

Public Document Pack



Contact Officer:
Nicola Gittins 01352 702345
nicola.gittins@flintshire.gov.uk

To: Cllr Ian Roberts (Leader)

Councillors: Glyn Banks, Chris Bithell, Derek Butler, Dave Hughes, Christine Jones, Billy Mullin and Carolyn Thomas

10 February 2021

Dear Sir/Madam

NOTICE OF REMOTE MEETING
CABINET
TUESDAY, 16TH FEBRUARY, 2021 at 10.00 AM

Yours faithfully

Robert Robins
Democratic Services Manager

Please note: Due to the current restrictions on travel and the requirement for physical distancing, this meeting will not be held at its usual location. This will be a remote meeting and 'attendance' will be restricted to Committee Members. The meeting will be recorded.

If you have any queries regarding this, please contact a member of the Democratic Services Team on 01352 702345.

A G E N D A

1 **APOLOGIES**

Purpose: To receive any apologies.

2 **DECLARATIONS OF INTEREST**

Purpose: To receive any declarations and advise Members accordingly.

3 **MINUTES** (Pages 5 - 14)

Purpose: To confirm as a correct record the minutes of the meeting held on 19 January, 2021

TO CONSIDER THE FOLLOWING REPORTS

STRATEGIC REPORTS

4 **COUNCIL FUND REVENUE BUDGET 2021/22 - FINAL CLOSING STAGE** (Pages 15 - 46)

Report of Corporate Finance Manager, Chief Executive - Cabinet Member for Finance

Purpose: To make recommendations to Council on a legal and balanced budget for 2021/22.

5 **HOUSING REVENUE ACCOUNT (HRA) 30 YEAR FINANCIAL BUSINESS PLAN** (Pages 47 - 62)

Report of Chief Officer (Housing and Assets) - Cabinet Member for Housing

Purpose: To present, for recommendation to Council, the Housing Revenue Account (HRA) Budget for 2021/22, the HRA Business Plan and the summary 30 year Financial Business Plan.

6 **STRATEGIC HOUSING AND REGENERATION PROGRAMME (SHARP) UPDATE REPORT** (Pages 63 - 76)

Report of Chief Officer (Housing and Assets) - Cabinet Member for Housing

Purpose: To provide an update on progress of the Councils SHARP Housebuilding programme.

7 **STRATEGIC EQUALITY PLAN ANNUAL REPORT 2019/20** (Pages 77 - 112)

Report of Chief Executive - Cabinet Member for Corporate Management and Assets

Purpose: To approve the Strategic Equality Plan Annual Report 2019/20.

8 **DEVELOPMENT OF SHOTTON MASTER PLAN** (Pages 113 - 118)

Report of Chief Officer (Streetscene and Transportation) - Cabinet Member for Economic Development

Purpose: To seek approval to develop a Master Plan for the Shotton area to facilitate environmental and economic regeneration.

OPERATIONAL REPORTS

9 **ANNUAL AUDIT SUMMARY FOR FLINTSHIRE COUNTY COUNCIL 2019/20** (Pages 119 - 130)

Report of Chief Executive - Cabinet Member for Corporate Management and Assets

Purpose: To receive the Annual Audit Summary from the Auditor General for Wales and note the Council's response.

10 **REVENUE BUDGET MONITORING 2020/21 (MONTH 9)** (Pages 131 - 158)

Report of Corporate Finance Manager - Cabinet Member for Finance

Purpose: This regular monthly report provides the latest revenue budget monitoring position for 2020/21 for the Council Fund and Housing Revenue Account. The position is based on actual income and expenditure as at Month 9, and projects forward to year-end.

11 **CAPITAL PROGRAMME MONITORING 2020/21 (MONTH 9)** (Pages 159 - 188)

Report of Corporate Finance Manager - Cabinet Member for Finance

Purpose: To provide Members with the Month 9 capital programme information for 2020/21.

12 **TREASURY MANAGEMENT STRATEGY 2021/22** (Pages 189 - 224)

Report of Corporate Finance Manager - Cabinet Member for Finance

Purpose: To present the draft Treasury Management Strategy 2021/22 for recommendation to Council.

13 **MINIMUM REVENUE PROVISION - 2021/22 POLICY** (Pages 225 - 232)

Report of Corporate Finance Manager - Cabinet Member for Finance

Purpose: To present the Council's draft policy on Minimum Revenue Provision for recommendation to Council.

14 **REVIEW OF THE CORPORATE COMPLAINTS POLICY** (Pages 233 - 256)

Report of Chief Officer (Governance) - Cabinet Member for Corporate Management and Assets

Purpose: To present a new Concerns and Complaints Policy and a Managing Customer Contact Policy for Flintshire County Council.

15 **EXERCISE OF DELEGATED POWERS** (Pages 257 - 258)

Purpose: To provide details of actions taken under delegated powers.

FORWARD WORK PROGRAMME - COUNTY COUNCIL, CABINET, AUDIT AND OVERVIEW & SCRUTINY - FOR INFORMATION

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 - TO CONSIDER THE EXCLUSION OF THE PRESS AND PUBLIC

The following item is considered to be exempt by virtue of Paragraph(s) 14 of Part 4 of Schedule 12A of the Local Government Act 1972 (as amended).

The public interest in withholding the information outweighs the interest in disclosing the information until such time as the commercial arrangements have been finalised.

16 **NORTH EAST WALES (NEW) HOMES BUSINESS PLAN 2020/2049** (Pages 289 - 306)

Report of Chief Officer (Housing and Assets) - Cabinet Member for Housing

Purpose: To approve the NEW Homes Business Plan 2020/2049.

CABINET
19TH JANUARY 2021

Minutes of the meeting of the Cabinet of Flintshire County Council held virtually via Webex on Tuesday 19th January, 2021.

PRESENT: Councillor Ian Roberts (Chair)

Councillors: Glyn Banks, Chris Bithell, Derek Butler, Dave Hughes, Christine Jones, Billy Mullin and Carolyn Thomas.

IN ATTENDANCE:

Chief Executive, Chief Officer (Governance), Corporate Finance Manager, Chief Officer (Housing and Assets), Chief Officer (Planning, Environment and Economy), Chief Officer (Education and Youth), Chief Officer (Streetscene and Transportation); Chief Officer (Social Services), and Strategic Performance Advisor

ALSO PRESENT:

Councillor Hilary McGuill and Ms. Julia Hughes, Vice-Chair of the Standards Committee were in attendance as observers.

Prior to the start of the meeting, the Chairman led the Committee in a silent tribute to Councillor Kevin Hughes who had sadly passed away.

75. DECLARATIONS OF INTEREST

Councillor Jones declared a personal interest in Agenda item 9 – Adult Community Learning Partnership.

76. MINUTES

The minutes of the meetings held on 3rd and 15th December were submitted and confirmed as a correct.

RESOLVED:

That the minutes of the meetings were approved as a correct record.

77. COUNCIL FUND REVENUE BUDGET 2021/22

Councillor Banks introduced the report which set out (1) a close to final budget estimate in readiness for Council to set the annual budget in February (2) the financial implications of the Welsh Provisional Local Government Settlement (3) the remaining issues to be resolved in reaching a balanced budget for recommendation to Council and (4) the budget-setting timetable.

The Chief Executive advised that the report summarised the Provisional Settlement and its implications to follow the verbal updates provided to Cabinet and all Members in December. The report was an interim step prior to the recommendation of a legal and balanced budget to Council in February, and set out the outstanding issues to be resolved. Any subsequent annual pay awards would

remain an open risk in-year with the Council's position on pay remaining clear that as there was no specific provision within the Provisional Settlement for annual pay awards for 2021/22, there could be none or the burden would fall on public sector employers.

The Corporate Finance Manager provided a detailed update on the remaining issues for budget closure, as set out within the report, with conclusive outcomes expected prior to Cabinet (in February) being able to recommend a legal and balanced budget to Council. The Chief Executive suggested that the recommended budget report be presented to the Corporate Resources Overview & Scrutiny Committee for their observations prior to being presented to Cabinet in February, with any comments/suggestions made being verbally to Cabinet.

Councillor Roberts supported the suggestion to present the report to Corporate Resources Overview & Scrutiny Committee prior to Cabinet. He reported that the Chancellor of the Exchequer's UK Spending Review Announcement made no provision for public sector pay awards and whilst Members personally would no doubt support an annual pay award, funding to allow this had not been provided and therefore one could not be implemented. The Chief Executive said that the cost of pay awards must be funded by Government with other Council's taking the same position. The potential of later pay awards could not be accounted for when setting the budget and therefore this remained an open risk.

In response to a question from Councillor Bithell, the Chief Executive advised that the School Budget Forum had supported the Council's position on annual pay awards with Trade Unions making their views known at a national level.

Councillor Banks praised the WG hardship fund which had assisted the Council in being able to propose a Council Tax rise under 5%. He reiterated the comments made for annual pay awards to be fully funded at a national level and made the case for financial assistance to assist Out of County placements in the short term.

RESOLVED:

That the progress made in moving towards a set of recommendations for Council to be able to set a legal and balanced budget in February be noted.

78. COUNCIL PLAN 2021/22

Councillor Roberts introduced the Council Plan for 2021/22 which would continue to take into account recovery in addition to longer-term strategic objectives. The initial framework for Part One of the Plan was built around six themes, as outlined within the report, and each theme was accompanied by a strategic statement.

The Chief Executive outlined the positive approach to Council planning and innovation and reported that the Council continued to perform well against targets set. The Council Plan for 2021/22 clearly covered all priorities of the moment and said that it was important for officers to have positive milestones to achieve at the

end of the pandemic. Overview & Scrutiny Committees would have the opportunity to be engaged in the development of the Plan, with feedback initially received from the Corporate Resources Overview & Scrutiny Committee around the cross-cutting themes and a suggestion that the Committee may wish to lead on the Poverty theme. Following the cycle of consultation, the Plan would be presented to Cabinet in its second stage prior to adoption by the County Council in April/May.

The Strategic Performance Advisor reported on the strands of work to ensure the embedding of well-being objectives within the Plan. Work was also progressing on part two of the Plan which would be presented to Cabinet in March/April.

Councillor Thomas welcomed the priorities as set out in the Plan which were clear for all partner agencies to follow. On the cross-cutting themes, she commented on the positive joint working between service portfolios and suggested a clear pathway be developed to identify which priority area would be considered by which Overview & Scrutiny Committee going forward. The Chief Executive suggested that when reporting quarterly to Overview & Scrutiny Committees the Plan would be shared, with specific reference made to the priorities which sit within the terms of reference of each Committee within the respective covering report.

In response to a question from Councillor Thomas, the Chief Executive advised that the Council Plan 2021/22 would be publicised once final with stakeholders having been consulted during its development.

Members spoke in support of the Council Plan and the themes and supporting priorities and thanked all officers for the involvement in preparing the Council Plan.

RESOLVED:

That the draft Part One of the Council Plan 2021-22 be shared with Overview and Scrutiny Committees for consultation.

79. FLINTSHIRE COUNTY COUNCIL RESPONSE TO WELSH GOVERNMENT'S TRANSPORT STRATEGY CONSULTATION

Councillor Thomas introduced an overview of the content of Welsh Government's (WG) revised Transport Strategy and the Council's proposed response to the formal consultation process which ended on 25 January, 2021.

WG's overarching Transport Strategy set out the future direction for transport in Wales and the implementation of the revised Strategy would require all Welsh authorities to revise their Joint Local Transport Plans in order to reflect WG's desired direction for transport over the next 5 years. This in turn would instigate the revision of the Council's own Integrated Transport Plan (ITP), which would define the Council's own aspirations for transport over the same period.

Having reviewed the Wales Transport Strategy, it was evident that WG's approach to transport had evolved to the prioritisation of greener, more sustainable modes of transport with an emphasis on Active Travel and Public Transport. This approach was strongly endorsed by the Council's own ITP which aimed to provide

long term sustainable transport solutions through the successful integration of all modes of transport.

RESOLVED:

- (a) That the Welsh Government's revised draft Wales Transport Strategy – 'Llwybr Newydd – A New Wales Transport Strategy' be noted; and
- (b) That Cabinet approve the Council's response to the formal consultation process, with the inclusion of the Environment Overview and Scrutiny comments from their meeting in January.

80. THE WELSH GOVERNMENT BUS EMERGENCY SCHEME

Councillor Thomas introduced the report which sought approval to sign by to the Bus Emergency Scheme 2 (BES2) which would support operators through the next phase of the pandemic.

Bus travel had been severely affected by the Covid-19 situation with passenger numbers falling, whilst social distancing and additional cleansing requirements had placed added burdens and costs on operators. BES2 was the latest scheme which followed two previous ones – BES1 in July and BES1.5 in August, 2020. By signing this latest agreement, councils could secure Welsh Government (WG) financial support for the bus sector and allow WG to establish a relationship with local authorities that ensured the ongoing emergency funding meet those authorities' priorities and was delivered on their behalf.

The Chief Officer (Streetscene and Transportation) reported that WG, working with Transport for Wales (TfW), was now proposing to enter into this longer-term BES2 agreement with operators and Local Authorities to protect services. He advised that if reassurance could be provided that core bus routes could continue to operate moving forward, then councils would be in a position to provide local services to feed into the core services and provide a regular, affordable and reliable service for all residents in Flintshire.

Councillor Bithell welcomed the report and commented on public transport being essential to ensure residents across the County stayed connected. He raised concern around bus timetables and the need to ensure that they were regularly updated. In response, Councillor Thomas supported the need for all residents to have access to clear up to date information and advised that the BES2 agreement would ensure services remained the same for a longer period, therefore reducing the need to regularly change bus timetables.

Councillor Jones outlined the importance of keeping communities connected to address loneliness and isolation and the impact this has on mental health and wellbeing. Councillor Thomas agreed, saying that bus transport should also be seen as a service which supported wellbeing.

RESOLVED:

- (a) That Cabinet approves that the Council should sign up to the BES 2 agreement (Appendix 1) as regional lead authority, in order to secure (conditional) WG financial support for the bus sector and to allow WG to establish a relationship with their constituent local authorities that ensures the ongoing emergency funding meets those authorities' priorities and is delivered on their behalf; and
- (b) That Cabinet request a further report on bus reform proposals relating to the future management of bus services in Wales.

81. REVENUE BUDGET MONITORING 2020/21 (MONTH 8)

Councillor Banks introduced the report which provided the latest detailed revenue budget monitoring position for the Council Fund and Housing Revenue Account for the financial year, and presented the position based on actual income and expenditure, as at Month 8. The report projected how the budget would stand at the close of the financial year if all things remained largely unchanged. It also took into account the latest position on Welsh Government (WG) Emergency Grant Funding announcements.

The projected year end position, without new actions to reduce cost pressures and/or improve the financial return on efficiency planning and cost control was:

Council Fund

- An operating deficit of £0.270m (excluding the impact of the pay award which would be met by reserves), which was a favourable movement of £0.466m from the deficit figure of £0.196m reported at Month 7.
- A projected contingency reserve balance as at 31st March 2021 of £1.685m

Housing Revenue Account

- Net in-year expenditure forecast to be £1.590m lower than budget
- A projected closing balance as at 31st March of £3.763m.

The Corporate Finance Manager provided details on the projected position, the projected position by portfolio, significant movements from Month 7, open risks, new emerging risks, achievement of planned in-year efficiencies and reserves and balances.

The Chief Executive reported on the positive projected year end position which would be achieved through management discipline and creative work within services such as homelessness to avoid cost burdens.

In response to comments on Out of County Children's Services placements, the Chief Executive advised that the Corporate Resources Overview & Scrutiny Committee had resolved to support seeking additional funding from WG. It was suggested that the Corporate Finance Manager assess trends in overspends in this area across Wales.

RESOLVED:

- (a) That the overall report and the projected Council Fund contingency sum as at 31st March 2021 be noted; and
- (b) That the projected final level of balances on the Housing Revenue Account be noted.

82. ADULT COMMUNITY LEARNING PARTNERSHIP

Councillor Roberts introduced the report to provide an overview of how Adult Community Learning (ACL) funding was changing in Flintshire and how the Council was looking to ensure best value for adult learners from the increase in allocation of the Community Learning Grant (CLG) for 2020 onwards. The report also sought approval to proceed with the formation of a joint Flintshire and Wrexham Adult Community Learning Partnership which would provide oversight and management of ACL across both Council areas.

The Chief Officer (Education & Youth) reported that each year, the Welsh Government (WG) provided Councils with funding for ACL for people over the age of 19. With the new funding allocations, it was anticipated that full year funding for 2021/2022 would be in the region of £216,152.

The Council was working with the Deeside Community Trust on the construction of a new Community Hub in Queensferry and the new facility would provide much needed community, adult learning and sports facilities. The Trust would assist the partnership in delivering some of its key educational objectives. Part of the funding would be used to commission the Trust to develop and deliver learning opportunities in the local community and help meet the action plan agreed with WG.

RESOLVED:

- (a) That the Adult Community Learning funding within Flintshire and the increased funding allocation through the Community Learning Grant (CLG) by Welsh Government be acknowledged; and
- (b) That the development work with Wrexham Adult Learning Partnership be noted and approval given for Flintshire to proceed with forming a joint Flintshire and Wrexham Adult Community Learning Partnership.

83. EXERCISE OF DELEGATED POWERS

An information item on the actions taken under delegated powers was submitted. The actions were as set out below:-

Streetscene and Transportation

- **Football Pitch Booking Fees Seasons 2019/20 and 2020/21**

The fees and charges levied for the use of Football pitches on public accessible sites across Flintshire will need to be reviewed in light of the restriction placed on Football Clubs due to the response to the Covid-19 global pandemic. These restrictions have prohibited Clubs from training or playing since March 2020, which will mean that their ability to make use of facilities and generate income to pay such fees would be significantly limited.

Fees are usually collected in August each year before the start of each season, but due to the restrictions in place at that time, and enquiries from the clubs about the lack of use during restrictions, bookings were accepted but invoices have not been issued until more information was available about how Welsh Football Association (WFA) were going to advise on moving grass roots football forward. Junior Cup matches restarted on 28th November 2020. There are two considerations for Flintshire:

- 1 To provide a rebate to clubs for the period of non-use at the end of the 2019/20 season
- 2 To reduce the charge for the 2020/21 season to take into account the reduced period of availability.

- **Street Works Fees and Charges for 2021/22**

The fees and charges levied for various licenses and applications issues within Street Works have been received and the proposed charges for 2021/22 are set out in the table below:-

All the new charges are to take effect from the 1st April 2021.

Description	Current Charge	Revised Charge from 01.04.2021
Section 50 licence	£551	£562
Emergency road closure	£809	£825
Temporary traffic order	£1967	£2006
Switching off of traffic lights	£132 (working day) and £197 (out of hours)	£134 (working day) and £200 (out of hours)
Bus stop closure	£132 (working day) and £197 (out of hours)	£134 (working day) and £200 (out of hours)

Governance

- **Introduction of Weekly Direct Debit Payments for Business Rates and Four Weekly Direct Debit Option for Council Tax Payers**

The Council currently provides flexible options for households to pay their Council Tax bill via weekly, monthly, half yearly or as a one off payment. That will be extended to also permit payment 4 weekly by direct debit.

The Council also provides businesses with the option to pay their Business Rates bill either monthly, half yearly or as a one off payment. That will be

extended to allow businesses to pay weekly or direct debit. These changes are a response to customer feedback.

Housing and Assets

- **Mynydd Isa Scout Hut, Snowdon Avenue, Bryn Y Ball, Near Mold**

The transfer of Mynydd Isa Scout Hut and land, Snowdon Avenue, Bryn Y Baal, Near Mold.

Education and Youth

- **Local Authority appointed school governors**

Appointment of Local Authority Governor (s) representatives on school governing bodies in accordance with The Government of Maintained Schools (Wales) Regulations 2005

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 – TO CONSIDER THE EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED:

That the press and public be excluded for the remainder of the meeting for the following items by virtue of exempt information under paragraph(s) 14 of Part 4 of Schedule 12A of the Local Government Act 1972 (as amended).

84. EMPTY HOMES PURCHASE

Councillor Hughes introduced the report which sought approval to progress the purchase and refurbishment of empty properties to support the Phase 2 Homelessness Plan by bringing empty dwelling back into use and increase the supply of housing for the 'homeless covid cohort'.

Welsh Government grant had been secured for both revenue and capital activity to support the delivery of Flintshire's Phase 2 Homelessness Plan and the grant was for increasing the capacity and improving the standards of Flintshire's temporary accommodation portfolio.

In response to questions raised, the Chief Executive outlined the cost savings from the use of temporary accommodation and therefore the purchase of the properties was good value as part of the invest to save project.

RESOLVED:

- (a) Cabinet approve the purchase of the property as identified in the report; and
- (b) Cabinet provide delegated authority to the Chief Officer (Housing & Assets) in consultation with the Cabinet Member for Housing to purchase further empty

properties through the Phase 2 Homelessness funding awarded to the Council by Welsh Government when identified.

85. AURA – RENEWAL OF SERVICE CONTRACT

Councillor Roberts introduced the report which sought to extend the service contract between the Council and Aura for a further two years by mutual agreement. Cabinet was also recommended to grant the Chief Executive authority to make variations to the terms of the current agreement and the level of the service contract payment, in consultation with the Cabinet Member for Education, within the areas set out within the report. It was noted that any variations would have to be affordable and within the tolerances of the Council Fund Revenue Budget 2020/21.

The Chief Executive reported that Aura had largely been successful in achieving the aims and objectives of the service contract and that its business plan and had matured as an organisation under an independent management model. The Council enjoyed a close and mutually supportive relationship with Aura under an established partnership agreement with protocols for joint working and decision-making. It was essential that the Council played its part in ensuring that Aura was suitably funded for it to continue to be a sustainable and competitive organisation as it emerged from the pandemic situation.

RESOLVED:

- (a) That Cabinet agrees to a further and final extension of the service agreement with Aura to 31 March 2024; and
- (b) That the Chief Executive be granted authority to make variations to the terms of the current agreement and the level of the service payment as set out in the report, in consultation with the Cabinet Member for Education & Youth.

86. CHILDCARE OFFER PROGRAMME

The Chief Officer (Education & Youth) introduced the report which sought approval to enter into a contract for the construction phase of the Childcare Offer Programme.

A commercial offer for the programme had been provided which offered cost certainty. Revenue implications had been tested through submission of school business case and only the projects that had demonstrated that they were viable and sustainable had been chosen to proceed.

The funding allocation to the proposed project at Ysgol Brynford had increased. It was not possible to utilise balances from other funding streams nor was it feasible to reduce the project scope and Cabinet were requested to authorise the £50k shortfall from the Council's capital headroom.

RESOLVED:

- (a) That Cabinet approves entering into a contract for the construction phase of the Childcare Offer Programme; and
- (2) That Cabinet approves that the £50k shortfall on the proposed project at Ysgol Brynford be funded from the Council’s capital headroom.

87. ACQUISITION AND DEVELOPMENT OF IN HOUSE RESIDENTIAL CARE PROVISION FOR CHILDREN

Councillor Jones introduced the report which sought support for the purchase of three properties which would enable the development of a local residential Care home for Children. An integrated health and social care steering group between Flintshire, the local health board and Wrexham had developed proposals for a transformational approach to establishing a local residential children’s provision.

The site identified could provide a range of support services and benefit from being close to local amenities and services. All the properties have a homely aspect and would be seen as a home environment for the Council’s most vulnerable children and young people. It was intended to establish a short term residential assessment and support provision to carry out intensive assessments and therapeutic intervention work to support families or commission longer term local fostering/residential placements.

Members spoke in support of the report and commented on the innovative proposals.

RESOLVED:

That Cabinet support the purchase of three properties, as outlined within the report, to enable the development of a Residential Care Homes for Children.

88. MEMBERS OF THE PRESS AND PUBLIC IN ATTENDANCE

There was one member of the press in attendance.

(The meeting commenced at 10.00 a.m. and ended at 11.16 a.m.)

.....
Chair



CABINET

Date of Meeting	Tuesday, 16 th February 2021
Report Subject	Council Fund Revenue Budget 2021/22 – Final Closing Stage
Cabinet Member	Cabinet Member for Finance for Finance
Report Author	Corporate Finance Manager and Chief Executive
Type of Report	Strategic

EXECUTIVE SUMMARY

Council has received full reports on previous stages of the budget setting process for 2021/22 and previous reports and appendices are attached.

Cabinet in January set an upper minimum budget additional requirement for 2021/22 of £16.750m and a lower minimum budget requirement of £13.818m. The upper figure includes provision for national pay awards at 2% across the board, and the lower figure makes no provision for pay. We are using the lower figure for the purposes of balancing the budget as there is no provision within the UK Government budget statement for any public sector annual pay awards with the exception of pay awards for employees with salaries of under £24k per annum. As a consequence of this, Welsh Government has had no uplift in funding to support any annual pay awards for local government employees and teachers which the recognised trade unions and employers might engage in negotiations over at a later point in the financial year.

