

Public Document Pack



Contact Officer:
Sharon Thomas 01352 702324
sharon.b.thomas@flintshire.gov.uk

To: Cllr Clive Carver (Chairman)

Councillors: Haydn Bateman, Bob Connah, Paul Cunningham, Patrick Heesom, Andrew Holgate, Dave Hughes, Paul Johnson, Richard Jones, Mike Lowe, Hilary McGuill, Michelle Perfect, Vicky Perfect, Andy Williams and Arnold Woolley

12 January 2018

Dear Councillor

You are invited to attend a meeting of the Corporate Resources Overview & Scrutiny Committee which will be held at 10.00 am on Thursday, 18th January, 2018 in the Delyn Committee Room, County Hall, Mold CH7 6NA to consider the following items

A G E N D A

1 APOLOGIES

Purpose: To receive any apologies.

2 DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)

Purpose: To receive any Declarations and advise Members accordingly.

3 MINUTES (Pages 3 - 18)

Purpose: To confirm as a correct record the minutes of the meetings on 6 and 14 December 2017.

4 ANNUAL REVIEW OF APPRAISALS (Pages 19 - 24)

Report of Senior Manager, Human Resources & Organisational Development
- Cabinet Member for Corporate Management and Assets

Purpose: To provide the committee with the results of the Annual Review of Appraisals.

5 **REVENUE BUDGET MONITORING 2017/18 (MONTH 8)** (Pages 25 - 50)

Report of Corporate Finance Manager - Leader of the Council and Cabinet Member for Finance

Purpose: The purpose of this report is to provide Members with the Revenue Budget Monitoring 2017/18 (Month 8).

6 **FORWARD WORK PROGRAMME** (Pages 51 - 56)

Report of Democratic Services Manager -

Purpose: To consider the Forward Work Programme of the Corporate Resources Overview & Scrutiny Committee

Yours sincerely

A handwritten signature in black ink, appearing to read 'Robert Robins', with a horizontal line extending to the right.

Robert Robins
Democratic Services Manager

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE **6 DECEMBER 2017**

Minutes of the meeting of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held in the Council Chamber, County Hall, Mold on Wednesday 6 December, 2017.

PRESENT: Councillor Clive Carver (Chairman)

Councillors: Haydn Bateman, Patrick Heesom, Andrew Holgate, Paul Johnson, Richard Jones, Hilary McGuill and Michelle Perfect

ALSO PRESENT (as all Members had been invited to attend)

Councillors: Mike Allport, Marion Bateman, Chris Bithell, Helen Brown, Rob Davies, Ian Dunbar, Kevin Hughes, Christine Jones, Dave Mackie, Carolyn Thomas and David Wisinger

SUBSTITUTION: Councillor Andy Dunbobbin (for Mike Lowe), David Healey (for Vicky Perfect) and Paul Shotton (for Paul Cunningham)

APOLOGIES: Councillors: Dave Hughes and Arnold Woolley

CONTRIBUTORS: Councillor Aaron Shotton, Leader of the Council and Cabinet Member for Finance; Chief Executive; Chief Officer (Governance) and Corporate Finance Manager

IN ATTENDANCE: Democracy and Governance Manager and Community & Education Overview & Scrutiny Facilitator

1. DECLARATIONS OF INTEREST

There were no declarations of interest.

2. FINANCIAL FORECAST AND STAGE TWO OF THE BUDGET 2018/19

The Chief Executive introduced the report to provide the latest financial forecast and to consult with Members on the options for the stage two Council Fund Revenue Budget for 2018/19.

The Corporate Finance Manager detailed the provisional settlement which had been received on 10 October, 2017 which had been reported to Members in November, 2017. Following announcement of the provisional settlement, stage one budget options were approved by County Council on 14 November which reduced the budget gap by £3.1m. This left a remaining gap of £10.5m, which excluded in-year risks and pressures.

The Chief Executive explained that the second stage budget options had been shared at a Member Workshop on 21 November, 2017 and the options had been split into four categories, as detailed within the report. The Council was mindful of the risks around schools budgets and therefore were considering how to mitigate those risks going forward. The report also detailed within

category 3 the specific asks of Welsh Government (WG) and it was hoped that a meeting with WG would be held before the end of the year.

Councillor Ian Dunbar commented on the Apprenticeship Tax Levy and the concern that many companies were not willing to take on any apprentices following the introduction of the levy. He asked whether any feedback had been received from WG on the Council's application to recover 50% of the cost. The Chief Executive explained that the application to WG was specifically to allow the Council to continue to grow the apprenticeship scheme and to employ more graduate apprentices where a gap in need has been identified.

In response to a question from the Chairman around graduate apprentices, the Chief Executive explained that the employment of graduate apprentices would assist in succession planning and commented on the way in which the scheme had helped apprentices gain successful careers.

Councillor Dave Healey appreciated the difficult financial situation the Council had been put in but questioned why stage two budget options had not been submitted for consideration to each of the individual Overview & Scrutiny Committees as this had been the process for considering stage one budget options previously. He proposed that a report reviewing the process for the setting of the annual budget process be considered by the Constitution & Democratic Services Committee to ensure constituency in the future. This option was seconded by Councillor Patrick Heesom. On the options for schools budgets to remain "cash flat", Councillor Healey raised concerns around the need to protect schools as much as possible and commented on the recent GwE business plan, which had categorised primary and secondary schools as 'red' due to the continued impact of austerity. He felt that the options around schools budgets should be considered by the Education & Youth Overview & Scrutiny Committee as a matter of urgency.

The Chief Executive agreed that the performance of schools differed across Flintshire and therefore the option was to continue to monitor the impact on schools and provide additional support where critically required and if possible Councillor Aaron Shotton, Leader of the Council commented on the process for setting the annual budget which was relatively new in terms of considering budget options in stages which he felt allowed for greater discussion and debate. He shared the concerns around schools budgets and said that he was grateful for schools understanding during this time and said that the impact of the proposed "cash flat" settlement would need to be considered by the Education & Youth Overview & Scrutiny Committee.

The Chief Officer (Governance) responded to the comments around the process for setting the annual budget and explained that the Council's Constitution set out the process for Overview & Scrutiny to consider budget options published by the Cabinet. He said that the process had improved and that Members were given greater notice of options and the opportunity to consider them in detail than in previous years.

Councillor Healey thanked the Chief Executive, Chief Officer and Councillor Aaron Shotton for their response and for recognising the need for Overview & Scrutiny to consider budget options, especially schools budgets.

Councillor Hilary McGuill suggested that a workshop be convened for all Members to consider how best to generate further income for the Council. She also suggested that officers within the Council with specific expertise be asked to go into schools to assist in planning their budgets. The Chief Executive responded that the Chief Officer (Organisational Change) was working on the Income Strategy and welcomed the opportunity to have an open discussion with Members around future income generation streams. He also explained that school business managers should be offering assistance and support around planning for schools budgets and that he would pursue this at the next Primary and Secondary Heads Federation meeting.

Councillor Patrick Heesom spoke in support of the comments made by Councillors Dave Healey and Hilary McGuill. He commented on the stage one budget options approved by the Council on 14 November, 2017 and the remaining budget gap as detailed in the report and said that this figure was not accurate given the over-spend within the current financial year. He also commented on the structural change within the Council and raised concerns around the lack of co-ordination with the Public Services Board. The Chief Executive said that there would always be a degree of risk around Alternative Delivery Models, particularly in their early stages, and they would continue to be monitored by the relevant Overview & Scrutiny Committee. He also commented on the resilience statements which had been produced for each service area and said that the stage two budget options were areas which were considered acceptable and would not put those services at risk. Councillor Aaron Shotton said that he did not accept the concerns raised around the Public Services Board and Alternative Delivery Models as there were no options in front of members to reduce funding in these areas within the 2018/19 revenue budget.

Councillor Richard Jones raised concerns that there was no details around the consequences of implementing the options provided within the report which he felt made it difficult for Members to understand the significance of the options. He commented on the uncertainty of the Intermediate Care Fund (ICF) as detailed in the report and questioned why this was listed as WG had previously confirmed that this would continue. He raised a number of concerns around the options to increase car parking charges and the detrimental effect this would have on Buckley Town Centre in comparison to other Town Centres and made specific comments around the Deeside Plan which would ensure the area of Deeside would be immune to the cuts in funding and asked that this option be removed.

The Chief Executive responded that whilst WG had confirmed that ICF funding would continue but the Council was seeking confirmed continuation of this specific funding so that it did not have to negotiate it year on year at risk. On the consequences of the options, the full detail of the assessments of the risks, impacts and consequences of all of the budget options would be made

available for review in January, 2018. Councillor Aaron Shotton said that he would not defend the proposed increase in car parking charges but this was an area that would be challenged by WG when the income generated by the Council was benchmarked with neighbouring Local Authorities. There was no funding directly attached to the Deeside Plan and the Plan in the same way as the Town Centre Plan's would assist in lobbying for funding when it became available.

Councillor Paul Johnson thanked officers for their work and information provided around the budget which he felt beneficial as a new Member of the Council. He commented on the Notice of Motion calling for an end to UK Government Austerity considered by County Council on 14 November, 2017 and asked what the Council was doing to communicate to local communities the issues being faced due to reduced funding. Councillor Aaron Shotton explained that the Council continued to lobby WG and provide evidence on the impact of austerity through the resilience statements which had been produced for each service area. A number of public engagement events had also been held across Flintshire to provide information on the financial situation to members of the public. The Chief Executive said that following the County Council meeting a letter was sent to both the Cabinet Secretaries for Finance and for Local Government and Public services, a copy of which could be circulated to all Members. He also said that together with the Leader of the Council, he was seeking a meeting with the Cabinet Secretary for Finance in order to discuss the settlement and the concerns around funding for public services moving forward.

Councillor Andrew Holgate commented on the Chancellor's Autumn Statement where it had been announced that Wales would receive an additional £1.2b of funding over the next 4 years. Councillor Aaron Shotton explained that the amount of revenue funding to be received by the Welsh Government was £215m over the next 4 years, which the remaining funding being provided through capital investments. The Chief Executive welcomed the capital investment around infrastructure and housing and said that clarification would be received from WG later on how the additional revenue funding might impact Local Authorities.

