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Contact Officer:
Maureen Potter 01352 702322

To:

Councillors: Haydn Bateman, Clive Carver, 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

11 May 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, 17th May, 2018 in the Delyn Committee Room, County Hall, Mold CH7 6NA to consider the following items

A G E N D A

1 APPOINTMENT OF CHAIR

Purpose: At the Annual Meeting, Council resolved that the Conservative group should nominate the Chair of the Committee. The Committee is requested to formally appoint the duly nominated Chair.

2 APPOINTMENT OF VICE-CHAIR

Purpose: To appoint a Vice-Chair for the Committee.

3 APOLOGIES

Purpose: To receive any apologies.

4 MINUTES (Pages 5 - 12)

Purpose: To confirm as a correct record the minutes of the meeting held on 19 April 2018.

5 DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)

Purpose: To receive any Declarations and advise Members accordingly.

6 **FORWARD WORK PROGRAMME (CORPORATE RESOURCES)** (Pages 13 - 20)

Report of Democratic Services Manager

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

7 **BUDGET PROCESS 2019/20 (VERBAL)**

Purpose: To update on the budget process timetable for 2019/20 including planned member workshops.

8 **BUDGET EFFICIENCY FIRST STAGE TRACKING FOR THE 2018/19 COUNCIL FUND BUDGET** (Pages 21 - 26)

Report of Chief Executive - Leader of the Council and Cabinet Member for Finance

Purpose: To enable Member consideration

9 **REVENUE CONSEQUENCES OF CAPITAL EXPENDITURE**

Purpose: To receive a presentation on the Revenue Consequences of Capital expenditure.

10 **WELSH GOVERNMENT LATE UNDERSPEND ALLOCATIONS** (Pages 27 - 32)

Report of Chief Executive - Leader of the Council and Cabinet Member for Finance

Purpose: Review of how this works, its impact on authorities and feedback to Welsh Government

11 **APPRAISALS PROGRESS REPORT** (Pages 33 - 38)

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

Purpose: To provide the Committee with an update

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

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CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE **19 APRIL 2018**

Minutes of the meeting of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held in the Council Chamber, County Hall, Mold on Thursday, 19 April 2018

PRESENT: Councillor Clive Carver (Chairman)

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

SUBSTITUTION: Councillor Mike Peers for Councillor Bob Connah

APOLOGIES: Councillors Mike Lowe and Vicky Perfect

ALSO PRESENT: Councillors: Bernie Attridge and Andy Dunbobbin. Chief Officer (Governance), Chief Officer (Housing & Assets)

CONTRIBUTORS: Councillor Aaron Shotton, Leader and Cabinet Member for Finance; Cabinet Member for Corporate Management and Assets, Chief Executive; Corporate Finance Manager, Corporate Business and Communications Executive Officer, and Finance Manager.

IN ATTENDANCE: Democratic Services Manager and Democratic Services Officer

Prior to the start of the meeting it was reported that Councillor Bob Connah's mother has passed away and it was agreed that a letter of condolence would be sent on behalf of the Committee.

78. DECLARATIONS OF INTEREST

None were received.

79. MINUTES

(i) The minutes of the meeting held on 15 March 2018 were submitted.

Matters arising:

Councillor Patrick Heesom referred to discussions between the Council and the Welsh Government (WG) concerning the future of the Flintshire bridge and other road issues and asked if there was any news. The Chief Executive explained that a number of discussions were ongoing and an update would be provided in due course.

Councillor Heesom also referred to the request that the Committee should receive a report outlining the effects of the capital expenditure (new schemes for

approval) and said it had been stated this would be made available for the April meeting. The Corporate Finance Manager explained that a report would be provided for the next meeting of the Committee.

Councillor Arnold Woolley commented on the quality of repairs to potholes in roads, raising concerns that value for money was not being achieved. The Chief Executive explained that more teams were working on repairs with an emphasis on cutting-out and filling. He advised that any poor workmanship was not acceptable and that any examples should be reported to Streetscene for investigation.

Councillor Arnold Woolley also referred to out of county placements and associated costs and asked if the Council was lobbying the WG to address funding needs. The Chief Executive said that constructive discussion was taking place with the WG and the Welsh Local Government Association and the issue of funding and the need for more regional provision and solutions was a strong lobbying point. Councillor Aaron Shotton also referred to ongoing discussions with the WLGA and said the principle of more funding was the key issue. The Chief Executive suggested that this should be an agenda item for consideration at the joint meeting of the Education & Youth and Social & Health Care Overview and Scrutiny Committee to be held on 24 May 2018 if not previously identified.

