographics of our workforce and where we may need to focus attention.</p> <p>Understanding our workforce profile, enables the Council to assess supply and potential problem areas within a given service/portfolio and aids succession planning by identifying any skill gaps that may arise. Without an analysis of age profile (and skills profile), no workable long-term planning can be made.</p>
1.03	<p>Employee Turnover and Stability (Including Redundancies and Early Retirements)</p> <p>The mid-year cumulative turnover percentage for 2024/25 is 7.59%. This shows no change when compared to the previous year (7.59%).</p> <p>Of the 455 employees that have left during 2024/25, 57.14% have left voluntarily or moved onto alternative employment (260 employees). The largest area of employees leaving voluntarily or moved onto alternative employment is within Schools (138 employees), which is part of the natural turnover/cycle we see at the end of each academic year. The second largest area is within Social Services (44 employees). HR and Portfolios continue to review the reasons for leaving and put measures in place to reduce the level of turnover.</p>
1.04	<p>Attendance</p> <p>The mid-year cumulative full time equivalent (FTE) days lost for 2023/24 is 5.43, which is a downturn when compared to the previous year (4.86). The outturn at the mid-year point forecasts an outturn for 2024/25 of 10.86 FTE days lost.</p>

	<p>HR and Portfolios continue to review the reasons for leaving and put measures in place to reduce the level of turnover.</p> <p>29% of all absences across the Council are related to mental health, 23% musculoskeletal and 20% due to infections (including viral).</p> <p>The Council continues to work closely in managing attendance, offering additional support, including mindfulness, counselling, physiotherapy, stress management courses, via Occupational Health, a nurse led service supported by an Occupational Health Physician.</p> <p>Employees who report that they are experiencing stress, are referred to Occupational Health immediately and encouraged to undertake a stress risk assessment to identify the level/type of support required. We also have a pool of certified Mental Health First Aiders. The Mental Health First Aiders role includes recognising the symptoms of Mental Health, provide support and signposting to relevant agencies/organisations.</p> <p>Vivup our Employee Assistance Provider is also available to provide emotional and practical support for issues at home or in work. The services are available online, and via a Freephone number 24 hours a day, 365 days of the year. There is no limit on the support individuals can receive.</p>
1.05	<p>Resource Management (Agency Workers)</p> <p>The cumulative agency expenditure for 2024/25 is £2.54m, which includes 'Off-contract' spend of £1.29m. The off contract spend which equates to 50.78% of the overall agency spend.</p> <p>The largest agency spend is within Social Services at £1.4m with the majority of that (£1,144,782) being spent 'off-contract' on two managed agency teams since the start of this financial year. One stopped in June 2024 and the other is due to finish at the end of December 2024. There were roughly 5 or 6 workers for each team (the numbers of workers did fluctuate a little during the contracts). When the Team was commissioned an anticipated shortfall of £39k was identified and planned for within the portfolio. However, there have been significant challenges with recruitment and despite focussed campaigns the number of childcare social workers leaving the authority has exceeded our ability to recruit. Given the vacancies and volume of service demand we have had to retain and employ additional agency staff through the All Wales Pledge to cover vacancies and significant work demands.</p> <p>The second largest spend is within Streetscene and Transportation at £814,000 with the remaining £326,000 being spent between Education and Youth, Housing and Assets, and Planning, Environment, and Economy.</p> <p>There was a total of 128 active agency placements on Matrix as at 30 September 2024. At the time of running the report 89 placements exceeded the 12-week Agency Worker Regulations threshold. Of those that exceeded the threshold, 45 Streetscene and Transportation, 29 Housing and Communities, 7 in Social Services, 4 in Governance, 3 in Planning, Environment and Economy and 1 in Education and Youth.</p>

1.06	<p>Equality and Diversity Workforce Monitoring</p> <p>It is important to us that we recruit and retain the best workforce that reflects the diversity of the communities we serve. We monitor our workforce to find out whether it broadly reflects our local communities and to ensure our practices are free from discrimination, helping us to deliver appropriate and accessible services to all our communities.</p> <p>The Council collects diversity information on recruitment and the make-up of our workforce to help us meet our obligations under the Single Equality Act 2010, and the Public Sector Equality Duty. Information gathered can, if analysed regularly, help us to identify barriers that prevent access to employment and career development for certain groups of people, and to develop solutions, such as positive action plans or alternative policies and practices.</p>
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2.00	RESOURCE IMPLICATIONS
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2.01	None arising directly from this report.
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3.00	CONSULTATIONS REQUIRED / CARRIED OUT
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3.01	None arising directly from this report.
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4.00	RISK MANAGEMENT
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4.01	None arising directly from this report.
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5.00	APPENDICES
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5.01	Appendix 1 – Employment Workforce Report Dashboard – Mid-year
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6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
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6.01	<p>Contact Officer: Sharon Carney, Senior Manager, People and Organisational Development.</p> <p>Telephone: 01352 702139</p> <p>E-mail: sharon_carney@flintshire.gov.uk</p>
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7.00	GLOSSARY OF TERMS
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7.01	None.
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CORPORATE DASHBOARD REPORTS

(FLINTSHIRE COUNTY COUNCIL)

MID YEAR 2024/25

(APRIL - SEPTEMBER)