Cabinet in January also considered the issues which remained to be closed as part of the budget-setting process. This report recommends solutions to all of those issues and sets out recommendations for the Council to be able to reach a legal and balanced budget.

The formal response of the Council to the Welsh Government consultation on the Provisional Local Government Settlement 2021/22 is attached. This response fully takes into account the views expressed by Cabinet as a collective and those of the body of elected members.

This report also sets out the Council Tax resolution for setting taxation levels for 2021/22. We are also able to propose the formal resolution to Council when it meets later on 16 February as we have received notification of the precepts of the Police and Crime Commissioner and all town and community councils within Flintshire.

Cabinet is invited to make final recommendations to Council to set a legal and balanced budget based on the detail as set out in this report.

A full presentation will be made at both Cabinet and Council.

The report includes the following tables:

- Table 1: Revised Minimum Additional Budget Requirement 2021/22
- Table 2: Proposed Budget Solutions 2021/22
- Table 3: Proposed Budget 2021/22
- Table 4: Medium Term Forecast 2022/23 – 2023/24

The Corporate Resources Overview and Scrutiny Committee will receive and consider this report on 11th February and any advice or recommendation the Committee offers will be reported verbally at the Cabinet meeting.

RECOMMENDATIONS

1	That Cabinet notes and approves the revised budget requirement for 2021/22.
2	That Cabinet approves the final proposals for the corporate efficiencies which will contribute to the budget.
3	That Cabinet recommends to Council a legal and balanced budget based on the calculations as set out within this report.
4	That Cabinet notes the open risks which remain to be managed in the course of 2021/22.
5	That Cabinet recommends an annual increase in Council Tax for 2021/22 of 3.95%, and invites Council to pass the formal Council Tax resolution now that we have had notification of the precepts of the Police and Crime Commissioner and all town and community councils within Flintshire.
6	That Cabinet notes the medium-term forecast as a basis for the next revision of the Medium-Term Financial Strategy (MTFS).

REPORT DETAILS

1.00	EXPLAINING THE COUNCIL FUND REVENUE BUDGET 2021/22
1.01	<p>The Financial Forecast</p> <p>The forecast has been continuously revised to take into account the latest available information, and has been presented to members at stages throughout the budget planning and setting process.</p> <p>In December, the minimum additional budget requirement of £14.740m was uplifted to make additional financial provision for Schools Funding, Additional Learning Needs and for Reserves. The revised minimum additional budget requirement was set at £16.750m.</p> <p>The position reported in January included a number of outstanding issues that would need to be resolved as part of closing the budget. These are set out within the report.</p>
	Changes to the Financial Forecast
1.02	<p>Funding for Pay Awards</p> <p>The Chancellor of the Exchequer’s UK Spending Review Announcement made no provision for public sector pay awards other than some specific allowances for lower paid workers and the NHS.</p> <p>Within the Provisional Local Government Settlement announcement Welsh Government confirmed their position on pay provision as set out below.</p> <p>“The Minister was clear in the draft budget that one of the hard choices we have faced in setting our spending plans for next year is our approach to public sector pay. The reality is that we did not receive any additional funding through the Barnett formula to provide for public sector-wide pay awards next year given the UK Government’s decision to pause public sector pay increases with the exception of the NHS and those on the lowest wages. The implications of pay awards in 2021-22 will therefore need to be accommodated within your budget planning in the light of this Settlement.”</p> <p>As a consequence, the upper minimum additional budget requirement has been reduced to remove any provision for annual cost of living pay awards other than a provision to meet the cost of (potentially non-consolidated and ‘one-off’) pay awards for employees with salaries of under £24k per annum. A provision £0.604m has been included within the budget for this specific award. The minimum additional budget requirement has been reduced by £2.928m in total.</p>
1.03	<p>Council Tax Reduction Scheme (CTRS)</p> <p>A cost pressure of £1.172m had previously been included in the budget requirement based on increases in demand for benefits caused by the socio-economic impacts of the pandemic situation. Demand has since stabilised and Welsh Government has also reimbursed councils for the additional spend</p>

	<p>for the first half of the year, and recently agreed to continue this financial support for the second half of the financial year. The Council will need to make budgetary provision for CTRS entitlement arising from the annual Council Tax increase. Following a review of this cost pressure, and based on current and projected demand the budget provision has been reduced by £0.284m to £0.888m</p>
1.04	<p>Council Tax</p> <p>A cost pressure of £0.600m had previously been included in the budget requirement to mitigate the impacts of a significant reduction in collection levels caused by the socio-economic impacts of the pandemic situation. The purpose of this provision is to absorb any increase in bad debt from non-collected tax. A review of the bad debt provision has been concluded and, taken together with an improvement in the levels of income collected the budget provision has been reduced by £0.500m to £0.100m. Welsh Government has recently announced new funding to make good projected reductions in target Council Tax collection rates and this funding will be set aside as protection against any failure to recover to target collection rates over coming months.</p>
1.05	<p>Out of County Placements</p> <p>Additional funding of £2.7m was included in the budget for 2020/21 to reflect the projected increase in service demand. As at the Month 9 2020/21 Budget Monitoring Report there is a net projected in-year overspend of £0.631m. This will continue into 2021/22 with increased costs for a full year effect of case placements.</p> <p>Therefore, additional budget provision within the budget estimate will be required for 2021/22 and £0.750m has been set aside. This service area poses an open risk as demand can and often does increase in-year.</p>
1.06	<p>Sustainable Waste Management Grant</p> <p>Welsh Government have notified in the Provisional Settlement a further reduction in the Sustainable Waste Management Grant for Wales of £1.1m. This will result in a cost pressure of £0.050m for the Council. This additional pressure has been included in the final budget estimate as no further cost efficiencies are possible, and service standards must be maintained.</p>
1.07	<p>Regional Education Improvement - GwE</p> <p>The annual inflationary uplift for GwE has to be met as per the regional Inter Authority Agreements. A total of £0.035m has been included in the budget estimate to consolidate the increase for 2020/21 which was notified after we had set the annual budget for that year and the new increase for 2021/22.</p>

1.08	<p>The changes in the budget requirement are summarised below:</p> <p>Table 1: Revised Minimum Additional Budget Requirement 2021/22</p> <table border="1" data-bbox="300 264 1225 952"> <thead> <tr> <th></th> <th>£M</th> </tr> </thead> <tbody> <tr> <td>Budget Requirement December 2020</td> <td>16.750</td> </tr> <tr> <td>Less:</td> <td></td> </tr> <tr> <td>Adjustment for 21/22 Pay increase</td> <td>(2.928)</td> </tr> <tr> <td>Revised Budget Requirement December 2020</td> <td>13.822</td> </tr> <tr> <td>Reductions in Cost Pressures:</td> <td></td> </tr> <tr> <td>Council Tax Debt</td> <td>(0.500)</td> </tr> <tr> <td>Council Tax Reduction Scheme (CTRS)</td> <td>(0.284)</td> </tr> <tr> <td>New Costs Pressures:</td> <td></td> </tr> <tr> <td>Out of County Placements</td> <td>0.750</td> </tr> <tr> <td>Sustainable Waste Management Grant</td> <td>0.050</td> </tr> <tr> <td>GwE Indexation</td> <td>0.035</td> </tr> <tr> <td></td> <td></td> </tr> <tr> <td>Total Revised Budget Requirement</td> <td>13.873</td> </tr> <tr> <td></td> <td></td> </tr> </tbody> </table>		£M	Budget Requirement December 2020	16.750	Less:		Adjustment for 21/22 Pay increase	(2.928)	Revised Budget Requirement December 2020	13.822	Reductions in Cost Pressures:		Council Tax Debt	(0.500)	Council Tax Reduction Scheme (CTRS)	(0.284)	New Costs Pressures:		Out of County Placements	0.750	Sustainable Waste Management Grant	0.050	GwE Indexation	0.035			Total Revised Budget Requirement	13.873		
	£M																														
Budget Requirement December 2020	16.750																														
Less:																															
Adjustment for 21/22 Pay increase	(2.928)																														
Revised Budget Requirement December 2020	13.822																														
Reductions in Cost Pressures:																															
Council Tax Debt	(0.500)																														
Council Tax Reduction Scheme (CTRS)	(0.284)																														
New Costs Pressures:																															
Out of County Placements	0.750																														
Sustainable Waste Management Grant	0.050																														
GwE Indexation	0.035																														
Total Revised Budget Requirement	13.873																														
	<p>Proposed Solutions to meet the Revised Budget Requirement</p>																														
1.09	<p>The Welsh Local Government Provisional Settlement</p> <p>The Welsh Local Government Provisional Settlement was announced on 22 December and full details were included in the January report.</p> <p>The provisional AEF represents a cash uplift of £7.392m over the 2020/21 amount of £199.386m (3.7%).</p> <p>The formal response of the Council to the Welsh Government consultation on the Provisional Local Government Settlement 2021/22 is attached at Appendix 7. This response fully takes into account the views expressed by Cabinet as a collective and those of the body of elected members</p>																														
1.10	<p>Council Tax</p> <p>The level of annual increase in Council Tax is a decision for Full Council.</p> <p>Council has set a clear direction that any annual increase should be at 5% or less.</p> <p>Based on the final minimum additional budget requirement an annual increase of 3.95% is required on Council tax. This amounts to an annual increase of £52.99 to £1394.50 on a Band D equivalent (£1.02 per week equivalent).</p> <p>Police Precept/Town and Community Councils</p>																														

	The Police Precept and Town and Community Council Precepts for 2021/22 have all been notified to the Council as the Council Tax collection authority. .																								
1.11	<p>Service Transformation and Efficiencies</p> <p>As consistently reported, no new efficiencies of scale are possible. A minimum target of £1.0m was built into the original budget estimate for newly identified service efficiencies. This was reset at £1.75m in December following further work. This work has now been concluded and a final efficiencies total of £1.933m has been set to help close the budget (See Appendix 4).</p>																								
1.12	<p>Social Care Workforce Grant</p> <p>The Provisional Settlement included an additional £10.0m for social care with the Council expected to receive a share of £0.430m. Welsh Government has confirmed that there will not be significant changes to the existing terms and conditions of the current grant to which this additional amount has been attached. Therefore, the funding can be used to offset some additional Social Care cost pressures already included in the budget.</p>																								
1.13	<p>Reserves Uplift</p> <p>Within the upper minimum additional budget requirement £0.510m was included to replenish reserves as a safeguard against known and open risks. As part of the final balancing position, this provision has been reduced by £0.039m to £0.471m.</p>																								
1.14	<p>Table 2: Summary of Proposed Budget Solutions</p> <table border="1"> <thead> <tr> <th></th> <th>£M</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> </tr> <tr> <td>Revised Minimum Additional Budget Requirement (as in Table 1)</td> <td>13.873</td> </tr> <tr> <td>Less:</td> <td></td> </tr> <tr> <td>Provisional Settlement</td> <td>(7.392)</td> </tr> <tr> <td>Corporate Efficiencies</td> <td>(1.933)</td> </tr> <tr> <td>Social Care Workforce Grant</td> <td>(0.430)</td> </tr> <tr> <td>Council Tax (3.95%)</td> <td>(4.079)</td> </tr> <tr> <td>Reduction to reserves contribution</td> <td>(0.039)</td> </tr> <tr> <td></td> <td></td> </tr> <tr> <td>Amount Remaining</td> <td>0.000</td> </tr> <tr> <td></td> <td></td> </tr> </tbody> </table>		£M			Revised Minimum Additional Budget Requirement (as in Table 1)	13.873	Less:		Provisional Settlement	(7.392)	Corporate Efficiencies	(1.933)	Social Care Workforce Grant	(0.430)	Council Tax (3.95%)	(4.079)	Reduction to reserves contribution	(0.039)			Amount Remaining	0.000		
	£M																								
Revised Minimum Additional Budget Requirement (as in Table 1)	13.873																								
Less:																									
Provisional Settlement	(7.392)																								
Corporate Efficiencies	(1.933)																								
Social Care Workforce Grant	(0.430)																								
Council Tax (3.95%)	(4.079)																								
Reduction to reserves contribution	(0.039)																								
Amount Remaining	0.000																								
1.15	<p>SUMMARY AND CONCLUSIONS</p> <p>A legal and balanced budget for 2021/22 can be recommended by Cabinet to Council based on (1) the calculations and assumptions set out above and (2) the detailed proposed budget as set out below.</p>																								

1.16 **Table 3: Proposed Budget 2021/22**

Funding	£m
Aggregate External Funding (AEF) / RSG NNDR	206.778
Council Tax	90.679
SSA/Budget Requirement	297.457
Specific Grants (Estimated)	34.508
Total Funding	331.965
Expenditure	£m
Base Budget Rolled Forward	317.942
Previous Years Growth/Items Dropping Out (Appendix 1)	0.969
Inflation (Appendix 2)	2.894
Pressures & Investments(Appendix 3)	9.971
<u>Efficiencies</u>	
Corporate Efficiencies (Appendix 4)	(1.933)
Social Care Workforce Grant	(0.430)
<u>Grants</u>	
Less Specific Grants 2020/21	(31.955)
Plus Specific Grants 2021/22 (Estimated Appendix 5)	34.508
Total Expenditure	331.965
BALANCE	0.000

	Open Risks 2021/22
1.17	<p>Pay</p> <p>The Chancellor of the Exchequer’s UK Spending Review Announcement made no provision for public sector pay awards other than some specific allowances for lower paid workers and for the NHS.</p> <p>The Council’s position on pay is clear. We believe as an employer that there should be annual cost of living pay awards each and every year and that they should be fully funded at source by Governments. As there is no specific provision within the Provisional Settlement for annual pay awards for 2021/22, then there can be none. Both Governments are lacking a public sector pay strategy. The cost burdens of annual pay awards cannot fall on public sector employers. This remains an open risk in 2021/22 as the recognised trade unions and employers may still enter into negotiations in-year.</p>
1.18	<p>Out of County Placements</p> <p>This remains an open risk as set out in 1.05 above.</p>
1.19	<p>Ongoing Impact of the National Emergency</p> <p>The national emergency situation will continue into 2021/22. There is no new provision within the 2021/22 budget for additional emergency expenditure or lost income. However, we are holding the balance of the £3.0m emergency reserve set aside at the outset of the emergency.</p> <p>Welsh Government continues to hold specific funding for the pandemic and has had new funding from the UK Government for 2021/22. It is expected that national hardship and income loss compensatory funding will continue into the new financial year. This is based on the advice of Welsh Government, and is consistent with the budget planning position of the Welsh Local Government Association and all peer Welsh councils.</p> <p>Risks remain over the continuity of Government funding if the emergency situation is a protracted one, and should the recovery of fee earning services be a slow process.</p>
1.20	<p>School Budgets</p> <p>Within this budget the Council plans to make a significant investment in schools with an increase of 3.6% in funds for education and schools. We face (1) additional and more complex service demands in Additional Learning Needs and (2) a deteriorating position on licenced school deficits in secondary schools.</p> <p>The level of balances in the primary school sector are also reducing. This trend reflects the cost pressures in schools, and re-exposes the inadequacy of the current level of funding within the schools funding formula for the medium-term. In the review of the Medium Term Financial Strategy we will need to continue to address these risks with stepped increases in the quantum invested in the schools funding formula.</p>

1.21	<p>RESERVES AND BALANCES</p> <p>Earmarked Reserves</p> <p>The Council holds earmarked reserves which are set aside for specific purposes. Some are restricted in their use by, for example, the terms and conditions of grant where their source is Government funding. An update on current projected levels of earmarked reserves shows that the amount is likely to reduce from £10.2M to £9.4M by the end of the 2021/22 financial year as these reserves are ‘drawn down’ (See Appendix 6).</p> <p>The Council reviews its remaining earmarked reserves on an ongoing basis, and only those for which there is a strong business case will be retained with the remainder being released for use as part of the Medium-Term Financial Strategy.</p>
1.22	<p>Un-earmarked Reserves</p> <p>The Council holds a base level of reserve of £5.769m and this position remains unchanged for 2021/22. Levels of unearmarked reserves over and above this figure are referred to as the Contingency Reserve. This reserve is projected to be at £1.787m at year end based on the Month 9 Budget Monitoring Report.</p> <p>In addition, the Council set aside £3.0m as an emergency fund at the outset of the pandemic and in advance of confirmation of support from Welsh Government. There are still a number of outstanding claims to Welsh Government and the balance of the fund will be reduced if any of the claims are not approved in whole or in part. This fund should remain in place as a safeguard against the financial impacts of the ongoing pandemic situation.</p> <p>The Contingency Reserve is the Council’s main ‘defence’ against in-year cost pressures. It is used to meet the impact of an overall overspend in any given financial year and to mitigate against potential financial risks. The main open risks that the Council will face in 2021/22 are detailed in paras 1.17 – 1.20.</p>
1.23	<p>Formal Advice of the Corporate Finance Manager</p> <p>Section 25 of the Local Government Act 2003 includes a specific duty on the Chief Finance Officer (for Flintshire this is the Corporate Finance Manager) to report to the Council when it is considering its budget and Council Tax setting on the robustness of the estimates and the adequacy of reserves. The Act requires the Council to have regard to this report in making its decisions on its budget.</p>
1.24	<p>The 2021/22 budget has again been set within the context of the Medium Term Financial Strategy and during a year which has seen the Council adapt to meet the challenges of a national emergency. The emergency situation – in scale and length - has posed significant financial challenges, and this will continue to be the position as we go into the new financial year. The welcome essential support from the Welsh Government’s Hardship Fund and Income Loss Fund is likely to continue. However, the willingness and financial capacity of Governments to continue this funding beyond the early stages of the new financial year is unknown. The Council’s budget strategy for dealing</p>

	with this has been clearly set out in detail in previous budget reports, supported by Member briefings and updates.
1.25	For the estimates contained within the budget, all figures are supported by a clear and robust methodology with the efficiency proposals considered achievable, but not without risk. The cost pressures are supported by evidenced method statements.
1.26	The Council's Reserves and Balances Protocol sets out how the Council will determine, manage and review the level of its Council Fund Balance and Earmarked Reserves taking into account legislation and professional guidance. An outcome of this protocol was to report to both Cabinet and Corporate Resources Overview and Scrutiny Committee the level of Earmarked Reserves held on a quarterly basis. This has been continued throughout 2020/21 through the monthly budget monitoring report with a detailed challenge of earmarked reserves undertaken throughout January 2021. This process ensures that members can have a good understanding of all the reserves held by the Council.
1.27	I can confirm the reasonableness of the estimates contained in the proposed budget having regard to the Council's spending needs in 2021/22 and the financial context within which the budget is being set. It is clear that there are still some significant and open risks within the 2021/22 budget proposals - particularly around pay provision, social care demands, and the ongoing impact of the pandemic. Therefore, it is important that the Council protects its current level of reserves as far as possible to safeguard against these risks. A robust programme for the delivery of the efficiencies within the budget and to the timescales set together with effective and disciplined in-year financial management is essential to ensure that budgets are managed effectively - with prompt action taken to mitigate any impacts should variances occur.
1.28	I recommend that Council should maintain sufficient general balances of £5.769M and retain its Contingency Reserve in full as a safeguard to manage any in-year cost pressures and variances as detailed in paragraph 1.17 – 1.20.
1.29	The budget proposals do not require the use of temporary reserves which builds on our approach last year where for the first time in many years the proposed budget is funded on a predominantly recurrent and sustainable basis. Due to the level of financial risk including the continuing emergency situation a further contribution to reserves of £0.471m is built into this budget as a prudent additional safeguard.
1.30	Formal Advice of the Chief Executive My professional advice complements that of the Corporate Finance Manager, as set out above.
1.31	The draft budget as presented follows the Medium-Term Financial Strategy adopted by the Council. It has been developed according to the budget setting model which has been adopted by the Council, and our principles and values.

1.32	We have taken a prudent and balanced approach to our annual budget, as required by law and the principles of good governance, whilst protecting the improvement objectives and public service duties and obligations of the Council. Our budget-setting process is an intricate one with all decisions being carefully risk-assessed.									
1.33	We have advised Council throughout that there are no new cost reductions or cost efficiencies of scale beyond those reported in stages one and two of the budget-setting process. Council, as advised by Cabinet and the six Overview and Scrutiny Committees, has concurred with this advice and has not asked for any further reviews of corporate or service portfolio budgets to be undertaken to reduce cost provisions. Our strategy for achieving a legal and balanced budget is heavily reliant on the sufficiency of Government funding for local government and public services as noted by Audit Wales in their most recent commentary on the financial resilience and sustainability of the Council.									
1.34	A number of 'open risks' remain to be managed and we will again be challenged to manage our budget in-year throughout 2021/22. Our advice on risk management and how it affects setting a prudent budget needs to be carefully heard.									
1.35	It is important that we continue to plan for the medium-term and work with Governments on a sustainable funding model for local government – seeing beyond the emergency situation and a recovery from it – and avoiding an over-reliance on Council Tax as a form of local income. We set out our expectations clearly in our response to the consultation on the Provisional Settlement (Appendix 7).									
1.36	<p>Concluding Advice to Close the Budget</p> <p>Council is able to set a legal and balanced budget for 2021/22 based on the calculations and advice set out in this report, and can fulfil its collective legal responsibility. All calculations are based on a Council Tax rise of 3.95% (3.45% for Council purposes and 0.50% for the regional contributions to the North Wales Fire and Rescue Service, the Coroners Service and the North Wales Economic Ambition Board). \tax</p>									
1.37	<p>Medium Term Financial Forecast</p> <p>The financial forecast for the medium-term, for the financial years– 2022/23 – 2023/2024, has been reviewed in readiness to update the Medium-Term Financial Strategy (MTFS). A high-level estimate on the major cost pressures predicted over the next two years following this budget is included in Table 4. The forecast includes (1) potential annual pay awards (2) similar levels of commissioning cost pressures within Social Services and (3) other known cost pressures.</p> <p>Table 4: Medium Term Forecast</p> <table border="1"> <thead> <tr> <th>Cost Pressure Group</th> <th>2022/23 (£M)</th> <th>2023/24 (£M)</th> </tr> </thead> <tbody> <tr> <td>Pay Inflation</td> <td>4.145</td> <td>4.029</td> </tr> <tr> <td>Non-Pay Inflation</td> <td>0.380</td> <td>0.395</td> </tr> </tbody> </table>	Cost Pressure Group	2022/23 (£M)	2023/24 (£M)	Pay Inflation	4.145	4.029	Non-Pay Inflation	0.380	0.395
Cost Pressure Group	2022/23 (£M)	2023/24 (£M)								
Pay Inflation	4.145	4.029								
Non-Pay Inflation	0.380	0.395								

	Social Care Pressures	3.776	2.772
	Other Pressures	1.347	2.003
	Total	9.648	9.199
1.38	From Table 4 it can be seen that the Council will continue to need to rely on improved financial settlements from Welsh Government in future years. The MTFS is being fully reviewed for reporting in the coming months. The Council will continue to press the need for forward planning of budgets by Governments, and certainty over future local government settlements which would enable the Council to plan ahead with a sufficient degree of confidence.		
1.39	<p>The timetable for the closing stages of the annual budget setting process is as follows: -</p> <p>16th February Council Meeting: Final budget-setting decisions including final agreement on the level of Council Tax and the passing of the Council Tax Resolution</p> <p>2 March 2021: Announcement of the Final Welsh Local Government Settlement.</p> <p>It is not anticipated, based on past years, that there will be any significant changes within the Final Settlement when it is announced on 2 March. However, if there are any minor changes it is recommended that the level of contribution to reserves is adjusted up or down to accommodate any such change.</p>		

3.00	RESOURCE IMPLICATIONS
3.01	<p>Revenue: the revenue implications for the 2021/22 budget are set out in the report.</p> <p>Capital: there are no new implications for the approved capital programme for either the current financial year or for future financial years – the capital programme will be subject to a separate report</p> <p>Human Resources: there are no implications for additional capacity or for any change to current workforce structures or roles at this stage.</p>

4.00	IMPACT ASSESSMENT AND RISK MANAGEMENT		
4.01	<p>Ways of Working (Sustainable Development) Principles Impact</p> <table border="1"> <tr> <td>Long-term</td> <td>Negative – the absence of longer-term funding settlements from Welsh</td> </tr> </table>	Long-term	Negative – the absence of longer-term funding settlements from Welsh
Long-term	Negative – the absence of longer-term funding settlements from Welsh		

	Government means that sustainable support for service delivery is challenging for the longer term. Sustainable funding from Welsh Government that provides additional funding for Indexation, Service demands and new legislation will provide a positive and sustainable position for the Council in the longer term.
Prevention	As above
Integration	Neutral Impact
Collaboration	Services continue to explore opportunities for collaboration with other services and external partners to support positive impacts.
Involvement	Communication with Members, residents and other stakeholders throughout the budget process.

Well-Being Goals Impact

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

5.00	CONSULTATIONS REQUIRED/CARRIED OUT
5.01	Overview and Scrutiny Committees in November 20. Member Briefing December 2020. Consultation with the principle NNDR payers has been undertaken

6.00	APPENDICES
6.01	Appendix 1: Prior Year Decisions Appendix 2: Inflation Appendix 3: Pressures & Investments Appendix 4: Efficiencies Appendix 5: Specific Grants 2021/22 Appendix 6: Balances & Reserves Appendix 7: Council Response to the Provisional Settlement

7.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
7.01	The series of preparatory budget reports for the 2021/22 financial year. The series of presentations made to Cabinet and Council for the 2021/22 financial year.