Councillor Hilary McGuill commented on the need for funding for early prevention to be made available by the WG.

Councillor Richard Jones commented that funding for social care and out of county placements was a national not a local issue. Councillor Jones also referred to his comments at previous meetings that developers should pay for pest control when the construction of new developments displaced rats from building sites and said this could be achieved from Section 106 Agreement funding. Councillor Aaron Shotton commented that pest control charges had been raised at the Income Generation workshop the previous day.

- (ii) The minutes of the joint meeting of the Corporate Resources and Environment Overview and Scrutiny Committees held on 15 March 2018 were submitted.

RESOLVED:

That both sets of minutes be approved and signed by the Chairman as accurate records.

80. MEDIUM TERM FINANCIAL STRATEGY – FORECAST 2019/20

The Corporate Finance Manager introduced the report to provide an update on the Medium Term Financial Strategy (MTFS) – Forecast 2019/20. He provided background information and advised that the Cabinet report which was appended provided the first detailed overview of the financial forecast for 2019/20 with further

work on forecasting up to 2021/22 to follow. He reported on the main considerations which were detailed in the report.

The Chief Executive advised that the potential budget gap of £10.6m for 2019/20 remained challenging and referred to the limited options to address the gap. He commented on the teachers' pay award and said that a full pay modelling impact report would be brought to the June meeting. He said there was a need to encourage a serious national debate in Wales around funding for Education.

Councillor Richard Jones commented on Domiciliary care costs for the terminally ill and asked how many service users were affected. The Chief Executive said he would pursue this information with the Senior Manager – Integrated Services and Lead Adults.

In response to Councillor Patrick Heesom's comments on the impact of the teacher pay award and the need for early representations to be made, Councillor Aaron Shotton referred to the commitment from headteachers and governing bodies. He said that discussions were continuing in earnest. Representations had also been made by teacher unions seeking opportunities to start lobbying. He recognised that Education was a key national pressure.

Councillor Mike Peers said there was a lack of detail in the report around the spending requirement and a need to review it. The Chief Executive commented on the need to detail the allocation of spend to portfolios.

Councillor Paul Johnson said that monitoring of the consequences and the impact of changes to service provision on the residents of Flintshire, and on the poorest communities in particular, was important. He asked if impact assessments were being undertaken. The Chief Executive agreed that an impact assessment would be a useful exercise and explained that an item on the integrated impact assessment model and its application had been included on the Forward Work Programme for the Committee.

In summing up, the Democratic Services Manager asked whether the Committee wished to raise its concerns on the impact the Medium Term Financial Plan might have on the poorest communities in Flintshire. The Committee agreed to this. Councillor Patrick Heesom requested that his abstention on the vote be recorded.

RESOLVED:

That the Committee informs the Cabinet that it has noted the Medium term Financial Strategy (MTFS) – Forecast 2019/20 Report and specifically raises concerns at the impact which it might have on the poorest communities in Flintshire.

81. REPORTING ON INVESTMENT IN COUNTY TOWNS

The Corporate Finance Manager introduced a report on investment in Flintshire's County towns and how this might be developed. He provided background information and explained that the report addressed the issues arising

from a Notice of Motion at County Council in December 2017 and the agreement that reports on certain types of expenditure would display expenditure broken down by town. The report suggested a basis for the definition of 'town' for this purpose only and identified the areas of spend within the 2018/19 capital programme which could be included in the reporting process whilst explaining some of the difficulties in obtaining the information. The Corporate Finance Manager reported on the main considerations as detailed in the report.

Councillor Richard Jones expressed concern that the report did not provide the information he had requested and emphasised the importance of identifying the spend on each town and the need to ensure all towns were treated equally. He asked for details on the spend per capita/per head to understand how the funding was aggregated between towns and where it was spent.

Councillor Aaron Shotton supported the points raised by Councillor Jones and suggested that the matter also be referred to Cabinet for consideration. He gave assurance that the report was a first draft of work in progress and that further detail would follow.

Councillor Paul Johnson said the report did not provide a definition of 'fair' and 'need' and commented on the need to look at communities on the basis of 'need' and what was being defined as a 'fair allocation' to meet the need.

The Chief Executive concurred that more work needed to be undertaken around defining the 'county towns' referred to in the notice of motion. He advised that there wasn't a single definition and said the report should indicate where the Council was spending money and why. It was agreed that a further Member workshop on the Growth Bid would be arranged and that a further report would be submitted to the meeting of the Committee to be held in June.