In response to comments from Councillor Patrick Heesom around base budgets, Community Asset Transfers and Alternative Delivery Models, Councillor Aaron Shotton explained that 4 years ago the Council introduced a 3 year business plan for each service area to meet proposed efficiency targets of 30% other than schools and front line social care services. The introduction of Alternative Delivery Models had allowed for services to be delivered in a different way rather than having to be scaled back.

Councillor Carolyn Thomas referred to an earlier suggestion from Councillor McGuill and asked that a workshop on Income Generation be arranged for the New Year. Councillor Richard Jones asked that information on the consequences of each of the stage two budget options be provided to Members.

The Chief Executive reported that following the discussion the Environment and Education and Youth Overview and Scrutiny Committees would be convened in January to review in detail the car parking charges and school budget options respectively, including the risks and consequences of the options, prior to any final decision being taken.

RESOLVED:

- (a) That having considered the stage 2 budget options, the report and options be noted;
- (b) That the remaining stages of the budget process and timescales be noted;
- (c) That the letter to the Cabinet Secretaries for Finance and for Local Government and Public services and the Resilience Statements be circulated to all Members;
- (d) That the full detail of the assessments of the risks, impacts and consequences of all of the budget options be made available for review in January;
- (e) That the Environment and Education and Youth Overview and Scrutiny Committees be convened in January to review in detail the car parking charges and school budget options respectively, including the risks and consequences of the options, prior to any final decision being taken; and
- (f) That a report reviewing the process for the setting of the annual budget process be prepared for the Constitution & Democratic Services Committee at its meeting on 31st January 2018.

4. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE

There were no members of the public and one member of the press in attendance.

(The meeting started at 10.00am and ended at 12 noon)

.....
Chairman

This page is intentionally left blank

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE
14 DECEMBER 2017

Minutes of the meeting of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held in the Delyn Committee Room, County Hall, Mold on Thursday, 14 December 2017

PRESENT: Councillor Clive Carver (Chairman)

Councillors: Haydn Bateman, Paul Cunningham, Patrick Heesom, Andrew Holgate, Dave Hughes, Paul Johnson, Richard Jones, Michelle Perfect, Vicky Perfect and Arnold Woolley

SUBSTITUTES: Councillors: Andy Dunbobbin (for Mike Lowe) and Mared Eastwood (for Hilary McGuill)

APOLOGIES: Councillor Bob Connah

Councillor Aaron Shotton, Leader & Cabinet Member for Finance; and Chief Executive (absent on Council business)

CONTRIBUTORS: Councillor Billy Mullin, Cabinet Member for Corporate Management and Assets; Chief Officer (Governance); and Senior Manager, Human Resources & Organisational Development

For minute number 50

Representatives of Community Foundation in Wales:

Colin Evans - Development Associate

Richard Williams - Chief Executive

Tom Morris - Research & Finance Officer

Flintshire County Council officers:

Corporate Business & Communications Executive Officer

Finance Manager - Technical Accountancy

For minute number 52

Corporate Finance Manager

IN ATTENDANCE: Democratic Services Manager and Democratic Services Officer

47. PRELIMINARY COMMENTS

Councillor Heesom expressed disappointment that the Chief Executive and Leader of the Council were not in attendance. He said there were matters arising from the recent County Council meeting which involved feedback from the Committee's special meeting earlier in the month.

Having explained that the Chief Executive and Leader were attending a meeting in Cardiff, the Democratic Services Manager pointed out that the Stage 2 budget proposals (the subject of both meetings referred to) were not on this

agenda and that the minutes of the special meeting would be available in due course.

48. DECLARATIONS OF INTEREST

None were received.

49. MINUTES

The minutes of the meeting of 16 November 2017 were submitted.

Minute number 39: Previous meeting - Councillor Jones gave a reminder that the Chief Executive was to speak to him about the 'cuckooing' case he had referred to.

Minute number 41: Flintshire Public Services Board - Councillor Jones advised that having re-checked the Betsi Cadwaladr University Health Board website link, the Public Service Board links now showed but that all locality areas apart from those in east Flintshire were shown as 'not complete'.

Minute number 42: North Wales Fire & Rescue Authority - the Democratic Services Manager had circulated an email earlier in the day which gave a full response to the discussion on Council Tax bills.

RESOLVED:

That the minutes be approved as a correct record and signed by the Chairman.

50. FLINTSHIRE COMMUNITY ENDOWMENT FUND - ANNUAL REPORT

The Corporate Business & Communications Executive Officer presented the annual performance review of the Flintshire Community Endowment Fund (FCEF) which was managed and administered by the Community Foundation in Wales following the transfer of 16 educational trust funds in 2013. Since that time, the capital element of the FCEF had grown by 18% and the Fund had awarded over £34K worth of grants; a level which could not have been achieved before the transfer.

The Committee was asked to consider a proposal for the Community Foundation in Wales to assume the same responsibilities for the Clwyd Tripartite Welsh Church Act Fund (Clwyd WCAF) on behalf of Flintshire, Denbighshire and Wrexham councils. The broader remit of grant applications from the Clwyd WCAF was explained.

The Chairman welcomed representatives from the Community Foundation in Wales - Colin Evans (Development Associate), Richard Williams (Chief Executive) and Tom Morris (Research & Finance Manager) - who gave a presentation on the work of the Fund, covering the following points:

- The Community Foundations' achievements across Wales and specifically in Flintshire
- Fund History and Overview
- Financial Performance of the Fund
- Additional Services for Local Authorities
- Summary of Grant Awards made in 2016 and 2017
- Leverage for Flintshire
- Case Studies

Since transferring the assets, the FCEF had achieved a 35% total return with the capital element of the Fund recently valued at around £210K. Explanation was given on the investment strategy which took a moderate approach to risk and was subject to regular scrutiny. Details of grants awarded in 2016/17 were set out in the Impact Report appended to the agenda.

Councillor Dunbobbin asked about the promotion of the FCEF which involved a network of community facilitators and websites. It was explained that a low-risk approach had initially been taken to build up the Fund where the maximum limit on grant awards were £750 for individuals and £1,000 for voluntary groups. Councillor Dunbobbin suggested that the Organisational Change Overview & Scrutiny Committee could also benefit from having the presentation.

When asked by Councillor Hughes, information was given on the composition of the panel (involving local representation) in assessing the strength of applications to determine whether a maximum or partial grant should be awarded.

The Chairman pointed out reference to issues with some cheques sent by post. It was clarified that only in a handful of cases had cheques not reached their destination and there were no incidents of fraud. From April 2017, grant awards were paid directly into banks as a more secure and efficient method.

Councillor Jones asked if there would be any changes to criteria for grants from the two Funds. He was told that each would be run separately according to its own objectives which were set out in the governing document agreed between the Council and The Charity Commission for England and Wales. There would be no change to the application process as only management and administration responsibilities would transfer.

In response to comments by Councillor Johnson, Mr. Morris gave assurance of annual reviews to ensure there were no direct unethical investments.

The Chairman thanked the representatives for their attendance and detailed presentation.

RESOLVED:

That the Committee thanks the Community Foundation in Wales' representatives for their presentation and informs the Cabinet that:

- (a) The Committee endorses the work of the Community Foundation in Wales and the award of local grants as part of the Flintshire Community Endowment Fund;
- (b) The Committee approves the transfer of the management and the administration of the Clwyd Tri-partite Welsh Church Act Fund for Flintshire, Denbighshire and Wrexham to the Community Foundation for Wales from 1st April 2018; and
- (c) The Committee approves the transfer of the management and the administration of Flintshire grants awarded from the Welsh Church Act Fund to be combined with the process already in place for the Flintshire Community Endowment Fund.

51. WORKFORCE INFORMATION REPORT - QUARTER 2

The Senior Manager, Human Resources & Organisational Development presented the workforce information update for the second quarter of 2017/18. There had been a continued improvement in attendance since the introduction of the new policy and the rise in days lost due to stress and depression was being tackled through various initiatives. An increase in the completion of performance appraisals, alongside accurate reporting, was welcomed. A positive trend was also reported on agency worker spend, which represented less than 1% of the pay bill, and a reminder was given of the forthcoming review of that contract.

In thanking the Senior Manager and her team for the report, Councillor Mullin said that the improvement in attendance reflected increased levels of control and ownership being taken by managers.

Councillor Jones welcomed the findings and gave a reminder of the overall target to achieve 100% completion of appraisals for eligible employees.

Councillor Woolley questioned the difference between days lost by school employees as opposed to non-schools and the reasons for stress-related absences. The Senior Manager agreed to look into this although it was likely to be due to the shorter period of term time worked in schools. On the latter point, employees were actively encouraged to come forward and take advantage of the support available, including 'Care First' which offered help in dealing with a broad range of personal problems. Councillor Woolley requested more information on this.

The Chairman asked whether the 'days lost by portfolio' could indicate portfolio sizes to provide better context and whether the 'Top 4 reasons' could indicate the variance between each category. The Senior Manager agreed to

look into whether a more detailed report could be provided for a future meeting, noting the need for confidentiality to ensure no individuals could be identified.

Following a request by Councillor Holgate, the Senior Manager agreed to provide a separate response on costs arising from the workforce turnover figure, which was higher than normal mainly due to the transfer of Newydd Catering & Cleaning. The Chief Officer spoke about the release of posts through redundancy and early retirement which took into consideration the service impact and expectation to recoup leaving costs within a two year period.

In response to comments from Councillor Hughes on the age profile dashboard, the Senior Manager explained that data was reviewed by managers to understand trends and inform workforce planning.

On the Equality and Diversity graphs, Councillor Johnson asked if it was possible to include figures for individuals with disabilities. The Senior Manager advised that records were held for employees who chose to disclose and that concessions were available, for example in attending appointments. Councillor Johnson asked if the age profile for teachers could include a breakdown of full and part time posts. The Senior Manager agreed to look at how this information could be presented for a specific future meeting only.

The Chairman commented on the age profile categories for teachers and was informed that these were standard across the system. In respect of late attendance, it was the responsibility of managers to monitor their teams in line with the flexible working policy.