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

9.00	GLOSSARY OF TERMS
9.01	<p>Medium Term Financial Strategy (MTFS): a written strategy which gives a forecast of the financial resources which will be available to a Council for a given period, and sets out plans for how best to deploy those resources to meet its priorities, duties and obligations.</p> <p>Revenue: a term used to describe the day to day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.</p> <p>Budget: a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p>

Revenue Support Grant: the annual amount of money the Council receives from Welsh Government to fund what it does alongside the Council Tax and other income the Council raises locally. Councils can decide how to use this grant across services although their freedom to allocate according to local choice can be limited by guidelines set by Government.

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

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

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

Local Government Funding Formula: The system through which the annual funding needs of each council is assessed at a national level and under which each council's Aggregate External Finance (AEF) is set. The revenue support grant is distributed according to that formula.

Aggregate External Finance (AEF): The support for local revenue spending from the Welsh Government and is made up of formula grant including the revenue support grant and the distributable part of non-domestic rates.

Provisional Local Government Settlement: The Provisional Settlement is the draft budget for local government published by the Welsh Government for consultation. The Final Local Government Settlement is set following the consultation.

Funding Floor: a guaranteed level of funding for councils who come under the all-Wales average change in the annual Settlement. A floor has been a feature of the Settlement for many years.

This page is intentionally left blank

BUDGET 2021/22 - COUNCIL FUND REVENUE

Prior Years Growth / Items Dropping Out	£m
<u>Central & Corporate</u>	
20/21 One off efficiencies dropping out	0.300
Minimum Revenue Provision	0.300
<u>Social Services</u>	
Work Opportunities Pressure Reduction	(0.056)
Marleyfield & Holywell Extra Care Revenue Costs	0.425
TOTAL - PRIOR YEARS	0.969

This page is intentionally left blank

BUDGET 2021/22 - COUNCIL FUND REVENUE

Inflation	£m
NJC Pay (Non Schools) - 20/21 impact and lower scales <£24k for 21/22	0.953
NJC Pay (Schools) - 20/21 Impact and lower scales <£24k for 21/22	0.469
Teachers Pay Award - 20/21 Impact only	1.437
Other Schools Inflation (GWE)	0.035
TOTAL - INFLATION	2.894

This page is intentionally left blank

BUDGET 2021/22 - COUNCIL FUND REVENUE	
Pressures & Investments	£m
<u>Central & Corporate</u>	
North Wales Fire and Rescue - Levy increase	0.314
Independent Review Panel for Wales (IRPW)	0.028
Coroners Service - Fee Increase	0.025
Procurement 2 Pay (P2P) System Upgrade	0.024
Capital Borrowing costs	0.015
Unachieved Efficiency - Salary Sacrifice - AVC's	0.070
Increase in Feasibility Study Provision	0.050
21s Century Schools - Band B Borrowing Costs	0.015
Contribution to Reserves	0.471
SubTotal - Central & Corporate	1.011
<u>Out of County Placements</u>	
Out of County Placements	0.750
SubTotal - Out of County Placements	0.750
<u>Education & Youth</u>	
Additional Learning Needs (ALN) - Reforms	0.144
Additional Schools Funding	1.500
New Pupil Referral Unit Building - Revenue Costs	0.027
Free School Meals Demand	0.253
Home Education	0.046
Primary Learning Advisor	0.080
Sub Total - Education & Youth	2.050
<u>Governance</u>	
Registration Service - Income loss	0.036
Unrealised Efficiency - Legals Services/Industrial Estate Review	0.092
Unrealised Efficiency - Postage - Council Tax	0.035
Unrealised Efficiency - Postage - Benefits	0.041
Council Tax Collection Fund	0.100
Sub Total - Governance	0.304
<u>Housing & Assets</u>	
Sale of Assets - loss of income	0.095
Enterprise Centres - Reduced Occupancy	0.050
Benefits - Council Tax Reduction Scheme (CTRS)	0.888
Carelink - Alarm Monitoring Contract	0.125
Carelink - Housing Support Grant (HSG)	0.216
Benefits - Additional Staffing	0.300
Sub Total - Housing & Assets	1.674

Pressures & Investments	£m
<u>Planning & Environment</u>	
Markets - Reduced income levels	0.074
Pest Control - Reduction in demand	0.040
Private Water Supplies	0.104
Unrealised Efficiency - Market Review	0.035
Sustainable Drainage Systems (SUDS)	0.112
North Wales Economic Ambition Board (NWEAB) Contribution	0.104
Sub Total - Planning & Environment	0.469
<u>Social Services</u>	
Social Care Commissioning	1.880
Transition to Adulthood	0.495
Sleep in Pay Ruling	0.125
Adoption Service	0.022
Children's Registered Residential Care Home	0.138
Missing from Home Co-ordinator	0.034
Sub Total - Social Services	2.694
<u>Streetscene & Transportation</u>	
School Transport	0.163
School Transport - Closure of John Summers	0.050
Post 16 Transport	0.047
Social Services Adults Transport	0.063
Social Services Childrens Services Transport	0.044
Reduced Energy Sales - Reduction in gas generation	0.120
Parc Adfer Contract Inflation	0.052
Ash Die back	0.060
Business Manager	0.072
Recyclate Markets - Volatility in price and volume	0.299
Reduction in Sustainable Waste Management Grant	0.050
Sub Total - Streetscene & Transportation	1.019
TOTAL - PRESSURES & INVESTMENTS	9.971

BUDGET 2021/22 - COUNCIL FUND REVENUE

Efficiencies	£m
<u>Corporate Efficiencies</u>	
<u>Central & Corporate</u>	
Employer Pension Contributions	(0.300)
Workforce - Vacant Post	(0.030)
Remote Working Impacts - Reduced Travel and operating costs	(0.270)
Price Inflation	(0.113)
Total - Central & Corporate	(0.713)
<u>Housing & Assets</u>	
Property Savings (Incl. Demolition of Phases 3 & 4 and Utility Savings)	(0.450)
NDR Inflationary Savings	(0.120)
Climate Change Levy	(0.295)
Sub Total - Housing & Assets	(0.865)
<u>Business Planning Efficiencies</u>	
<u>Education & Youth</u>	
Youth Centres Provision	(0.020)
Post 16 / Coleg Cambria	(0.200)
Sub Total - Education & Youth	(0.220)
<u>Social Services</u>	
Strategic use of Grant Funding	(0.060)
Vacancy Savings	(0.030)
Sub Total - Social Services	(0.090)
<u>Planning & Environment</u>	
Service Review	(0.045)
Sub Total - Planning & Environment	(0.045)
TOTAL - Efficiencies	(1.933)

This page is intentionally left blank

BUDGET 2021/22 - COUNCIL FUND REVENUE

Specific Grants	Budget 2020/21 £	Budget 2021/22 £	Variance £	Conf (C) or Est (E)
Education & Youth - Non Delegated				
Promoting Positive Engagement (Youth Crime Prevention Fund)	196,143	196,143	0	C
YOT / Youth Justice Board (inc. JAC)	221,956	227,966	6,010	E
Welsh Network of Healthy School Schemes	101,380	101,380	0	E
Youth Support Grant (Youth Service Revenue Grant)	126,820	468,614	341,794	C
Free School Milk	245,891	245,891	0	E
Families First	1,505,090	1,505,090	0	C
Pupil Development Grant	3,910,757	4,422,900	512,143	E
Reducing Infant Class Sizes	355,000	333,000	(22,000)	E
Rural Schools Grant	139,625	139,625	0	C
Additional Learning Needs (ALN)	360,000	0	(360,000)	E
ALN Transformation	45,000	45,000	0	E
Adult Community Learning	52,405	216,000	163,595	E
Feminine Hygiene	10,243	124,137	113,894	C
Education Improvement Grant for Schools	5,988,773	5,880,701	(108,072)	E
Sub Total - Education & Youth (Non Delegated)	13,259,083	13,906,447	647,364	
Education & Youth - Delegated				
6th Form Funding (Formally DCELLs)	4,439,673	4,439,673	0	E
Sub Total - Education & Youth (Delegated)	4,439,673	4,439,673	0	
Housing & Assets				
Housing Support Grant (formerly Supporting People)	5,950,819	7,828,610	1,877,791	E
Sub Total - Housing & Assets	5,950,819	7,828,610	1,877,791	
Planning & Environment				
Substance Misuse	522,744	500,832	(21,912)	C
Domestic Abuse Co-ordinator Funding (VAWDASV)	92,400	167,674	75,274	C
Legacy Fund	127,680	127,680	0	C
Communities for Work Plus	431,300	431,300	0	C
Sub Total - Planning & Environment	1,174,124	1,227,486	53,362	
Social Services				
Social Care Workforce Development Programme	312,069	312,069	0	C
Flying Start	2,901,515	2,901,515	0	C
St. David's Day	40,758	40,758	0	C
Childcare & Play	97,877	97,877	0	C
Project Management - Children and Communities Grant	0	33,329	33,329	C
Childcare Admin Offer	0	298,050	298,050	C
Sub Total - Social Services	3,352,219	3,683,598	331,379	
Strategic Programmes				
Free Swimming	60,750	60,750	0	E
National Exercise Referral	123,750	123,750	0	E
Active Young People	43,860	43,860	0	E
Sub Total - Strategic Programmes	228,360	228,360	0	

Specific Grants	Budget 2020/21 £	Budget 2021/22 £	Variance £	Conf (C) or Est (E)
Streetscene & Transportation				
Concessionary Travel	2,180,000	1,900,000	(280,000)	E
Sustainable Waste Management Grant	754,000	737,209	(16,791)	E
Bus Service Support Grant	557,000	557,000	0	E
Welsh Young Person Travel Discount Scheme	60,000	0	(60,000)	E
Sub Total - Streetscene & Transportation	3,551,000	3,194,209	(356,791)	
TOTAL - GRANTS	31,955,278	34,508,383	2,553,105	

Social Care Workforce & Sustainability Workforce Grant	1,737,000	2,167,000	430,000	E
--------------------------------------------------------	-----------	-----------	---------	---

BUDGET 2021/22 - COUNCIL FUND REVENUE

Summary of Council Fund Earmarked Reserves	Est Bal 01/04/21 £m	Est Bal 31/03/22 £m
<u>Service Balances</u>		
Corporate Services	0.544	0.498
Housing & Assets	0.077	0.074
Education & Youth	0.106	0.103
Theatre Clwyd	0.188	0.188
Planning & Environment	0.365	0.201
Social Services	0.127	0.127
Total - Service Balances	1.408	1.191
<u>Corporate Balances</u>		
Single Status / Workforce Costs	0.730	0.705
General Reserve - Investment in Organisational Change	1.355	1.056
Total Corporate Balances	2.085	1.761
<u>Specific Reserves</u>		
Benefits Equalisation	0.133	0.133
County Elections	0.212	0.000
Local Development Plan	0.180	0.000
Waste Disposal	0.023	0.000
Winter Maintenance	0.250	0.250
Insurance Funds	2.503	2.803
Car Parking	0.045	0.045
Cash Receipting Review	0.003	0.003
Flintshire Trainees	0.524	0.524
Rent Income Shortfall	0.031	0.000
Customer Services Strategy	0.022	0.000
Supervision Fees	0.049	0.000
LMS Curriculum	0.339	0.339
Solar Farm	0.025	0.025
Tribunal Costs	0.104	0.104
Property Claims	0.021	0.000
North Wales Residual Waste Treatment Project (NWRWTP)	0.065	0.065
Grants & Contributions	2.166	2.166
Total Specific Reserves	6.694	6.456
Total Earmarked Reserves	10.186	9.408

This page is intentionally left blank

Councillor/Cynghorydd Ian Roberts
Leader of the Council
Arweinydd Cyngor



Via email :

Mark Drakeford, First Minister of Wales
 Julie James, Minister for Housing & Local
 Government
 Rebecca Evans, Minister for Finance & Trefnydd
Correspondence.FM@gov.wales
Correspondence.Rebecca.Evans@gov.wales
Correspondence.Julie.James@gov.wales

Our Ref/Ein Cyf CE/IBR0221
 Date/Dyddiad 3rd February 2021
 Ask for/Gofynner ar Ian Roberts
 Direct Dial/Rhif Union 01352 702105
 Email/Ebost: Ian.b.roberts@flintshire.gov.uk

Dear Ministers,

Provisional Local Government Settlement 2021/22

Thank you for the opportunity to comment on the Provisional Local Government Settlement 2021/22.

In past years we have engaged with Ministers directly on the sufficiency of annual settlements, and on the inadequacy and unfairness of a local government funding formula that is dated and no longer fit-for-purpose. Our long-established view is that it is for Governments to ensure that local authorities are properly funded to meet their legal, mandatory public service, policy and ethical duties and obligations noting that most of these are prescribed or set by Governments themselves, the commissioners and other advisors they appoint and/or the statutory regulators. Governments need to ensure that local authorities can be resilient not only to meet these duties and obligations but also to cope with unexpected events and disruption. No more so than now, in the midst of a protracted emergency situation.

We recognise and value the commitment Welsh Government has made to funding local government through the emergency situation through the Hardship Fund and the Income Loss Fund. We also value the renewed relationship between central and local government in Wales.

Our general observations on the Provisional Settlement are set out below: -

1. given this renewed central-local relationship, and the welcome statements made by Ministers in recent months, we had expected local government to be given a high priority in this year's Welsh Government budget. We are disappointed that this is not the case as illustrated in the comparative Year-on-Year Percentage Change in Main Expenditure Groups (MEGs) analysis on page 47 of the *Draft Budget 2021-22 Protect, Build and Change*. **The Welsh**

County Hall, Mold. CH7 6NB
www.flintshire.gov.uk
 Neuadd y Sir, Yr Wyddgrug, CH7 6NB
www.siryfflint.gov.uk



We welcome correspondence in Welsh. We will respond to correspondence received in Welsh without delay.

Rydym yn croesawu gohebiaeth Gymraeg. Ymatebwn yn ddi-oed i ohebiaeth a dderbynnir drwy gyfrwng y Gymraeg.

Local Government Association made a detailed and compelling case for a recommended uplift in the Provisional Settlement for 2021/22 and the offer of Welsh Government, in response, falls short;

2. it is established annual practice to protect those councils most exposed to the annual changes to entitlement through the formula (based on the work of the Distribution Sub-Group) with a 'funding floor'. Several councils are left extremely exposed by the annual changes in this year's settlement and should be protected in the same way that peer councils have in previous years with some supplementary funding over and above the settlement quantum. We formally request that a funding floor is set at a minimum of 3% for 2021/22. The disparity in funding per council which is driven by annual demographic change, as illustrated in a range of settlement increases from 2.0%-5.6% in a single year is yet another indication that the funding formula is too sensitive to change based on certain indices of need, and is overdue an overhaul. **We appreciate that this issue is for another day, and we formally request that a commitment is made to a review of the formula;**
3. Welsh Government remains silent on Council Tax policy. The proportion of local authority income which is derived from Council Tax has grown steadily year-on-year. This trend cannot be sustained, and the tolerance of the public for above inflation annual increases in local taxation is being tested. **Our ability to achieve our Council Tax collection targets has been compromised by the socio-economic impacts of the emergency situation, and a longer-term strategy for local taxation is now called for;**
4. we had expected all core specific grants to be maintained at the current funding level if not increased to allow for inflation-indexation. We are assured that in most cases this protection has been given. However, the Sustainable Waste Management Grant is an exception and has again been reduced, this year by £1.1m. This is in conflict with Welsh Government stated policy objectives and aspirations to be a world leader in waste generation prevention and recycling. This grant directly funds operational waste and recycling collection and treatment services. All councils will either have to reduce services or fund the difference as a new cost pressure. We have had to make provision for a new cost pressure. This is a false economy. **We formally request that the grant is reinstated to its former level, and is both protected and index-linked for future years; and**
5. Welsh Government has no public sector pay policy for 2021/22 and the medium-term. The position of the UK Government on pay policy for the short-term is clear. We do not agree with this position as an employer and believe that there should be annual cost-of-living pay awards each year, even if set at a modest level. However, we do not have the capacity to locally fund any pay awards which might be negotiated nationally during the course of the financial year we are about to enter. Ministerial statements on this subject are rather ambivalent, and councils cannot be left exposed in this way. **We call on Welsh**

Government to make a clear and firm statement that it cannot support (1) any negotiations between trade unions and employers for a UK national pay award for employees contracted under NJC and JNC terms and conditions unless there is a UK Government commitment to fund that pay award for England and Wales and (2) any annual devolved pay award for teaching staff in Wales unless additional funding is provided by the UK Government for comparable awards in England and Wales.

Turning to Flintshire itself our response to the Provisional Settlement based on our specific circumstances and needs is as follows: -

- We had set two levels of a minimum Council Fund Revenue Budget requirement estimate in our budget planning prior to the announcement of the Provisional Settlement. The higher of the two included a provision for annual pay awards at 2% for all NJC and JNC employees and all teaching staff. The lower of the two was based on the same calculations but with the provision for pay awards removed. Following the budget announcement by the Chancellor of the Exchequer we have opted for the lower of the two estimates, noting that Welsh Government Ministers have confirmed in their own statements that no provision has been made in the UK budget for pay awards in the public sector (other than the NHS) and that Welsh Government accordingly has no new funds for this purpose. The higher of the two estimates would have required an AEF/RSG uplift of 5.7% and the lower estimate an uplift of 4.1%. We are set to receive an uplift of 3.8% which falls short of the lower estimate. **Therefore, whilst there are some financial benefits from several extended specific grants, the Provisional Settlement is barely sufficient for our needs;**
- To follow the local budget planning set out above we have made no provision for any annual cost-of-living pay awards as (1) this is UK Government policy for the public sector and (2) neither Welsh Government or public sector employers are funded to meet any pay awards for 2021/22 which the recognised trade unions might attempt to negotiate. **The Provisional Settlement is insufficient for Flintshire to be able to meet the costs of any pay awards for 2021/22. We would refer you to our formal request in point 5 above;**
- We have set a local policy of containing any future annual rises in Council Tax to 5% or under. The public expect this of us and the tolerance for a continual shift of responsibility from national to local funding to sustain local services is being tested. **Therefore, we have limited financial ‘headroom’ to derive local income noting that we already have a commercial fees and charges policy in place for chargeable services. We request that Welsh Government commits to a review of the sustainability of Council Tax in its current form;**
- The planned reduction in the Sustainable Waste Management Grant will impact on direct service delivery and will cause an unexpected local budget pressure for the Council to be able to maintain service delivery standards. **We formally**

request that the grant is reinstated to its former level, and is both protected and index-linked for future years; and

- All councils are being exposed to significant demand-led cost pressures for Looked After Children and in particularly for Out of County Placements in a market-place where the providers are dominant. We have had to make a further increase in our base budget provision for Children's Services of £0.750m for 2021/22. **We formally request that a national fund be set aside for councils to be able to claim against in-year for sudden escalations in costs in Children's Services over and above a certain annual threshold.**

In addition, we would request that consideration is given to the following: -

- Support to councils in the last quarter of 2020/21 through the timely release of available in-year Welsh Government underspends which might otherwise be returned to the Treasury under the national exchequer operating rules and guidelines. Councils to have the discretion to allocate such funds against planned expenditure to give them the flexibility to (1) help reach a balanced out-turn position at 31st March and/or (2) cross-allocate funds to reserves as a protective measure for future financial risks; and
- That the Hardship Fund and Income Loss Fund are continued into 2021/22 (1) for as long as restrictions on trading and fee generating services apply and (2) as part of longer-term recovery planning. We appreciate that announcements will be made as part of the final Welsh budget.

We would welcome the opportunity to explore any of the above points either as part of the collective local government family or individually.

We ask that careful thought is given to the point and arguments we have set out above.

Yours sincerely



Councillor Ian Roberts
Leader and Cabinet Member for Education



Colin Everett
Chief Executive



Councillor Glyn Banks
Cabinet Member for Finance



Gary Ferguson
Chief Officer, Finance



CABINET

Date of Meeting	Tuesday 16 th February 2021
Report Subject	Housing Revenue Account (HRA) 30 Year Financial Business Plan
Cabinet Member	Cabinet Member for Housing
Report Author	Chief Officer (Housing and Assets)
Type of Report	Strategic

EXECUTIVE SUMMARY

The purpose of this report is to present for support and approval the HRA 30 year Financial Business Plan and the HRA Budget for 2021/22.

RECOMMENDATIONS

1	Cabinet to support and approve the HRA budget for 2021/22 as set out in the attached appendices.
2	Cabinet to support and approve the rent increase of up to 0.68% (plus up to £2).
3	Cabinet to support and approve a garage rent increase of £0.20 per week and a garage plot increase of £0.03 per week.
4	Cabinet to support and approve the freezing for one year an increase in Service Charge recovery.
5	Cabinet to support and approve the proposed HRA Capital programme for 2021/22 as set out in Appendix C.

REPORT DETAILS

1.00	EXPLAINING THE HRA BUSINESS PLAN 2021/22 UPDATE
1.01	<p>Considerations</p> <p>The HRA is required to produce a 30 year business plan</p> <p>The strategic context for this year's HRA budget setting includes the following:</p> <ul style="list-style-type: none">• To ensure affordability for tenants is at the core of our considerations;• Continued drive to ensure all service costs are efficient and that value for money can be achieved;• To ensure the treasury management strategy continues to meet the Housing Revenue Account's new and ongoing borrowing requirements;• Setting a balanced budget with a minimum of 4% surplus revenue over expenditure;• Maximisation of revenue efficiencies to minimise the borrowing required to meet Welsh Housing Quality Standards (WHQS) by 2021;• Delivery of new build Council housing.• Continued drive to ensure homes are Energy Efficient and explore Decarbonisation• Provision of adequate ongoing capital to maintain WHQS levels. <p>The draft business plan is set out in Appendix B and the proposed pressures and efficiencies in Appendix D.</p>
1.02	<p>Borrowing</p> <p>The deed to terminate the voluntary agreement for the HRA borrowing cap was signed on the 2nd December 2019, it is therefore important that going forward, increased borrowing in the HRA is carefully managed and monitored to ensure that it is sustainable and affordable to the business plan. Work is ongoing with Welsh Government to develop a set of prudential borrowing indicators to enable transparent monitoring of this going forward.</p> <p>The total HRA prudential borrowing proposed to be undertaken in 2021/22 is £12.538m taking our total anticipated prudential borrowing to £142.884m as at 31st March 2022.</p> <p>All prudential borrowing is repaid in line with the HRA's Minimum Revenue Provision (MRP).</p> <p>The HRA is part of the single debt pool for the Council, all borrowing for the Council is managed within one pool and the average borrowing rate for the Council is applied to all new borrowing in the HRA. The rate assumed in the Business plan is 3.87%.</p>

1.03	<p>Rents</p> <p>In December 2019, Welsh Government released the revised rent policy for a 5 year period commencing financial year 2020/21. The policy is designed to ensure that affordability for tenants is at the core of our considerations and when setting the rent uplift, landlords should consider value for money and the whole cost of living in a property as part of their rationale for setting rents.</p> <p>The Rent Policy for Social Housing Rents sets out the following:</p> <ul style="list-style-type: none"> • An annual rent uplift of up to CPI+1%, for 5 years to 2024/25 using the level of CPI from the previous September each year. September 2020 was 0.5%. • The level of rents for individual tenants can be frozen or rise by up to an additional £2 over and above CPI+1%, on condition that total rental income collected by the social landlord increases by no more than CPI+1% (1.5%). <p>The previous Rent policy also set target rents for each type of property to ensure consistency in rent setting, this has been introduced over a number of years on a transitional basis so that tenants paying under target rent would see no more than inflation plus £2 increase per annum.</p> <p>The recommended option would be to apply an overall uplift of 0.68% to all tenants and, in addition, apply the transitional uplift of £2 to tenants who currently pay at least £3 under target rent. The average rents per property type are set out in Appendix A.</p> <p>This ensures that no individual tenant will pay more than the maximum allowed under the policy but continues to move towards readdressing the disparity between those rents under and those at target rent, seeking to make rent charges to all tenants more equitable.</p> <p>The above recommendation would forecast rental income at £37.384m in 2021/22</p>
1.04	<p>Garage Rents</p> <p>The proposed garage rent increase for 2021/22 is £0.20 per week which takes the garage rent per week to £10.03 (based on 52 weeks), the proposed garage plot increase is £0.03 per week taking the garage plot rent to £1.63 per week.</p> <p>The business plan anticipates income levels of £0.464m for garage and garage plots.</p>
1.05	<p>Service Charges</p> <p>The rent and service charge policy was introduced by Welsh Government in 2015 and expected all Local Housing Associations (LHA's) to be achieving full cost recovery. This position is consistent with the Councils overarching position which seeks to recover costs for those eligible services it provides to its customers. In relation to this the HRA has been working towards a full</p>