Councillor Arnold Woolley referred to the first sentence in paragraph 1.02 of the report and suggested that the word 'easily' be replaced by 'accurate'.

RESOLVED:

That the Committee notes the representations made and awaits the further report.

82. DRAFT WELSH LANGUAGE PROMOTION STRATEGY

The Chief Executive introduced the report to seek approval of the draft five year Welsh Language Promotion Strategy for formal consultation.

The Chief Executive provided background information and commented that Flintshire was an exceptional authority in terms of its commitment to the Welsh language. He referred to the main considerations as detailed in the report and invited the Corporate Business and Communications Executive Officer to provide further information. The Corporate Business and Communications Executive Officer explained that the Welsh Language Promotion Strategy would also contribute to the Council's Well Being Plan as required by the Well-being and Future Generations Act 2015 and Welsh Government's goal to provide 'a Wales

of vibrant culture and thriving Welsh language'. She commented on the consultation process which would take place in May 2018 and advised that the final Strategy would be presented to Cabinet in July 2018 for approval before publication and implementation.

Councillor Hilary McGuill commented on the decline in the number of Welsh speakers between the ages of 5-20 as indicated in table 2, page 62 of the report The Corporate Business and Communications Executive Officer suggested that this may be because some young people did not continue to develop their Welsh language skills after leaving school.

Councillor Billy Mullin spoke of the Welsh Government's Strategy to achieve one million Welsh speakers in Wales by 2050 and commented on the excellent work undertaken by Welsh medium schools in Flintshire.

The Chair sought clarification around the data provided in table 3, page 63, of the report. The Chief Executive explained that the information was obtained from census data and agreed to review how the census questions had been structured.

Councillor Mike Peers referred to the aim of the draft Strategy. He asked for a breakdown of the percentage of Welsh medium schools, primary schools, and members of the public. He also commented on the number of primary school pupils currently receiving Welsh medium education and asked whether this would satisfy the target over the next five years.

Councillor Hilary McGuill asked if funding was available to support initiatives in the community to develop Welsh language skills. The Corporate Business and Communications Executive Officer explained that the Authority was unable to finance such community projects from Council funds, however, there may be an opportunity to apply for a grant from the Community Chest fund. The Chief Executive commented that there was also the opportunity for local councils to 'self-organise' to support local social enterprise.

Councillor Paul Cunningham commented on the need to promote the use of the Welsh language in all Flintshire schools.

RESOLVED:

That the Committee supports the draft five year Welsh Language Promotion Strategy.

83. COUNCIL PLAN UPDATE

The Chief Executive provided a verbal update on the Council Plan 2018/19. He advised that the Plan was being reviewed to reflect the key priorities of the Council and would be considered at the meeting of the Cabinet on 24 April 2018.

An all-Member workshop was to be held on 29 May, when the content of the draft Plan would be shared along with key target areas for national measures. The Chief Executive advised that formal feedback would be considered by a special

meeting of the Corporate Resources Overview and Scrutiny Committee to be held on 4 June.

The Plan would then be presented to Cabinet and County Council on 19 June. The Chief Executive explained that the integration of the Well-being Plan priorities which the Council was responsible for leading on had been aligned within the Council Plan.

RESOLVED

That the verbal update be noted.

84. REVENUE BUDGET MONITORING 2017/18 (MONTH 11)

The Finance Manager introduced a report to provide the Revenue Budget Monitoring report for 2017/18 as at Month 11. She advised that the Revenue Budget Monitoring report would be presented to Cabinet on 24 April 2018 and a copy was appended to the report.

The Finance Manager explained that the monthly report provided the current revenue budget monitoring position for 2017/18 for the Council Fund and Housing Revenue Account. The report presented the position based on actual income and expenditure, as at Month 11 of the financial year and projected how the budget would stand at the close of the financial year if there were no significant unforeseen events.

The Finance Manager reported on the main projected year end position for the Council Fund and the Housing Revenue Account as detailed in the report. She also reported on the main considerations on the Month 11 position and referred to the overall position of the Council Fund, the latest in-year forecast, winter maintenance, inflation, reserves and balances, and requests for carry forward of funding.

The Finance Manager advised that for the Council Fund the overall projected in-year position now included £1.422m due to the change in accounting policy for Minimum Revenue Provision (MRP) charges as agreed by County Council on 1 March. This had the effect of eliminating the operating deficit with net spend projected to be £1.531m less than budget. The Projected Contingency Reserve balance as at 31 March was £8.353m although this reduced to £5.948m when taking account of agreed contributions for the 2018/19 budget. The Finance Manager reported that for the Housing Revenue Account the net in-year expenditure was forecast to be £0.035m higher than budget and the projected closing balance as at 31 March 2018 was £1.081m.