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2024/25 DASHBOARD

FLINTSHIRE COUNTY COUNCIL CUMULATIVE TOTALS

TOTAL HEADCOUNT

5,993

TOTAL FTE

4,833

LEAVERS / TURNOVER

455 / 7.59%

AGENCY SPEND 2024/25

£2.54m

TARGET 2024/25

£1.70m

DAYS LOST PER FTE 2024/25

5.43

TARGET 2024/25

8.00

MID YEAR 2024/25 DASHBOARD

HEADCOUNT AND FULL TIME EQUIVALENT (FTE) - NON SCHOOLS

TOTAL HEADCOUNT

2,949

TOTAL FULL TIME EQUIVALENT

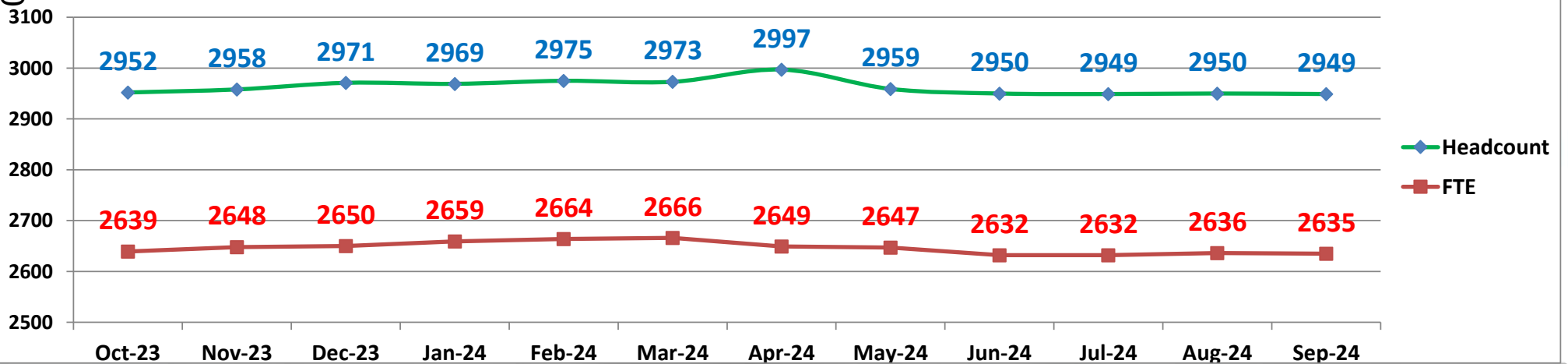
2,635

30/09/2023 2,973
Decrease of 24 people (+4.28%)
30/09/2024 2,949

30/09/2023 2,630
Increase of 5 FTE (+3.83%)
30/09/2024 2,635

Tudalen 90

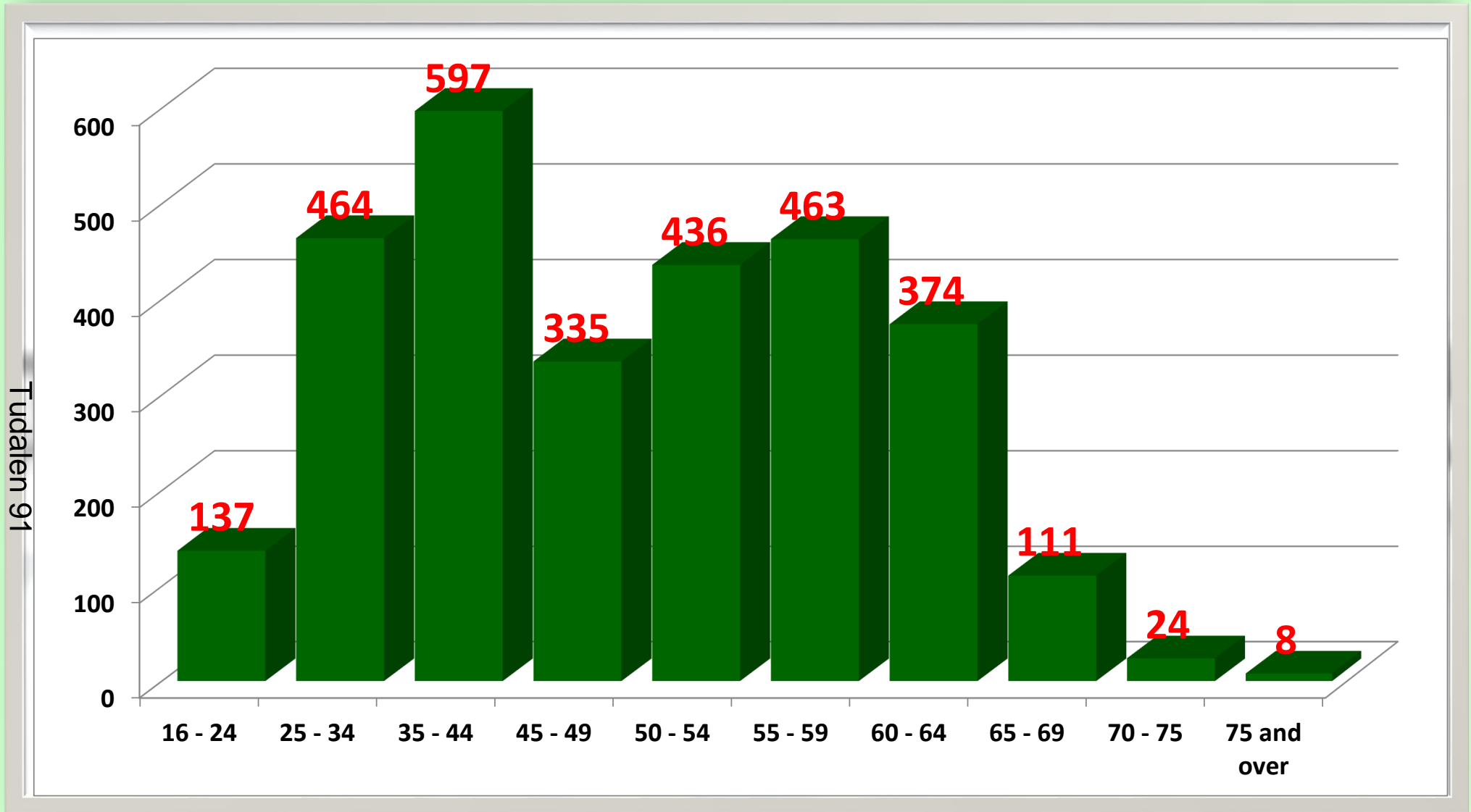
HEADCOUNT AND FTE - 12 MONTH TREND



MID YEAR 2024/25 DASHBOARD

AGE PROFILE - NON-SCHOOLS

5



MID YEAR 2024/25 DASHBOARD

ATTENDANCE - NON-SCHOOLS

6

DAYS LOST PER FTE 2024/25



30/09/2023
5.76

5.57

30/09/2024
5.57



Improvement of 0.19

TOP 4 REASONS

1. STRESS, DEPRESSION, ANXIETY
2. MUSCULOSKELETAL
3. INFECTIONS
4. STOMACH, LIVER, VOMITING

Tudalen 92

MID YEAR 2024/25 DASHBOARD

TURNOVER AND STABILITY - NON SCHOOLS

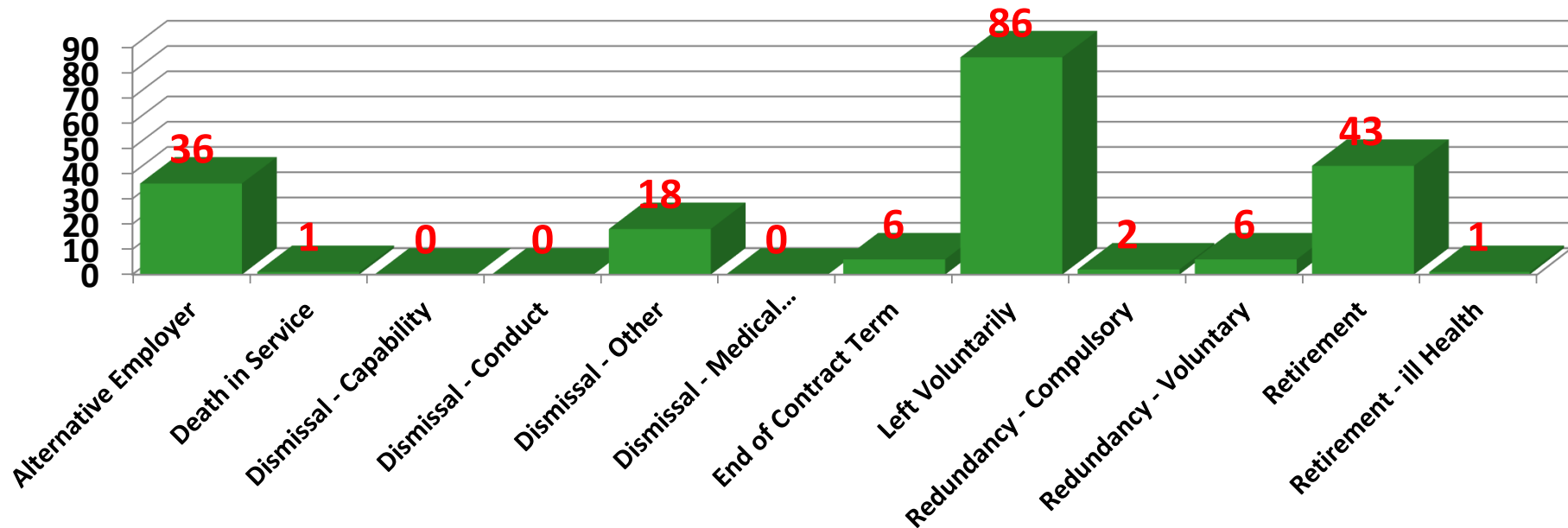
7

LEAVERS - 2024/25

199

LEAVER REASON - 2024/25

Tudalen 93



MID YEAR 2024/25 DASHBOARD

EQUALITY AND DIVERSITY - NON-SCHOOLS

GENDER BREAKDOWN

MALE

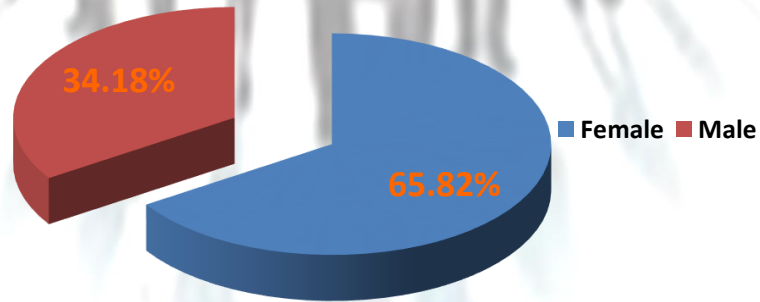
1,008
(34.18%)