	<p>cost recovery position for those services subject to a service charge and a transition plan has been in place to ensure that this is achieved.</p> <p>In 2020/21 weekly service charges were increased based on a stepped approach over a two year period with the final phase of the increase to be implemented in 2021/22. It is proposed to delay this final increase and freeze service charges next financial year. The aim of this course of action is to protect tenants who will be experiencing financial difficulty as a result of the pandemic as well as undertaking further work to ensure those services currently subject to service charges are of a high standard and represent value for money.</p>
1.06	<p>Capital Programme</p> <p>The total proposed capital programme for 2021/22 is £34.835m, summarised in Appendix C.</p> <p>Welsh Government have agreed a one year extension to the Welsh Housing Quality Standard beyond the 2020 deadline for all stock retaining social landlords who have not been able to finalise programmes due to Covid-19. The business plan reflects the revised completion date of WHQS following the granting of the extension.</p> <p>Estate Remodelling capital investment has also been introduced for 2021/22.</p> <p>Revised WHQS</p> <p>Welsh Government are currently developing the revised standard for WHQS and it is expected that this will not commence until January 2022 at the earliest.</p> <p>The expectation is that there will be two areas of significant change</p> <ul style="list-style-type: none"> Affordable warmth and carbon reduction Measurement and reporting <p>Welsh Government recommend that this is flagged as a developing area and that options are considered in our sensitivity analysis when developing future plans.</p> <p>SHARP</p> <p>£14.052m has been built into the 2021/22 plan for new Council housing. The programme currently has 8 schemes which will provide an additional 71 properties. One of the pipeline schemes is working in partnership with the Homelessness team to provide much needed Homeless accommodation. The business plan also assumes 50 units of new housing will be delivered each year.</p> <p>From 2021/22 Welsh Government will offer Social Housing Grant (SHG) to stock owned authorities calculated using a new Standard Viability Model. The new Model uses standard assumptions to discount income and costs over a set period to calculate the funding gap i.e. the grant allowable for each scheme. The pipeline schemes within the Business Plan have</p>

	assumed an element of SHG funding.																						
	<table border="1"> <thead> <tr> <th>Asset Investment Budget Breakdown</th> <th>£m</th> </tr> </thead> <tbody> <tr> <td>Pipeline Schemes</td> <td>7.637</td> </tr> <tr> <td>Schemes agreed in 2020/21 report</td> <td>6.415</td> </tr> <tr> <td>Total</td> <td>14.052</td> </tr> </tbody> </table>	Asset Investment Budget Breakdown	£m	Pipeline Schemes	7.637	Schemes agreed in 2020/21 report	6.415	Total	14.052														
Asset Investment Budget Breakdown	£m																						
Pipeline Schemes	7.637																						
Schemes agreed in 2020/21 report	6.415																						
Total	14.052																						
1.07	<p>Capital Funding The £34.835m capital programme will be funded by:-</p> <table border="1"> <thead> <tr> <th>WHQS & Asset Investment Funding</th> <th>£m</th> </tr> </thead> <tbody> <tr> <td>Revenue Contribution (CERA)</td> <td>13.167</td> </tr> <tr> <td>Major Repairs Allowance</td> <td>5.065</td> </tr> <tr> <td>Energy Efficiency Feed in Tariff</td> <td>0.275</td> </tr> <tr> <td>Commutated Sums</td> <td>0.074</td> </tr> <tr> <td>Prudential Borrowing</td> <td>2.202</td> </tr> <tr> <td>Total</td> <td>20.783</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>New Build Funding</th> <th>£m</th> </tr> </thead> <tbody> <tr> <td>Prudential Borrowing</td> <td>10.336</td> </tr> <tr> <td>Capital Receipts</td> <td>3.716</td> </tr> <tr> <td>Total</td> <td>14.052</td> </tr> </tbody> </table>	WHQS & Asset Investment Funding	£m	Revenue Contribution (CERA)	13.167	Major Repairs Allowance	5.065	Energy Efficiency Feed in Tariff	0.275	Commutated Sums	0.074	Prudential Borrowing	2.202	Total	20.783	New Build Funding	£m	Prudential Borrowing	10.336	Capital Receipts	3.716	Total	14.052
WHQS & Asset Investment Funding	£m																						
Revenue Contribution (CERA)	13.167																						
Major Repairs Allowance	5.065																						
Energy Efficiency Feed in Tariff	0.275																						
Commutated Sums	0.074																						
Prudential Borrowing	2.202																						
Total	20.783																						
New Build Funding	£m																						
Prudential Borrowing	10.336																						
Capital Receipts	3.716																						
Total	14.052																						
1.08	<p>Reserves There is a requirement to hold a minimum level of reserves of 3% of expenditure. As the level of financial risk in the HRA is rising due to increased borrowing levels for new build it is recommended that the HRA moves to 4% as a prudent reserve level. This equates to £205.00 per unit.</p> <p>It is also recommended that this is reviewed yearly in line with the HRA's proposed borrowing commitments and prudential debt indicators.</p>																						

2.00	RESOURCE IMPLICATIONS
2.01	The HRA is a ring fenced budget. This HRA budget and Business Plan demonstrates that the council can achieve the WHQS by 2021, can meet service improvement plans and commitments and with prudential borrowing can continue its Council house building programme in 2021.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	All households will benefit from the Councils WHQS programme. The impact of the investment planning and efficiencies is being modelled for various customer groups to ensure that there is no disproportionate impact on any groups with protected characteristics.
3.02	The Business Plan assumes a Welsh Government allocation of Major

	Repairs Allowance (MRA) for 2021/22 and beyond, however, Welsh Government have indicated that the purpose of the funding will be reviewed in the future.	
3.03	The potential impact of BREXIT on interest rates and inflation has been mitigated by increasing the estimated assumptions included in the business plan.	
3.04	Ways of Working (Sustainable Development) Principles Impact	
	Long-term	Positive – There is a commitment to increase supply to provide the right types of homes in the right location.
	Prevention	Positive – It is our aim to provide support to ensure people live and remain in the right type of home.
	Integration	Positive - Achieving WHQS for all existing council houses and delivering new social housing will contribute to the integration within communities.
	Collaboration	Positive - To deliver in partnership with stakeholders to support positive impacts for all our tenants.
	Involvement	Positive - Communication with tenants, Members and other stakeholders.
	Well-being Goals Impact	
	Prosperous Wales	Positive – Existing social homes are WHQS compliant and meet the changing housing needs. Also Providing good quality new social homes aiming for low/zero carbon. Maximising local employment and training opportunities for local people.
	Resilient Wales	Positive – Developing low / zero carbon homes through modern methods of construction and technologies. Ensuring that all statutory compliance requirements are adhered to.
	Healthier Wales	Positive – Ensuring all existing homes and new homes are fit for purpose and meet the needs of all people.
	More equal Wales	Positive - Provide good quality homes for the most vulnerable people in society.
	Cohesive Wales	Positive – Contributing to attractive, viable and safe communities
	Vibrant Wales	Positive – Ensuring all communities housing needs are supported
	Globally responsible Wales	Positive – The HRA Business Plan will

		contribute to the improvement of the economic, social, environmental and cultural wellbeing of Wales.	
--	--	-------------------------------------------------------------------------------------------------------	--

4.00	CONSULTATIONS REQUIRED / CARRIED OUT
4.01	Detailed consultation has been undertaken with tenants and elected members to inform the preparation of the WHQS investment programme.
4.02	Full local consultation is carried out for each new build scheme.
4.03	The Housing Revenue Account (HRA) 30 Year Financial Business Plan was presented to Community Housing and Assets Overview and Scrutiny Committee on the 20 th January 2021, committee supported the report.

5.00	APPENDICES
5.01	Appendix A – Summary HRA Rent Charges 2021/22.
5.02	Appendix B – Draft 30 Year HRA Financial Business Plan Summary.
5.03	Appendix C – Draft Capital Programme 2021/22.
5.04	Appendix D – Draft Pressures and Efficiencies 2021/22.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None.

7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Neal Cockerton, Chief Officer (Housing & Assets) Telephone: 01352 702500 E-mail: neal.cockerton@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	Financial Year: the period of 12 months commencing on 1 April 2021 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. Capital expenditure: money spent by the organisation on acquiring or maintaining fixed assets, such as land, buildings, and equipment.

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.

Treasury Management: the Council has adopted the Chartered Institute of Public Finance Accountants (CIPFA) Treasury Management in the Public Services: Code of Practice. Treasury Management is conducted in accordance with the Council's Treasury Management Policy and Strategy Statement and Treasury Management Practices which are both reviewed annually. All borrowing and long term financing is made in accordance with CIPFA's Prudential Code.

Major Repairs Allowance: Welsh Government grant paid to local authorities in Wales who still manage and maintain their council housing.

Appendix A

HRA Proposed Average Rent Charges		2021/22			
Property Type	No. of Properties	Target Rent 21/22	Proposed Average 21/22 Transitional Rent	Average Variance to Target Rent	
G1Bedsit	22	£ 73.19	£ 72.00	£ (1.19)	
G1bungalow	12	£ 91.00	£ 88.52	£ (2.48)	
G1Flat	159	£ 82.34	£ 80.96	£ (1.38)	
GNB1Apartment	20	£ 86.45	£ 86.03	£ (0.43)	
G1House	3	£ 91.00	£ 81.17	£ (9.84)	
G2Bungalow	3	£ 101.11	£ 98.48	£ (2.63)	
GNB2Bungalow	8	£ 106.17	£ 105.31	£ (0.87)	
G2Flat	309	£ 91.48	£ 89.97	£ (1.52)	
GNB2Apartment	20	£ 96.06	£ 95.41	£ (0.65)	
G2House	703	£ 101.11	£ 98.11	£ (3.01)	
GNB2House	68	£ 106.17	£ 104.41	£ (1.76)	
G2Maisonette	9	£ 91.48	£ 90.07	£ (1.41)	
G3Bungalow	4	£ 111.23	£ 109.17	£ (2.06)	
G3Flat	34	£ 100.63	£ 98.54	£ (2.09)	
G3Maisonette	1	£ 100.63	£ 99.00	£ (1.63)	
G3House	3,110	£ 111.23	£ 106.03	£ (5.20)	
GNB3House	32	£ 116.79	£ 114.99	£ (1.80)	
G4House	136	£ 121.34	£ 113.65	£ (7.69)	
GNB4House	1	£ 127.40	£ 127.40	£ (0.00)	
G5House	5	£ 131.45	£ 121.01	£ (10.44)	
G6House	6	£ 138.02	£ 127.33	£ (10.70)	
M1Mini Group Bungalow	299	£ 91.00	£ 88.98	£ (2.03)	
M1Mini Group Flat	115	£ 82.34	£ 81.00	£ (1.34)	
M2Mini Group Bungalow	94	£ 101.11	£ 98.29	£ (2.83)	
M2Mini Group Flat	24	£ 91.48	£ 89.78	£ (1.70)	
M3Mini Group Bungalow	1	£ 111.23	£ 109.43	£ (1.80)	
S1Sheltered Bedsit	64	£ 73.19	£ 72.11	£ (1.08)	
S1Sheltered Bungalow	848	£ 91.00	£ 89.01	£ (1.99)	
S1Sheltered Flat	322	£ 82.34	£ 80.99	£ (1.34)	
S1Sheltered House	1	£ 91.00	£ 89.53	£ (1.47)	
S2Sheltered Bungalow	512	£ 101.11	£ 97.69	£ (3.42)	
SNB2Sheltered Bungalow	4	£ 106.17	£ 106.17	£ (0.00)	
S2Sheltered Flat	305	£ 91.48	£ 89.99	£ (1.49)	
S2Sheltered House	1	£ 101.11	£ 96.66	£ (4.45)	
S2Wardens Bungalow	3	£ 101.11	£ 99.47	£ (1.64)	
S2Wardens Flat	4	£ 91.48	£ 89.99	£ (1.49)	
S2Wardens House	1	£ 101.11	£ 99.62	£ (1.49)	
S3Sheltered Bungalow	2	£ 111.23	£ 108.90	£ (2.33)	
S3Wardens Bungalow	15	£ 111.23	£ 102.08	£ (9.14)	
S3Wardens Flat	1	£ 100.63	£ 99.00	£ (1.63)	
S3Wardens House	20	£ 111.23	£ 107.02	£ (4.21)	
S4Wardens Flat	1	£ 109.78	£ 108.00	£ (1.78)	
SO3Shared Ownership Houses	12	£ 111.23	£ 106.03	£ (5.20)	
Total	7,314	£ 101.66	£ 98.05	£ (3.61)	

Note

G = General Need

GNB = General Needs New Build

S = Sheltered

M = Mini Group (over 55s with no warden service)

SO = Shared Ownership - pro rata to % of ownership

The number equates to the number of bedrooms the property has for example a G3house is a general need 3 bed house.

This page is intentionally left blank

		Income							Expenditure					Net Cost of HRA Services		Surplus / (Deficit) in Year on HRA Services			Surplus / (Deficit) for the Year		HRA Surplus / (Deficit) b/f		HRA Surplus / (Deficit) c/f	
Year	Year	Rental Income £'000	Void Losses £'000	Non-Dwelling Rents £'000	Charges For Services £'000	SP Grant £'000	Other Income £'000	Total Income £'000	S&M - General £'000	Responsive & Cyclical £'000	Debt Mgmt Expenses £'000	Bad Debts £'000	Total Expenditure £'000	Net Cost of HRA Services £'000	Interest Charges £'000	Repayment of Arranged Loans £'000	CERA £'000	Surplus / (Deficit) £'000	HRA Surplus / (Deficit) £'000	HRA Surplus / (Deficit) £'000				
1	2021/22	37,384	-799	464	350	194	476	38,069	-6,203	-10,430	-47	-788	-17,468	20,600	-5,339	15,261	-2,660	-13,166	-565	2,008	1,443			
2	2022/23	38,594	-821	473	380	194	476	39,296	-6,168	-10,675	-47	-768	-17,658	21,638	-5,592	16,046	-2,858	-10,755	2,434	1,443	3,877			
3	2023/24	39,599	-841	275	387	194	476	40,090	-6,240	-10,847	-47	-787	-17,921	22,169	-5,767	16,403	-2,922	-11,076	2,405	3,877	6,282			
4	2024/25	41,440	-880	287	395	194	476	41,912	-6,318	-11,024	-47	-824	-18,213	23,699	-5,991	17,707	-3,038	-11,405	3,265	6,282	9,546			
5	2025/26	41,771	-887	287	403	194	476	42,244	-6,496	-11,266	-48	-830	-18,641	23,602	-6,216	17,387	-3,154	-11,571	2,662	9,546	12,208			
6	2026/27	42,898	-910	292	411	194	476	43,361	-6,628	-11,514	-49	-853	-19,044	24,317	-6,439	17,878	-3,270	-11,909	2,699	12,208	14,907			
7	2027/28	44,054	-934	298	419	194	476	44,507	-6,789	-11,766	-50	-876	-19,482	25,025	-6,663	18,363	-3,385	-12,254	2,723	14,907	17,630			
8	2028/29	45,238	-959	304	428	194	476	45,681	-6,953	-12,025	-51	-899	-19,929	25,752	-6,885	18,867	-3,500	-12,606	2,761	17,630	20,391			
9	2029/30	46,453	-985	310	436	194	476	46,885	-7,122	-12,289	-52	-923	-20,386	26,498	-7,107	19,392	-3,615	-12,965	2,811	20,391	23,202			
10	2030/31	48,601	-1,030	321	445	194	476	49,007	-7,323	-12,558	-53	-966	-20,901	28,105	-7,329	20,777	-3,730	-13,426	3,621	23,202	26,824			
11	2031/32	48,813	-1,034	323	454	194	476	49,226	-7,455	-12,822	-55	-970	-21,302	27,924	-7,442	20,482	-3,844	-13,886	2,751	26,824	29,574			
12	2032/33	49,789	-1,055	329	463	194	476	50,197	-7,604	-13,078	-56	-990	-21,728	28,469	-7,448	21,021	-3,848	-14,465	2,708	29,574	32,283			
13	2033/34	50,785	-1,076	336	472	194	476	51,187	-7,756	-13,340	-57	-1,010	-22,163	29,025	-7,376	21,648	-3,851	-14,932	2,866	32,283	35,149			
14	2034/35	51,801	-1,097	342	482	194	476	52,197	-7,912	-13,607	-58	-1,030	-22,606	29,592	-7,229	22,363	-3,774	-15,410	3,180	35,149	38,329			
15	2035/36	53,837	-1,141	355	491	194	476	54,212	-8,104	-13,879	-59	-1,070	-23,112	31,100	-7,084	24,016	-3,698	-15,693	4,625	38,329	42,954			
16	2036/37	53,894	-1,142	356	501	194	476	54,279	-8,231	-14,156	-60	-1,071	-23,519	30,760	-6,942	23,818	-3,624	-16,189	4,005	42,954	46,959			
17	2037/38	54,971	-1,165	363	511	194	476	55,351	-8,396	-14,439	-61	-1,093	-23,989	31,362	-6,804	24,558	-3,552	-16,696	4,310	46,959	51,269			
18	2038/39	56,071	-1,188	371	521	194	476	56,445	-8,564	-14,728	-63	-1,115	-24,469	31,976	-6,668	25,308	-3,481	-17,215	4,612	51,269	55,882			
19	2039/40	57,192	-1,212	378	532	194	476	57,561	-8,735	-15,023	-64	-1,137	-24,959	32,602	-6,534	26,068	-3,411	-17,746	4,910	55,882	60,792			
20	2040/41	58,336	-1,236	386	542	194	476	58,698	-8,949	-15,323	-65	-1,160	-25,497	33,201	-6,403	26,798	-3,343	-18,290	5,165	60,792	65,957			
21	2041/42	60,629	-1,285	400	553	194	476	60,967	-9,088	-15,630	-67	-1,205	-25,989	34,978	-6,275	28,702	-3,276	-18,762	6,664	65,957	72,621			
22	2042/43	60,693	-1,286	401	564	194	476	61,043	-9,270	-15,942	-68	-1,207	-26,486	34,556	-6,150	28,406	-3,210	-19,481	5,715	72,621	78,336			
23	2043/44	61,907	-1,311	409	576	194	476	62,250	-9,455	-16,261	-69	-1,231	-27,016	35,234	-6,027	29,207	-3,146	-19,977	6,084	78,336	84,420			
24	2044/45	63,145	-1,338	417	587	194	476	63,482	-9,644	-16,586	-71	-1,255	-27,556	35,925	-5,906	30,019	-3,083	-20,483	6,452	84,420	90,872			
25	2045/46	64,408	-1,364	426	599	194	476	64,738	-9,883	-16,918	-72	-1,280	-28,153	36,585	-5,788	30,797	-3,022	-20,749	7,026	90,872	97,898			
26	2046/47	65,696	-1,392	434	611	194	476	66,019	-10,034	-17,256	-73	-1,306	-28,670	37,350	-5,672	31,677	-2,961	-21,271	7,445	97,898	105,343			
27	2047/48	68,278	-1,447	450	623	0	476	68,380	-10,234	-17,601	-75	-1,358	-29,268	39,112	-5,559	33,553	-2,902	-21,803	8,848	105,343	114,191			
28	2048/49	68,350	-1,448	452	635	0	476	68,465	-10,439	-17,954	-76	-1,359	-29,828	38,637	-5,448	33,189	-2,844	-22,346	7,999	114,191	122,190			
29	2049/50	69,717	-1,477	461	648	0	476	69,825	-10,648	-18,313	-78	-1,386	-30,424	39,401	-5,339	34,062	-2,787	-22,900	8,375	122,190	130,565			
30	2050/51	71,111	-1,506	470	661	0	476	71,212	-10,914	-18,679	-79	-1,414	-31,086	40,126	-5,232	34,894	-2,731	-23,465	8,698	130,565	139,264			
31	2051/52	72,534	-1,537	479	674	0	476	72,627	-11,078	-19,052	-81	-1,442	-31,654	40,973	-5,127	35,846	-2,677	-29,381	3,788	139,264	143,052			
32	2052/53	75,384	-1,597	497	688	0	476	75,448	-11,300	-19,433	-83	-1,499	-32,315	43,133	-5,025	38,108	-2,623	-30,256	5,229	143,052	148,280			
33	2053/54	75,464	-1,599	499	702	0	476	75,542	-11,526	-19,822	-84	-1,500	-32,932	42,609	-4,924	37,685	-2,571	-30,861	4,253	148,280	152,533			
34	2054/55	76,973	-1,631	509	716	0	476	77,043	-11,756	-20,219	-86	-1,530	-33,591	43,452	-4,826	38,626	-2,519	-31,479	4,628	152,533	157,161			
35	2055/56	78,513	-1,663	519	730	0	476	78,574	-11,991	-20,623	-88	-1,561	-34,263	44,311	-4,729	39,582	-2,469	-31,803	5,311	157,161	162,472			
36	2056/57	80,083	-1,696	529	744	0	476	80,136	-12,231	-21,035	-90	-1,592	-34,948	45,188	-4,635	40,553	-2,420	-32,439	5,695	162,472	168,167			
37	2057/58	81,685	-1,730	540	759	0	476	81,729	-12,476	-21,456	-91	-1,624	-35,647	46,082	-4,542	41,540	-2,371	-33,087	6,082	168,167	174,248			
38	2058/59	83,318	-1,765	551	775	0	476	83,354	-12,725	-21,885	-93	-1,656	-36,360	46,994	-4,451	42,543	-2,324	-33,749	6,470	174,248	180,719			
39	2059/60	86,593	-1,835	571	790	0	476	86,595	-12,980	-22,323	-95	-1,722	-37,119	49,475	-4,362	45,113	-2,277	-34,424	8,412	180,719	189,130			
40	2060/61	86,684	-1,836	573	806	0	476	86,703	-13,239	-22,769	-97	-1,723	-37,829	48,874	-4,275	44,599	-2,232	-35,113	7,254	189,130	196,385			

This page is intentionally left blank

HRA Capital Programme 2021/22

Appendix C

HRA Capital Programme	£'m
Investment Works	
Renewables / Alternative Technology	0.510
	0.510
WHQS	
Internal Works	5.818
Envelope Works	8.786
Externals	0.888
Total WHQS	15.493
Non WHQS	
Disabled Facility Grants (DFG) - Mandatory/ Minor Adaps	1.114
Asbestos	0.561
Fire Risk Assessments Work	0.541
General DDA Work	0.185
	2.401
Fees	
Capitalised salaries	1.037
	1.037
Regeneration of stock	
Estate remodelling	1.342
	1.342
	20.783
SHARP Programme	
Anticipated spend in 21/22	14.052
Total SHARP Programme	14.052
Total Capital Spend	34.835

This page is intentionally left blank

HRA Business Planning 21/22

Efficiencies/Use of one off funding

No	Section	Description	Recurring/ One Off	2021/22 £m	Narrative
1	All - Salaries	Change in pension costs	Recurring	(0.201)	Following Actuarial review 4% SuperAnn reduction
2	Repairs and Maintenance	Introduction of Job Scheduling for Responsive Repairs	Recurring	(0.038)	Efficencies secured through maximising trades time
4	Landlord Services	Reduction in servicing costs	Recurring	(0.018)	Reduction in expected costs for 21.22
		Total Efficiencies to HRA		(0.257)	

Cost Pressures

No	Section	Description	Recurring/ Non-recurring	2021/22 £m	Narrative
1	All - Salaries	Increase in basic pay	Recurring	0.060	2.75% pay increase
2	Estate Management	Arrears Management Software	Recurring	0.065	New budget provision
3	Landlord Services	Streetscene Garden Contract	Recurring	0.030	Management fee for Streetscene
4	Management & Support	Health and Safety Officer	Recurring	0.053	Specific Housing support required
5	Rents	Water void costs	Recurring	0.067	Increase in budget to align with actual spend
6	Rents	Void rate at 2%	Recurring	0.066	BP void rate 1.75%, increase to 2% to reflect current trend
7	Rents	Garage voids	Recurring	0.053	Increase voids rate from 33% to 40%
8	Rents	Service charges held at 20.21 rates	One-off	0.068	A freeze in service charge increases for 1 year
9	Rents	Reduction in water commission	Recurring	0.042	Reduction in water commission fro HelpU tenants
10	Repairs and Maintenance	Technical Support	Recurring	0.028	Business case completed
11	Repairs and Maintenance	Initial IT costs - Job Scheduling	One-Off	0.074	Invest to Save
12	Repairs and Maintenance	Job Scheduling annual charges	Recurring	0.004	Annual licence/maintenance costs
		Total pressures to HRA		0.550	
		Net Revenue Pressure 2021/22		0.293	

This page is intentionally left blank



CABINET

Date of Meeting	Tuesday 16 th February 2021
Report Subject	Strategic Housing and Regeneration Programme (SHARP) Update Report
Cabinet Member	Cabinet Member for Housing
Report Author	Chief Officer (Housing and Assets)
Type of Report	Strategic

EXECUTIVE SUMMARY

This report updates on the progress of the SHARP housebuilding programme for Social, Affordable Rent and Shared Equity properties.