The Chair commented on the WG announcement on late underspend and asked if the WLGA was to apply to the WG for an additional allocation for winter maintenance services from the underspend.

RESOLVED:

That the Committee notes the revenue Budget Monitoring 2017/18 Month 11 report and confirms that on this occasion there are no issues which it wishes to bring to the Cabinet's attention.

85. FORWARD WORK PROGRAMME

The Democratic Services Manager referred to the Forward Work Programme which had been reviewed and amended at the informal session prior to the meeting. He advised that the following items were also to be submitted for consideration:

- a financial report on capital to the meeting of the Committee on 17 May
- a report on investments in county towns and a report on pay modelling to the meeting of the Committee to be held on 14 June.

It was agreed that the Forward Work Programme as amended at the informal session earlier in the day be approved with the additional items above. The Democratic Service Manager reminded Members that a special meeting of the Committee would be held on 4 June to consider feedback on the Council Plan.

RESOLVED:

- (a) That the Forward work programme, as amended at the informal session earlier in the day be approved;
- (b) That the Democratic Services Manager, in consultation with the Chair and Vice-chair be authorised to vary the Forward Work Programme between meetings, should this become necessary; and
- (c) That the Forward work Programme be considered at the beginning, rather than the end of future meetings of the Corporate Resources Overview & Scrutiny Committee.

86. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE

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

(The meeting started at 10.00 a.m. and ended at 12.15 p.m)

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Chairman

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CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday 17 May, 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. It has been updated following the last meeting's development session.

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?
1.03	Following the review which took place prior to the April 2018 meeting, the work programme has been updated. The Committee also agreed that the Forward Work Programme should be moved to early on the agenda, rather than the end.
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>

	Telephone: 01352 702320 E-mail: robert.robins@flintshire.gov.uk
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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.

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Corporate Resources Overview & Scrutiny Committee Forward Work Programme 2018/19

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DATE	ISSUE	O&S FOCUS / PURPOSE	REPORT FROM
Monday, 4 th June 2pm	Council Plan – to formally consider feedback from the All Member workshop on 29 th May at 2pm.	Consultation.	Karen Armstrong
Thursday, 14 th June 2018 10 am	Strategic Equality Plan Annual Report 2016/17	Monitoring	Karen Armstrong and Fiona Mocko
	Pay modelling	Development and monitoring	Sharon Carney
	Investment in County Towns	Further development following initial consideration at the April 2018 meeting.	Gary Ferguson
	Quarter 4 Council Plan 2017/18 Monitoring Report	Monitoring	Robert Robins
Thursday, 12 th July 2018 10 am	Integrated Impact Assessment (IIA)	Assurance	Karen Armstrong
	Revenue Budget Monitoring - out-turn for 2017/18	End of year monitoring	Sara Dulson
	Diversity & Equality policy	Development	Fiona Mocko
	Income Strategy update	Monitoring	
Thursday, 20 th September 2018 10am	Community Safety Partnership Annual Report (This will be a designated 'crime & disorder' scrutiny meeting)	Monitoring	Sian Jones
	Workforce Quarter 1	Monitoring/assurance	Sharon Carney

Corporate Resources Overview & Scrutiny Committee Forward Work Programme 2018/19

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	<p>Revenue support Grant: Early identification of grants and options</p> <p>Revenue Budget Monitoring 2018/19 Month 4 and Capital Programme Monitoring 2018/19 Quarter 1</p>	<p>Receiving intelligence</p> <p>Monthly/quarterly monitoring</p>	<p>Chief Executive and Gary Ferguson</p> <p>Sara Dulson</p>
<p>Thursday 18th October 2018 10am</p>	<p>Community Endowment Fund Annual Report</p> <p>Wellbeing Plan (six monthly update)</p> <p>Revenue Budget Monitoring 2018/19 Month 5</p> <p>Welsh language strategy – feedback from consultation</p>	<p>Progress monitoring</p> <p>Progress monitoring</p> <p>Monthly/quarterly monitoring</p> <p>Development</p>	<p>Karen Armstrong</p> <p>Karen Armstrong</p> <p>Sara Dulson</p> <p>Karen Armstrong</p>
<p>Thursday ,15th November 2018 10am</p>	<p>Council Plan</p> <p>Revenue Budget Monitoring 2018/19 Month 6 and Capital Programme Month 6</p>	<p>Six monthly Monitoring</p> <p>Monthly/quarterly monitoring</p>	<p>Karen Armstrong</p> <p>Sara Dulson</p>