FEMALE

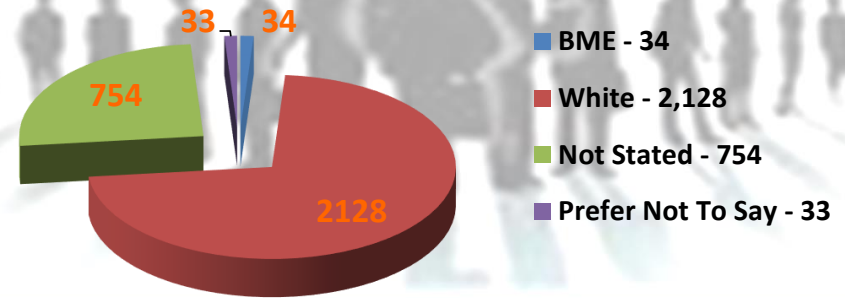
1,941
(65.82%)

Tudalen 94

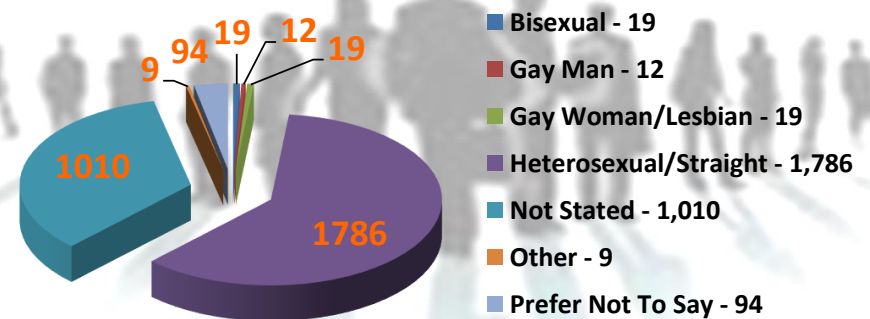
GENDER BREAKDOWN (%)



ETHNICITY



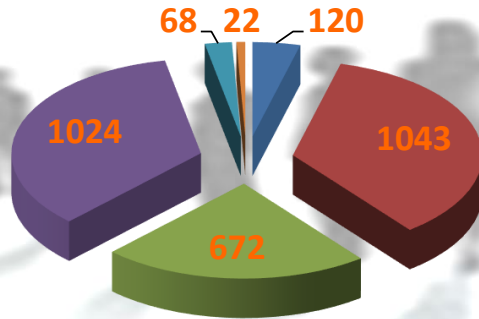
SEXUAL ORIENTATION



MID YEAR 2024/25 DASHBOARD

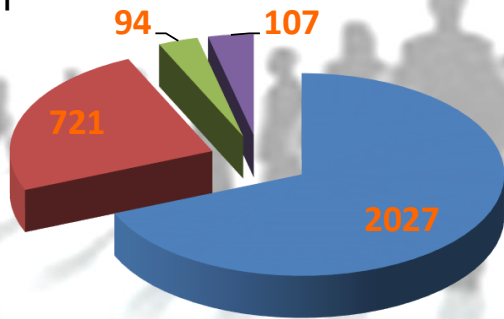
EQUALITY AND DIVERSITY - NON-SCHOOLS

MARITAL STATUS



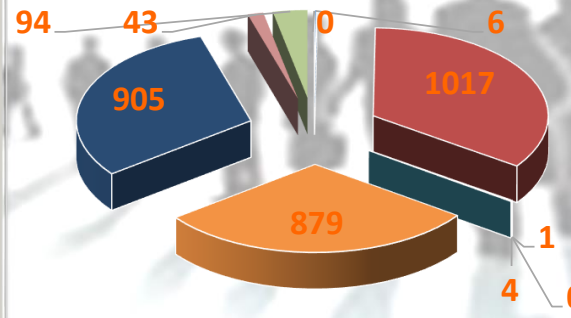
- Divorced / Dissolved Civil Partnership - 120
- Married / Civil Partnership - 1,043
- Not Married or in Civil Partnership - 672
- Not Stated - 1024
- Prefer Not To Say - 68
- Widowed / Surviving Civil Partner - 22

DISABILITY



- No - 2,027
- Not Stated - 721
- Prefer Not To Say - 94
- Yes - 107

RELIGION OR BELIEF



- Buddhist - 6
- Christian - 1,017
- Hindu - 0
- Jewish - 0
- Muslim - 1
- None - 879
- Not Stated - 905
- Other - 43
- Prefer Not To Say - 94
- Sikh - 0