The points raised were summarised by the Democratic Services Manager and agreed by the Committee.

RESOLVED:

- (a) That having considered the Workforce Information report for Quarter two, the Committee appreciates the work which has been done, especially to reduce sickness absence;
- (b) That the Senior Manager Human Resources & Organisational Development produce a more detailed analysis for a future meeting, recognising that such a level of detail would be impractical for each quarter; and
- (c) That the Senior Manager and Democratic Services Manager liaise on a suitable meeting to which to put the detailed report.

52. REVENUE BUDGET MONITORING 2017/18 (MONTH 7)

The Corporate Finance Manager presented the report on the revenue budget monitoring position for 2017/18 as at Month 7 for the Council Fund and Housing Revenue Account (HRA), prior to consideration by Cabinet.

On the Council Fund, the net in-year position was that spend was forecast to be £1.262m higher than budget, which was an increase of £0.115m from Month 6. The most significant projected variances were for additional high-cost out of county placements and the delay in implementing the bus subsidy efficiency in-year. However, this had been offset by the transfer of school transport costs from the Streetscene and Transportation portfolio as they would now be funded by Education and Youth. On overall planned efficiencies included in the report, it was estimated that 93% would be achieved by year end.

New risks emerging in-year would require analysis of impacts on the 2018/19 budget and as discussed at the recent County Council meeting, the amounts for the Council Tax Reduction Scheme and Intermediate Care Fund were included within the Stage 2 budget options. Further work was planned on other significant issues such as the procurement of local and school transport following the Member workshop, the escalating costs for out of county placements and meeting the budgeted income target. An update on reserves and balances indicated that the £20.3m of earmarked reserves available at the start of the financial year were expected to halve by year end. The planned utilisation of the Budget Strategy Reserve and the projected reduction in Schools Balances were highlighted as two examples of significant reductions.

No significant changes were reported on the HRA, where in-year spend was projected to be £0.035m lower than budget.

As requested by the Chairman, the Corporate Finance Manager agreed to provide information on 'Flintshire Enterprise Ltd' which appeared on the table of earmarked reserves.

Councillor Jones asked about the lower than anticipated levels of income from County Hall parking permits and was informed that this variance would be reviewed for any impact on the 2018/19 budget as with the others detailed in the table, and the outcome reported in the New Year. Councillor Jones referred to the table of earmarked reserves and said that those showing no movement to year end (totalling £2.45m) should be brought back into the budget for use rather than automatically rolling over. The Corporate Finance Manager explained that the table was included in quarterly reports and that as part of financial management planning, the amounts were held for various reasons and were subject to review.

Councillor Jones proposed that the balances on revenue should be treated the same as capital and that if not utilised in the financial year, the service should have to reapply. This was seconded by Councillor Heesom. The Corporate Finance Manager agreed that a report would be submitted to a future meeting to understand the implications of this.

On Appendix 1 to the report, Councillor Jones said it was useful for variances to be shown in red. He cited three variances in Social Services (Disability Services - Resources & Regulated Services; Mental Health Services - Residential Placements; and Development & Resources - Safeguarding Unit)

totalling over £700K of overspend where the action was 'to continue to monitor and review'. He proposed that these be referred to the Social & Health Overview & Scrutiny Committee for examination and report back as the explanation was insufficient in view of the Council's budget position. Officers explained that the nature of many of the Social Services areas were demand led, with obligations to meet statutory duties, and that consideration of budget realignment was ongoing across services.

The Corporate Finance Manager agreed to pass on concerns about the financial impact of delays on Household Recycling Centres and Flint car parking charges. On the latter point, the Chief Officer (Governance) provided brief explanation on the background and would request a more detailed response from the Chief Officer (Streetscene & Transportation).

Councillor Heesom spoke about the need for Members to receive more detail on the evaluation of the base budget for each portfolio to help understanding of the Stage 2 proposals. The Corporate Finance Manager said that this was not practical due to the significant number of underlying cost centres which would not assist the decision-making process. The Chief Officer drew attention to the level of detail in the resilience statements shared recently with Members. The Corporate Finance Manager responded to queries on earmarked reserves for the Budget Strategy Reserve and Single Status, advising that a final review of all reserves would assess adequacy for the Council's needs. On inflation, the main issues such as energy increases were built into the 2018/19 forecast.

Councillor Woolley stressed the importance of a written audit trail of committee resolutions to demonstrate accuracy. He shared the concerns about the insufficient explanation of actions on variances, pointing out the absence of any action on Transportation.

The two recommendations proposed by Councillor Jones were clarified and duly supported by the Committee. During discussion, the Democratic Services Manager explained that deadlines did not allow time for these points to be included in a written report to Cabinet and that he would instead email the Leader of the Council and statutory officers, copying in Members of the Committee.

RESOLVED:

That the Committee notes the Revenue Budget Monitoring 2017/18 Month 7 report and confirms on this occasion that the issues which it wishes to have brought to the Cabinet's attention are:

- (a) That revenue balances should be treated the same as capital: if budget is not utilised in the financial year, the service needs to reapply for that funding. (The 151 Officer offered to produce a report for a future meeting which will identify the implications of such an approach, which the Committee accepted); and

- (b) That the issues in Social Services, as shown on pages 93 and 94 of the report (Disability Services - Resources & Regulated Services; Mental Health Services - Residential Placements; and Development & Resources - Safeguarding Unit, totalling over £700K) be referred to the Social & Health Overview & Scrutiny Committee for examination and report back. 'Continue to monitor and review' is not sufficient action given the Council's budget position for either under or overspends.

53. FORWARD WORK PROGRAMME

Councillor Heesom asked if the meeting on 18 January 2018 could be brought forward to consider an update on the Council's financial position including the consequential of any additional funding from the Welsh Government. The Chief Officer (Governance) advised that the Council was due to receive its Final Local Government Settlement on 20 December and may not receive additional information until a later date. He suggested that the Chief Executive and Leader circulate a note to Members when the information was received, recognising that this may be in the New Year.

In presenting the current Forward Work Programme, the Democratic Services Manager advised that the January meetings of the Environment Overview & Scrutiny Committee and Education & Youth Overview & Scrutiny Committee would be open to all Members to consider budget items.

It was agreed that:

- The detailed Workforce Information report, discussed earlier, would be scheduled for 15 February 2018.
- The Equalities Annual Report would be scheduled for 15 February 2018.
- Confirmation would be given on whether the budget consultation meeting in late January was to proceed.
- The Quarter 3 Council Plan Monitoring report in March would include exceptions reported to all Overview & Scrutiny committees, as requested at the previous meeting.
- The frequency and detail of reporting of fair distribution of funding, as set out in the recent Notice of Motion, would be discussed at the February meeting.

RESOLVED:

- (a) That the Forward Work Programme as submitted, be approved with amendments;
- (b) That the Democratic Services Manager, in consultation with the Chairman, be authorised to vary the Forward Work Programme between meetings, should this be necessary.

54. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE

There was one member of the press in attendance.

(The meeting started at 10am and ended at 12.55pm)

.....
Chairman

This page is intentionally left blank



CORPORATE RESOURCES OVERVIEW AND SCRUTINY

Date of Meeting	Thursday, 18 January 2018
Report Subject	Annual Review of Appraisals
Cabinet Member	Cabinet Member for Corporate Management and Assets
Report Author	Senior Manager, Human Resources and Organisational Development
Type of Report	Operational

EXECUTIVE SUMMARY

The purpose of this report is to provide Committee with detailed completion levels of appraisals by portfolio.

RECOMMENDATIONS

1	That the Committee notes the progress made against the target set for completion of appraisals for portfolios and the Council as a whole.
---	---

REPORT DETAILS

1.00	Performance Appraisal Report and Progress Update
1.01	The purpose of this report is to provide members with a detailed analysis of completion levels of appraisals across all portfolios.
1.02	This indicator is important because it provides reassurance that eligible employees are receiving appraisals in line with corporate policy. Regular, meaningful appraisals help to ensure that employees are clear about their objectives and what they need to deliver to enable the Council to fulfil its priorities. Appraisal is an opportunity for both the manager and employee to have a

1.03	productive and supportive conversation about performance, behaviours, learning, development and support needs. Objectives and demonstration of behaviours are identified through agreement between employee and manager. Evidence of progress, performance and delivery against agreed targets is also measured and identified through joint agreement.
1.04	Performance appraisals, sometimes called performance reviews, is one part of a number of performance management tools that aim to ensure employees' performance contributes to business objectives, and is used as part of a holistic approach to managing performance. Conversations on performance is an integral part of regular 1-2-1 meetings in addition to quality day to day supervision and team meetings which provides opportunities for both parties to provide/receive informal progress updates and request additional support, if required. Managers are encouraged to adopt a coaching style in order to improve performance management and this is supported by a variety of learning and development opportunities.
1.05	<p>Policy and Practice:</p> <p>All officers with line management responsibility are responsible for completing their individual employee appraisals in accordance with the Councils guiding principles which are designed to identify best practice in conducting appraisals. Preparation time must be given prior to the appraisal. Ratings against competencies should be agreed between the manager and employee, a self-rating from the employee should form the basis of the conversation and feedback provided.</p> <p>The emphasis within the appraisal must be on improving performance. Clear actions to address under performance must be given, where there is exceptional performance this should be reflected in comments within the 9 box grid relating to talent management.</p> <p>Managers are responsible for recording on iTrent, the date appraisals take place, the performance rating awarded and the date of any follow-up/review meeting.</p>
1.06	<p>Historically, appraisal completion levels have been reported on the basis of information (data) held in iTrent. A fundamental review of the data for each portfolio identified the requirement to establish and apply an agreed set of eligibility criteria so that future reporting is both meaningful and consistent across the Council. This resulted in a number of exemptions being agreed in July 2016, as follows:</p> <ul style="list-style-type: none"> • Schools based employees • Relief/casual workers • Employees on long term sick leave • Employees on maternity leave or undertaking a career break • Employees in their first 6 months of employment (new starters) • Employees working a period of notice (leavers) • Employees whose appraising manager is/has been absent for a prolonged period • Employees of Clwyd Theatre Cymru • Employees engaged on a fixed term contract of less than 12 months duration