Corporate Resources Overview & Scrutiny Committee Forward Work Programme 2018/19

Early December 2018	All Member budget meeting – to be held in the Council Chamber and webcast.		
: Thursday, 13 th December 2018 10am	Workforce Quarter 2 Revenue Budget Monitoring 2018/19 Month 7	Quarterly monitoring Monthly/quarterly monitoring	Sharon Carney Sara Dulson
Thursday, 17 th January 2019 10am	Revenue Budget Monitoring 2018/19 Month 8	Monthly/quarterly monitoring	
Thursday, 14 th February 2019 10am	Workforce Quarter 3 Revenue Budget Monitoring 2018/19 Month 9 and capital Programme 2018/19 Month 9	Monitoring Monthly/quarterly monitoring	Sharon Carney Sara Dulson
Thursday, 14 th March 2019 10am	Council Plan Quarter 3 Revenue Budget Monitoring 2018/19 Month 10	Monitoring Monthly/quarterly monitoring	Karen Armstrong Sara Dulson

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CORPORATE RESOURCES AND OVERVIEW COMMITTEE

Date of Meeting	Thursday, 17 May 2018
Report Subject	Budget Efficiency First Stage Tracking for the 2018/19 Council Fund Budget
Cabinet Member	Leader of the Council and Cabinet Member for Finance
Report Author	Corporate Finance Manager and Chief Executive

EXECUTIVE SUMMARY

The purpose of the report is to provide members with an update on the early progress made on the implementation of efficiencies included within the budget 2018/19.

Due to the financial climate, in recent years the Council has needed to set challenging levels of efficiencies to ensure that it meets its legal duty of setting a balanced budget. The 2017/18 budget contained £8.433m of efficiencies which have been rigorously tracked and monitored. The staged approach to budget setting adopted by the Council supports effective budget planning and implementation.

The Month 11 budget monitoring report for the closing financial year (2017/18) advised that £7.970m of efficiencies were projected to be achieved - an achievement rate of 95%. This meets the annual target set as a Medium Term Financial Strategy Performance Indicator. This is an improvement on recent years where the achievement rate has averaged at around 85%.

The first detailed monitoring report for 2018/19 is not due until September with an interim report is scheduled for July. At the last meeting members requested an update on the progress made on implementing the efficiencies included in the 2018/19 budget and a Red/Amber/Green risk (RAG) status on delivery expectations has been compiled.

It is currently projected that £6.182m (71%) of the 2018/19 efficiency total of £8.777m are Green, £2.395m (27%) Amber, and only £0.200m (2%) classified as a Red risk.

RECOMMENDATIONS

1	Members note the progress made on the implementation of efficiencies approved as part of the budget for 2018/19.
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REPORT DETAILS

1.00	IMPLEMENTATION OF EFFICIENCIES – BUDGET 2018/19
1.01	The purpose of the report is to provide members with an update on the progress made on the implementation of efficiencies included within the budget 2018/19.
1.02	Due to the financial climate, in recent years the Council has needed to set challenging levels of efficiencies to ensure that it meets its legal duty of setting a balanced budget. The 2017/18 budget contained £8.433m of efficiencies which have been rigorously tracked and monitored.
1.03	The monthly budget monitoring report includes a detailed update on the progress made on achieving the efficiencies included in the budget. The Month 11 report advised that £7.970m were projected to be achieved in the 2017/18 financial year - an achievement rate of 95%. This meets the target set as a Medium Term Financial Strategy Performance Indicator. This is an improvement on recent years where the achievement rate has averaged at around 85%.
1.04	The first detailed monitoring report for 2018/19 is not due to be reported until September with an interim report is scheduled for July. At the last meeting members requested an update on the progress made on implementing the efficiencies included in the 2018/19 budget and a Red/Amber/Green (RAG) risk status on delivery expectations has been compiled.
1.05	It is currently projected that £6.182m (71%) of the 2018/19 efficiency total of £8.777m are Green, £2.395m (27%) Amber, and only £0.200m (2%) classified as a Red risk.
1.06	<p>The areas classified as Amber or Red are listed below for information:</p> <p>Red Risks</p> <p><i>Housing and Assets</i></p> <ul style="list-style-type: none"> - Reduction in Management Costs (£0.050m): under active review - SHARP Framework (£0.020m): under active review <p><i>Planning, Environment and Economy</i></p> <ul style="list-style-type: none"> - Minerals and Waste – provide consultancy (£0.050m): under active review