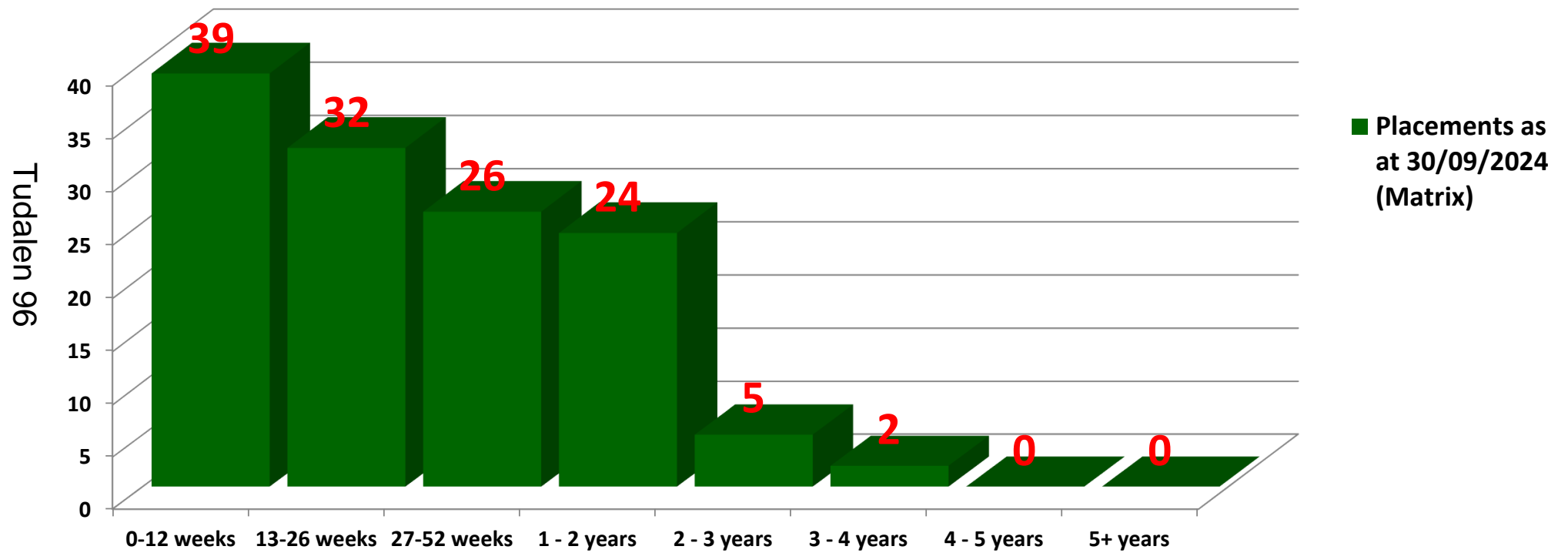
Tudalen 95

MID YEAR 2024/25 DASHBOARD

RESOURCE MANAGEMENT - AGENCY

10

Agency Tenure Management



MID YEAR 2024/25 DASHBOARD

HEADCOUNT AND FULL TIME EQUIVALENT (FTE) - SCHOOLS

TOTAL HEADCOUNT

3,044

TOTAL FULL TIME EQUIVALENT

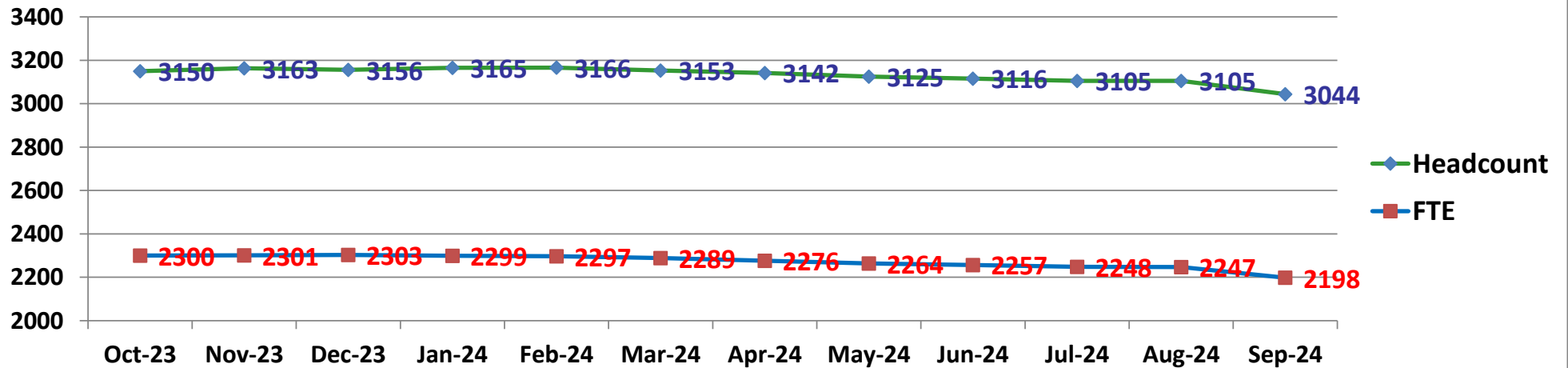
2,198

30/09/2023 3,135
Decrease of 91 people (-3.66%)
30/09/2024 3,044

30/09/2023 2,302
Decrease of 104 FTE (-2.66%)
30/09/2024 2,198

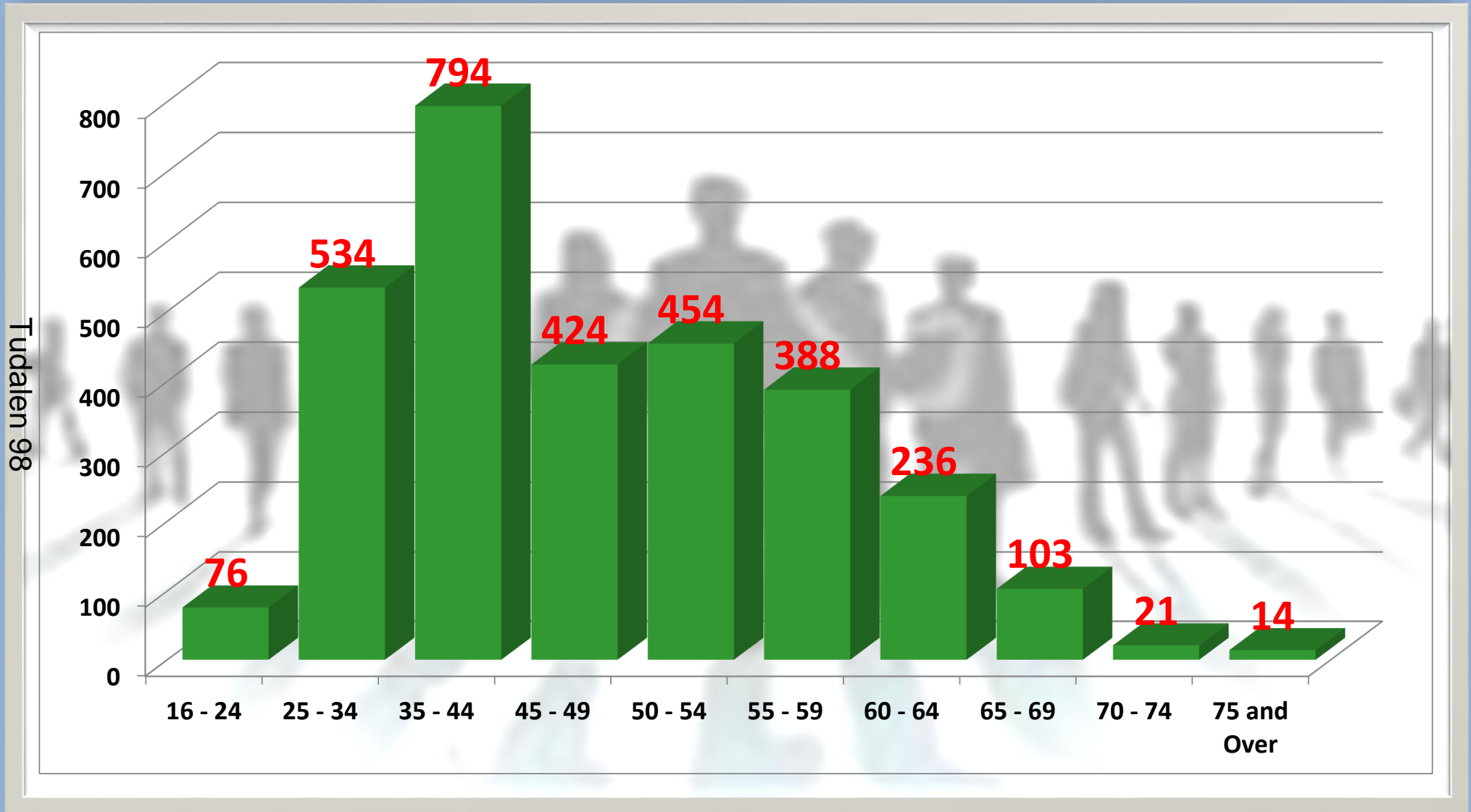
HEADCOUNT AND FTE - 12 MONTH TREND

Tudalen 97

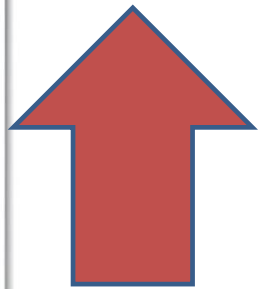


MID YEAR 2024/25 DASHBOARD

AGE PROFILE - SCHOOLS



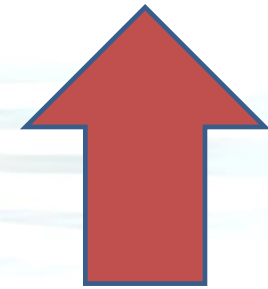
DAYS LOST PER FTE 2024/25



30/09/2023
3.43

4.34

30/09/2023
4.34



Downturn of 0.91

TOP 4 REASONS

1. STRESS, DEPRESSION, ANXIETY
2. MUSCULOSKELETAL
3. INFECTIONS
4. STOMACH; DIGESTION AND VOMITING

Tudalen 99

MID YEAR 2024/25 DASHBOARD

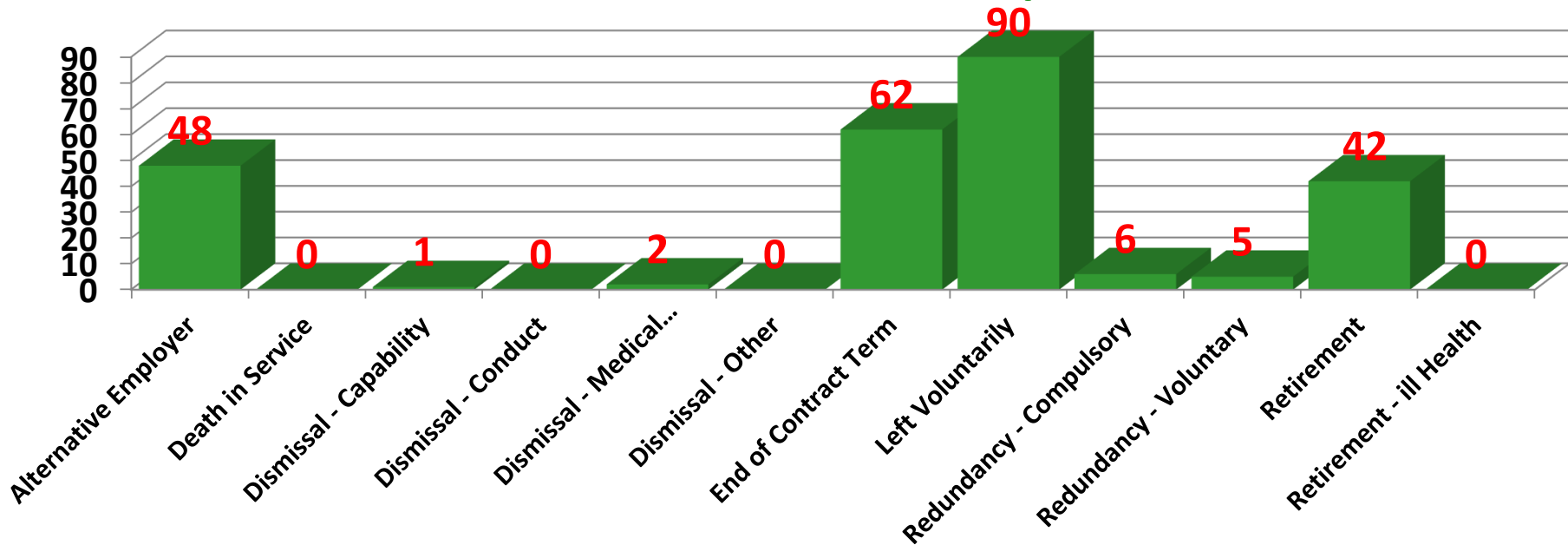
TURNOVER AND STABILITY - SCHOOLS

LEAVERS - 2024/25

256

LEAVER REASON - 2024/25

Tudalen 100



MID YEAR 2024/25 DASHBOARD

EQUALITY AND DIVERSITY - SCHOOLS

GENDER BREAKDOWN

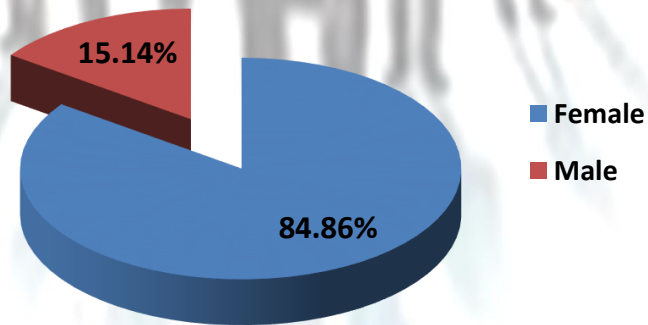
MALE

461
(14.96%)

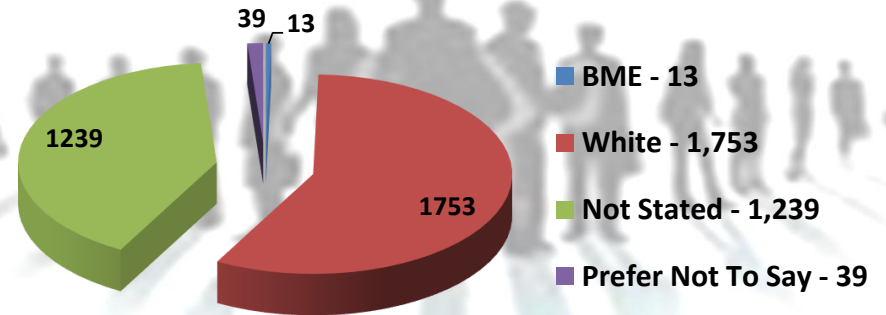
FEMALE

2,583
(85.04%)

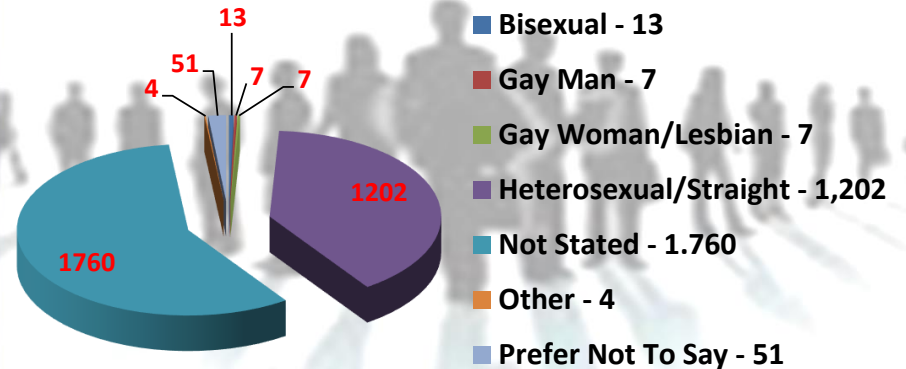
GENDER BREAKDOWN (%)



ETHNICITY



SEXUAL ORIENTATION



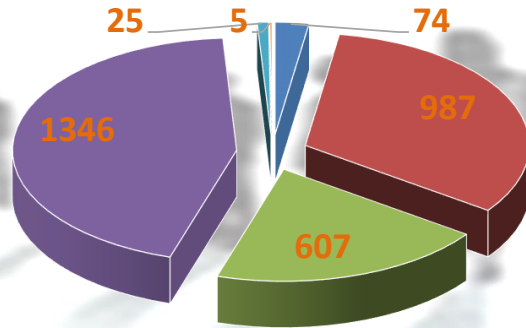
Tudalen 101

MID YEAR 2024/25 DASHBOARD

EQUALITY AND DIVERSITY - SCHOOLS

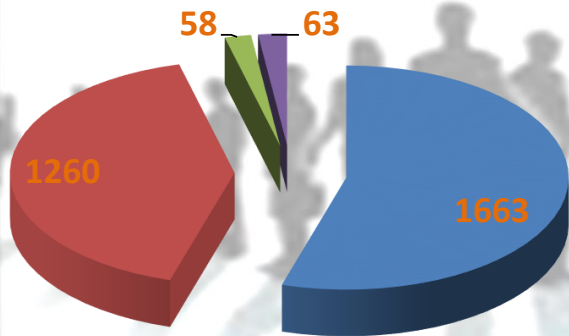
Tudalen 102

MARITAL STATUS



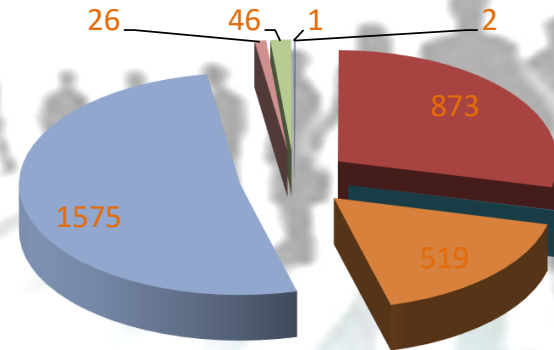
- Divorced / Dissolved Civil Partnership - 74