<p>1.07</p>	<p>The revised annual target for completion of appraisals is 100% of eligible employees.</p> <p>Between 2014 and 2016, the percentage of employees' who have had a performance appraisal has increased year on year. In November 2016, the information held in iTrent indicated that 67% had been completed. As at 31 December 2017 the percentage of our eligible workforce who have had their appraisal is 63%. This indicates a downturn from the figures provided in November 2016 which is disappointing. However, the composition of the workforce has seen significant changes since November 2016 which includes the transfer of ADM's ('Aura' and 'NEWydd'). This has had a detrimental impact on the overall FCC figure as previously Leisure and Libraries (now Aura) had high completion rates of appraisals. The specific detail by portfolio is detailed in Appendix A.</p> <p>Also provided in Appendix A is the number of 'scheduled' appraisals before 31st March 2018. Assuming all of the scheduled appraisals are completed as planned, the figure as at the end of Q4 will be 77%.</p> <p>As part of an assurance process to ensure that all employees receive an appraisal, any portfolio who has reported less than 75% of percentage completed has been contacted and is required to take steps to improve this position within the next quarter and provide written assurance and progress updates.</p> <p>Emerging Trends</p> <p>The analysis suggests the recording and management of performance is an area that requires further focus and this will be a key part of the People Strategy Action plan for 2018/19. This report shows a mixed picture with services employing larger proportions of employees who work remotely with varying hours of work experiencing lower completion rates. Similarly in areas of major restructuring it has taken time to establish new reporting lines and this has impacted on completion levels.</p> <p>The completion rates for performance appraisals have declined in some areas when compared to the last detailed report presented to committee in November 2016. This decline is not a reflection of the introduction of the competency based approach. Neither does it appear to reflect any reduction in the value placed on performance appraisal. Rather it is an outcome of the extent of structural and cultural change which has and continues to take place across the Council.</p> <p>Further action and timescales</p> <p>Whilst there is a facility within iTrent to record dates when appraisals are scheduled to take place and the overall performance score of an individual, at the present time it does not have the capability to record competency levels, career aspirations or training needs. Demonstrations of alternative modules and systems including iTrent Talent Management and CAMMS PES are planned following which an options appraisal will be undertaken to identify a solution with greater functionality which it is anticipated will make monitoring performance and identifying trends easier and contribute to service/portfolio workforce, development and succession plans.</p>
<p>1.08</p>	<p>Further action and timescales</p> <p>Whilst there is a facility within iTrent to record dates when appraisals are scheduled to take place and the overall performance score of an individual, at the present time it does not have the capability to record competency levels, career aspirations or training needs. Demonstrations of alternative modules and systems including iTrent Talent Management and CAMMS PES are planned following which an options appraisal will be undertaken to identify a solution with greater functionality which it is anticipated will make monitoring performance and identifying trends easier and contribute to service/portfolio workforce, development and succession plans.</p>

2.00	RESOURCE IMPLICATIONS
2.01	No new implications as the report captures existing arrangements only.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	None, as the report captures existing arrangements only.

4.00	RISK MANAGEMENT
4.01	None arising directly from this report which captures existing arrangements only.

5.00	APPENDICES
5.01	Appendix A: Detailed appraisal outcomes by portfolio

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>Contact Officer: Sharon Carney, Senior Manager, Human Resources and Organisational Development Telephone: 01352 702139 E-mail: Sharon.carney@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	<p>iTrent – a fully integrated, web based HR, payroll, talent management and workforce planning solution.</p> <p>CAMMS PES – CAMMS Personnel Evaluation System</p>

	Chief Executives	Community and Enterprise	Education and Youth	Governance	Org Change 1	Org Change 2	People & Resources	Planning & Env	Social Services	Streetscene and Transportation	FCC
Headcount (iTrent)	43	398	237	114	12	38	168	171	976	525	2,682
Recognised Exemptions:											
New starter (less than 6 months)	3	28	10	5	0	0	12	3	55	26	142
Long Term Sickness Absence	0	6	9	0	0	0	5	6	26	28	80
Long Term Other Absence	0	5	3	1	0	0	1	4	21	1	36
Fixed Term Contract > 1 year	0	4	2	0	0	0	2	1	15	0	24
No of Eligible Employees	40	355	213	108	12	38	148	157	859	470	2,400
No of appraisals completed	21	235	95	108	9	8	78	67	554	348	1,523
% completed	53%	66%	45%	100%	75%	21%	53%	43%	64%	74%	63%
No of appraisals scheduled	19	92	86	0	3	8	70	18	22	0	318
% completed and scheduled	100%	92%	85%	100%	100%	42%	100%	54%	67%	74%	77%

This page is intentionally left blank



CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday, 18 January 2018
Report Subject	Revenue Budget Monitoring 2017/18 (Month 8)
Cabinet Member	Leader of the Council and Cabinet Member for Finance
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 2017/18 (Month 8).

RECOMMENDATIONS

1	That the committee considers and comments on the Revenue Budget Monitoring 2017/18 (Month 8) Report. Any specific matters for attention will be noted and reported verbally to the Cabinet when it considers the report.
---	--

REPORT DETAILS

1.00	EXPLAINING THE REVENUE BUDGET MONITORING POSITION 2017/18 (MONTH 8)
1.01	The Revenue Budget Monitoring 2017/18 (Month 8) Report will be presented to Cabinet on Tuesday 23 January 2018. 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 2017/18 (Month 8).
3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	None required.
4.00	RISK MANAGEMENT
4.01	As set out in Appendix A; Revenue Budget Monitoring 2017/18 (Month 8).
5.00	APPENDICES
5.01	Appendix A; Revenue Budget Monitoring 2017/18 (Month 8).
6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None required. Contact Officer: Sara Dulson, Finance Manager Telephone: 01352 702287 E-mail: sara.dulson@flintshire.gov.uk
7.00	GLOSSARY OF TERMS
7.01	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. 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.



CABINET MEETING

Date of Meeting	Tuesday, 23 January 2018
Report Subject	Revenue Budget Monitoring 2017/18 (MONTH 8)
Cabinet Member	Leader of the Council and Cabinet Member for Finance
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

This monthly report provides the current revenue budget monitoring position for 2017/18 for the Council Fund and Housing Revenue Account. This report presents the position, based on actual income and expenditure, as at Month 8 of the financial year. The report projects how the budget would stand at the close of the financial year if all things remained equal.

The projected year end position, without mitigation to reduce cost pressures and improve the yield on efficiency planning is:-

Council Fund

- Net in year expenditure forecast to be £0.846m greater than budget
- Projected contingency reserve balance as at 31 March 2018 of £4.236m

Housing Revenue Account

- Net in-year expenditure forecast to be £0.035m higher than budget
- Projected closing balance as at 31 March 2018 of £1.081m

RECOMMENDATIONS

1	To note the overall report and the projected Council Fund contingency sum as at 31 st March 2018.
2	To note the projected final level of balances on the Housing Revenue Account (HRA).

REPORT DETAILS

1.00	EXPLAINING THE MONTH 8 POSITION																																																																											
1.01	<p><u>Council Fund Overall Position</u></p> <p>The operating deficit reported is £0.846m greater than the budget which is a decrease of £0.416m from the deficit reported last month.</p>																																																																											
1.02	<p>Council Fund Latest In-Year Forecast</p> <p>The table below shows the projected position by portfolio.</p> <table border="1"> <thead> <tr> <th>TOTAL EXPENDITURE AND INCOME</th> <th>Original Budget</th> <th>Revised Budget</th> <th>Projected Outturn</th> <th>In-Year Over / (Under) spend</th> </tr> <tr> <td></td> <th>£m</th> <th>£m</th> <th>£m</th> <th>£m</th> </tr> </thead> <tbody> <tr> <td>Social Services</td> <td>61.471</td> <td>62.454</td> <td>63.227</td> <td>0.773</td> </tr> <tr> <td>Community & Enterprise</td> <td>12.518</td> <td>12.540</td> <td>11.617</td> <td>(0.923)</td> </tr> <tr> <td>Streetscene & Transportation</td> <td>27.467</td> <td>27.580</td> <td>29.684</td> <td>2.104</td> </tr> <tr> <td>Planning & Environment</td> <td>5.043</td> <td>4.932</td> <td>5.253</td> <td>0.320</td> </tr> <tr> <td>Education & Youth</td> <td>10.966</td> <td>11.048</td> <td>11.171</td> <td>0.123</td> </tr> <tr> <td>Schools</td> <td>88.862</td> <td>88.862</td> <td>88.862</td> <td>0.000</td> </tr> <tr> <td>People & Resources</td> <td>4.283</td> <td>4.118</td> <td>4.572</td> <td>0.455</td> </tr> <tr> <td>Governance</td> <td>7.675</td> <td>7.651</td> <td>7.764</td> <td>0.114</td> </tr> <tr> <td>Organisational Change 1</td> <td>5.801</td> <td>5.768</td> <td>5.843</td> <td>0.075</td> </tr> <tr> <td>Organisational Change 2</td> <td>2.422</td> <td>2.288</td> <td>1.985</td> <td>(0.303)</td> </tr> <tr> <td>Chief Executive</td> <td>3.008</td> <td>2.926</td> <td>2.796</td> <td>(0.130)</td> </tr> <tr> <td>Central & Corporate Finance</td> <td>25.642</td> <td>24.990</td> <td>23.228</td> <td>(1.763)</td> </tr> <tr> <td>Total</td> <td>255.156</td> <td>255.156</td> <td>256.002</td> <td>0.846</td> </tr> </tbody> </table>	TOTAL EXPENDITURE AND INCOME	Original Budget	Revised Budget	Projected Outturn	In-Year Over / (Under) spend		£m	£m	£m	£m	Social Services	61.471	62.454	63.227	0.773	Community & Enterprise	12.518	12.540	11.617	(0.923)	Streetscene & Transportation	27.467	27.580	29.684	2.104	Planning & Environment	5.043	4.932	5.253	0.320	Education & Youth	10.966	11.048	11.171	0.123	Schools	88.862	88.862	88.862	0.000	People & Resources	4.283	4.118	4.572	0.455	Governance	7.675	7.651	7.764	0.114	Organisational Change 1	5.801	5.768	5.843	0.075	Organisational Change 2	2.422	2.288	1.985	(0.303)	Chief Executive	3.008	2.926	2.796	(0.130)	Central & Corporate Finance	25.642	24.990	23.228	(1.763)	Total	255.156	255.156	256.002	0.846
TOTAL EXPENDITURE AND INCOME	Original Budget	Revised Budget	Projected Outturn	In-Year Over / (Under) spend																																																																								
	£m	£m	£m	£m																																																																								
Social Services	61.471	62.454	63.227	0.773																																																																								
Community & Enterprise	12.518	12.540	11.617	(0.923)																																																																								
Streetscene & Transportation	27.467	27.580	29.684	2.104																																																																								
Planning & Environment	5.043	4.932	5.253	0.320																																																																								
Education & Youth	10.966	11.048	11.171	0.123																																																																								
Schools	88.862	88.862	88.862	0.000																																																																								
People & Resources	4.283	4.118	4.572	0.455																																																																								
Governance	7.675	7.651	7.764	0.114																																																																								
Organisational Change 1	5.801	5.768	5.843	0.075																																																																								
Organisational Change 2	2.422	2.288	1.985	(0.303)																																																																								
Chief Executive	3.008	2.926	2.796	(0.130)																																																																								
Central & Corporate Finance	25.642	24.990	23.228	(1.763)																																																																								
Total	255.156	255.156	256.002	0.846																																																																								
1.03	<p>The reasons for the projected variances are summarised within Appendix 1 with key significant portfolio variances explained in paragraphs 1.04 to 1.09 below. As has been the practice in recent years where a variance has been</p>																																																																											