	<ul style="list-style-type: none"> - Energy Framework income (£0.050m): under active review <p><i>Social Services</i></p> <ul style="list-style-type: none"> - Disability Services – contract review (£0.030m): under active review <p>Amber Risks</p> <p><i>Housing and Assets</i></p> <ul style="list-style-type: none"> - Council Tax Reduction Scheme (£0.250m): dependent on customer demand - Financial Assessments Service (£0.050m): review of respective team roles in portfolios to reduce overheads underway - County Hall Rationalisation (£0.300m): action plan for a partial transition to occupancy to Unity House, Ewloe, and the demolition of Phases 3 and 4 of County Hall on time with a good level of confidence in this risk being reduced <p><i>Planning, Environment and Economy</i></p> <ul style="list-style-type: none"> - Building Control – review charging (£0.030m): under active review - Business Development Regionalisation (£0.013m): under active review as part of regional collaborative working <p><i>Corporate</i></p> <ul style="list-style-type: none"> - Flintshire Connects – cost reductions (£0.056m): subject to a report to Cabinet in May which, if approved, will remove this risk <p><i>Strategic Programmes</i></p> <ul style="list-style-type: none"> - Leisure, Libraries and Heritage – Business Plan (£0.416m): ongoing work around the business plan with Aura, the new employee mutual for these services, has led to a good level of confidence in this risk being reduced/removed <p><i>Streetscene and Transportation</i></p> <ul style="list-style-type: none"> - Car parking charges (£0.450m): dependent on customer demand - Green Waste service income (£0.800m): target achieved so risk now removed for 2018/19 <p><i>Social Services</i></p> <ul style="list-style-type: none"> - Workforce Development – income (£0.030m): under active review
1.07	<p>An interim budget monitoring report for 2018/19 will be reported in July to Cabinet and Corporate Resources Overview and Scrutiny Committee, and will include the impact of any projected underachievement of efficiencies. As is normal practice rigorous budget management will need to be applied to mitigate any potential in-year overspends.</p>

2.00	RESOURCE IMPLICATIONS
2.01	<p>As set out in the report. Any underachievement on the level of efficiencies included in the budget will have a negative impact on the budget position unless they are mitigated by other positive variances. Updates will be provided through the monthly budget monitoring report.</p>

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	Consultations have been undertaken with stakeholders as necessary as part of the budget process 2018/19.

4.00	RISK MANAGEMENT
4.01	Efficiency proposals were risk assessed as part of the budget process 2018/19.

5.00	APPENDICES
5.01	None.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Contact Officer: Gary Ferguson, Corporate Finance Manager Telephone: (01352) 702271 E-mail: gary.ferguson@flintshire.gov.uk

7.00	GLOSSARY OF TERMS
7.01	<p>Budget: a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p> <p>Financial Year: the period of twelve months commencing on 1 April.</p> <p>Projected Outturn: projection of the expenditure to the end of the financial year, made on the basis of actual expenditure incurred to date.</p> <p>Revenue: a term used to describe the day-to-day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.</p> <p>Variance: difference between latest budget and actual income or expenditure. Can be to date if reflecting the current or most up to date position or projected, for example projected to the end of the month or financial year.</p> <p>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</p>

	its priorities, duties and obligations.
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CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Thursday, 17 May 2018
Report Subject	Welsh Government late underspend allocations
Cabinet Member	Leader of the Council and Cabinet Member for Finance
Report Author	Corporate Finance Manager and Chief Executive

EXECUTIVE SUMMARY

At the Corporate Resources and Overview Scrutiny Committee meeting on 19 April, members requested detail on the grant notifications that have been received late in the 2017/18 financial year and the impacts of dealing with them. The purpose was to understand the impacts of late decision-making at a Government level on the Council, notwithstanding that additional resources are to be welcomed. 2017/18 was an exceptional year for the number and lateness of additional grant awards.

In the 2017/18 financial year, a number of additional specific grant allocations were received in the final months and weeks of the financial year. This presents challenges due to the need to adhere to strict grant criteria and guidelines, for example that the Council must have ordered and received relevant goods and services by the end of the financial year.

Appendix 1 gives a summary of those grants received in the final few months of the year and includes any impacts and consequences of the late notification.