- Married / Civil Partnership - 987
- Not Married or in Civil Partnership - 607
- Not Stated - 1,346
- Prefer Not To Say - 25
- Widowed / Surviving Civil Partner - 5

DISABILITY



- No - 1,663
- Not Stated - 1,260
- Prefer Not To Say - 58
- Yes - 63

RELIGION OR BELIEF



- Buddhist - 2
- Christian - 873
- Hindu - 0
- Jewish - 1
- Muslim - 1
- None - 487
- Not Stated - 1,575
- Other - 26
- Prefer Not To Say - 46

Eitem ar gyfer y Rhaglen 12



CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	12 th December 2024
Report Subject	Community and Recreation Assets Audit Report
Cabinet Member	Deputy Leader of the Council and Cabinet Member for Transformation and Assets
Report Author	Corporate Manager Capital Programme and Assets
Type of Report	Operational

EXECUTIVE SUMMARY

This report introduces the Community and Recreation Assets Audit Report and provides some historical contextual background.

This report summarises the findings and confirms the actions to mitigate risks that have already been implemented but also advises action that will be undertaken to address the remaining identified risks within specific timeframes.

RECOMMENDATIONS

1	That Corporate Resources Overview and Scrutiny Committee provide any comments/observations so that these may be fed back to a future meeting of the Governance and Audit Committee
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REPORT DETAILS

1.00	Contextual Background Information
1.01	In 2017, the Council's Leisure Services, in advance and as part of a transition to an Alternative Delivery Model (ADM), transferred a number of community and recreation assets to the Council.