	<p>due to a conscious change to policy or practice, the resulting variance is managed corporately with the relevant portfolio not expected to meet any shortfall.</p>
1.04	<p><u>Streetscene & Transportation</u></p> <p>There is a projected overspend of £2.104m within this portfolio.</p> <p>The overspend partly comprises of the materialisation of some of the known significant risks identified when the 2017/18 budget was set by Council and other conscious changes to policy or practice which were detailed in the Month 4 report.</p> <p>The net position on the projected overspend excluding the conscious changes to policy and practice is a now an operating deficit of £0.767m.</p> <p>Work is ongoing to assess any potential impact on these in year variances on the Medium Term Financial Strategy (MTFS) forecast for 2018/19.</p>
1.05	<p><u>Social Services</u></p> <p>The projected outturn for Out of County placements in Children's Services is currently £1.365m over budget due to the number of high cost placements, this is an increase of £0.135m from the figure reported in month 7.</p>
1.06	<p><u>Education & Youth</u></p> <p>The projected outturn for the education element of Out of County placements is reporting an overspend of £0.245m. This is an increase of £0.121m from the amount reported in month 7. This increase is due to a number of new placements which have commenced within this period.</p>
1.07	<p><u>Planning & Environment</u></p> <p>There is a projected in-year Planning Fee Income shortfall of £0.255m due to the impact of the Welsh Government requirements for major developers to enter into pre consultation as detailed in the previous report.</p>
1.08	<p><u>Community & Enterprise</u></p> <p>There is a projected underspend on the Council Tax Reduction Scheme (CTRS) of £0.530m based on current demand which will be kept under review throughout the year together. There is also a favourable variance on the Council Tax Collection fund of £0.466m due to the conclusion of the Single Person Discount review work, this is a significant increase of £0.321m on the underspend reported in month 7.</p>
1.09	<p><u>Central & Corporate Finance</u></p> <p>There is a positive variance of £1.763m projected within this area which is mainly due to the finalisation of social care funding issues as previously reported.</p>

	<p>The underspend reported in month 7 has increased by £0.410m and is mostly due to a reduction in the in-year pension costs resulting from the auto enrolment of employees into the pension scheme. This became effective in October 2017 and an early analysis indicates that the actual numbers are less than originally estimated which results in a favourable variance of £0.442m for 2017/18. Further work is required to assess the impact on 2018/19.</p> <p>Other major variances within this area include a positive variance on the pension fund contributions due to a lower than anticipated pressure to fund the in-year increase due to the actuarial review of £0.295m offset by a shortfall in the income target of £0.412m and lower than anticipated levels of car parking income at County Hall of £0.080m.</p>
1.10	<p><u>Significant Movements between Month 7 and Month 8 Budget</u></p> <p>There has been no significant budget transfers between portfolios this month.</p>
1.11	<p><u>Achievement of Planned In-Year Efficiencies</u></p> <p>The Council set a challenging target for the level of efficiencies to be achieved in year as part of its approach to annual budget planning. These efficiencies are generated from the three year service portfolio business plans and from corporate financial planning. The 2017/18 budget contains £8.433m of specific efficiencies which are tracked and monitored. In recent years the level of efficiency achievement has averaged at around 85% though the council aspires to raise this to 95% in 2017/18 as reflected in the recent MTFS KPI's.</p> <p>The current assessment of the efficiencies to be achieved in 2017/18 shows that £7.940m (94%) of the efficiencies would be achieved which is 1% lower than the target. There is a further risk that any ongoing under-achievement of efficiencies will have a recurring and negative impact on the 2018/19 budget. Further details on the current status on efficiencies can be seen in Appendix 3 with the overall impact in relation to any impact for 2018/19 being reviewed as part of the ongoing work on the MTFS.</p>
1.12	<p>Tracking of In Year Risks and Emerging Issues</p> <p>At the time of setting the Budget for 2017/18 a number of significant risks were identified including the costs of procuring local public and school bus services and the potential reduction of the Single Environment Grant.</p>
1.13	<p>In addition to the known risks referred to above there are also a number of new risks emerging in-year which have been incorporated into the projected outturn and will also need carefully assessing for the potential impact on the 2018/19 budget.</p>
1.14	<p>These new issues are being monitored as part of the ongoing review of the Councils financial position and are shown in the table below with the current M8 variances included as part of the overall position:</p>

Council Tax Reduction Scheme (CTRS) – Reduction in demand	(0.530)
Council Tax Collection in year efficiency	(0.466)
Social Care Additional Funding in 17/18 – Estimated amount	(0.595)
Intermediate Care Fund (ICF) – Continuation of funding	(0.500)
Pension Deficit Recovery – Due to opt out and surplus allocation from budget pressure for actuarial review	(0.295)
Auto Enrolment – based on early information uptake is less than estimated	(0.433)
Markets Income – Decline in levels of income	0.054
Gas Engine Income – Further decrease to level of income over and above pressure included in 2017/18 budget (£0.150m)	0.200
Planning Fee Income – In year shortfall due to pre consultation	0.255
Shared Specialist Plant – Previous year efficiency not achieved	0.050
Motor Insurance Premium Increase - In year increase not anticipated	0.100
Street Lighting increase in 2017/18 of 16%	0.131
County Hall Parking – Lower than anticipated efficiency on parking permits	0.080
Procurement Supplier Charging – Previous year efficiency not achievable	0.116
Environmental Health Officer temporary posts	0.120
Central and Corporate Support Service pressure offset by efficiency on Audit Fees	0.127
Single Environment Grant – reduction in grant allocation	0.111
Transportation Costs – procuring local and school transport	0.675
Out of County Placements – projected care package costs	1.365
Income – shortfall on income target	0.412
Total New Emerging Risks Page 31	0.977

1.15	<p>Winter Maintenance</p> <p>There is a potential risk of overspend in the winter maintenance budget due to the recent snow event which may result in the use of winter maintenance reserves. Average winter consists of 70 turnouts and 5 snow days. The service has currently had 54 turnouts to date with the potential for further adverse weather over the next few months. 2,024 tonnes of salt was spread during the snow period in December.</p>
1.16	<p>Inflation</p> <p>Included within the 2017/18 budget are provision for pay (£0.915m), targeted price inflation (£0.313m), food (£0.051m), fuel (£0.033m) and Energy (£0.061m).</p>
1.17	<p>Portfolios have received their allocations for pay and price and there is a remaining balance of £0.014m which is included within the overall outturn figure.</p>
1.18	<p>No allocations have been made so far for non-standard inflation (NSI) in 2017/18. Areas that may be subject to NSI increases will be monitored throughout the year and any emerging pressures will be considered in future reports though at present it is anticipated that the allocation will be spent in full.</p>
1.19	<p>Reserves and Balances</p> <p><u>Un-earmarked Reserves</u></p> <p>The 2016/17 outturn reported to Cabinet on 18 July 2017 showed un-earmarked reserves at 31 March 2016 (above the base level of £5.769m) of £5.133m.</p>
1.20	<p>Taking into account the current projected overspend at Month 8 and previously agreed allocations the balance on the Contingency Reserve at 31 March 2018 is projected to be £4.236m as detailed in appendix 4.</p>
1.21	<p><u>Earmarked Reserves</u></p> <p>Earmarked reserves are monitored in accordance of the reserves protocol and summary of earmarked as at 1 April 2017 and an estimate of projected balances as at the end of the financial year will be included in the month 9 report.</p>
1.22	<p>Housing Revenue Account</p> <p>The 2016/17 Outturn Report to Cabinet on 18 July 2017 showed an un-earmarked closing balance at the end of 2016/17 of £1.116m and a closing balance of earmarked reserves of £0.526m.</p>

1.23	The 2017/18 budget for the HRA is £33.633m which includes a movement of £0.035m from reserves.
1.24	The Month 8 monitoring for the HRA is projecting in year expenditure to be £0.035m lower than budget and a closing un earmarked balance as at 31 March 2018 of £1.081m, which at 3.2% of total expenditure satisfies the prudent approach of ensuring a minimum level of 3%.

2.00	RESOURCE IMPLICATIONS
2.01	The Revenue Budget Monitoring Report reflects the planned use of the financial resources of the Council for the current financial year and details the variations in the first four months and the risks as known.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	None required

4.00	RISK MANAGEMENT
4.01	There are in-year risks and emerging issues which are covered in the main section of the report from paragraph 1.12 to 1.15. Details of these risks were reported in full within the Month 4 report.