RECOMMENDATIONS

1	Members are requested to note and comment on the report for feedback to be provided to Welsh Government.
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REPORT DETAILS

1.00	EXPLAINING LATE NOTIFICATION OF GOVERNMENT GRANTS
1.01	At the Corporate Resources and Overview Scrutiny Committee meeting on 19 April, members requested detail on the grant notifications that have been received late in the 2017/18 financial year and the impacts and consequences of dealing with them.
1.02	Each year as part of the Welsh Local Government Settlement, which is normally received in December preceding the financial year in question, information is provided on the many specific grants that the Council receives.
1.03	In recent years very little information has been received by way of confirmed grant allocations at this stage with the Settlement predominantly providing indicative amounts. Confirmation of grant allocations are then received sporadically between December and the start of the financial year, or in some cases are not received until the financial year has already started. This makes the financial planning of the effective use of the grant more difficult.
1.04	In the 2017/18 financial year, a number of additional specific grant allocations were received in the final months of the financial year, and in some cases in the final week of the financial year. Whilst the additional funding is welcomed, this presents challenges due to the need to adhere to strict grant criteria and guidelines, for example that the Council must have ordered and received relevant goods and services by the end of the financial year i.e. 31st March
1.05	Appendix 1 gives a summary of those grants received in the final few months of the year and summarises any impacts and consequences of the late notifications. The summary includes a combination of late notification of existing grants and the announcement of temporary additional grant allocations.

2.00	RESOURCE IMPLICATIONS
2.01	As set out in the report.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	As set out in the report.

4.00	RISK MANAGEMENT
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4.01	Each grant allocation is assessed in line with the set criteria and guidelines so that the grant allocation can be claimed in full.

5.00	APPENDICES
5.01	Appendix 1 – summary of grant notifications

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Contact Officer: Gary Ferguson, Corporate Finance Manager Telephone: (01352) 702271 E-mail: gary.ferguson@flintshire.gov.uk

7.00	GLOSSARY OF TERMS
7.01	<p>Specific Grants: An award of funding from a grant provider (e.g. Welsh Government) which must be used for a pre-defined purpose.</p> <p>Annual Settlement: the amount of its funds the Welsh Government will allocate annually to local government as a whole, as part of its total budget and to individual councils one by one. The amount of Revenue Support Grant each council will receive is based on a complex distribution formula for awarding Aggregate External Finance (AEF). The formula is underpinned by assessments of local need based, for example, of population size and demographics and levels of social deprivation.</p> <p>Financial Year: the period of 12 months commencing on 1 April</p> <p>Revenue: a term used to describe the day to day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.</p> <p>Budget: a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p>

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Grant Title	Capital/Revenue	Amount £	Date Confirmed	Impact and Consequences
Streetscene & Transportation				
Local Transport Fund (LTF) Grant:				
- Croes Atti Roundabout to Rockliffe	Capital	180,000	18/01/2018	Additional Capital Expenditure required to be spent in 2017/18 (end of March)
- Hawarden Bridge to Dee Marsh Triangle	Capital	80,000	18/01/2018	Additional Capital Expenditure required to be spent in 2017/18 (end of March)
- Mold to Gwernaffield Footway	Capital	120,000	18/01/2018	Additional Capital Expenditure required to be spent in 2017/18 (end of March)
- Denbigh Road, Mold to Synthite Works	Capital	30,000	18/01/2018	Additional Capital Expenditure required to be spent in 2017/18 (end of March)
- Electronic Ticketing Machines (ETM's)	Capital	972,000	28/02/2018	Expenditure Committed in 2017/18 to be completed in 2018/19
- Park & Ride Deeside Industrial Park Zone 2	Capital	988,500	20/03/2018	Expenditure Committed in 2017/18 to be completed in 2018/19
- Deeside Shuttle	Capital	651,000	20/03/2018	Expenditure Committed in 2017/18 to be completed in 2018/19
- Bus Link Deeside Industrial Park Zone 2 to 3	Capital	40,000	20/03/2018	Expenditure Committed in 2017/18 to be completed in 2018/19
- Community Transport	Capital	127,000	20/03/2018	Expenditure Committed in 2017/18 to be completed in 2018/19
- Access to Employment Opportunities – Deeside Industrial Park	Capital	56,000	20/03/2018	Additional Capital Expenditure required to be spent in 2017/18 (end of March)
Safer Routes in Communities (SRIC) Grant:				
- Ysgol Maes Pennant, Mostyn	Capital	69,300	18/12/2017	Additional Capital Expenditure required to be spent in 2017/18 (end of March)
Local Authority Roads Refurbishment Grant				
	Capital	1,427,133	28/02/2018	Late notification led to 2017/18 core capital being switched to carry forward and use in 2018/19. This has led to an underspend in FCC Core Capital spend in 2017/18 so the intended revenue contribution to capital from Streetscene revenue budgets has not been required to the level anticipated in monitoring projections.
Collaborative Change Programme (CCP) Funding				
	Capital	203,507	29/11/2017	Additional Capital Expenditure required to be spent in 2017/18 (end of March)
Bus Service Support Grant - Supplementary Funding (North)				
	Revenue	826,800	20/03/2018	Part of this additional funding (£0.151m) will need to be a balance carry forward into 2018/19.
Rural Community Development Fund				
	Capital	83,000	14/11/2017	Additional Capital Expenditure of £0.068m in 2017/18 and £0.015m balance to be spent by May 2018.
Total Streetscene & Transportation				
		5,854,240		
Social Services				
Supporting delivery of Social Services over the winter period 2017/18	Revenue	427,858	14/02/2018	Improved the revenue outturn position of Social Services.
Total Social Services				
		427,858		
Education & Youth				
All Wales Play Opportunities Grant	Revenue	31,076	March 2018	Impacted on schools balances, ring-fenced to deliver Playful Futures Projects during 2018/19
Schools Maintenance Budgets Grant	Revenue	710,431	06/03/2018	Impacted on School Balances
Reducing Infant Class Size Grant	Revenue	796,576	27/03/2018	The grant covers the financial years 01/01/2018 - 31/03/2021
Period Poverty Grant	Capital	36,060	March 2018	Carried forward to be spent in 2018/2019
Total Education & Youth				
		1,574,143		
Total Grants				
		7,856,241		