The report also sets out changes in housing need, and the rationale for reviewing and revising the tenure types for future property development. The report also covers the complementary delivery routes being actively pursued alongside NEW Homes including the acquisition of Section 106 properties, Design and Build Packages and the availability of the Housing Construction North and Mid-Wales Framework Agreement.

RECOMMENDATIONS

1	To note progress with SHARP to date.
2	To support the use delivery routes for new social and affordable rent homes including the Housing Construction North and Mid-Wales Framework Agreement.
3	To support the re-allocation of £121K budget for scheme investigation and feasibility works to support new delivery routes.

REPORT DETAILS

1.00	BACKGROUND STRATEGIC HOUSING AND REGENERATION PROGRAMME (SHARP) UPDATE REPORT																						
1.01	The Welsh Government's 'Prosperity for All: the national strategy' recognises the central importance of affordable homes, and the role which housing plays in society. In recent times, both the Council and stakeholder partners have stepped in to address the impact of many families struggling to afford food during lockdown the devastation caused by repeat flooding and the impact of the COVID-19 outbreak. All of this work has taken place while continuing with the ever-present challenges of delivering social and affordable housing, high quality care and support services and activity to, or regenerate local communities.																						
1.02	Flintshire was one of the first local authorities in Wales to re-commence building social and affordable housing through its Strategic Housing And Regeneration programme (SHARP) with the aim of delivering up to 500 new Council Social Rented and Affordable Rented properties over a five year period, along with a number of broader economic and regeneration strategic priorities. The Council is working with Wates Construction under a strategic partnership relationship as defined within the Overarching Agreement for SHARP dated 29 th April 2016.																						
1.03	Current Position SHARP																						
1.04	<p>The table below summarises the current position with SHARP.</p> <table border="1" data-bbox="320 1153 1197 2063"> <thead> <tr> <th colspan="2" data-bbox="320 1153 1197 1234"></th> </tr> <tr> <th colspan="2" data-bbox="320 1234 1197 1294">SHARP Property Numbers as at 27th January 20201</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 1294 874 1400">Completed Housing Revenue Account (HRA) Social Rent</td> <td data-bbox="874 1294 1197 1400">149</td> </tr> <tr> <td data-bbox="320 1400 874 1505">Completed NEW Homes (Affordable Rent)</td> <td data-bbox="874 1400 1197 1505">93</td> </tr> <tr> <td data-bbox="320 1505 874 1568">Completed Private Sales</td> <td data-bbox="874 1505 1197 1568">26</td> </tr> <tr> <td data-bbox="320 1568 874 1673">On-Site Low Cost Home Ownership (Shared Equity)</td> <td data-bbox="874 1568 1197 1673">22</td> </tr> <tr> <td data-bbox="320 1673 874 1778">On-Site Housing Revenue Account (HRA)</td> <td data-bbox="874 1673 1197 1778">0</td> </tr> <tr> <td data-bbox="320 1778 874 1883">On-Site NEW Homes (Affordable Rent)</td> <td data-bbox="874 1778 1197 1883">0</td> </tr> <tr> <td data-bbox="320 1883 874 1946">On-Site Private Sales</td> <td data-bbox="874 1883 1197 1946">86</td> </tr> <tr> <td data-bbox="320 1946 874 2009">Cabinet Approved</td> <td data-bbox="874 1946 1197 2009">41</td> </tr> <tr> <td data-bbox="320 2009 874 2072">Awaiting Cabinet Approval</td> <td data-bbox="874 2009 1197 2072">30</td> </tr> </tbody> </table>			SHARP Property Numbers as at 27th January 20201		Completed Housing Revenue Account (HRA) Social Rent	149	Completed NEW Homes (Affordable Rent)	93	Completed Private Sales	26	On-Site Low Cost Home Ownership (Shared Equity)	22	On-Site Housing Revenue Account (HRA)	0	On-Site NEW Homes (Affordable Rent)	0	On-Site Private Sales	86	Cabinet Approved	41	Awaiting Cabinet Approval	30
SHARP Property Numbers as at 27th January 20201																							
Completed Housing Revenue Account (HRA) Social Rent	149																						
Completed NEW Homes (Affordable Rent)	93																						
Completed Private Sales	26																						
On-Site Low Cost Home Ownership (Shared Equity)	22																						
On-Site Housing Revenue Account (HRA)	0																						
On-Site NEW Homes (Affordable Rent)	0																						
On-Site Private Sales	86																						
Cabinet Approved	41																						
Awaiting Cabinet Approval	30																						

	Total	447	
1.05	These schemes will be the final schemes which the existing arrangements allow through the Overarching Agreement with Wates which comes to an end in April 2021.		
1.06	Homes delivered outside of the SHARP		
1.07	In addition to SHARP, the Council and NEW Homes in partnership have delivered a further 148 social (9) and affordable (139) homes. These have been delivered by North East Wales Homes as detailed below.		
	Non-SHARP Property Numbers as at 21st January 2021 (Completions)		
	Housing Revenue Account (HRA) Social Rent "Gifted" properties	4	
	Housing Revenue Account (HRA) Purchase of Right-to-Buy Properties	5	
	Completed NEW Homes (Affordable Rent) Section 106 "Gifted" properties	61	
	Completed NEW Homes (Affordable Rent) Section 106 "Purchase" properties	15	
	NEW Homes Board Approved	63	
	Total	148	
1.08	Section 106 Gifted		
1.09	These properties are transferred to NEW Homes as "unencumbered assets" and have been an important source of growth for the company during its formative years and has helped it reach a total of 159 properties. The positive working relationship which has evolved between the Council, NEW Homes and construction partners through the development of this product has facilitated the rapid delivery of a high quality product in communities where the availability of Affordable Rent properties has enabled local people to remain within their community.		
1.10	NEW Homes currently has 61 Section 106 Gifted units and are anticipating to receive a further 12 homes from developers meeting their affordable housing provision obligations through Section 106 Agreements.		
1.11	Four new bungalows have also been gifted to the Council HRA at Pen Pentre, Sychdyn as part of a developers Section 106 affordable housing contribution. Tenants moved into these properties in August 2020.		

1.12	Section 106 Purchase
1.13	NEW Homes has built on the positive relationship it has developed with local contractors by purchasing Section 106 units. These require minimum resource and are bought at a maximum of 70% of the open market value of the properties. To date, 15 units have been purchased using this approach with the purchase of 4 properties at Northop Hall approved by the NEW homes Board.
1.14	Buy Back of Former Right to Buy Properties
1.15	In addition to NEW Homes, the Council's Housing Revenue Account has also purchased five former Right to Buy properties. The purchase of Section 106 properties by the HRA is now being actively pursued.
1.16	Package Deals with housing associations and private developers
1.17	All of the schemes developed through the SHARP have been undertaken using the Council's own land. However, following the findings of the "Independent Review of Affordable Housing Delivery" which was published in April 2019, the Welsh Government is encouraging local authorities and housing associations (HAs) to work collaboratively by sharing skills, capacity and resources to deliver schemes, including "Design and Package Deals". These require less resource as the developer will provide the upfront finance and expertise and bring the scheme through the planning process – from scheme inception through to delivery on site.
1.18	The NEW Homes Board has approved the delivery of 47 properties to be delivered through package deals.
1.19	If the total number of properties for both the SHARP and NON-SHARP schemes are combined, a total of 565 (SHARP 447 + NON-SHARP 118 = 565).
1.20	Future Council aspirations for affordable house building in Flintshire
1.21	The legislative changes and policy developments which have taken place in Wales during recent years have bought a real base to deliver radical changes to some of our societal, economic and environmental challenges. In light of these policy changes over the past five years and the imminent end of the SHARP contract, it is timely that the Council and North East Wales Homes have both been actively developing and utilising alternative delivery arrangements to realise the Welsh Government's ambitions for housing providers to build at " <i>pace and scale</i> " to meet increasing demand.
1.22	Current Housing Need in Flintshire
1.23	SARTH Housing Register

1.24	<p>As at August 2020, there are approx.1900 households on the social housing register (SARTH) of which:</p> <ul style="list-style-type: none"> • Approx. 150 households in band 1 (highest priority need) for social housing; • the majority of applicants on the register, approximately 1090 require 1 bedroom accommodation, with 542 requiring 2 bedroom accommodation; and • over 500 applicants require ground floor accommodation. <p>The highest demand areas are Flint, Mold and Mynydd Isa, Buckley, Connah's Quay, Queensferry and Shotton.</p>
1.25	Tai Teg Affordable Housing Register
1.26	<p>Tai Teg advertises properties as they become available for purchase/ rent. Individuals apply for these properties through Tai Teg and are assessed based on eligibility criteria.</p> <p>There are currently 120 applicants registered for purchase in Flintshire and 216 applicants registered for rent.</p> <p>The highest demand areas for rent and purchase are Buckley, Mold and Mynydd Isa, Connah's Quay.</p> <p>The majority of applicants require 2 and 3 bed houses.</p> <p>The Council held a publicity campaign (using press release and Twitter) during September to promote the Tai Teg register and raise awareness about affordable housing opportunities.</p>
1.27	Specialist Housing Register
1.28	<p>There are 54 households on the Specialist Housing register. Of these households, 47 applicants require an adapted property e.g. wheelchair accessible/ level access. A further 7 applicants need a large family house (i.e. 4 bed plus).</p> <p>Housing Strategy is working with social services and housing allocations to enhance collaborative working and improve the housing opportunities within the new build programme for different cohorts of people who have specific housing need e.g. care leavers, people with learning difficulties, adaptations etc.</p>
1.29	Housing Revenue Account (HRA) Business Plan
1.30	<p>The Council's HRA business Plan has a prudent target of 50 new social units per year based upon the existing funding regime which is self-financed by the Council. All of the units delivered to date have been delivered without the availability of Welsh Government capital grant.</p>

1.31	<p>However, it is likely as part of its review of affordable housing in Wales, capital funding may become available to local authorities in Wales to develop new social and affordable housing which is additional to what is currently projected in the Council’s Business Plan. Whilst further detail is being awaited from Welsh Government, local authorities are being encouraged to develop plans for new housing schemes in readiness for any new capital funding regime.</p> <p>Initial indications are that new build properties should be at zero net carbon (EPC A) to be able to access Welsh Government grant.</p>
1.32	<p>Welsh Government Land Release Fund (LRF)</p>
1.33	<p>In December 2020 Welsh Government invited funding bids for its Land Release Fund Programme. The purpose of the funding is to help local authorities and Registered Providers bring forward “stalled” sites for residential use (Pre Construction Activity).</p> <p>Two Bids totalling £213.5k were submitted for two sites in Connah’s Quay at Glynne Street (£48k) and Ffordd Llanarth (£165.5k). One of the main conditions being that the works are to be completed by 31st March 2021.</p> <p>The purpose of the funding is to bring together a Project Design Team to oversee the development of two inter-dependent schemes intended to:-</p> <ul style="list-style-type: none"> • Bring forward stalled sites utilising Modern Methods of Construction (MMC); • Develop homes that are certified as Passivhaus and adopt Active Building design principles; • Maximise positive impact on the local economy by using local contractors for example through the North Wales Construction Framework; • Integrate renewable energy generation and storage technologies; • Undertake enhanced energy modelling throughout the design process • Adopt an enhanced data based approach to building monitoring and control • Ensure integration of electric vehicles such as cars, bicycles and buses <p>If successful, the funding from the Land Release Fund will be used to bring forward these two challenging sites for the provision of a projected 30 new social and affordable housing on existing Council owned land in Connah’s Quay.</p>
1.34	<p>North East Wales Homes Development Strategy</p>
1.35	<p>NEW Homes growth strategy therefore will focus on building 50 units a year through the following streams.</p> <ul style="list-style-type: none"> • Gifted S106 units

	<ul style="list-style-type: none"> • Developer S106 purchase • Land and build package deals • Partnership sites with the Council.
1.36	<p>In the absence of any Welsh Government capital subsidy, NEW Homes growth strategy has been partly funded through the availability of commuted sums and shared equity monies which the Council has received through the delivery of new market sales schemes. Whilst approximately £600K has been allocated to future schemes by NEW Homes, there is no guarantee further sums on this scale will be available in the future to maintain the current pace and scale of new developments. In this instance, the availability of Welsh Government capital grant is essential to maintain the progress which the company has made has been made in recent years.</p>
1.37	<p>Self-Build</p>
1.38	<p>Self-Build Wales is delivered on behalf of the Welsh Government by the Development Bank of Wales. WG views self-build as a complementary approach to housebuilding and they would like to see all Local Authorities offer the scheme as it can provide a meaningful contribution to housing supply.</p> <p>Self-Build Wales seeks to encourage individuals, families or communities to build their own homes and provides an alternative route into home ownership. The scheme aims to remove developer profits and provides the opportunity to build a home that is tailored to needs, lifestyle and at a more affordable budget. Homes will be sustainable, high quality and with good design, built using local labour and materials, keeping expenditure in Wales.</p> <p>The financial model is administered by the Development Bank of Wales to help provide a loan to purchase the plot and complete the construction of the house. This is repaid when the house is complete the individual can then mortgage the property.</p> <p>Local Authorities, Housing Associations and private land owners can contribute land to the scheme and provide build ready 'plots' (with services and planning permission in place). The plots are made available for people to purchase at open market value. Once purchased the individual is supported through the Development Bank to complete the construction process. The Council can define an eligibility criteria for those wishing to purchase e.g. local connection/ key workers etc. Individuals apply for the scheme and plots through the Self Build Wales website.</p> <p>The Council is exploring opportunities to provide a small number of self-build plots within an existing development to trial the scheme.</p> <p>More information can be found at: https://selfbuild.wales/</p>
1.39	<p>Housing Construction North and Mid-Wales Framework Agreement</p>

1.40	<p>In addition to the delivery streams outlined earlier in this report, a further strategic development designed to promote greater partnership working through local and regional procurement frameworks, to support local supply chains has seen the establishment of the Housing Construction North And Mid-Wales Framework Agreement. This framework has been established by the Welsh Procurement Alliance (WPA) who were asked by all North and Mid-Wales local authorities and zoned housing associations across the region for assistance to make the procurement of new-build housing developments more efficient and in compliance with public sector procurement rules.</p>
1.41	<p>A core principle is the need to encourage as many local contractors to bid to be on the framework as possible. The framework needed to:</p> <ul style="list-style-type: none"> • ensure compliance with public sector procurement rules • provide a quick and easy procurement process • allow for early engagement with local contractors • deliver value for money offer measurable community benefits • Maintain the quality of the developments. <p>At the same time the solutions offered by the framework needed to:</p> <ul style="list-style-type: none"> • be mindful of energy efficiency and the decarbonisation agenda • take into account the Wellbeing of Future Generations Act 201 • provide a collaborative approach with shared expertise and resources
1.42	<p>Framework and Specification</p>
1.43	<p>The framework will be used for the building of all types of housing, including bungalows, flats and apartments, care homes and sheltered and shared accommodation, covering all forms of tenure.</p>
1.44	<p>It also provides for the delivery of associated community buildings to residential developments (such as hubs and sporting facilities e.g. meeting places, health and care centres, recreational facilities and libraries) plus, any associated commercial facilities such as car parks and retail units. However, whilst scope for this associated development is included, bidders were not substantively evaluated on this aspect of development, and clients seeking to commission such developments (permissible only as incidental to a residential scheme) will be advised to carry out a mini competition. Capability to compete such developments was also not criteria for selection.</p>
1.45	<p>The framework is divided into four work streams across different geographical areas.</p> <ul style="list-style-type: none"> • Projects of up to 5 units on single or multiple sites • Projects of 6 to 15 units on single or multiple sites • Projects of 16 to 49 units on single or multiple sites

	<ul style="list-style-type: none"> Projects of 50+ units on single or multiple sites.
1.46	Modern Methods of Construction (MMC)Offsite solutions
1.47	The tenderer's contracting package may include an offsite system and works offered shall satisfy the performance requirements set out in the framework specification (Section DD3). Where an Appointed Company proposes to use an offsite system for use in the construction of buildings under the framework, they shall provide full details of the proposed suppliers. The construction of the system shall be in accordance with the relevant manufacturer's instructions using an appropriately trained or qualified workforce.
1.48	Standards
1.49	All housing for Wales shall meet the Welsh Government's Development Quality Requirements (DQR). The requirements of the DQR shall take precedent over the general specification provided with the ITT where relevant and shall be considered when pricing works under the framework. Any future call-offs must be in line with the DQR or subsequent requirements set by the Welsh Government following its current consultation process. The products and services offered shall be capable of complying, as a minimum, with all relevant British, European and International standards, 'or equivalent'.
1.50	Procurement and Project Support
1.51	WPA are able to provide procurement advice and technical support relating to project requirements and can assist at various stages from inception to completion, including; <ul style="list-style-type: none"> Aggregation of demand especially regarding offsite construction Project specifications, adhering to regulations and standards Planning and Building Regulations advice including self-certification schemes Independent evaluation of tenders as part of your client team Post-tender mathematical checks to ensure price validity Price validations, verifying prices against framework rates Attendance at prestart meetings and subsequent project monitoring Interventions should contractors not perform
1.52	Community Benefits
1.53	The tender process included evaluation of suppliers in relation to general corporate, social responsibilities, delivery of community benefit projects and social value initiatives. WPA also encourage our clients to include project-specific community benefits initiatives in their call-off contracts. As a not for profit organisation, WPA intends to re-invest any surplus income generated through its procurement activity to support community benefits projects and social value initiatives in the local communities we serve.

1.54	Scheme investigation and feasibility Works
1.55	The Council currently has an annual budget of £121K allocated for scheme investigation and feasibility for schemes in the SHARP. As these works have now been undertaken for all of the schemes in the SHARP pipeline, it is proposed that this budget is now used to assist bringing forward new schemes using the Housing Construction North and Mid-Wales Framework Agreement.

2.00	RESOURCE IMPLICATIONS
2.01	In the Spring Budget in 2020, the UK Government announced a new, discounted rate of Public Works Loan Board (PWLB) lending to support social housing in England, Scotland and Wales, this new rate is available to any local authority with an HRA for loans that will finance expenditure within that account. The value of this discount is 100 basis points (1.00%) below the rate at which the local authority currently borrows from PWLB. The Council is only able to access this rate if it ensures this borrowing is solely used as funding within the HRA.
2.02	Given the above development and the imminent announcement of capital grant funding becoming available for social and affordable new build housing programmes, both the HRA Business Plan and NEW homes Growth Strategy will be reviewed to reflect the emerging financial position and funding arrangements.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	<p>The key risks are:</p> <ol style="list-style-type: none"> 1. Not meeting local affordable housing need - The provision of affordable housing ensures that all of the county's residents have a greater opportunity access their own home. If we do not meet this need, homelessness will increase impacting on the Council's budget. 2. Not maximising the impact of commuted sum income in addressing the affordable housing shortage in Flintshire – the Council has its own delivery targets to ensure efficient delivery of affordable housing in areas of greatest need. 3. The environmental impact - This is considered and mitigated during the construction phase. All affordable homes built will meet modern standards for sustainability and energy efficiency and the Flintshire Housing Standard.
3.02	<p>All housing schemes delivered through the SHARP are considered and approved by Cabinet. Oversight and monitoring of the SHARP is done through the Housing and Regeneration Programme Board.</p> <p>All schemes are financially assessed to ensure they meet agreed financial parameters for additional borrowing in the HRA and NEWH.</p>

	<p>WG are also working in partnership with all Councils with HRA stock to ensure borrowing prudential indicators are monitored with their business plans to ensure sustainability of borrowing in the HRA.</p>																			
3.03	<p>Ways of Working (Sustainable Development) Principles Impact</p> <table border="1"> <tr> <td>Long-term</td> <td>Positive - more affordable homes will be provided in the right location.</td> </tr> <tr> <td>Prevention</td> <td>Preventing - preventing people becoming homeless through ensuring there is relevant services and accommodation available.</td> </tr> <tr> <td>Integration</td> <td>Positive – the delivery of a range of affordable homes will contribute to Integration within communities.</td> </tr> <tr> <td>Collaboration</td> <td>Positive – the proposed financial arrangements will facilitate greater collaboration between the Council and the local communities which it serves.</td> </tr> <tr> <td>Involvement</td> <td>Positive - the Council has consulted extensively with the local community on the proposed scheme.</td> </tr> </table> <p>Well-being Goals Impact</p> <table border="1"> <tr> <td>Prosperous Wales</td> <td>Providing good quality affordable homes, aiming for low / zero carbon. Also ensuring the homes are in the place that people need them and will meet their housing needs. Maximising local employment and training opportunities for local people.</td> </tr> <tr> <td>Resilient Wales</td> <td>Positive - Developing low / zero carbon homes though adopting modern methods of construction and other relevant technologies.</td> </tr> <tr> <td>Healthier Wales</td> <td>Positive - Ensuring our homes are fit for purpose and will enable people to stay in their home for longer, and ensuring we have homes that meet the needs of all people in our society including those who are most vulnerable supporting their wellbeing.</td> </tr> <tr> <td>More equal Wales</td> <td>Positive - Providing good quality and</td> </tr> </table>		Long-term	Positive - more affordable homes will be provided in the right location.	Prevention	Preventing - preventing people becoming homeless through ensuring there is relevant services and accommodation available.	Integration	Positive – the delivery of a range of affordable homes will contribute to Integration within communities.	Collaboration	Positive – the proposed financial arrangements will facilitate greater collaboration between the Council and the local communities which it serves.	Involvement	Positive - the Council has consulted extensively with the local community on the proposed scheme.	Prosperous Wales	Providing good quality affordable homes, aiming for low / zero carbon. Also ensuring the homes are in the place that people need them and will meet their housing needs. Maximising local employment and training opportunities for local people.	Resilient Wales	Positive - Developing low / zero carbon homes though adopting modern methods of construction and other relevant technologies.	Healthier Wales	Positive - Ensuring our homes are fit for purpose and will enable people to stay in their home for longer, and ensuring we have homes that meet the needs of all people in our society including those who are most vulnerable supporting their wellbeing.	More equal Wales	Positive - Providing good quality and
Long-term	Positive - more affordable homes will be provided in the right location.																			
Prevention	Preventing - preventing people becoming homeless through ensuring there is relevant services and accommodation available.																			
Integration	Positive – the delivery of a range of affordable homes will contribute to Integration within communities.																			
Collaboration	Positive – the proposed financial arrangements will facilitate greater collaboration between the Council and the local communities which it serves.																			
Involvement	Positive - the Council has consulted extensively with the local community on the proposed scheme.																			
Prosperous Wales	Providing good quality affordable homes, aiming for low / zero carbon. Also ensuring the homes are in the place that people need them and will meet their housing needs. Maximising local employment and training opportunities for local people.																			
Resilient Wales	Positive - Developing low / zero carbon homes though adopting modern methods of construction and other relevant technologies.																			
Healthier Wales	Positive - Ensuring our homes are fit for purpose and will enable people to stay in their home for longer, and ensuring we have homes that meet the needs of all people in our society including those who are most vulnerable supporting their wellbeing.																			
More equal Wales	Positive - Providing good quality and																			

		decent homes for the most vulnerable people in society including temporary, single household, adapted etc.
	Cohesive Wales	Positive - Contributing to attractive, viable, safe and well-connected communities through promoting good design and collaborative delivery.
	Vibrant Wales	Positive - Ensuring our communities are diverse through good communication of housing opportunities and support.
	Globally responsible Wales	Positive - The outcomes of the strategy will contribute to improving the economic, social, environmental and cultural wellbeing of Wales.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	None required as part of this report.

5.00	APPENDICES
5.01	None.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>The North & Mid Wales framework information is at:</p> <p>https://welshprocurement.cymru/frameworks/housing-construction-north-and-mid-wales/</p> <p>Link to Welsh government's Sell to Wales website is at:</p> <p>https://selfbuild.wales/</p>

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Melville Evans, Housing Programmes Manager Telephone: 01352 701436 E-mail: Melville.evans@flintshire.gov.uk</p>

8.00	GLOSSARY OF TERMS
8.01	<p>Strategic Housing And Regeneration Programme (SHARP) – Flintshire County Council House Building Programme which will build 500 new homes (303 Council) and 197 (affordable).</p> <p>Welsh Housing Quality Standard (WHQS) - Flintshire County Council will be spending £111 million over six years on a major refurbishment and maintenance programme of works bring its 7,200 Council homes up to the Welsh Government’s Welsh Housing Quality Standard (WHQS) new properties across the Council during the next five years.</p> <p>Standard Development Scheme Assumptions - agreed allowances for voids; maintenance costs; rental income levels (including CPI etc.) and will be used to assess all potential future development schemes to determine Scheme feasibility and viability.</p>

This page is intentionally left blank



CABINET

Date of Meeting	Tuesday, 16 th February 2021
Report Subject	Strategic Equality Plan Annual Report 2019/20
Cabinet Member	Cabinet Member for Corporate Management and Assets
Report Author	Chief Executive
Type of Report	Strategic

EXECUTIVE SUMMARY

The purpose of this report is to present the annual Strategic Equality Plan Annual Report 2019/20, attached as appendix 1.