5.00	APPENDICES
5.01	Appendix 1: Council Fund – Movement in Variances from Month 7 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	None required. Contact Officer: Sara Dulson (Finance Manager) Telephone: 01352 702287 E-mail: sara.dulson@flintshire.gov.uk

7.00	GLOSSARY OF TERMS
-------------	--------------------------

7.01	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. 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.
	Underspend: when referring to expenditure the actual expenditure incurred is less than budget. Shown as a –ve. When referring to income the actual income achieved exceeds the budget. Shown as a –ve.
	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.
	Medium Term Financial Strategy: 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.

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £0.025m
Social Services		
Older People		
Localities	0.078	Residential Care - decrease in service user contributions from property income £0.036m and increases in service users £0.042m
Resources & Regulated Services	0.052	Increased costs of in-house home care provision due to external domiciliary care providers cancelling contracts
Other Minor Variances	0.010	
Disability Services		
Resources & Regulated Services	(0.117)	Cost reductions on some service contracts and additional joint funding contributions from Betsi Cadwaladr University Health Board (BCUHB)
Disability Services	(0.030)	Updated projection based on latest information on service user placements
Other Minor Variances	0.007	
Mental Health Services		
Residential Placements	0.067	The increase is due to two new service user placements
Other Minor Variances	(0.015)	
Children's Services		
Family Support	0.031	Increase in staffing costs in order to meet service user demand
Out of County Placements	0.135	Net impact of new placements, ended placements and changes to placement end dates.
Other Minor Variances	0.024	
Development & Resources		
Other Minor Variances	(0.038)	
Total Social Services	0.203	
Community & Enterprise		
Customer And Housing Services	0.019	Minor variances.
Council Fund Housing	(0.038)	The variance is mostly for the Telecare contract, the new contract will now begin in April 2018.
Regeneration	0.051	Variance due to the unachieved framework income for Energy Efficiency projects within 2017/18.
Revenues & Benefits	(0.332)	Variance largely relates to the Single Person Discount review work which has been concluded £0.345m. Other minor variances £0.013m.
Housing Programmes	0.004	Minor variances.
Total Community & Enterprise	(0.296)	
Streetscene & Transportation		
Ancillary Services & Performance		
Other Minor Variances	0.027	Cummulative amount of minor variances each under £0.025m. The largest variance is on Waste Collection Services which is £0.023m
Highways Network		
Other Minor Variances	0.008	Minor variances.
Transportation & Logistics		
Other Minor Variances	0.008	Minor variances.
Total Streetscene & Transportation	0.043	

Planning & Environment		
Business		
Minor Variances	0.002	Minor variances.
Community		
Minor Variances	0.021	Minor variances.
Development		
Minor Variances	(0.005)	Minor variances.
Access		
Minor Variances	0.004	Minor variances.
Shared Services		
Minor Variances	0.000	
Strategy		
Minor Variances	0.002	Minor variances.
Management Strategy	(0.003)	Minor variances.
Total Planning & Environment	0.020	
Education & Youth		
Inclusion & Progression	0.121	Adverse movement in variance largely relates to Out of County placements. Several new placements have been agreed during the period. Includes other minor variances from within service area.
Integrated Youth Provision	(0.022)	Minor variances only.
School Improvement Systems	(0.017)	Minor variances only.
Total Education & Youth	0.082	
Schools	0.000	
People & Resources		
HR & OD	0.016	Minor variances
Corporate Finance	(0.020)	Minor variances
Total People & Resources	(0.004)	
Governance		
Legal Services	0.009	Minor variances
Democratic Services	(0.004)	Minor variances
Internal Audit	0.004	Minor variances
Procurement	0.000	No variance
ICT	0.004	Minor variances
Total Governance	0.013	
Organisational Change 1		
Public Libraries & Arts, Culture & Events	(0.007)	Minor variances
Museums	0.000	No variance
County Archives	0.003	Minor variances
Leisure	0.000	No variance
Community Assets	0.000	No variance
Total Organisational Change 1	(0.004)	
Organisational Change 2		
Industrial Units	(0.026)	£0.026m underspend resulting from a reduced repairs and maintenance spend.
Minor Variances	(0.037)	Cummulative amount of minor variances each under £0.025m. The largest variance is on Property Asset & Development which is £0.016m
Total Organisational Change 2	(0.063)	
Chief Executive	(0.001)	Minor variances
Central and Corporate Finance	(0.410)	Auto enrolment of employees to the pension scheme became effective in October 2017. Early analysis indicates that the actual numbers are less than estimated which gives a favourable in year variance of £0.443m. Windfall income an underachievement of £0.040m. Minor variances £0.007m.
Grand Total	(0.416)	

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Social Services						
Older People						
Localities	15.990	15.584	(0.406)	(0.484)	Domiciliary Care reflects a projected underspend of £0.068m based on existing service users. Other underspends include a projected underspend of £0.104m on Intake/First Contact of which £0.071m is due to part year vacancy savings from within the Single Point of Access team. Locality Teams staffing reflects a projected underspend of £0.230m due to short term vacancy savings for a number of posts. Overall net minor variances £0.004m.	Continue to monitor and review.
Reablement Services	0.469	0.395	(0.074)	(0.005)	Reablement reflects a projected underspend of £0.074m which is due to additional Continuing Health Care (CHC) funding from BCUHB	Continue to monitor and review.
Community Equipment Contribution	0.478	0.378	(0.100)	(0.100)	Following review and implementation of an updated Section 33 partnership agreement for the North East Wales Community Equipment Store (NEWCES), the contribution levels of partners have been updated resulting in a reduced level of contribution from FCC going forward. In the longer term this saving has been earmarked for funding of some of the revenue costs for the new extra care facilities.	Continue to monitor and review.
Resources & Regulated Services	5.983	5.513	(0.470)	(0.521)	The main influences on the projected underspend of £0.470m are short term vacancy savings within extra care schemes £0.215m, due to recruitment and retention difficulties in the care sector. Additional residential client contributions amount to £0.264m, together with a further projected underspend of £0.016m on Residential Care due mainly to short term vacancy savings. Other minor variances amount to a net £0.025m.	Continue to monitor and review.
Minor Variances	0.234	0.232	(0.002)	(0.002)		
Disability Services						
Resources & Regulated Services	19.744	19.947	0.202	0.320	There are long standing and ongoing demand influenced pressures within the externally provided Supported Living services amounting to £0.145m. Work Opportunities and Day Services show a pressure of £0.088m, which is due to the delay in letting a new contract under an alternative delivery model (ADM). There is also a projected underspend of £0.076m on externally purchased care on Physical Disabilities and Sensory Impairment (PDSI), and a projected overspend of £0.045m on in house supported living.	Continue to monitor and review.
Disability Services	0.716	0.530	(0.186)	(0.157)	Increased CHC Funding for two service users under Transition to Adulthood from BCUHB. In addition, the contribution the Council is required to make for four high cost Transition service users to Welsh Government for residential college placements has reduced.	Following recent feedback from Corporate Resources Overview and Scrutiny committee, a full review will be undertaken of the reasons for this overspend and an action plan will be drawn up with a view to early remedial action.
Administrative Support	0.168	0.015	(0.153)	(0.152)	The projected underspend is due mainly to short term vacancy savings.	Continue to monitor and review.
Minor Variances	0.692	0.689	(0.003)	(0.010)		

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Mental Health Services						
Residential Placements	1.140	1.505	0.365	0.298	Ongoing pressure due to the numbers of long term residential placements, despite maximisation of opportunities to secure joint funding contributions from BCUHB	Following recent feedback from Corporate Resources Overview and Scrutiny committee, a full review will be undertaken of the reasons for this overspend and an action plan will be drawn up with a view to early remedial action.
Professional Support	0.736	0.686	(0.050)	(0.049)	Aggregate saving due to a number of short term vacancy savings	Continue to monitor and review
Minor Variances	1.789	1.748	(0.041)	(0.026)		
Children's Services						
Family Placement	2.464	2.652	0.188	0.185	There is a long standing and ongoing pressure due to sustained demand influences beyond the level of the allocated budget	Following recent feedback from Corporate Resources Overview and Scrutiny committee, a full review will be undertaken of the reasons for this overspend and an action plan will be drawn up with a view to early remedial action.
Family Support	0.296	0.369	0.073	0.042	There are pay pressures due to a combination of new contractual arrangements having been implemented for sessional workers and a number of the staff working significant additional hours.	Continue to monitor and review
Professional Support	4.808	5.018	0.209	0.193	The projected overspend is due mainly to ongoing service pressures particularly within Prevention and Support, and is influenced by the need to support wider regional work on child protection issues	Following recent feedback from Corporate Resources Overview and Scrutiny committee, a full review will be undertaken of the reasons for this overspend and an action plan will be drawn up with a view to early remedial action.
Out of County Placements	3.641	5.006	1.365	1.230	This pressure is a continuation of the experience in 2016/17, where there was a significant increase in the number of high cost placements which was partly influenced by interpretations of additional responsibilities under the Social Services and Well-being (Wales) Act 2014	Following recent feedback from Corporate Resources Overview and Scrutiny committee, a full review will be undertaken of the reasons for this overspend and an action plan will be drawn up with a view to early remedial action.
Minor Variances	1.291	1.298	0.007	0.003		
Development & Resources						
Charging Policy income	(2.641)	(2.788)	(0.148)	(0.125)	The projected underspend is due to surplus income which is mainly caused by the full year impact of changes to disregard rules on financial assessments which came into effect from August 2016	Continue to monitor and review
Safeguarding Unit	0.810	0.908	0.098	0.114	There are continued significant demand influenced pressures on this service particularly within Adults safeguarding due to a significant increase in the numbers of referrals and the ongoing impact of the Deprivation of Liberty Safeguarding (DoLS) assessments.	Following recent feedback from Corporate Resources Overview and Scrutiny committee, a full review will be undertaken of the reasons for this overspend and an action plan will be drawn up with a view to early remedial action
Good Health	0.941	0.824	(0.116)	(0.124)	The projected underspend is due to a number of short term vacancy savings and from recouping an overpayment from a Voluntary Organisation	Continue to monitor and review.
Minor Variances	2.704	2.718	0.014	0.021		
Total Social Services	62.454	63.227	0.773	0.570		