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CORPORATE RESOURCES OVERVIEW AND SCRUTINY

Date of Meeting	Thursday, 17 May 2018
Report Subject	Appraisals Progress Report
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 the 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.
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REPORT DETAILS

1.00	Performance Appraisal Report and Progress Update
1.01	<p>The purpose of this report is to provide members with a detailed analysis of completion levels of appraisals across all portfolios.</p> <p>Appraisal is an opportunity for both the manager and employee to have a 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</p>

targets is also measured and identified through joint agreement.

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 in July 2016 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, as follows:

- 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

The revised annual target for completion of appraisals is now 100% of eligible employees.

The latest report shows that the percentage of eligible employees who have received an appraisal has increased with the overall figure standing at 86%. Whilst this is off target, it is higher than previously reported.

Between 2014 and 2016, the percentage of employees' who have had a performance appraisal increased year on year. The report presented to committee in January 2018 which was based on data as at 31 December 2017, indicated a downturn from the figures provided previously which was disappointing.

As part of an assurance process to ensure that all employees receive an appraisal, any portfolio who had reported less than 75% of percentage in December 2017 were tasked with taking steps to improve this position. Based on the latest outcomes, this intervention has resulted in an improvement in a number of areas.

Appendix A details the completed levels by portfolio and shows that shows that 3 portfolios achieved 100%, 2 portfolios achieved in excess of 90% and 2 portfolios achieved greater than 80%.

Through this reporting cycle it has become evident that the recording of appraisals in iTrent is not undertaken routinely across all portfolios. This makes the reporting and analysis challenging and time consuming and is an area that requires further focus. This report shows a mixed picture with services employing larger proportions of employees who are work in dispersed settings with varying hours of work experiencing lower completion rates.

2.01	None, as the report captures existing arrangements only.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
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3.01	None, as the report captures existing arrangements only.
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4.00	RISK MANAGEMENT
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4.01	None, as the report captures existing arrangements only.
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5.00	APPENDICES
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5.01	None, as the report captures existing arrangements only.
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6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
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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>
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7.00	GLOSSARY OF TERMS
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7.01	iTrent – a fully integrated, web based HR, payroll, talent management and workforce planning solution
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Appraisal reporting - CROSC report May 2018											
	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)	42	398	257	112	12	38	166	172	927	524	2,648
Recognised Exemptions:											
New starter (less than 6 months)	1	7	7	5	0	0	5	6	38	9	78
Long Term Sickness Absence	0	8	9	0	0	0	0	1	26	17	61
Long Term Other Absence	0	4	3	0	0	0	2	4	19	0	32
Fixed Term Contract > 1 year	0	7	0	0	0	0	1	0	8	1	17
No of Eligible Employees	41	372	238	107	12	38	158	161	836	497	2,460
No of appraisals completed	41	285	188	105	12	38	132	143	786	394	2,124
% completed	100%	77%	79%	98%	100%	100%	84%	89%	94%	79%	86%

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