1.02	Responsibility for the retained assets was split between Streetscene and Transportation and the Valuation and Estates Service.
1.03	At the time of the transfer, three staff from the former Leisure services transferred of Streetscene and Transportation, with Valuation and Estates service managing additional responsibility within its existing resources.
1.04	In subsequent years, due to the Council's need to generate efficiencies and reduce costs, the posts in Streetscene have been deleted. The Valuation and Estates Service has also reduced its staff numbers. The reduction of resource does make management of remote land and buildings more challenging.
1.05	The Internal Audit report captures the work and process across two portfolios and was carried out at the request of the Corporate Manager for the Councils Capital Programme and Assets.
1.07	The attached Audit report has been given an assurance opinion of red; therefore, and is being shared with Corporate Resources overview and Scrutiny as good practice and in advance of placing it before Governance and Audit Committee.
1.08	There are four risks identified in the audit report as follows: - <ol style="list-style-type: none"> 1. The asset information is incomplete or not updated or missing from Technology forge (TF), Asset Management system. 2. The Roles and responsibilities for the Management of Community and Recreation assets is not clear, have not been defined or are not consistent or being adhered to. 3. A programme of inspection is not in place either by S&T to ensure quality of the Community and Recreation assets grounds or by V&E to deliver statutory inspections to buildings. 4. Income relating to the management of Community and Recreation is not received where expected.
1.09	Two areas of good practice were identified as follows: - <ol style="list-style-type: none"> 1. The booking process for football playing fields is well managed. 2. Where there is a known payment for an asset managed by V&E this is recorded in TF and reconciled monthly with Finance.
1.10	Since the audit a task and finish group has been established. An action plan to address the risks raised in the audit has been developed and will be overseen by the task and finish group until completion. The groups focus will be: - <ul style="list-style-type: none"> • Statutory Health and Safety compliance • Contract management. • Ensuring all relevant Asset information is recorded on Technology Forge (TF) • Resolving cross portfolio working Audit recommendation/s

1.11	<p>The following actions are now in place -</p> <ul style="list-style-type: none"> • An inspection regime of remote unoccupied buildings is now in place and managed through the Valuation and Estates team and is recorded on Technology Forge (TF). • There is now a statutory maintenance regime in place and recorded on Technology Forge (TF) the Council's asset management database.
1.12	<p>As noted in the agreed actions of the report, the public open space element of Statutory Health and Safety (H&S) Checks (URN 3580), Tech Forge System and Asset Data (URN 3575), and Roles and Responsibility (URN 3584) anticipated to be complete by 31st December 2024.</p> <p>With Income Management (URN3712) and Management Agreements / Leases / Contractual Agreements (URN2574) anticipated to be complete by 31st March 2025.</p>

2.00	RESOURCE IMPLICATIONS
2.01	The action plan will be delivered using existing portfolio resource.
3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	An impact assessment is not required, the identified risks will be managed through the Council's risk management system to sign off.
4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	None

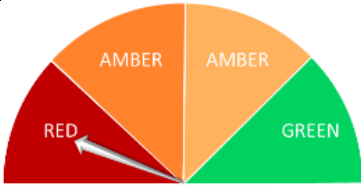
5.00	APPENDICES
5.01	Management of Community and Recreation Assets – Audit Report

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	none

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Damian Hughes Corporate Manager, Capital Programme & Assets</p> <p>Telephone: 01352 404135</p> <p>E-mail: damian.hughes@flintshire.gov.uk</p>

8.00	GLOSSARY OF TERMS
	<p>Community Asset Transfer (CAT) - A Community Asset Transfer is the leasehold transfer of a Flintshire County Council asset to an organisation with a social purpose and plans to use the asset for the benefit of the local community. It is the transfer of the management and ownership of public assets (buildings or land) through the granting of a lease to a community-based organisation who in return commit to providing community benefits via its use.</p>

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Assurance Opinion:	Number of Actions		Risks Reviewed as Identified in Scope
 <p>Limited Assurance – Urgent process revision required (one of more of the following)</p> <ul style="list-style-type: none"> • Key controls are absent or rarely applied. • Evidence of (or the potential for) significant financial/other losses • Key management information does not exist. • System/process objectives are not being met or are being met at a significant and unnecessary cost or use of resources. <p>Conclusion: a lack of adequate or effective controls</p>	Priority	Number	<p>Risk 1: The asset information is incomplete or not updated or missing from the Tech Forge (TF) asset management system.</p> <p>Risk 2: The roles and responsibilities for the management of the Community and Recreation assets have not been defined, are not clear, are not consistent or being adhered to.</p> <p>Risk 3: A programme of inspection is not in place either by S&T to ensure quality of the Community and Recreation assets grounds or by V&E to deliver statutory inspections to buildings.</p> <p>Risk 4: Income relating to the management of Community and Recreation is not received where expected.</p>
	High (Red)	3	
	Medium (Amber)	2	
	Low (Green)	0	
	Total	5	

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Audit Background

The Council has a range of assets, following the transfer of the Open Spaces team to Aura Leisure & Libraries in 2017, which are now managed either by Valuation & Estates (V&E) or Streetscene and Transportation (S&T) Services. These are referred to as Community and Recreation for the purposes of this review and include playing/sport fields, bowling greens and associated buildings including changing rooms, pavilions. These are not to be confused with the Community and Recreation under Aura’s management and control. The Council has access to Tech Forge (TF) to record its assets.

The review focussed on the effectiveness of the controls in place to manage these assets. Dependent on any existing agreement (lease, licence, management agreement, other agreement) for the asset, we evaluated the controls in place to ensure compliance with any maintenance, statutory and landlord checks; in particular any inspection regime to mitigate against relevant health & safety risks, and oversight of income processes. The review assessed whether the split of responsibilities amongst the V&E and S&T teams is effective. Value for money was not part of the scope of this audit. However, we did test to see that fees being charged were being received.

Areas Managed Well

- The booking process for football playing fields is well managed.
- Where there is a known payment for an asset managed by V&E this is recorded in TF and reconciled monthly with Finance.

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Findings and Implications	Agreed Action	Who	When
<p>1 (R) Statutory Health and Safety (H&S) Checks</p> <p><u>Expected Controls</u></p> <ul style="list-style-type: none"> Assets belonging to the Council are subject to statutory health and safety (H&S) checks. There is a process in place to ensure all H&S checks are completed with the results recorded centrally enabling any issues raised to be actioned. Risks associated with the failure to complete statutory checks are recorded on the register, scored and mitigation statements completed. In the case of the Council transferring the liability via a lease / management agreement the club contracted with is clear of their responsibility to ensure the statutory checks are completed and provide evidence to the Council of compliance. <p><u>Findings</u></p> <ul style="list-style-type: none"> The Corporate risk register (InPhase) lists risk RCPA06 'Limited / no resource available to fulfil statutory landlord requirements / testing schedule. Risk of liability and risk to life'. This was last assessed (October 2023) having a score of 20, making it a major risk to the Council. There are two mitigations included with this risk which are future aspirational intentions rather than actual operating controls to mitigate the risk: - <ul style="list-style-type: none"> New building inspector role being explored. Working with other services/Portfolios to explore options to work collaboratively to fulfil... (the sentence ends there on the InPhase system) 	<p>URN 3580</p> <ul style="list-style-type: none"> A multi-disciplinary task and finish group has been established, with its first meetings 17th July 2024. Damian Hughes will chair the group. An action plan to address the risks raised in the audit has been developed and will be overseen until completion. <p>The task and finish group will focus on: -</p> <ul style="list-style-type: none"> Statutory H&S compliance Contract management. Ensuring all relevant Asset information is recorded on Technology Forge (TF) Resolving cross portfolio working recommendation <p>Matters that have already progressed are, as follows:</p> <ul style="list-style-type: none"> An inspection regime of remote unoccupied buildings in now in place and managed through the Valuation and Estates team and will be recorded Technology Forge (TF). (Lisa McLellan – complete) There is now a statutory maintenance regime in place and will be recorded on Technology Forge (TF) the Councils assets Management database. (Rod Taylor – complete) <p>Items to be included on the action plan:</p> <ul style="list-style-type: none"> Streetscene to review & develop a public open space inspection process. (Barry Wilkinson 31/12/24) 	<p>Damian</p>	<p>31/12/2024</p>