The Council published its equality objectives and four year Strategic Equality Plan (SEP) in April 2016, to meet the requirements of the Public Sector Equality Duties (PSED) as set out in the Equality Act 2010. The aim of equality objectives is to address the most significant issues and areas of inequality that face people from the protected groups (people sharing one or more protected characteristic age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation).

The Equality Act 2010 specific duties Wales require an annual report on progress on meeting the PSED, and to achieving the objectives set out in the SEP, be published by 31 March each year. The attached reports highlight the Council's progress implementing the SEP and meeting our equality objectives during 2019/2020.

RECOMMENDATIONS

1	Cabinet is assured that progress has been made during the year to meet our statutory duties.
2	Cabinet endorse the progress made against the Strategic Equality Plan 2019/20, prior to publication of the annual report on the Council website.

REPORT DETAILS

1.00	EXPLAINING THE STRATEGIC EQUALITY PLAN ANNUAL REPORT
1.01	The Council published its equality objectives and four year Strategic Equality Plan (SEP) in April 2016, to meet the requirements of the Public Sector Equality Duties (PSED) as set out in the Equality Act 2010. The purpose of equality objectives is to address the most significant issues and areas of inequality that face people with protected characteristics e.g. age, disability etc.
1.02	The attached report is the final annual report for the SEP 2016/20 and highlights the Council's progress in meeting our equality objectives during 2019/2020.
1.03	The current SEP came to an end in March 2020. The new Strategic Equality Plan for the period 2020/24 is now in place. The inequalities highlighted by the impact of Covid-19 and Black Lives Matter has emphasised the importance of Strategic Equality Plans in identifying and addressing specific areas of inequality. Welsh Government (WG) has made a commitment to address these inequalities. These issues are being included within the new SEP.
1.04	<p>Progress</p> <p>There have been some areas of achievement in meeting the equality duties during 2019/20, including:</p> <ul style="list-style-type: none"> • Supported internships for nine young adults with a learning disability through Project SEARCH. • Theatr Clwyd increased access to the arts for people with protected characteristics. Examples include their work with "Sorted", the Youth Drug and Alcohol team, to offer creative sessions for young people from deprived backgrounds. They also worked with City of Sanctuary, to hold creative session for young refugees and their families. • The Youth service has developed a youth group to support young people who are lesbian, gay, bisexual and transgender (LGBT).
1.05	<p>Although there has been progress, there has been inconsistent progress across services. Specific areas for improvement that need to be addressed are as follows:</p> <ul style="list-style-type: none"> • Data collection – more systematic data collection across services is needed to be able to measure progress and equality outcomes; and • Impact assessments to be undertaken more consistently and published where there is substantial impact.
1.06	<p>Moving Forward</p> <p>The production and publication of the annual Workforce Information report and annual Equal Pay Audit report are being brought forward so that in the future they will be in line with the Strategic Equality Plan annual report. The Workforce Information report and Equal Pay Audit are essential requirements of the Public Sector Equality Duty and make a significant contribution to meeting our equality objectives</p>

1.07	Given the rising profile of equality on Welsh Government's agenda and nationally, it is proposed that the former Corporate Equality group is reconvened, chaired by a Chief Officer, in a similar model to the Welsh Language network. The Welsh Language Network has made significant progress implementing Welsh language across the Council. The network is led by the Chief Officer for Education and Youth, with support from representatives across portfolios. A Corporate Equality group will contribute to ensuring that a focussed and joined-up approach is maintained across the Council to achieve our equality objectives, address any issues raised by WG and to ultimately reduce inequalities.
------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

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

2.01	<p>Revenue: there are no implications for the approved revenue budget for this service for either the current financial year or for future financial years.</p> <p>Capital: there are no implications for the approved capital programme for either the current financial year or for future financial years</p> <p>Human Resources: there are no implications for additional capacity or for any change to current workforce structures or roles.</p>
------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
-------------	----------------------------------------------

3.01	An integrated impact assessment is not required for this report as it provides an overview of activities undertaken during 2019/20.
------	-------------------------------------------------------------------------------------------------------------------------------------

3.02	Under the five ways of working principles of the Well-being of Future Generations Act 2015, this report will have the following impact:												
	<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">Ways of Working</th> <th style="width: 50%;">Impact</th> </tr> </thead> <tbody> <tr> <td>Long-term</td> <td>No change</td> </tr> <tr> <td>Prevention</td> <td>Positive impact through promoting equal access to services and information</td> </tr> <tr> <td>Integration</td> <td>No change</td> </tr> <tr> <td>Collaboration</td> <td>No change</td> </tr> <tr> <td>Involvement</td> <td>No change</td> </tr> </tbody> </table>	Ways of Working	Impact	Long-term	No change	Prevention	Positive impact through promoting equal access to services and information	Integration	No change	Collaboration	No change	Involvement	No change
Ways of Working	Impact												
Long-term	No change												
Prevention	Positive impact through promoting equal access to services and information												
Integration	No change												
Collaboration	No change												
Involvement	No change												

3.03	Against the seven well-being goals of the Well-being of Future Generations Act 2015, this report will have the following impact:								
	<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">Well-being Goal</th> <th style="width: 50%;">Impact</th> </tr> </thead> <tbody> <tr> <td>Prosperous Wales</td> <td>No change</td> </tr> <tr> <td>Resilient Wales</td> <td>No change</td> </tr> <tr> <td>Healthier Wales</td> <td>Positive impact through reducing health inequalities</td> </tr> </tbody> </table>	Well-being Goal	Impact	Prosperous Wales	No change	Resilient Wales	No change	Healthier Wales	Positive impact through reducing health inequalities
Well-being Goal	Impact								
Prosperous Wales	No change								
Resilient Wales	No change								
Healthier Wales	Positive impact through reducing health inequalities								

	More equal Wales	Positive impact through increasing access to services and information
	Cohesive Wales	Positive impact through addressing hate crime and fostering good relations between people from different protected groups.
	Vibrant Wales	No change
	Globally responsible Wales	No change

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	Relevant officers were consulted in order to update the progress report and provide information for the annual monitoring report.

5.00	APPENDICES
5.01	Appendix 1: Strategic Equality Plan Annual Report 2019/20

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Strategic Equality Plan 2016/2020

7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Fiona Mocko, Strategic Policy Advisor Telephone: 01352 702122 E-mail: Fiona.mocko@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	<p>Data collection: is the collection and analysis of information on the profile of customers and employees, for example, people's age range, disability, gender reassignment, ethnic group, religion or belief, sex and sexual orientation to identify actual or potential inequalities.</p> <p>Integrated impact assessments: an Integrated Impact Assessment (IIA) is a way to look at how a proposal could affect communities and if different groups within the community will be affected differently. It takes into consideration impacts on the environment, equality (people with protected characteristics), health and Welsh language.</p> <p>Project SEARCH: Project SEARCH offer a range of work placements aimed at developing new skills for adults with a learning disability, which are combined with classroom sessions designed to build confidence and cover any training needs.</p>

Protected characteristics: these are the groups protected under the Equality Act 2010. The characteristics are: Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion and Belief, Sex and Sexual Orientation.

PSED: Public Sector Equality Duty, places a General Duty and Specific Duty on public bodies. The General Duty requires public bodies to show due regard to the need to: eliminate unlawful discrimination, advance equality of opportunity between people who share a protected characteristic and foster good relations. The Specific Duty in Wales requires public bodies to develop equality objectives and publish Strategic Equality Plans. It also includes the requirement to train employees, assess impact of decisions and undertake equality monitoring.

This page is intentionally left blank



Flintshire County Council

Strategic Equality Plan

Annual Report

April 2019 - March 2020

We can provide this information in alternative formats or in
your own language

Corporate Business and Communication Team

Corporate Services

County Hall

Mold

Flintshire

CH7 6NG

Telephone: ☎: - 01352 702131

Email: ✉ corporatebusiness@flintshire.gov.uk

Strategic Equality Plan

Annual Report 2019 - 2020

Contents

Executive Summary	2
1. Introduction	3
2. Progress	4
3. Meeting our equality objectives	5
4. Collecting information and Engagement (including Equal pay)	11
5. Equality Impact Assessments	15
6. Training	16
7. Procurement	17
8. Conclusion	17
Appendices	
1. Strategic Equality Plan Progress Monitoring Report	

Executive Summary

This is the final annual report for Flintshire County Council's Strategic Equality Plan 2016-2020 and sets out the progress we made to achieve our equality objectives during 2019/20 and what we have achieved since 2016. The purpose of the Strategic Equality Plan is to reduce inequalities experienced by people with protected characteristics.

There have been improvements in services and we are pleased to report that we have achieved "Working towards Dementia Friendly" status and successfully gained accreditation for the "White Ribbon" campaign. We supported internships for nine young adults with a learning disability through Project SEARCH. Theatr Clwyd increased access to the arts for people with protected characteristics. Examples include their work with "Sorted", the Youth Drug and Alcohol team, to offer creative sessions for young people from deprived backgrounds. They also worked with City of Sanctuary, to hold creative session for young refugees and their families. The Youth service has developed a youth group to support young people who are lesbian, gay, bisexual and transgender (LGBT).

We recognise that we may have had some successes but we still need to make progress, especially in light of the issues raised on specific areas of inequality highlighted by the impact of Covid-19. We will incorporate these within our new Strategic Equality Plan 2020-24 and will monitor progress more efficiently through our performance management system.

Colin Everett
Chief Executive

Councillor Billy Mullin
Cabinet Member for Corporate
Management and Assets

Strategic Equality Plan Annual Report 2019-2020

1. Introduction

1.1 This annual report for the Council's [Strategic Equality Plan](#) (SEP) covers the period April 2019 to March 2020. The report sets out progress to meet the equality objectives provides a summary of achievements during the past four years.

1.2 The Equality Act 2010 introduces a general public sector duty to

- (a) eliminate discrimination, harassment, and victimisation;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

1.3 The protected characteristics as defined by the Equality Act are:

Age	Disability
Gender Reassignment	Marriage and Civil Partnership
Pregnancy and Maternity	Race
Religion and Belief	Sex
Sexual Orientation	

The Council's commitments to the Welsh language treating English and Welsh language on the basis of equality are set out in the [Welsh Language Compliance Notice](#). The action we have taken to meet our statutory responsibilities for Welsh language are covered in a separate [report](#).

The specific equality duties also require public bodies to:-

- publish objectives to address pay differences
- publish a statement setting out the steps it has taken or intends to take to meet the objectives and how long it expects to take to meet each objective
- produce an annual report by 31 March each year, which will include specified employment information, including information on training and pay
- engage with people from protected groups
- assess impact of new and revised policies on people from protected groups
- publish and use equality information

The purpose of the equality objectives is to reduce specific areas of inequality which were identified using both qualitative and quantitative evidence. The Council has also worked with the other public bodies across North Wales to identify **regional equality objectives**. The regional and local equality objectives and the evidence base used to identify the objectives can be found [here](#).







1.4 Alongside the [SEP](#) the Council’s work on equality is supported by a [Diversity and Equality policy](#) , and Plain Language Guide and delivered as part of various Council documents such as the Council Plan and Customer Strategy.

2. Progress

2.1 The Council’s equality objectives and Strategic Equality Plan were published in April 2016. The action plan to meet the SEP is provided in Appendix 1; this also highlights the progress made to meet each action.

2.2 The following table sets out our performance towards achieving the actions we set ourselves for each objective, we have assessed ourselves using the following criteria:

- R** **Limited Progress** - delay in scheduled activity; not on track
- A** **Satisfactory Progress** - some delay in scheduled activity, but broadly on track
- G** **Good Progress** - activities completed on schedule, on track

Equality Objective	Progress
Reduce health inequalities	
Reduce unequal outcomes in Education to maximise individual potential	
Reduce inequalities in employment (Amber as work on Workforce Information report in progress)	
Reduce inequalities in Personal Safety	
Reduce inequalities in Representation and Voice	
Reduce inequalities in access to information and services, buildings and the environment	

3. Meeting our Equality Objectives 2019/20

3.1 This section sets out our key achievements to meeting our six equality objectives during 19/20.

Objective 1: Reduce health inequalities

During 2019/20:

- We received recognition as 'Working to become Dementia Friendly' and established a Council wide group to ensure services continue working towards becoming Dementia Friendly.
- We continued to hold events to raise awareness of dementia in our communities.
- Provided training to increase awareness of the needs of Gypsies and Travellers to key officers in our Housing services.
- Provided Trans awareness training to promote awareness of the needs of the Trans community.
- The number of adults over 65 years who were helped to live at home was 40 per 1,000 population.
- The number of adults over 65 years who were supported in care homes was 14 per 1,000 population.
- The percentage of adults who completed a period of reablement and were able to move to a reduced package of care or no care for at least 6 months was 70%.
- Our Domestic Energy team delivered 2,175 energy efficiency measures to properties in the County across all tenures. Support was targeted predominantly at fuel poor households. This investment also supported 13 jobs and four apprenticeship opportunities.
- We continued to support communities to become Age-Friendly. Leeswood and Pontblyddyn is currently in its third year of Age-Friendly Community development and in addition to its weekly community café has worked in partnership with Ysgol Derwenfa and Newydd catering to develop a monthly lunch club.
- Opportunities to increase participation of older people in the community to reduce the risk of loneliness and isolation have been initiated in Pen-y-ffordd near Holywell with the support of Ysgol Derwenfa. A monthly coffee morning has been established, staff and pupils have taken part in Dementia Awareness sessions and plans are in place to run digital tablet training in partnership with Coleg Cambria to increase the skills of digitally excluded older people in the community.
- Commissioned research from Public Health Wales into the needs of Travellers, this research was paused during Covid-19. The aim of the research is to better understand the health needs of Travellers who usually reside in or use health services in North Wales.

- All schools (including primary schools) and youth clubs had access to sanitary products.

Objective 2: Reduce unequal outcomes in Education to maximise individual potential

During 2019/20:

- Developed an electronic system for recording and reporting identity based bullying systems in schools
- Raised awareness of identity based bullying during anti bullying week
- Modern Slavery and County Lines training was made available to school employees.
- Commissioned ¹[Show Racism the Red Card](#) to deliver anti-racism workshops to Year 8 students in all secondary schools and provided sessions for school staff and Governors to support schools continue delivering the training package.
- Commissioned “Getting on Together” (GoT) training for teachers from our primary schools. The aim of the training event was to provide teachers with the knowledge, understanding, skills and confidence to deliver the Getting on Together ‘Challenging Extremism’ key Stage 2 programme during the academic year 2019/2020 to year 6 pupils.
- Girls still outperformed boys at school which reflects the national trend. 47.28% boys achieved 5 G.C.S.E's A* - C grade compared to 60.08% girls
- Offered the “[SHEP](#)” School Holiday Enrichment Programme. This is a school-based programme that provides healthy meals, food and nutrition education, physical activity and enrichment sessions to children in areas of social deprivation during the summer holidays. ‘Food and Fun’ is the brand used to promote the clubs to children and families. The programme ran four days a week for the first three weeks of the holidays at two sites and was aimed at year 6 pupils from the feeder primary schools and existing year 7 students at the high schools.

Objective 3: Reduce inequalities in employment

During the past 12 months:

- Completed an annual Equal Pay Audit reviewing the pay differences between men and women, disabled employees and non- disabled employees and between employees from different ethnic backgrounds. The full report is available on our [website](#). A summary is provided in section 4.8.
- There were no complaints of bullying and harassment by employees during 2019/20.
- There were no complaints of discrimination by job applicants or employees during 2019/20.

¹Show Racism the Red Card is an anti-racism educational charity.

- Supported internships for nine young adults with a learning disability through Project SEARCH. We are working with Hft (a national learning disability charity), Clwyd Alyn Housing Association and Coleg Cambria to equip young people with learning disabilities with everything they need to secure competitive employment within their community through Project SEARCH. Project SEARCH offer a range of work placements aimed at developing new skills, which are combined with classroom sessions designed to build confidence and cover any training needs. The first cohort of seven interns have successfully completed the programme and are now moving into paid work.
- Through the employment mentoring teams in the Business Service are helping to support 253 participants to improve their employment opportunities.

Objective 4: Reduce inequalities in Personal Safety

During 2019/20:

- 4 referrals were made to the domestic abuse refuge for males
- 44.64% of employees have completed the Welsh Government's 'Level 1 e-learning Domestic Abuse and Sexual Violence National Training Framework.
- There were four referrals to the domestic abuse refuge for males.
- We participated in the White Ribbon Campaign to raise awareness of violence against women and successfully applied for re-accreditation with the White Ribbon initiative.
- We promoted awareness of Modern Slavery, County Lines and Prevent through training delivered by North Wales Police, these sessions were attended by 290 employees.
- All taxi drivers have received safeguarding training as part of their licensing requirements. Taxi drivers can be the eyes and ears in the community and have the opportunity see and hear things that others do not; it is important they can recognise safeguarding issues and know how to make a report.
- Participated in hate crime week with other public bodies in North Wales to raise the importance of reporting hate crimes, this included holding promotional events in local colleges with North Wales Police representatives.
- There were 168 reports of hate incidents in Flintshire in the period 2019/20.

Type of incident	2015/16	2016/17	2017/18	2018/19	2019/20
Racially motivated	33	37	84	76	99
Homophobic	6	6	26	29	40
Disability Related	6	9	8	14	20
Transphobic	0	1	0	1	4
Religious	4	6	5	9	5
Total	49	59	123	129	168

- The members of North Wales Public Sector Equality Network (NWPSSEN) have worked together to encourage reporting of hate crime during Hate Crime Awareness week in October every year. We also published tweets and Facebook messages alongside other public bodies to encourage people to report hate crime. Although there has been an increase in reports of hate crime, it is still felt that hate crime is under reported across North Wales; action will continue to encourage reporting. The increase in reports reflect national trends. Hate crime is included as a standing item at the North Wales Public Sector Equality Officers' Network.
- We raised the Trans Flag on 20 November to commemorate the Transgender Day of Remembrance in memory of all Trans people who have lost their lives to Transphobic violence.



Chair of the Council, Councillor Marion Bateman holding the Trans flag with the Councillor Billy Mullin, Cabinet member and Equality Champion supported by elected members , employees and representatives of the Trans community on 20th November 2019.

- We raised the Rainbow flag during February 2020 to celebrate Lesbian, Gay, Bisexual, Transgender (LGBT) History Month and promoted information to raise awareness of LGBT issues.



The Chair of the Council, Councillor Marion Bateman and Councillor Billy Mullin Cabinet Member and Equality Champion hold the Rainbow flag supported by members of our LGBT Employee Network, the LGBT community, and the Chief Executive.

Objective 4: Reduce inequalities in representation and voice

During 2019/20:

- We continued holding meeting with stakeholders to review Equality impact assessments completed by services.
- The Youth Service developed an LGBT Youth group.
- Direct payments supported 580 people giving them choice and control over how they receive their services. This represents over 40% of people receiving “home based” social care in Flintshire.
- Focus group for people living with dementia fed in to the development of some user guides for the map of resources for people with dementia which is available on our website, helping people to get the most out of the information available.
- A Flintshire Dementia Friendly Communities Conference was held July 2019, this supported us to engage with communities, individuals living with dementia and their carers and to inform action for our Dementia plan.

Objective 5: Reduce inequalities in access to information and services, buildings and the environment

During 2019/20:

- We reduced the number of days to deliver a Disabled Facilities Grant to support home adaptations enabling disabled people to remain in their own homes.
- Opened a new £4million Day Centre for adults with learning disabilities. The new Day Centre, named Hwb Cyfle (Opportunity Hub), provides a modern, accessible and vibrant setting for the delivery of high quality day services in partnership with Hft. The Centre also provides an accessible venue with indoor and outdoor facilities to support activities that improve the health and well-being of the wider community.
- Started a review of the use of “A” frame barriers on coastal paths to ensure they are accessible to disabled people.
- Increased access to the arts through Theatr Clwyd:
 - In partnership with Parkinson’s UK, Theatr Clwyd ran a 20 week dance and music programme for people with Parkinson’s disease. 23 participants engaged from all over Wales.
 - Offered weekly “Arts from the Armchair” for people living with dementia
 - Worked in partnership with “We Mind the Gap” to offer 10 young women who may have to explore how it feels to be a young women in today’s society. “We Mind the Gap provides traineeships for young women who have had limited opportunities in life.
 - Theatr Clwyd pledged a financial contribution to the Wales Race and Culture Taskforce.
 - Worked with City of Sanctuary , the theatre held creative session for young refugees and their families
 - Worked with “Sorted”, the Youth Drug and Alcohol team, to offer creative sessions for young people from deprived backgrounds.
 - Theatr Clwyd has established “Fuse” to work with young people with additional needs exploring creativity and theatre making.
- There are pages on our website are dedicated to providing information on what is available locally for people living with dementia and their carers. The pages will continue to be updated as we learn more about local support. We are also in the process of mapping the Dementia Friendly Communities, locations, businesses and schools on our interactive map, which we will add to the page.
- We are now looking to enhance the pages with an interactive map, containing information on the locations of memory café’s business and schools recognised as working towards becoming dementia friendly and other useful community venues.

4. Collating information and engagement

4.1 Systems have been developed within portfolios and services to capture and monitor the profile of our customers by protected characteristic. However, all the services are different and not all protected characteristics are captured on each system. There is insufficient data available for detailed analysis for most services. It is an ongoing action to improve data capture across services.

Categories used to collate diversity data are taken from the [Census 2011](#) where this information is available. However, data on all protected characteristics is not captured through the Census, for example, Transgender and sexual orientation. Some communities have relatively low numbers which make statistical analysis difficult, in these cases, the results of national research and reports are used.

4.2 Despite the challenges in collating data, improvements have been made to our processes. We now:

- record the ethnic details of Social Service users. This is now a mandatory field on the Social Services client database, PARIS.
- monitor the profile of tenants, homelessness applicants and people on the housing waiting lists.
- record the profile of school pupils and school attainment levels.

Profile of Primary school pupils by ethnic background

Ethnic Background	2016		2017		2018		2019		2020	
	Total	%	Total	%	Total	%	Total	%	Total	%
BME	384	2.8%	409	2.9%	425	3.03%	459	3.2%	464	3.39%
White British	12612	90.5%	12684	90.4%	12680	90.27%	12447	89.21%	12241	89.53%
Any Other White Background	671	4.8%	763	5.4%	752	5.35%	791	5.67%	795	5.81%
Information Not Obtained	6	0.00%	6	0.0%	56	0.40%	136	0.97%	26	0.19%
Information Refused)	60	0.4%	48	0.3%	44	0.31%	32	0.23%	24	0.18%
Not Recorded by School	210	1.5%	120	0.9%						
Other					89	0.63%	87	0.62%	122	0.89%
Total	13943	100%	14030	100%	14046	100%	13952	100%		

Profile of secondary schools pupils by ethnic background

Ethnic Background	2016		2017		2018		2019		2020	
	Total	%	Total	%	Total	%	Total	%	Total	%
BME	384	2.80%	409	2.90%	425	3.03%	459	3.20%	464	3.39%
White British	12612	90.50%	12684	90.40%	12680	90.27%	12447	89.21%	12241	89.53%
Any Other White Background	671	4.80%	763	5.40%	752	5.35%	791	5.67%	795	5.81%
Information Not Obtained	6	0.00%	6	0.00%	56	0.40%	136	0.97%	26	0.19%
Information Refused)	60	0.40%	48	0.30%	44	0.31%	32	0.23%	24	0.18%
Not Recorded by School	210	1.50%	120	0.90%						
Other					89	0.63%	87	0.62%	122	0.89%
Total	13943	100%	14030	100%	14046	100%	13952	100%	13672	100.00%

4.3 Research has been undertaken by Gwynedd Council for the North Wales Public Sector Equality Network (NWPSSEN), a network of all North Wales public bodies' Equality Officers, to help identify the inequalities experienced by protected groups. This information is available for use by services.

4.4 NWPSSEN has developed an exemplar equality monitoring form with a Top Ten Tips Guidance note. This helps ensure consistency amongst the equality monitoring categories used by public bodies across North Wales and will contribute to more effective benchmarking.

4.5 Qualitative data is collated through other means such as surveys and focus groups and through engagement with local groups such as:

- Flintshire Disability Forum
- Flintshire Youth Forum
- Faith contacts
- Older People's Forum
- North Wales Regional Equality Network
- School's Councils
- Stonewall Cymru
- Unique transgender group
- 50 plus Action Group

Officers attend meetings with community groups to identify issues at an early stage, receive feedback and views on any initiatives and involve them in equality impact assessments.

4.6 Using information to meet the general duty

The profile of customers/service users is compared against the profile of the community to identify areas of over/under representation or under achievement which enables services to set targets for improvement.

Using data in this way helps services to identify potential and actual areas of discrimination and also identify the opportunity to advance equality of opportunity through setting improvement targets which will be incorporated into the [SEP](#). This information has also been used to identify the [Council's local equality objectives](#).