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Community & Enterprise						
Customer And Housing Services	1.568	1.601	0.033	0.014	Minor variances only	
Council Fund Housing	(0.372)	(0.433)	(0.061)	(0.023)	Variance relates to the Telecare contract changes, management decision not to run new and existing contracts parallel until April.	This will be closely monitored in 2018/19.
Regeneration	0.412	0.509	0.097	0.046	Variance relates to Markets income review £0.054m and unachieved framework income for Energy Efficiency projects within 2017/18 £0.050m. Includes other minor variances £0.007m.	Continue to closely monitor income levels.
Revenues & Benefits	10.792	9.791	(1.001)	(0.669)	Variance relates to the Council Tax Reduction Scheme £0.530m and conclusion of the Single Person Discount review work £0.466m. Includes other minor variances of £0.005m from across the service.	Continue to monitor closely as these areas are highly volatile and projections are likely to change throughout the year.
Housing Programmes	0.140	0.149	0.009	0.005	Minor variance only	
Minor Variances				0.000		
Total Community & Enterprise	12.540	11.617	(0.923)	(0.627)		
Streetscene & Transportation						
Ancillary Services & Performance						
Waste Collection	7.118	7.558	0.440	0.417	Adverse variance of £0.200m relating to lower than anticipated energy production at the Landfill sites and reduced electricity sales from reducing levels of gas extraction. Environment and Sustainable Development (ESD) grant pressure £0.111m due to the reduction of the grant in 17/18 of 3.7%. Delay in the development of the new Rockcliffe HRC site resulting in additional running costs of two existing sites continuing to operate £0.050m. Increase in CPI apply to the waste treatment contract of 2.8% above the 1% built into the monitoring, 0.030m. £0.020m pressure from additional NNDR costs due to the reassessment of two Household Recycling sites. Minor variances £0.029m	Energy production income levels being monitored monthly and contracts being prepared for the service to be outsourced. Reported in Programme Board Efficiency Tracker Keep under review as part of MTFS Indicative reduction in ESD grant for 18/19 - £0.299m
Parking & Enforcement	(0.084)	0.024	0.109	0.108	Shortfall of income from Flint Car Parking £0.100m. Pressure due to the town centre re-development being ongoing and impacting on the rollout of changes across the town. Minor variances £0.009m.	Keep under review as part of MTFS Reported in Programme Board Efficiency Tracker
Other Minor Variances	0.798	0.796	(0.003)	(0.006)		

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Highways Network						
Highways Network	7.466	7.810	0.344	0.335	<p>Due to ongoing discussions on Community Asset Transfers (CATs), the maintenance liability being transferred for Cemeteries to Town/Community Councils totalling £0.050m has not yet been implemented.</p> <p>Street lighting energy prices above the 2% standard with an increase of 16% resulting in a pressure of £0.131m.</p> <p>Public conveniences at Holywell and Mold (New Street) were due to close in April this year, however they will not close until March 2018 resulting in a pressure of £0.063m.</p> <p>The balance is the a cumulative amount of minor variances</p> <p>Potential risk of overspend in the winter maintenance budget due to the recent snow event which may result in the use of winter maintenance reserves. Average winter consists of 70 turnouts and 5 snow days. The service has currently had 54 turnouts to date with the potential for further adverse weather over the next few months. 2,024 tonnes of salt was spread during the snow period in December.</p>	Keep under review as part of MTFS. Reported in Programme Board Efficiency Tracker. Continue to monitor street lighting energy prices.
Transportation & Logistics						
Logistics & Resource Services	4.518	4.706	0.188	0.182	Shared specialist plant with neighbouring Authorities has not materialised from 16/17 business planning proposal £0.050m. Increase in Fleet Insurance premium for 17/18 £0.100m. Minor variances £0.038m.	Keep under review as part of MTFS
School Transport	4.734	4.919	0.185	0.185	Ongoing additional subsidy costs following re-procurement for covering various school transport routes £0.185m.	No additional funding from WG due to Statutory provision requirements. Ongoing consideration will be required in the MTFS taking account of the cost for future years. Hoping to reduce cost through the Transportation retendering exercise.
Transportation	1.598	2.439	0.841	0.841	Ongoing additional subsidy costs following re-procurement for covering various public transport routes and the delay in introducing the Bus Subsidy efficiency in 17/18 £0.840m	Keep under review as part of MTFS. Reported in Programme Board Efficiency Tracker
Other Minor Variances	1.432	1.431	(0.000)	(0.002)		
Total Streetscene & Transportation	27.580	29.684	2.104	2.061		

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Planning & Environment Business						
Pollution Control	0.476	0.532	0.056	0.050	An increase in prosecutions for unlicensed and unsafe residential properties has resulted in two temporary Environmental Health Officers being recruited to deal with this increase in demand.	Invest to Save funding bid for 2018/19
Minor Variances	1.086	1.067	(0.019)	(0.015)		Continue to monitor committed expenditure and reduce/remove expenditure where possible
Community						
Pest Control	0.004	0.054	0.050	0.044	Despite the the fact that the service has seen an increase in referrals during 2016/17 and onwards into 2017/18, the income target is unlikely to be achieved, based on current projections.	
Minor Variances	0.898	0.852	(0.046)	(0.061)	Minor variances.	Continue to monitor committed expenditure and reduce/remove expenditure where possible
Development						
Development Management	(0.384)	(0.129)	0.255	0.243	The projected Planning Fee Income shortfall is currently £0.255m as the economy has not continued to recover to the extent which the 3 year Business Plan forecast but the number of applications has increased. The annual income target for non-statutory Pre-Application Fees was met in Q1 and income has continued to increase only slowing down in recent weeks.	Continue to monitor Planning Fee levels and adjust projection accordingly
Minor Variances	0.158	0.106	(0.052)	(0.034)	Cumulative minor variances from a number of services.	Continue to monitor committed expenditure and reduce/remove expenditure where possible
Access						
Greenfield Valley	0.326	0.288	(0.039)	(0.046)	Vacancy savings and reduced zero hours contracts	Service review within Countryside is currently being undertaken
Minor Variances	1.015	1.012	(0.003)	0.001	Minor variances.	Continue to monitor committed expenditure and reduce/remove expenditure where possible
Shared Services						
Minor Variances	0.177	0.177	(0.000)	0.000	Minor variances.	Continue to monitor committed expenditure and reduce/remove expenditure where possible
Strategy						
Minor Variances	0.833	0.819	(0.013)	(0.015)	Minor variances.	Continue to monitor committed expenditure and reduce/remove expenditure where possible
Management Strategy	0.343	0.474	0.130	0.134	Balance of Business Planning Efficiencies for Staffing	Continue to monitor committed expenditure and reduce/remove expenditure where possible
Total Planning & Environment	4.932	5.253	0.320	0.301		
Education & Youth						
Inclusion & Progression	6.843	7.088	0.245	0.124	Variance largely relates to Out of County placements £0.262m. Several new placements have commenced during the period. Includes other minor variances from across the service. Minor variances £0.017m.	Continue close monitoring arrangements and updates following moderation meetings.
Integrated Youth Provision	1.345	1.298	(0.047)	(0.025)	Minor variances from across service area.	
School Improvement Systems	1.873	1.839	(0.034)	(0.017)	Minor variances from across service area.	
Business Change & Support	0.377	0.335	(0.042)	(0.042)	Minor variances. Includes savings following the review of software purchase.	
Minor Variances	0.611	0.611	(0.000)	0.000		
Total Education & Youth	11.048	11.171	0.123	0.041		
Schools	88.862	88.862	0.000	(0.000)		

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
People & Resources						
HR & OD	2.029	2.219	0.190	0.174	The overspend is due to partial achievement of business planning efficiency and loss of income contribution from Wrexham Occupational Health Services	Service delivery options are being considered for the Occupational Health Service
Corporate Finance	2.089	2.354	0.265	0.285	This is due to the roll out of manager self serve and the operating model review taking longer than planned	Continue to look for income maximisation and progress structural review
Total People & Resources	4.118	4.572	0.455	0.459		
Governance						
Legal Services	0.688	0.702	0.014	0.005	Minor variances	Continue to monitor and review
Democratic Services	1.924	1.929	0.005	0.009	Minor variances	Continue to monitor and review
Internal Audit	0.443	0.375	(0.069)	(0.072)	Due to in-year vacancies	Continue to monitor and review
Procurement	0.168	0.296	0.128	0.128	Due to conscious decision to no longer pursue supplier income for registration onto the Councils payment portal	Pressure to be considered as part of the MTF5
ICT	4.428	4.463	0.035	0.031	Minor variances	Continue to monitor and review
Total Governance	7.651	7.764	0.114	0.100		
Organisational Change 1						
Public Libraries & Arts, Culture & Events	1.583	1.589	0.006	0.013	Minor variances	Continue to monitor and review
Museums	0.067	0.067	(0.000)	(0.000)	Minor variances	Continue to monitor and review
County Archives	0.286	0.289	0.003		Minor variances	Continue to monitor and review
Leisure	3.807	3.874	0.067	0.067	Aura Leisure and Libraries Ltd was established on 1st September. This was delayed by 2 months due to a range of queries in 3 separate responses from the Financial Conduct Authority (FCA) in registering the company. These issues are now resolved.	Continue to monitor and review
Community Assets	0.024	0.024	0.000	0.000	Minor variances	Continue to monitor and review
Total Organisational Change 1	5.768	5.843	0.075	0.079		
Organisational Change 2						
Administrative Buildings	1.241	1.130	(0.111)	(0.112)	£0.111m estimated efficiencies from the closure of phases 3 and 4 in County Hall. Other minor variances	
Agricultural Estates	(0.189)	(0.160)	0.028	0.037	Minor variances	
Property Holdings	0.015	(0.010)	(0.025)	(0.010)	Minor Variances	
Property Asset And Development	0.446	0.345	(0.101)	(0.085)	£0.066m in year salary savings. Other minor variances £0.035m	
Caretaking & Security	0.302	0.260	(0.042)	(0.035)	Minor Variances	
CPM & Design Services	0.691	0.474	(0.217)	(0.221)	£0.139m projected additional fee income above target. £0.070m in year salary savings. Other minor variances £0.008m	
Industrial Units	(1.153)	(1.021)	0.132	0.158	£0.132m as a result of unachieved rental income, to be offset against office efficiencies.	
CCTV & Open Spaces	0.184	0.215	0.031	0.027	Minor Variances	
Minor Variances	0.752	0.752	(0.000)	(0.000)		
Total Organisational Change 2	2.288	1.985	(0.303)	(0.241)		
Chief Executive	2.926	2.796	(0.130)	(0.129)	Due to in-year vacancy savings and underspends on specialist budgets such as sustainable development, Your Community/Your Council and public relations.	Continue to monitor and review