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Findings and Implications	Agreed Action	Who	When
<p data-bbox="100 730 136 970" style="writing-mode: vertical-rl; transform: rotate(180deg);">Tudalen 109</p> <ul style="list-style-type: none"> • V&E have contracted with housing (HCA) to deliver legionella checks. Testing identified, of the 62 known Community and Recreation with a building only 14 (22%) are being tested by HCA. • TF does not record evidence these checks were being carried out. • There are other statutory landlord checks, for example periodic gas safety, building electrical safety and structure checks; HCA report they have not been asked to complete any of these checks. • In response to the pandemic the physical inspection of the buildings by V&E stopped and a letter and response process was used. This has continued post pandemic. Council Community and Recreation are not being inspected for damage or deterioration. • The lease and management agreements have clauses for who is responsible for building upkeep internally and externally. However, no evidence provided to show there was a process to record the responses from clubs as to the soundness of the building and if they had complied with their lease / management agreements (if there is one in place). • There is no evidence to show how the Council responds to any reports of failure on the part of the club to maintain the building to a reasonable standard. • TF has a section for the recording of works done and when they are meant to be checked/renewed, this is not being used. <p><u>Risks Identified</u></p> <ul style="list-style-type: none"> • Failure to accurately assess, record, score and mitigate risks can result in objectives not being achieved. • The Council is unable to evidence that all the statutory H&S checks on leisure buildings remaining under Council control have taken place. 	<ul style="list-style-type: none"> • Streetscene to review Pitch hire process with the contact centre. (Barry Wilkinson 31/12/24) • A review of where individual assets sit will also be undertaken from an efficiency perspective. (Lisa McLellan 31/12/24) • The audit report and action plan will be presented to the Corporate Resources Overview & Scrutiny Committee (CROSC) at the earliest convenience. (Damian Hughes 12/12/24) 		

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Findings and Implications	Agreed Action	Who	When
<ul style="list-style-type: none"> The Council is unable to evidence that statutory liability has been transferred to the contracted clubs, nor that these checks have been carried out. In the event of member of the public being harmed, the Council and individual staff members could face serious legal consequences, financial loss and severe reputational damage. 			
<p>2 (R)</p> <p>Management Agreements / Leases / Contractual Agreements</p> <p><u>Expected Controls</u></p> <ul style="list-style-type: none"> Standard management agreements / leases / contracts are in place. These are reviewed periodically to ensure the people who signed on behalf of the club are still part of the organisation. Any changes to the clubs' management are noted on TF with emergency contact numbers of key holders kept current. There is a timetable in place to renegotiate contracts as they come to an end. Where no club can be found to take over a building, a review of the asset is completed and if it no longer meets the needs of the community disposal of the asset is assessed. The Council retains a copy of the keys for all assets in a secure place, which can be accessed by a limited but relevant range of officers in the case of need. There is a schedule of asset inspections to ensure lease and agreement holders are maintaining the property and it remains in a good condition. <p><u>Findings</u></p> <ul style="list-style-type: none"> Many of the agreements / leases have come to an end but there is no action plan in place to address. The history notes on TF show in several cases attempts to renegotiate a new lease / agreement, however the notes end with no progress made on an agreement: some three to five years later. 	<p>URN 3574</p> <p>The Action plan will include the following:</p> <ul style="list-style-type: none"> Keyholder information will be reviewed, updated, and logged on TF. Lease and licence agreements will be reviewed by Valuation and Estates team for buildings and land as appropriate. Formal agreement review dates will be added to TF as a trigger to review/renew in a timely manner. As part of this process, we will formally clarify the responsibility and liability for H&S for those assets which are subject to a lease / management agreement including Council's expectation of how to evidence these checks have been completed. A process will be put in place around control and non-compliance. (i.e. agreement to use, duties under any agreement and or payment of bills) 	<p>Lisa McLellan</p>	<p>31/03/2025</p>

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Findings and Implications	Agreed Action	Who	When
<div style="display: flex; align-items: center;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg); background-color: red; color: white; padding: 5px; margin-right: 10px;">Tudalen 111</div> <div> <ul style="list-style-type: none"> V&E state they do not know who the key holder is for every building, nor does Council retain a copy of the key to every leisure asset building. Management advises due to low level of income, even if a club has stopped paying the Council, and continue to use the building, there is no real push to chase the payments or renew the lease / agreement. This can have implications on responsibilities for building maintenance and other contractual obligations. Due to lack of resource, V&E switched from physical inspections to sending letters to the club trustees asking them to confirm they had complied with the agreement to maintain the interior of the property and the décor was in good order. TF does not record any responses to evidence the letters has been replied to. No evidence was provided to show the process for dealing with a club who does not respond to the letter. No evidence was provided to show the process for dealing with any issues reported by clubs. There is no process in place for ending access to a council asset if a club fails to pay the agreed fees. <p><u>Risks Identified</u></p> <ul style="list-style-type: none"> The Council does not have key access to all assets under its control. Nor do we have a list of all key holders. This would be a cost to the Council in the event of needing to access the building. The lack of up-to-date management agreements / leases means lack of clarity around responsibility and liability for H&S. Failure to renew or update agreements risks legal questions over insurance and damage to fixture and fittings. There is a risk the clubs who continue to use the asset once a contract has lapsed will fail to carry out the maintenance </div> </div>			

Management of Community and Recreation Assets – Chief Executive - 05-2023/24 – Final Report – November 2024

Findings and Implications	Agreed Action	Who	When
<p>required by the agreement. This could lead to the asset falling into a state of disrepair, which will require costly remedial actions by the Council.</p> <ul style="list-style-type: none"> The Council does not know the true condition of its Community and Recreation . Buildings could be falling into a state of disrepair and will become more costly to bring up to a reasonable standard. The Council could also be overstating the value of an asset due to unknown/unactioned disrepair. 			
<p>3 (R) Tech Forge System and Asset Data</p> <p><u>Expected Controls</u></p> <ul style="list-style-type: none"> All Community and Recreation should be recorded on the TF system and contact / details are accurate. Unique Reference Numbers should be used to ensure assets are not duplicated. The asset management system is used to record maintenance, statutory and landlord checks. All officers with asset management responsibility have access to TF and can update with work done. <p><u>Findings</u></p> <ul style="list-style-type: none"> We are unable to provide assurance that all Community and Recreation are recorded in TF. The list of provided by S&T could not be reconciled with the list generated from TF by V&E. (circa 67 bowling greens, cricket pavilions, tennis clubs and playing fields with changing facilities) There is a failure to use a URNs; relying rather on street or club names which were found to be different on each list and risk duplication/inconsistency. (Detailed testing results can be provided) A previous review of TF highlighted the requirement for a single URN which could be used across systems and services. 	<p>URN 3575</p> <ul style="list-style-type: none"> An action plan to address the risks raised in the audit has been developed and will be overseen by the task and finish group until completion. Members of the task & finish group will reconcile asset management information, to ensure its accuracy. Thereafter a process will be put in place to capture any asset changes in the future. (Lisa McLellan 31/12/24) The Action Plan will include measures to integrate TF between to two portfolios and to utilise the system to ensure efficiencies of work stream (where practicable) (Lisa McLellan / Barry Wilkinson 31/12/24) The audit report and action plan will be presented to the Corporate Resources Overview & Scrutiny Committee at the earliest convenience. (Damian Hughes 12/12/24) 	<p>Damian Hughes</p>	<p>31/12/2024</p>