Comparisons of satisfaction levels and complaints and information from focus groups is also used to identify any areas of potential and actual discrimination and areas of community tensions which in turn contribute to identifying opportunities for advancing equality and for fostering good relations.

4.7 Employment Information

A full diversity profile of the workforce is published separately and includes information required by the specific duties of the Equality Act 2010. This can be found on our website.

All data on the HR system includes all protected characteristics. As further modules of the HR system are implemented and the fields populated additional reports will become available in the future, for example, grievances and disciplinary action and applications for training.

Qualitative information is gained through feedback from Trade Union representatives at the Joint Trade Union Consultative Committee and through the employee networks

Qualitative and quantitative information is used to inform equality impact assessments on HR policies and practices and to identify areas of potential/actual inequalities which require further investigation.

4.8 Equal Pay

The equal pay audit is published on our website and is available [here](#). We are required to set an objective for pay. National research shows that the pay gap between men and women still exists. A summary of the annual Equal Pay Audit for different protected is set out below:

Men and Women

- Overall the average salary for women across all grades and terms and conditions is **£25,322.99** and the average salary for men across all grades and terms and conditions is **£29,242.37** giving an **overall** Gender Pay Gap of **13.40%**. This is using the **mean** method of calculating average pay. This

represents a decrease from 2018 when the mean **pay gap was reported as 16.22%**.

- Using the **median method**, the average salary for men across all Grades and terms and conditions is **£25,295** and the average salary for females across all grades and terms and conditions is **£19,953** giving an overall gender pay gap of **21.12%**. This is a slight increase in the median pay gap from 2018 (20.36%) this is likely to be attributable to the new grade G12 in the NJC pay scales.

Disabled employees and non- disabled employees

Analysis of disabled employees compared to other employees

	Number		Percentage %		Average Full Time Equivalent salary	
	2018	2019	2018	2019	2018	2019
Disabled	127	158	1.91%	2.35%	£25,563	£25,011.34
Not Disabled	3849	4043	57.89%	60.01%	£26,009	£26,664.95
Prefer not to say or undisclosed	2673	2536	40.20%	37.64%	£23,925	£26,396.20

Note: It has not been possible to produce a meaningful view of a grade-by-grade comparison and of occupational segregation due to low numbers of employees who have completed the equality monitoring questionnaire

- There is a 6.13%% mean pay gap between all employees across the County Council who consider themselves disabled and those who have declared themselves as not disabled. This means the average salary of a disabled person is on average 6.13%% lower than a non-disabled person. This data however, is not considered to be robust due to the high proportion (37.64%) of employees who have not declared information on disability

Ethnic background

- There are significant numbers of staff who have chosen not to disclose their ethnicity or who have not provided any information on their ethnic origin (34.73%). This has slightly improved from 2018, where the figure was 37.39% but, this makes it difficult to undertake a robust analysis of pay by ethnicity. 4397 have disclosed their ethnicity as “white” (65.26%) and 26 employees have disclosed their ethnicity as BME (Black and minority ethnic) (0.38%). Please note the ethnic profile of Flintshire County is 98.5% white (2011 census – office for national statistics).
- The ethnicity pay gap is -12.87% which shows that BME employees earn on average 12.87% more than those who have disclosed their ethnicity as White. However due to high number of employees who have not stated their ethnicity or we do not have the information this is not considered to be robust enough for meaningful data.

Sexual Orientation

- The proportion of the total population of employees who have declared their sexual orientation as heterosexual is 39.59%. 0.79% have declared themselves as bisexual/gay/lesbian, and 2.57% have preferred not to say and for 56.89% their sexual orientation is unknown. The data that we hold on sexual orientation is not sufficiently robust to report on pay gaps.

Religion

- The proportion of the total population of employees who have declared their religion or belief as Christian is 31.33% and 0.19% have declared another religion or belief (Buddhist, Hindu, Jewish, Muslim or Sikh.) 16.40% reported they have no religion and 2.52% prefer not to say and for 48.36% religion or belief is unknown. The data which the County Council holds on religion is not sufficiently robust to report on pay gaps.

The full report can be found [here](#)

Actions for the next 12 months include:

- Deliver a targeted campaign to update our data, when sending out addendum to contracts we will send a diversity questionnaire to be completed and returned. We will run a communications campaign via the intranet asking employees to update their details.
- Prepare a number of case studies which identifies services where the composition of a team or service departs from traditional stereotypes as part of a “challenging gender stereotypes” campaign. We will also continue to work with services to address occupational segregation which remains a significant factor in influencing pay gaps between males and females.

5.0 Equality Impact Assessments (EIAs)

5.1 Equality and Welsh Language impact assessments (EIA) are one of the methods being used to mainstream equality and to support services identify specific equality targets.

5.2 An electronic template (Integrated Impact Assessment (IIA)) has been developed to capture the relevant information required for a range of impact assessments- including environment, equality, health, poverty and Welsh language. An IIA Quality Assurance group (comprising members representing different protected characteristics) has been set up to identify potential adverse impact and suggesting solutions. The group also acts as a “safety net” to ensure that the views of people from across the protected characteristics are considered. The aim is to ensure that the IIA process is robust and thorough and contributes to improvement in outcomes for both customers and employees. Guidance notes are available for each protected characteristic to support IIA authors.

5.3 We have completed impact assessments on the de-pedestrianisation of Holywell High Street and our new Strategic Equality Plan 2020/24. We have also rated an impact assessment on the use of “A” frame barriers on coastal routes paths.

5.4 We are working with NWPSEN to develop one equality impact assessment framework for use by public bodies in north Wales with the aim of developing a standard approach particularly when working in partnership.

6.0 Training

6.1 Details of how we promote understanding and knowledge about equality is set out in the [SEP](#). There are two e-learning packages specifically on equality:-

- Equality Act 2010
- Equality in the Workplace

These are supported by e-learning packages on:

- Trans awareness
- Modern slavery
- Hate crime

6.2 Diversity and equality is also included in:

- Institute of Leadership and Management (ILM) programme at all levels.
- E-learning modules for new managers.
- Induction workshops for new elected members.

6.3 During 2019/20 in addition to the e-learning programmes, workshops were delivered on:-

- Anti-racism training for schools delivered by Show Racism the Red Card
- Hate Crime awareness
- Modern Slavery including County Lines training delivered by North Wales police. County Lines refers to the transportation of illegal drugs from one area to another, often across police and local authority boundaries (although not exclusively), usually by children or vulnerable people who are coerced by gangs.
- “Prevent” anti-terrorism training, provided by North Wales Police to public facing employees to ensure they understand extremism and radicalisation, can identify signs and know how to make a report.
- Schools in Flintshire have been trained to deliver Getting on Together (GoT) workshops in schools. These provide teachers with the knowledge, understanding, skills and confidence to deliver the ‘Challenging Extremism’ programme.
- Safeguarding awareness - to increase awareness of safeguarding issues and ensure employees recognise the signs and know how to make a report.
- Trans-awareness training- the aim is to increase awareness of issues facing the Trans community and understand how to develop Trans inclusive services.

7.0 Procurement

7.1 Details of how equality is embedded into the procurement process is set out in the [SEP](#). Furthermore, community benefit clauses are included within contracts over £1 million; contracts of £10,000 include an element of community benefits in the scoring methods. We have approved a new strategy to increase the social value generated from our procurement activity. We are in the process of procuring a software solution to enable services, suppliers and third sector providers to better record the social value they generate. This will include, for example, support for unemployed people, fair employment practices, use of the minimum wage.

7.2 We have signed up to Welsh Government's Code of Practice: Ethical Employment in Supply Chains. We have committed to a set of actions to tackle illegal and unfair employment practices. We publish an annual Modern Slavery statement as part of this commitment.


8.0 Conclusion

8.1 This report outlines the progress the Council is making to meet both the general and specific public sector equality duties. It is however clear that collating some data to monitor progress has been challenging. Our priority is to implement our new [Strategic Equality Plan 2020/24](#) and continue addressing specific areas of inequality.

Thank you for reading our Strategic Equality Plan Annual Report 2019/20.



Views and suggestions for our annual report are welcome.





Please contact us on:




Tel:  01352 702131



Email:  corporatebusiness@flintshire.gov.uk






Appendix 1 Strategic Equality Plan Action Plan 2016- 2020
2019/20 Update




Objective 1 Reduce Health Inequalities			
Task	Who Date	Measure	Progress
Develop and implement action plan to reduce waiting times for children accessing mental health services	Team Manager Performance and Planning and Development Officer	Number of Looked after Children (LAC) waiting to access the Children and Adolescent Mental Health Service (CAMHS)	Remedial actions being taken by Betsi Cadwaladr University Health Board (BCUHB) have included standardisation of documentation and processes across North Wales. We removed this measure as the responsibility lay with (BCUHB) 
Explore alternative providers for children's mental health	Team Manager Performance and Planning and Development Officer		
Incorporate need for health assessments within Foster Care training	Team Manager Performance and Planning and Development Officer	% of health assessments for LAC in time scales	.Complete 
Incorporate prompt registration with General Practitioner (GP) and dentist in PARIS (care assessment system)	Team Manager Performance and Planning and Development Officer	% LAC Registered with GP	98.5% registered with GP.
		% LAC registered with a dentist within 3 months of becoming registered	.75.% of children were seen by a dentist within 3 months of becoming looked after. 100% within 4 months. Recording of GP registration and



			<p>dental registration is included in the revised assessment documentation for children, which was implemented in March 2019.</p> <p></p>
Organise annual Trans awareness training to coincide with Trans remembrance day	Policy Advisor Equality and Cohesion	number of employees who attend Transgender awareness training	<p>2 workshops were held in 2019/20 as part of LGBT History month.</p> <p></p>
Explore potential to provide training through e-learning	Policy Advisor Equality and Cohesion	Trans awareness e-learning available	<p>Complete - Trans awareness training now available through e-learning, plus additional face to face workshops have been made available to the workforce.</p> <p></p>
Develop e-learning module on Gypsy Traveller awareness	Gypsy and Traveller Liaison Officer	% employees who complete Gypsy Traveller e-learning modules	<p>Gypsy Traveller awareness training is provided to key employees in Housing. An e-learning module has not been developed this proved problematic, however other face to face training is available. All relevant employees in Housing have now received training</p> <p></p>
Provide annual Gypsy Traveller awareness training	Gypsy and Traveller Liaison Officer	% employees who attend Gypsy Traveller awareness training	
Implement Social Care Training Strategy	Team Manager Performance and Planning and	The number of people supported to remain in their own home because	753 people were supported to remain in their own home because






	Development Officer	of a home adaptation.	of an adaptation. The average number of calendar days taken to deliver a Disabled Facilities Grant (DFG) was 195.83 days. DFG is a mandatory grant to help disabled people with the cost of adapting their homes to enable them to continue living at their residence with the maximum amount of independence Action complete 
Implement Supporting People Improvement Plan	Housing Support Co-ordinator	% of care leavers, by protected characteristic, who have experienced homelessness during the year	1.1% care leavers were reported as homeless during 2019/20. This equates to 6 and was an increase from the previous year. Action complete 
Implement Dementia Friendly communities action plan	Planning and Development Officer	Number of events (and take-up) aimed at raising awareness of dementia across the county	We have now become accredited as “Working Towards Becoming Dementia Friendly” and a working group has been established. Eight events were held to raise awareness of dementia 





Objective 2 Reduce unequal outcomes in Education to maximise individual potential			
Task	Who	Measure	
Through Regional School Improvement Service (GwE) work to raise standards achieved by learners who are entitled to Free School Meals (FSM) by undertaking analysis of attainment across all key stages by gender and by FSM	Senior Manager School Improvement	Annual analysis % of children (by gender, ethnic background, FSM, for core subject indicator (CSI) at all key stages. % of learners entitled to Free school meals (FSM)in achieving the Level 1 and Level 2 Indicator (Five GCSEs passes A* -C)	Achieving (Five GCSEs passes A* - C) Boys 47.28% Girls 60.08% In receipt of Free school meals 26.04% BME 50%
Promote Stonewall Train the Trainer course to encourage schools to send representatives	GwE Regional School Improvement Service	Number of teachers who attend training	Complete -Flintshire schools were represented at the training. 
Draft Transgender Reassignment policy for schools	Healthy Schools Officer, Inclusion Officers, Children and Young People's Partnership	Transgender Reassignment policy published on Moodle	Policy on hold. Information to support schools is available on Hwb 
Involve and consult with Trans community on draft policy	Healthy Schools Officer, Inclusion Officers, Children and Young People's Partnership		
Draft Equalities Plan for schools	Healthy Schools Officer	All schools adopt updated policy	Strategic Equality Plan template provided to all schools. Monitoring is undertaken as part of healthy schools visits to determine if the






			SEP has been adopted and is reviewed regularly. 
Promote 'Respecting Others' guidance to schools	Healthy Schools Officer; Inclusion Officers; Children and Young Peoples' Partnership	% of reports of identity based bullying taking place at schools	Complete. New electronic system in place for schools to report incidents. There was one report of identity based bullying. 
Objective 3 Reduce inequalities in employment			
Task	Who	Measure	
Include equality plan as a standing agenda item at Performance Leads monthly meetings	Strategic Performance Advisor	Response rate to diversity audit improves	Complete 
Undertake annual workforce equality analysis of data in line with the PSED	Workforce Information Manager	Annual action plan and annual report published	Ongoing. This is behind schedule the last report was published for the period 2016/17. 
Develop and implement action plan to address any potential or actual inequalities	Workforce Information Manager and Policy Advisor Equality and Cohesion		On going 
Publish annual	Workforce Information Manager		There has been a delay in reporting




workforce information report			but this is in progress. The last report was published in 2016/17 
Promote equality training e-learning modules	Policy Advisor Equality and Cohesion	Communications plan developed and implemented	Complete 
Develop and implement training plan for employees to support them to meet equality duties	Policy Advisor Equality and Cohesion	number of equality related courses delivered number of complaints made by employees of discrimination and identity based bullying number of complaints of discrimination made by job applicants	Equality Act 2010 and Equality in the Workplace e-learning courses available. Hate crime training available as both e-learning and Tool box talks No complaints received during 2019/20 

Maximise the number of apprenticeships, traineeships and work experience opportunities	Chief Officer Community and Enterprise; Chief Officer Education and Youth	Number and % of young people not in education, employment or training	18% NEET (43 young people out of 241 who completed Youth Justice Service programmes in 2019/20) This is now being included within community benefit clauses within the commissioning /procurement process. 
Objective 4 Reduce inequalities in personal safety			
Task	Who	Measure	Progress
Work with North Wales Public Sector Equality Network (NWPSSEN) to develop and implement a joint communications plan to raise awareness of hate crime	Policy Advisor Equality and Cohesion	Number of reports of hate crime by protected characteristic	168 reports during 2019/20 compared to 49 in 2015/16 . There has been a steady increase in reports during 2016/20, which is in line with national data. There have been regular communications to encourage reporting as it suspected that hate crime is under reported.. 
		Initiatives to raise awareness of hate crime implemented	Plan developed and implemented during 2019/20 with NWPSSEN

			
Implement safeguarding training	Team Manager Performance and Planning and Development Officer	% of adult protection reports where the risk has been managed.	98% 
Develop safeguarding policy which includes Modern Slavery	Corporate Safeguarding Panel	Policy published	Complete 
Implement safeguarding training plan	Corporate Safeguarding Panel	Number and % of employees who attend safeguarding training	2054 employees have completed the e-learning modules on Violence against women, domestic abuse and sexual violence and 179 completed the corporate safeguarding e-learning modules. 
Develop domestic abuse refuge for males to reduce the inequality in provision in North Wales	Community Support Services Manager	Number of referrals	Refuge now open and accepting referrals. Four referrals were made during 2019/20 
Objective 5 Reduce inequalities in Representation and Voice			
Task	Who	Measure	Progress
Implement new assessment framework for children and young people	Team Manager Performance and Planning and Development Officer	% of parents reporting that they felt involved in any decisions made about their child's care and support	National data not published. New framework is in place. 

Implement new assessment framework for carers and training for carers	Team Manager Performance and Planning and Development Officer	% of carers reporting they felt involved in designing the C and S plan for the person that they care for	National data not published. Framework has been implemented. 
Develop easy and accessible procedures for people to complain when things go wrong.	Customer Services Team Leader	Number and % of complaints of discrimination	Complete- No complaints of discrimination received. 
Objective 6 Reduce inequalities in access to information and services, buildings and the environment			
Task	Who	Measure	Progress
Promote and increase use of Language Line across all services	Customer Services Officer	Number of requests for information in different languages and formats	Contract for provision of interpretation and translation services being updated ready for implementation 2020/21. There were 210 requests for translation during 2019/20, a slight increase from 2018/19. 
Develop standard wording for all key documents to promote that they are available in different formats	Policy Advisor Equality and Cohesion	Agreement of standard statement for wording for all public documents stating the information can be provided in different languages and formats	Complete 
Develop joined up working with customer	Housing Strategy Officer	Consistent information provided by all teams	Customer Relationship Management System now able to

services teams within the Community and Enterprise portfolio to provide a consistent approach towards customer contact			be accessed by officers in the Private Sector Housing Team. 
Guidance provided to key services to support them to undertake equality monitoring systematically	Policy Advisor Equality and Cohesion and Performance Leads	Equality monitoring undertaken systematically in Education, Housing and Social Services	Complete. 
Develop electronic toolkit for impact assessments	Policy Advisor Equality and Cohesion	Welsh Language and Equality impact assessments incorporated into the Council's Performance Management system	Complete 
Develop Standard clauses for contracts to ensure compliance with equality duty and Welsh Language Standards	Policy Advisor Equality and Cohesion / Legal Services	Standards clauses for contracts and Service level Agreements in place	Complete 
Continue to improve waiting times for adapted housing	Housing	Waiting times for adapted housing compared to other housing	The average waiting time for applicants rehoused from the specialist housing register in 2019/20 is 686 days. The average waiting time for applicants without specialist requirements was 389 days. 

NEW Homes employees to attend Transgender awareness training	Housing Strategy Officer	Number and % employees who attend training	Complete – 100% trained 
Employees with Gypsy Traveller responsibilities to attend relevant awareness training	Housing Strategy Officer	number and % employees who attend training	Complete -100% key employees in Housing trained 
Prepare options to meet the assessed accommodation needs of the Traveller community	Customer Services Manager	Options identified	Options prepared. This work will progress into our new SEP 2020/24 

This page is intentionally left blank



CABINET

Date of Meeting	Tuesday, 16 th February 2021
Report Subject	Development of Shotton Master Plan
Cabinet Member	Cabinet Member for Economic Development
Report Author	Chief Officer (Streetscene and Transportation)
Type of Report	Strategic

EXECUTIVE SUMMARY

Shotton is one of the largest towns in Flintshire with good local facilities and excellent transport links to the local and regional bus, rail, active travel and highway networks. There are also many areas within the town that have significant potential for development opportunities.

Over the past few years, the Council and Local Members have received a growing number of concerns and complaints about antisocial behaviour and other environmental issues which, if left unchecked, will blight the area and undermine local efforts to keep the town clean and tidy and ensure that it remains a place where people want to live, visit and work.

In order to deal with these issues and maximise the positives and potential opportunities for the town, it is proposed that Cabinet support the development of a Multi-Agency Steering Group to develop and oversee the delivery of a Shotton Master Plan. The plan will bring the right people together with the aim of regenerating and delivering the required improvements to the town centre and surrounding area to help ensure the town fulfils its true potential.

RECOMMENDATIONS

1	That Cabinet approves the development of a Master Plan for the Shotton area.
2	That a further report seeking approval of the Master Plan is presented to Cabinet for approval in July 2021.

REPORT DETAILS

1.00	EXPLAINING THE PROPOSALS FOR A SHOTTON MASTER PLAN
1.01	<p>Shotton is a busy town with good local facilities and excellent transport links to the local and regional bus, rail, active travel and highway networks. There are also many areas within the town that possess significant potential for development opportunities.</p>
1.02	<p>Over recent years the Council has received a growing number of complaints about antisocial behaviour and concerns regarding other environmental issues within the Shotton area which, if left unchecked, will blight the area and undermine local efforts to keep the town clean and tidy and a place where people want to live, visit and work.</p>
1.03	<p>In order to deal with these issues and maximise the positives and potential opportunities for the town, a Multi-Agency Steering Group has been developed. The aim of the Steering Group is to create a Master Plan of regeneration for the town and surrounding areas which will decide its future direction over the next 5 to 10 years.</p> <p>The Plan will include short, medium and longer term targets for the regeneration work and will include measurable outcomes and objectives for the project.</p> <p>The Plan will be managed using the recognised Project Management template with regular reports being provided to the Council's Cabinet, Local Members and the Town Council on progress.</p>
1.04	<p>The Steering Group will be made up of representatives of Flintshire County Council, Local Members and North Wales Police and will look to engage with wider stakeholders, as appropriate. It will be the role of the Group to oversee delivery of the Plan and ensure that the commitments made within the document are delivered. A dedicated resource has been made available to project manage the development and early delivery of the project. The Project Manager will be a permanent member of the Steering Group and facilitate the meetings and ensure that progress against objectives is being maintained.</p>
1.05	<p>It is proposed that a number of Working Groups sit under the Steering Group to deliver actions on agreed priorities in specific areas. These Working Groups will focus on the following key thematic areas:</p> <ul style="list-style-type: none"> • Community Resilience; • Education, Encouragement and Enforcement; • Environment; and • Infrastructure and Investment.
1.06	<p>Each Working Group will have a nominated Council Lead Officer, with clear terms of reference, and will provide regular reports to the Steering Group.</p>

1.07	The individual Working Groups will include representatives from Flintshire County Council and wider partners and stakeholders, as required by the objectives for each group.
1.08	A facilitated workshop was held in January 2021 during which the initial aims, objectives and desired outcomes of the Shotton Master Plan were discussed.
1.09	A further report will be presented to Cabinet in July, seeking approval of the completed Masterplan.