Budget Monitoring Report
Council Fund Variances

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Central and Corporate Finance	24.990	23.228	(1.763)	(1.352)	<p>An underachievement on the income target of £0.412m, though work is continuing to identify areas of opportunity.</p> <p>Support Services recharge, has resulted in a shortfall of £0.234m due to a reduction in overall operating costs.</p> <p>Car parking permit income shortfall of £0.080m.</p> <p>Reduced audit fees, underspend of £0.127m</p> <p>Social Services, one off in year underspend of £1.608m held centrally to mitigate any in year overspends; £0.513m resulting from remaining pressure budgeted in 17/18 no longer required, £0.500m due to funding being secured from the Regional Integrated Care Fund, a revenue grant allocation on a one off basis. An additional £0.595m of Welsh Government funding for Social Care has recently been confirmed.</p> <p>Projected Pension fund variance £0.295m due to surplus of budget required for increase in contributions in 2017/18.</p> <p>Apprentice Tax Levy underspend of £0.049m, increased data has enabled a more accurate projection.</p> <p>Auto enrolment of employees to the pension scheme became effective in October 2017. Early analysis indicates that the actual numbers are less than estimated which gives a favourable in year variance of £0.443m.</p> <p>Windfall income an underachievement of £0.040m.</p> <p>Minor variances £0.007m.</p>	<p>Work is continuing to identify areas of opportunity to generate income. Keep under review as part of MTFS considerations.</p> <p>Social Services - Keep under review as part of MTFS considerations to assess 18/19 impact.</p> <p>Pension Fund / Apprentice Tax Levy - Keep under review in year to consider potential for mitigation of 18/19 pressure. Auto enrolment - further analysis is required to assess the impact on 2018/19.</p>
Grand Total	255.156	256.002	0.846	1.262		

2017/18 Efficiencies Outturn - Under or Over Achieved

Portfolio	Original Efficiency	Revised Efficiency	(Under)/Over
	2017/18 £(m)	2017/18 £(m)	Achievement 2017/18 £(m)
People & Resources			
Finance - Implementation of Collaborative Planning Software to finance to improve and automate our processes thus enabling workforce efficiencies. Phased roll out of new finance model.	0.270	0.200	(0.070)
Review of Human Resources & Organisational Design operating model and job roles and various other efficiencies.	0.148	0.052	(0.096)
DBS recharges	0.058	0.025	(0.033)
Total People & Resources	0.476	0.277	(0.199)
Governance			
ICT - Reduction in management, staff and non pay costs.	0.350	0.310	(0.040)
Total Governance	0.350	0.310	(0.040)
Social Services			
Develop alternative approaches to in house day services and work opportunity schemes	0.250	0.162	(0.088)
Total Social Services	0.250	0.162	(0.088)
Education & Youth			
Music Service to move to full cost recovery model.	0.035	0.012	(0.023)
Total Education & Youth	0.035	0.012	(0.023)
Organisational Change 1			
Alternative Delivery Models	0.415	0.335	(0.080)
Total Organisational Change 1	0.435	0.355	(0.080)
Community & Enterprise			
Council Tax Reduction Scheme.	0.200	0.730	0.530
Total Community & Enterprise	0.200	0.730	0.530
Streetscene & Transportation			
Develop energy production at landfill.	0.100	0.000	(0.100)
Review subsidised bus routes.	0.350	0.000	(0.350)
Total Streetscene & Transportation	0.450	0.000	(0.450)
Planning & Environment			
Staffing - management restructure.	0.125	0.062	(0.063)
Self financing for Public Protection Services.			
- Animal & Pest Control.			
- Licencing Charging.	0.030	0.000	(0.030)
Increase in planning fees (15% WG increase) and applications	0.015	0.000	(0.015)
Increase in number of planning applications	0.035	0.000	(0.035)
Total Planning & Environment	0.205	0.062	(0.143)
Total 2017/18 Budget Efficiencies		%	£
Total Projected 2017/18 Budget Efficiencies Underachieved		100	8.433
Total Projected 2017/18 Budget Efficiencies Achieved		6	0.493
		94	7.940

Movements on Council Fund Unearmarked Reserves

	£m	£m
Total Reserves as at 1 April 2017	10.953	
Less - Base Level	(5.769)	
Total Reserves above base level available for delegation to Cabinet		5.184
Less – allocation from the Contingency Reserve to support initial set up costs and final technical support for the Community Asset Transfer (CAT) of Holywell Leisure Centre and Alternative Delivery Model (ADM) agreed in 2016/17		(0.050)
Less – allocation from the Contingency Reserve to provide financial support to meet in-year budget pressures in 2017/18 for regional economic structures and support for events		(0.052)
Less – projected outturn overspend		(0.846)
Total Contingency Reserve as at 31st March 2018		4.236

Budget Monitoring Report
Housing Revenue Account Variances

MONTH 8 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Housing Revenue Account						
Income	(32 267)	(32 264)	0 005	0 099	£0 078m reflects the decision to delay implementation of Service Charges to 1st April 2018 (from January 2018) to allow more time for full consultation. £0 034m relates to the loss of income on garages following refurbishments and demolition. £0 150m relates to a reduction in the contribution towards the provision for bad debts. This is a permanent reduction which is reflected in the budget for 2018/19. £0 010m relates to changes in the anticipated handover dates for new properties. The remaining £0 032m relates to minor variances.	Continue to monitor and review
Capital Financing - Loan Charges	7 545	7 411	(0 134)	(0 134)	£0 118m relates to a reduction in the expected interest charge for HRA borrowing. This is because interest rates have remained low since the Brexit referendum. Borrowing costs have also been minimized through efficient treasury management. £0 016m relates to a reduction in the minimum revenue payment (MRP). This is calculated based on the total HRA borrowing at 31st March 2017 which was slightly lower than assumed in the budget.	Continue to monitor and review
Estimate Management	1 033	1 590	(0 557)	(0 213)	Minor Variance	Continue to monitor and review
Landlord Service Costs	1 311	1 302	(0 009)	0 021	Minor variance	Continue to monitor and review
Repairs & Maintenance	8 600	8 110	(0 490)	(0 234)	A saving of £0 456m is anticipated on Repairs and Maintenance. £0 177m relates to staffing costs. £0 327m relates to subcontractor spend. This expenditure is reflected in the capital budget. The remaining £0 008m relates to minor variances.	Continue to monitor and review
Management & Support Services	2 273	2 205	(0 68)	(0 263)	£0 035m relates to vacancy savings. £0 010m relates to a reduction in the projected Apprentices Levy. £0 025m relates to software. The remaining £0 002m relates to minor variances.	Continue to monitor and review
Capital Expenditure From Revenue (CERA)	10 890	11 484	0 594	0 385	The variance of £0 594m relates to an increase in the contribution from revenue towards capital costs. This increase is possible because of decreased costs elsewhere in the HRA. Contributing towards the capital budget from revenue reduces the requirement to borrow.	Continue to monitor and review
HRA Projects	0 046	0 197	0 151	(0 000)	£0 146m relates to SHARP pre-development costs which were approved by Cabinet in March 2017. If these schemes are approved before 31st March 2018, then costs will be capitalised.	In March 2017 Cabinet approved progression of site investigation works on several possible sites for SHARP. If, for any reason, schemes are not approved by 31st March 2018, these costs will be charged to the HRA.
Contribution To / (From) Reserves	(0 035)	(0 035)	0 000	0 000	No variance	
Total Housing Revenue Account	(0 000)	(0 000)	(0 000)	(0 000)		



CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday 18 January, 2018
Report Subject	Forward Work Programme
Cabinet Member	Not applicable
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.

RECOMMENDATION

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 and Vice-Chair of the Committee be authorised to vary the Forward Work Programme between meetings, as the need arises.

REPORT DETAILS

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

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

This page is intentionally left blank

Corporate Resources Overview & Scrutiny Committee Forward Work Programme 2017/18

Page 55

DATE	ISSUE	O&S FOCUS / PURPOSE	REPORT FROM
Thursday 15 th February 2018 10.00 a.m.	Workforce Information Report – Quarter 3 2017/18	Monitoring and an update for the third quarter for 2017/18.	Sharon Carney / Andy Adams
	Strategic Equality Plan Annual Report 2016/17	Review	Fiona Mocko
	‘Equitable spending’ Approach’	To consider how the information (and frequency) of the notice of motion on spend per towns to show how the ‘equitable spend’ approach might be developed	Gary Ferguson
	Revenue Budget Monitoring 2017 / 18	Monthly Monitoring	Sara Dulson
	Digital Strategy	Review	Gareth Owens
	Forward Work Programme	Approval & Development	Robert Robins
Thursday 15 th March 2018 10.00 a.m.	Quarter 3 Council Plan 2017/18 Monitoring Report	That the Committee is invited to consider the Quarter 3 Council Plan Monitoring Reports, highlight and monitor poor performance and feedback details of any challenge to the Cabinet.	Karen Armstrong
	Revenue Budget Monitoring 2017 / 18	Monthly Monitoring	Sara Dulson
	Forward Work Programme	Approval & Development	Robert Robins

Corporate Resources Overview & Scrutiny Committee Forward Work Programme 2017/18

Thursday 19 th April 2018 10.00 am	Revenue Budget Monitoring 2017 / 18 Forward work programme	Monthly Monitoring Approval and development	Sara Dulson Robert Robins
---	---	--	----------------------------------

The previous Corporate Resources O&SC had resolved at its January 2017 meeting to invite Ms Alwen Williams, the Wales director of BT to attend a meeting and provide an update on the provision of broadband in the County. Ms Williams had previously attended a meeting of the committee in April 2016.