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Findings and Implications	Agreed Action	Who	When	
Tudalen 113	<ul style="list-style-type: none"> Officers in S&T with asset management responsibility do not have access to TF, instead they manage all their Community and Recreation on multiple spreadsheets. <p><u>Risks Identified</u></p> <ul style="list-style-type: none"> The TF system is not being used to its full potential. The silo nature of the current arrangement is a barrier to good communications and effective multi-service partnership. Without consistency of names, locations and recording, there is a risk assets have been missed and are not included in TF. It could result in failure of effective management of assets. There is a risk works are not completed or statutory checks cannot be evidenced in case of external audit by HSE. This could result in legal censure and the possibility financial penalty. 			
4 (A)	<p>Roles and Responsibility</p> <p><u>Expected Controls</u></p> <ul style="list-style-type: none"> There is a clearly defined statement of areas of responsibility for the Community and Recreation remaining under Council control. The name(s) of the officer(s) responsible for an asset is recorded on TF and known to the other portfolios. There is a clear and easy to understand process for the booking and use of the facilities. <p><u>Findings</u></p> <ul style="list-style-type: none"> It is unclear how responsibility is shared between various teams and portfolios. An asset can be managed by V&E and S&T or both. An oversight on the process of management is not established. 	<p>URN 3584</p> <ul style="list-style-type: none"> An action plan to address the risks raised in the audit has been developed and will be overseen by the task and finish group until completion. Roles and responsibilities between portfolios for all LA retained Community and Recreation will be defined. TF will be updated accordingly with this information. (Lisa McLellan /Barry Wilkinson 31/12/24) The Task and Finish group will review the process of booking with the view to creating a one stop solution for hirers. (where practicable) (Lisa McLellan /Barry Wilkinson 31/12/24) 	Damian Hughes	31/12/2024

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Findings and Implications	Agreed Action	Who	When
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Tudalen 114</p> <ul style="list-style-type: none"> There is confusion over who is responsible for play equipment. When asked one team member in V&E said HCA and another in S&T said Aura. TF does not clarify this issue. There is a section in TF for a responsible officer(s) name to be added. In the case of assets managed by S&T, the named officers all left the Council more than 5 years ago. In the case of assets under V&E management, the named officer is mainly the Asset Manager, but also one or other of her team. There is no clear explanation of what the role of the named asset manager is. S&T carry out the maintenance and booking process of the playing fields, however their process does not include access to the changing rooms which are under the responsibility of V&E; this is ineffective use of resource and complicated for the user. <p><u>Risks Identified</u></p> <ul style="list-style-type: none"> There is a risk, unless all those managing a shared asset are aware of their own roles and responsibilities and those of the other services involved, necessary jobs may be missed or duplicated. There is risk the confusion over the booking of the changing facilities may stop a team booking a pitch and raising complaints over the condition of the asset. 			
<p>5 (A) Income Management</p> <p>Value for money was not part of the scope of this audit. However, we did test to see that fees being charged were being received.</p> <p><u>Expected Controls</u></p> <ul style="list-style-type: none"> Assets which attract a charge or rental have payments recorded in TF and are reconciled monthly. 	<p>URN 3712</p> <p>An action plan to address the risks raised in the audit has been developed and will be overseen by the task and finish group until completion</p> <p>As these are community-based organisations managed in the main by volunteers it will be extremely difficult to</p>	Damian Hughes	31/03/2025

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Findings and Implications	Agreed Action	Who	When
<p data-bbox="100 730 136 970" style="writing-mode: vertical-rl; transform: rotate(180deg);">Tudalen 115</p> <ul style="list-style-type: none"> • Missed payments are noted and chased through the Council’s normal income recovery process. • Continued missed payments results in the loss of use of facilities. <p><u>Findings</u></p> <ul style="list-style-type: none"> • Not all assets in TF have charges / fees recorded. • Where the asset is managed by S&T a separate system for charging is in place. • A test on bowling club buildings found those with a lease/management agreement (even if in several cases that contract had lapsed) had payments logged in TF. This was checked monthly with finance. • If a club does not pay their fee, no action was taken to pursue nor was access to the asset restricted. • A similar test was carried out on football pitches. S&T have a booking process with recording of invoices paid/not paid. • These payments are being coded to multiple detail codes on the ledger, (5611, 9271, 9273) making it difficult to reconcile payments. <p><u>Risks Identified</u></p> <ul style="list-style-type: none"> • The sums being charged are very small and there is a risk that more resource is being used to invoice/receipt and reconcile fees than is being earned. • It should be noted these assets are public spaces and it is difficult to restrict access, however this is inconsistent with having a booking and charging system. • Whilst a booking process will aid the community to ensure all have a share of the use of the asset, the cost to the Council for invoicing and managing payments could be seen as 	<p>charge full cost recovery, as some organisations are very small. Whilst on the face of it a fee review would be the way forward, this may lead to organisation/groups leaving facilities, losing the facility to the community and the possibility of some facilities being handled back to the Council, leading to additional cost pressures.</p> <ul style="list-style-type: none"> • The Action Plan will include a review of the income codes and reconciliation process / approach to fees and charges to ensure consistency (where practicable) Lisa McLellan / Barry Wilkinson 31/3/25) 		

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Findings and Implications	Agreed Action	Who	When
<p>uneconomic.</p> <ul style="list-style-type: none"> Unpaid fees / unused assets can provide management information. It can be an indication of an asset which has fallen out of use and may be a candidate for disposal. Using multiple codes for recording income makes effective reconciliation difficult. 			

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Distribution List	
Damian Hughes	Accountable Officer Responsible for the Implementation of Agreed Actions
Neal Cockerton	Chief Executive
Katie Wilby	Chief Officer (Streetscene & Transport)
Barry Wilkinson	Highways Network Manager
Damian Hughes	Corporate Manager, Capital Programme and Assets
Lisa McLellan	Team Leader, Valuation & Estates
Ian Bushell	Streetscene Maintenance Manager (South and Structures)
FOR INFO	
Emma Heath	Risk team

Tudalen 117

Audit Priority:

Appendix A

Priority of Audit Finding	
Priority	Description
High (Red)	Action is imperative to ensure that the objectives of the area under review are met
Medium (Amber)	Requires action to avoid exposure to significant risks in achieving the objectives of the area
Low (Green)	Action encouraged to enhance control or improve operational efficiency

Audit Opinion:

The audit opinion is the level of assurance that Internal Audit can give to management and all other stakeholders on the adequacy and effectiveness of controls within the area audited. It is assessed following the completion of the audit and is based on the findings from the audit. Progress on the implementation of agreed actions will be monitored. Findings from **Some** or **Limited** assurance audits will be reported to the Audit Committee.

Assurance	Explanation
Green - Substantial	<p>Strong controls in place (all or most of the following)</p> <ul style="list-style-type: none"> Key controls exist and are applied consistently and effectively. Objectives achieved in a pragmatic and cost effective manner. Compliance with relevant regulations and procedures

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	<ul style="list-style-type: none"> • Assets safeguarded. • Information reliable <p>Conclusion: key controls have been adequately designed and are operating effectively to deliver the key objectives of the system, process, function or service.</p>
Amber Green – Reasonable	<p>Key Controls in place but some fine tuning required (one or more of the following)</p> <ul style="list-style-type: none"> • Key controls exist but there are weaknesses and / or inconsistencies in application though no evidence of any significant impact. • Some refinement or addition of controls would enhance the control environment. • Key objectives could be better achieved with some relatively minor adjustments. <p>Conclusion: key controls generally operating effectively.</p>
Amber Red – Some	<p>Significant improvement in control environment required (one or more of the following)</p> <ul style="list-style-type: none"> • Key controls exist but fail to address all risks identified and / or are not applied consistently and effectively. • Evidence of (or the potential for) financial / other loss • Key management information exists but is unreliable. • System / process objectives are not being met or are being met at an unnecessary cost or use of resources. <p>Conclusion: key controls are generally inadequate or ineffective.</p>
Red – Limited	<p>Urgent system revision required (one or more of the following)</p> <ul style="list-style-type: none"> • Key controls are absent or rarely applied. • Evidence of (or the potential for) significant financial / other losses • Key management information does not exist. • System / process objectives are not being met are being met at a significant and unnecessary cost or use of resources. <p>Conclusion: a lack of adequate or effective controls.</p>

Tudalen 118

Eitem ar gyfer y Rhaglen 13

Yn rhinwedd paragraff(au) 15 of Part 4 of Schedule 12A
o Ddeddf Llywodraeth Leol 1972.

Dogfen Gyfyngedig - Ni ddylid ei chyhoeddi

Mae'r dudalen hon yn wag yn bwrpasol

Yn rhinwedd paragraff(au) 15 of Part 4 of Schedule 12A
o Ddeddf Llywodraeth Leol 1972.

Dogfen Gyfyngedig - Ni ddylid ei chyhoeddi

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 14

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

Dogfen Gyfyngedig - Ni ddylid ei chyhoeddi

Mae'r dudalen hon yn wag yn bwrpasol