2.00	RESOURCE IMPLICATIONS
2.01	A Chief Officer will represent the Council at Steering Group meetings, which will also be attended by Local Members.
2.02	A Council Officer will each lead one of the four thematic Working Groups, with other Council Officers forming part of the Working Groups as appropriate.
2.03	A dedicated Project Manager to manage the process will be provided by the Council, as nominated by the Chief Executive.
2.04	Administrative support will also be provided by the Council, as required.
2.05	There is potential to integrate or align potential upcoming infrastructure projects with the Shotton Master Plan, to include the John Summers Site Total Vision, DLC and Shotton Care and Repair land and assets.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT				
3.01	<p>Ways of Working (Sustainable Development) Principles Impact</p> <table border="1"> <tr> <td>Long-term</td> <td> <p>Positive</p> <p>Successful regeneration takes time and as such the Shotton Master Plan will span a number of years, aiming to address both the current presenting issues as well as capitalising on longer-term regeneration opportunities for the area.</p> <p>Priority actions will be identified for the short-term (within 12 months), medium term (within one to two years) and longer-term (two years plus). Actions will complement one another to achieve overall aims and objectives over the longer-term.</p> </td> </tr> <tr> <td>Prevention</td> <td> <p>Positive</p> <p>Acting now to prevent locality issues from escalating will support the Council in achieving its wellbeing objectives.</p> </td> </tr> </table>	Long-term	<p>Positive</p> <p>Successful regeneration takes time and as such the Shotton Master Plan will span a number of years, aiming to address both the current presenting issues as well as capitalising on longer-term regeneration opportunities for the area.</p> <p>Priority actions will be identified for the short-term (within 12 months), medium term (within one to two years) and longer-term (two years plus). Actions will complement one another to achieve overall aims and objectives over the longer-term.</p>	Prevention	<p>Positive</p> <p>Acting now to prevent locality issues from escalating will support the Council in achieving its wellbeing objectives.</p>
Long-term	<p>Positive</p> <p>Successful regeneration takes time and as such the Shotton Master Plan will span a number of years, aiming to address both the current presenting issues as well as capitalising on longer-term regeneration opportunities for the area.</p> <p>Priority actions will be identified for the short-term (within 12 months), medium term (within one to two years) and longer-term (two years plus). Actions will complement one another to achieve overall aims and objectives over the longer-term.</p>				
Prevention	<p>Positive</p> <p>Acting now to prevent locality issues from escalating will support the Council in achieving its wellbeing objectives.</p>				

	<table border="1"> <tr> <td>Integration</td> <td> <p>Positive</p> <p>The aims and objectives of the Shotton Master Plan will not only support the Council in achieving its wellbeing objectives but also some of the Council's priorities, as contained within the Council Plan. It will also support the wellbeing objectives of partner agencies, including public bodies such as North Wales Police.</p> </td> </tr> <tr> <td>Collaboration</td> <td> <p>Positive</p> <p>The Shotton Master Plan will require collaborative working across Council Portfolios and with partner agencies and wider stakeholders.</p> </td> </tr> <tr> <td>Involvement</td> <td> <p>Positive</p> <p>The Shotton Master Plan will look to engage local residents, businesses and others with an interest in the area in identifying and achieving the priorities for the area.</p> </td> </tr> </table>	Integration	<p>Positive</p> <p>The aims and objectives of the Shotton Master Plan will not only support the Council in achieving its wellbeing objectives but also some of the Council's priorities, as contained within the Council Plan. It will also support the wellbeing objectives of partner agencies, including public bodies such as North Wales Police.</p>	Collaboration	<p>Positive</p> <p>The Shotton Master Plan will require collaborative working across Council Portfolios and with partner agencies and wider stakeholders.</p>	Involvement	<p>Positive</p> <p>The Shotton Master Plan will look to engage local residents, businesses and others with an interest in the area in identifying and achieving the priorities for the area.</p>								
Integration	<p>Positive</p> <p>The aims and objectives of the Shotton Master Plan will not only support the Council in achieving its wellbeing objectives but also some of the Council's priorities, as contained within the Council Plan. It will also support the wellbeing objectives of partner agencies, including public bodies such as North Wales Police.</p>														
Collaboration	<p>Positive</p> <p>The Shotton Master Plan will require collaborative working across Council Portfolios and with partner agencies and wider stakeholders.</p>														
Involvement	<p>Positive</p> <p>The Shotton Master Plan will look to engage local residents, businesses and others with an interest in the area in identifying and achieving the priorities for the area.</p>														
3.02	<p>Well-being Goals Impact</p> <table border="1"> <tr> <td>Prosperous Wales</td> <td> <p>Neutral</p> <p>Although there is scope to support this wellbeing goal as the Master Plan develops.</p> </td> </tr> <tr> <td>Resilient Wales</td> <td> <p>Positive</p> <p>One of the thematic Working Groups will specifically focus on community resilience and the Master Plan will encompass priorities for social and economic regeneration.</p> </td> </tr> <tr> <td>Healthier Wales</td> <td> <p>Positive</p> <p>Part of the Shotton Master Plan will specifically focus on addressing local issues which are negatively impacting on some resident's mental wellbeing.</p> </td> </tr> <tr> <td>More equal Wales</td> <td> <p>Neutral</p> </td> </tr> <tr> <td>Cohesive Wales</td> <td> <p>Positive</p> <p>The Shotton Master Plan will seek to ensure Shotton is an attractive, safe and vibrant town with well-connected communities.</p> </td> </tr> <tr> <td>Vibrant Wales</td> <td> <p>Neutral</p> </td> </tr> <tr> <td>Globally responsible Wales</td> <td> <p>Neutral</p> </td> </tr> </table>	Prosperous Wales	<p>Neutral</p> <p>Although there is scope to support this wellbeing goal as the Master Plan develops.</p>	Resilient Wales	<p>Positive</p> <p>One of the thematic Working Groups will specifically focus on community resilience and the Master Plan will encompass priorities for social and economic regeneration.</p>	Healthier Wales	<p>Positive</p> <p>Part of the Shotton Master Plan will specifically focus on addressing local issues which are negatively impacting on some resident's mental wellbeing.</p>	More equal Wales	<p>Neutral</p>	Cohesive Wales	<p>Positive</p> <p>The Shotton Master Plan will seek to ensure Shotton is an attractive, safe and vibrant town with well-connected communities.</p>	Vibrant Wales	<p>Neutral</p>	Globally responsible Wales	<p>Neutral</p>
Prosperous Wales	<p>Neutral</p> <p>Although there is scope to support this wellbeing goal as the Master Plan develops.</p>														
Resilient Wales	<p>Positive</p> <p>One of the thematic Working Groups will specifically focus on community resilience and the Master Plan will encompass priorities for social and economic regeneration.</p>														
Healthier Wales	<p>Positive</p> <p>Part of the Shotton Master Plan will specifically focus on addressing local issues which are negatively impacting on some resident's mental wellbeing.</p>														
More equal Wales	<p>Neutral</p>														
Cohesive Wales	<p>Positive</p> <p>The Shotton Master Plan will seek to ensure Shotton is an attractive, safe and vibrant town with well-connected communities.</p>														
Vibrant Wales	<p>Neutral</p>														
Globally responsible Wales	<p>Neutral</p>														

3.03	Flintshire County Council's Wellbeing Objectives	
	Ambitious Council	Positive The Shotton Master Plan aims to support economic growth and regeneration in the area, with the potential strengthening of transport links and infrastructure.
	Achieving Council	Positive This is a collaborative project where organisations will work together to provide services that promote quality of life in the community.
	Caring Council	Positive One of the aims of the Shotton Master Plan is for partner agencies to work together to prevent and tackle crime, disorder and anti-social behaviour.
	Connected Council	Positive The Shotton Master Plan has a thematic Working Group focused around community matters and issues, which will include working with communities to support them to be resilient.
	Green Council	Positive The Shotton Master Plan has a thematic Working Group dedicated to environmental matters, including improving the areas waste and recycling performance.
	Learning Council	Neutral

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	With the Leader and Deputy of the Council.
4.02	With Local Members.

5.00	APPENDICES
5.01	Not applicable.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Link to Flint Masterplan – for information and as an example: https://www.flintshire.gov.uk/en/PDFFiles/SHARP/Flint-Masterplan.pdf

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

8.00	GLOSSARY OF TERMS
8.01	<p>Master Plan: In this context it is the plan that sets out the intentions, aims and priority actions for the Shotton area over the coming five to 10 years.</p> <p>Regeneration: In this context regeneration of the area includes improving and reforming the area, with the potential for sustainable development and transformation.</p> <p>DLC: Deeside Leisure Centre</p>



CABINET

Date of Meeting	Tuesday, 16 th February 2021
Report Subject	Annual Audit Summary for Flintshire County Council 2019/20
Cabinet Member	Cabinet Member for Corporate Management and Assets
Report Author	Chief Executive
Type of Report	Operational

EXECUTIVE SUMMARY

This Annual Audit Summary is in place of the Annual Improvement Report (AIR) and the Annual Audit Letter. The report summarises the audit and regulatory work undertaken at the Council by Audit Wales since the last report was published in July 2019.

Overall the Auditor General for Wales has reached a positive conclusion. *“The Auditor General certified that the Council has met its legal duties for improvement planning and reporting and believes that it is likely to meet the requirements of the Local Government (Wales) Measure 2009 during 2020-21.”*

No formal recommendations have been made during the year.

There are a number of new proposals for improvement and proposals of development arising from the reviews undertaken by Audit Wales.

The Auditor General gave an unqualified true and fair opinion on the Council’s financial statements on 14 September 2020, in line with the statutory deadline.

RECOMMENDATIONS

1	To be assured by the Auditor General for Wales’ Annual Audit Summary Report for 2019/20.
---	------------------------------------------------------------------------------------------

REPORT DETAILS

1.00	EXPLAINING THE ANNUAL AUDIT SUMMARY REPORT
1.01	The Auditor General under the Local Government (Wales) Measure 2009 (Measure) undertakes and publishes an annual summary report for all Welsh Councils, Fire and Rescue Authorities and National Park Authorities.
1.02	This is the first Annual Audit Summary Report for Flintshire, combining Annual Improvement Report and Annual Audit Letter. This year's report is a summary of the audit, regulatory and inspection work carried out in 2019/20.
1.03	Overall the Auditor General has concluded that: <i>"The Auditor General certified that the Council has met its legal duties for improvement planning and reporting and believes that it is likely to meet the requirements of the Local Government (Wales) Measure 2009 during 2020-21."</i>
1.04	The Auditor General has not made any statutory recommendations with which the Council must comply.
1.05	There are a number of new proposals for improvement and/or proposals for development in three of the reviews undertaken, namely; "Well-being of Future Generations Act (Wales) 2015 (WFG Act) Examination - an examination of the well-being objective to protect and enhance the natural environment," "Household Recycling Centres" and "Digital Flintshire Review". As part of our established protocol, all proposals for improvement and development from regulatory reports (both local and national) are assessed to establish if further improvements or developments need to be undertaken. The Council's response to these proposals for improvement is to be shared at March's meeting detailing the reports and responses.
1.06	The outcomes of the financial sustainability study have been taken into account in the planning of the Medium Term Financial Strategy. An executive response for the Household Recycling Centres local study was provided to the Environment Overview & Scrutiny Committee on 14 January 2020. The outcomes of the Digital Review have been taken into account in the planning of our Digital Strategy.
1.07	The summary outlines the key findings from the audit of the Council's financial statements for 2019/20, reported in detail to Audit Committee in September 2019, and other audit work undertaken in 2019/20. The Auditor General gave an unqualified true and fair opinion on the Council's financial statements on 14 September 2020, in line with the statutory deadline

2.00	RESOURCE IMPLICATIONS
2.01	There are no specific resource implications as part of this report.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	<p>Cabinet will receive this report for endorsement. They will continue to receive future reports relating to external regulatory work as part of their Forward Work programme.</p> <p>Corporate Resources Overview and Scrutiny Committee will receive this report as part of their scrutiny role in February.</p>

4.00	IMPACT ASSESSMENT AND RISK MANAGEMENT														
4.01	<p>Ways of Working (Sustainable Development) Principles Impact</p> <table border="1"> <tr> <td>Long-term</td> <td rowspan="5">Audit Wales assess if Public bodies are complying with sustainable development principles and taking steps to meet their well-being objectives.</td> </tr> <tr> <td>Prevention</td> </tr> <tr> <td>Integration</td> </tr> <tr> <td>Collaboration</td> </tr> <tr> <td>Involvement</td> </tr> </table> <p>Well-being Goals Impact</p> <table border="1"> <tr> <td>Prosperous Wales</td> <td rowspan="7">Audit Wales assess if Public bodies are complying with sustainable development principles and taking steps to meet their well-being objectives.</td> </tr> <tr> <td>Resilient Wales</td> </tr> <tr> <td>Healthier Wales</td> </tr> <tr> <td>More equal Wales</td> </tr> <tr> <td>Cohesive Wales</td> </tr> <tr> <td>Vibrant Wales</td> </tr> <tr> <td>Globally responsible Wales</td> </tr> </table> <p>Council's Well-being Objectives</p> <p>Audit Wales assess if Public bodies are taking steps to meet their well-being objectives. These are under review as part of a refresh of Council Plan 2021/22.</p> <p>Risk Management</p> <p>Findings from the Audit Wales are risk managed as part of regular monitoring.</p>	Long-term	Audit Wales assess if Public bodies are complying with sustainable development principles and taking steps to meet their well-being objectives.	Prevention	Integration	Collaboration	Involvement	Prosperous Wales	Audit Wales assess if Public bodies are complying with sustainable development principles and taking steps to meet their well-being objectives.	Resilient Wales	Healthier Wales	More equal Wales	Cohesive Wales	Vibrant Wales	Globally responsible Wales
Long-term	Audit Wales assess if Public bodies are complying with sustainable development principles and taking steps to meet their well-being objectives.														
Prevention															
Integration															
Collaboration															
Involvement															
Prosperous Wales	Audit Wales assess if Public bodies are complying with sustainable development principles and taking steps to meet their well-being objectives.														
Resilient Wales															
Healthier Wales															
More equal Wales															
Cohesive Wales															
Vibrant Wales															
Globally responsible Wales															

5.00	APPENDICES
5.01	Appendix 1: Annual Audit Summary 2019/20

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None.

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Jay Davies, Strategic Performance Advisor Telephone: 01352 702744 E-mail: jay.davies@flintshire.gov.uk</p>

8.00	GLOSSARY OF TERMS
8.01	<p>Annual Audit Summary: The Annual Audit Summary is publicised by Audit Wales (AW) on behalf of the Auditor General for Wales. It brings together, with the input of other inspectorates such as Estyn and the Care and Care Inspectorate Wales (CIW), a summary of the regulatory work of the past year.</p> <p>Audit Wales: works to support the Auditor General as the public sector watchdog for Wales. They aim to ensure that the people of Wales know whether public money is being managed wisely and that public bodies in Wales understand how to improve outcomes.</p>

Flintshire County Council

Annual audit summary 2020

This is our audit summary for Flintshire County Council. It shows the work completed since the last Annual Improvement Report, which was issued in July 2019. Our audit summary forms part of the Auditor General for Wales' duties.



More information about these duties can be found on our [website](#).

About the Council

Some of the Services the Council provides



Key facts

The Council is made up of 70 councillors who represent the following political parties/groups:

- Welsh Labour 34
- Independent Alliance 16
- Welsh Liberal Democrats 6
- Welsh Conservative 6
- New Independents 4
- Independents 3
- Not a member of any political group within Flintshire County Council 1

The Council spent £315.8 million on providing services during 2019-20, the sixth highest spend of the 22 unitary councils in Wales.

As at 31 March 2020 the Council had £24.3 million of usable financial reserves. This is equivalent to 8% of the Council's annual spend on services, the second lowest percentage of the 22 unitary councils in Wales.

Key facts

Flintshire has three of its 92 areas deemed the most deprived 10% of areas in Wales, this is the fifth lowest of the 22 unitary councils in Wales¹.

The population of Flintshire is projected to increase by 3.1% between 2020 and 2040 from 156,444 to 161,258, including a 5.1% decrease in the number of children, a 2.9% decrease in the number of the working-age population and a 27% increase in the number of people aged 65 and over².

The Auditor General's duties

We complete work each year to meet the following duties

- **Audit of Accounts**

Each year the Auditor General audits the Council's financial statements to make sure that public money is being properly accounted for.

- **Value for money**

The Council has to put in place arrangements to get value for money for the resources it uses, and the Auditor General has to be satisfied that it has done this.

- **Continuous improvement**

The Council also has to put in place arrangements to make continuous improvements, including related plans and reports, and the Auditor General has to assess whether the Council is likely to (or has) met these requirements.

- **Sustainable development principle**

Public bodies need to comply with the sustainable development principle when setting and taking steps to meet their well-being objectives. The Auditor General must assess the extent to which they are doing this.

¹ An area in this context is defined as a 'Lower Super Output Area'. Source: Stats Wales

² Source: Stats Wales



Since the Spring of 2020, the ongoing pandemic has affected our audit work. We recognise the huge strain on public services and have reshaped our work programme and found new ways of working to reduce its impact on public bodies' response to COVID-19, while still meeting our statutory duties.



To meet the Auditor General's duties we complete specific projects, but we also rely on other audit work, and the work of regulators such as Care Inspectorate Wales and Estyn (the education inspectorate). We take the findings of our audit work into account when assessing whether the Council has put in place arrangements to secure value for money. Our findings and conclusions are summarised below.

What we found

Audit of Flintshire County Council's 2019-20 Accounts

Each year we audit the Council's financial statements.

For 2019-20:

- The Auditor General gave an unqualified true and fair opinion on the Council's financial statements on 14 September 2020, in line with the statutory deadline. The auditor's report also included an emphasis of matter describing material valuation uncertainty clauses in valuation reports on the Council's property and on Pooled Property Funds held by the Clwyd Pension Fund caused by the COVID-19 pandemic.
- The Council's Annual Governance Statement and Narrative Report were prepared in line with the CIPFA Code and relevant guidance. They were also consistent with the financial statements prepared by the Council and with our knowledge of the Council.
- The quality of the draft statements presented for audit on 12 June 2020 was good. This was a significant achievement given the unprecedented challenges posed by the COVID-19 pandemic.
- A number of changes were made to the Council's financial statements arising from our audit work, which were reported to the Audit Committee in our Audit of Financial Statements Report on 9 September 2020.
- The Auditor General issued the certificate confirming that the audit of accounts for 2019-20 had been completed on 14 September 2020.
- In addition to the Auditor General's responsibilities for auditing the Council's financial statements, he also has responsibility for the certification of a number of grant claims and returns. Our work to date has not identified any significant issues.
- Key facts and figures from the 2019-20 financial statements can be accessed [here](#).

Well-being of Future Generations Examination – an examination of the well-being objective to protect and enhance the natural environment

The examination that we undertook in 2019-20 considered the extent to which the Council has acted in accordance with the sustainable development principle when protecting and enhancing the natural environment, a step the Council is taking to meet its well-being objectives. We concluded that the Council has applied the sustainable development principle in developing the step and in taking actions to deliver it, and it has further opportunities to embed the five ways of working as it moves forward. The report can be viewed [here](#).

Continuous Improvement

The Auditor General certified that the Council has met its legal duties for improvement planning and reporting and believes that it is likely to meet the requirements of the Local Government (Wales) Measure 2009 during 2020-21.

Financial Sustainability

During 2019-20 we examined the financial sustainability of each council in Wales. In March 2020, we concluded that the Council takes a high-risk approach to its financial strategy and is not prepared to compromise the range, quality or safety of services; the resulting use of reserves to balance the budget is not sustainable. The report can be viewed [here](#).

National Fraud Initiative

In October 2020, the Auditor General published his report on the findings of the latest National Fraud Initiative (NFI) data-matching exercise in Wales. The exercise helped public bodies in Wales, including the 22 unitary authorities, identify fraud and overpayments amounting to £8 million. The report can be accessed on our website [here](#). NFI continues to be developed and in the forthcoming NFI exercise (NFI 2020-2022), local authorities will have access to matches designed to help identify potential fraudulent applications for COVID-19 business support grants.

Household Recycling Centres

During 2019-20, we did a review to consider do the needs, experiences and aspirations of Flintshire service users inform the design and delivery of services to more closely meet their needs, considering in particular the Council's approach to household recycling centres. In December 2019, we concluded that the Council, following its clearly set out vision, continues to invest in Household Recycling Centres and has listened to service users to help it secure public satisfaction, but increasing public understanding of how to recycle more effectively has potential benefit. The report can be viewed [here](#).

Digital Strategy

During 2019-20, we did a diagnostic review to consider whether the Council is well placed to deliver on the ambitions in its Digital Strategy. In May 2020, we concluded that the Council has a clearly defined digital ambition and recognises the opportunities to improve it further. The report can be viewed [here](#).

Other Inspectorates

We also considered the reports of Care Inspectorate Wales (CIW) and Estyn as well as any subsequent actions taken by the Council in response. CIW undertook focused activity in Children's Services in October 2019 and Adult Services in February 2020 and published its findings in the [Flintshire Local Authority Performance Review April 2019 – March 2020](#).

There were no other Flintshire County Council inspections in this period, but as usual Estyn inspected local schools, and services that are registered with CIW in Flintshire were subject to regular review.

Local Government Studies

As well as local work at each council, each year we also carry out studies across the local government sector to make recommendations for improving value for money. Since the last annual improvement report we have published the following reports:

The 'Front Door' to Social Care (September 2019)

We considered the effectiveness of the new 'front door' to social care, looking specifically at services for adults. We found that whilst councils are preventing social-care demand, information, advice and assistance are not consistently effective. The full report can be viewed [here](#).

Review of Public Services Boards (October 2019)

We inspected how Public Services Boards are operating; looking at their membership, terms of reference, frequency and focus of meetings, alignment with other partnerships, resources and scrutiny arrangements. We concluded that Public Services Boards are unlikely to realise their potential unless they are given freedom to work more flexibly and think and act differently. The full report can be viewed [here](#).

Progress in implementing the Violence Against Women, Domestic Abuse and Sexual Violence Act (November 2019)

We examined how the new duties and responsibilities of the Violence against Women, Domestic Abuse and Sexual Violence (Wales) Act are being rolled out and delivered. We found that victims and survivors of domestic abuse and sexual violence are often let down by an inconsistent, complex and fragmented system. The full report can be viewed [here](#).

Rough Sleeping in Wales – Everyone’s Problem; No One’s Responsibility (July 2020)

We looked at how well public services are responding to the issue of rough sleeping. Overall, we found that responding to COVID-19 is an opportunity for public bodies to start addressing long standing weaknesses in partnership working which has stopped them from tackling rough sleeping in the past. The full report can be viewed [here](#).

Better Law Making (September 2020)

This report draws on five reports published between 2019 and today looking at how local authorities are responding to the challenge of implementing new legislation. Implementation is a complex task which needs to be fully thought through by the Welsh Government and the Senedd whenever they bring forward and make any new legislation. The paper highlights the difficulties faced by local authorities and their public sector partners in implementing their new responsibilities. The full report can be viewed [here](#).

Commercialisation in Local Government (October 2020)

Councils have conducted commercial activity for a long time, and many councils are exploring additional commercial opportunities to mitigate against the financial pressures they face. Our report is specifically targeted at helping elected members and senior officers to examine and judge the potential impact on their organisations when considering whether to undertake commercialisation. It will also help councils to demonstrate how well they are discharging their value for money responsibilities. The full report can be viewed [here](#).

Planned work for 2020-21

We also looked at the key challenges and opportunities facing the Council. These risks could have an effect on the Council’s ability to meet its legal obligations in relation to the sustainable development principle, the use of its resources and continuous improvement.

The most significant risk and issue facing councils and the wider public sector during 2020-21 is the COVID-19 pandemic. We have shaped our work to provide assurance and challenge in a way which helps to support the Council through this period. Our work plan for 2020-21 includes:

- Recovery planning in response to the COVID-19 pandemic
- COVID-learning project – helping to identify and share learning from the way in which public bodies have responded to the pandemic
- Assurance and risk assessment
- A review of the Council’s financial sustainability
- A review of the Council’s Rent Arrears processes
- A review of the Council’s Cultural Services
- North Wales Economic Ambition Board
- Commissioning Older People’s Care Home Placements – North Wales Councils and Betsi Cadwaladr University Health Board

The Auditor General is independent of government, and is appointed by Her Majesty the Queen. The Auditor General undertakes his work using staff and other resources provided by the Wales Audit Office, which is a statutory board established for that purpose and to monitor and advise the Auditor General. The Wales Audit Office is held to account by the Senedd.

The Auditor General audits local government bodies in Wales, including unitary authorities, police, probation, fire and rescue authorities, national parks and community councils. He also conducts local government value for money studies and assesses compliance with the requirements of the Local Government (Wales) Measure 2009.

Beyond local government, the Auditor General is the external auditor of the Welsh Government and its sponsored and related public bodies, the Senedd Commission and National Health Service bodies in Wales.

Audit Wales is the non-statutory collective name for the Auditor General for Wales and the Wales Audit Office, which are separate legal entities with their own legal functions, as described above. Audit Wales is not a legal entity.

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

This document is also available in Welsh.

This page is intentionally left blank



CABINET

Date of Meeting	Tuesday, 16th February 2021
Report Subject	Revenue Budget Monitoring Report 2020/21 (Month 9)
Cabinet Member	Cabinet Member for Finance
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

This monthly report provides the latest detailed revenue budget monitoring position 2020/21 for the Council Fund and Housing Revenue Account for the financial year and presents the position, based on actual income and expenditure, as at Month 9. This report projects how the budget would stand at the close of the financial year if all things remain unchanged; it also takes into account the latest position on Welsh Government Emergency Grant Funding announcements.

The projected year end position, without new actions to reduce cost pressures and/or improve the financial return on efficiency planning and cost control is:

Council Fund

- An operating surplus of £0.372m (excluding the impact of the pay award which will be met by reserves), which is a favourable movement of £0.102m from the surplus figure of £0.270m reported at Month 8.
- A projected contingency reserve balance as at 31st March, 2021 of £1.787m

Housing Revenue Account

- Net in-year revenue expenditure forecast to be £1.641m lower than budget
- A projected closing balance as at 31st March, 2021 of £3.814m

As reported in previous reports and to assist with mitigating the overall projected overspend the following measures were introduced from Month 5:-

- 1) All non-essential spend be reviewed and challenged with a view to ceasing/delaying where able and
- 2) Further Portfolio Management Team challenge of recruitment to vacancies i.e. ceasing/delaying.

RECOMMENDATIONS

1	To note the overall report and the projected Council Fund contingency sum as at 31 st March 2021.
2	To note the projected final level of balances on the Housing Revenue Account (HRA).
3	To approve the carry forward requests included in paragraph 1.22

REPORT DETAILS

1.00	EXPLAINING THE MONTH 9 POSITION
1.01	<p>Council Fund Projected Position</p> <p>The projected year end position, without mitigation to reduce cost pressures and improve the yield on efficiency planning, is as follows:</p> <ul style="list-style-type: none">• An operating surplus of £0.372m (excluding the impact of the pay award which will be met by reserves)• A projected contingency reserve available balance as at 31 March 2021 of £1.787m. <p>To assist with mitigating the overall projected overspend the following measures have been introduced:-</p> <ol style="list-style-type: none">1) All non-essential spend is being reviewed and challenged with a view to ceasing/delaying where able and2) Introduction of a vacancy management process to consider new recruitment requests <p>The outcome of this work is shown within the report and will continue as part of the robust challenge of the future monthly monitoring position.</p>

1.02	<p>Table 1. Projected Position by Portfolio</p> <p>The table below shows the projected position by portfolio:</p> <table border="1" data-bbox="320 255 1374 1205"> <thead> <tr> <th data-bbox="320 255 786 450">Portfolio/ Service Area</th> <th data-bbox="786 255 975 450">Approved Budget £m</th> <th data-bbox="975 255 1182 450">Projected Outturn £m</th> <th data-bbox="1182 255 1374 450">In-Year Over / (Under) spend £m</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 450 786 506">Social Services</td> <td data-bbox="786 450 975 506">68.465</td> <td data-bbox="975 450 1182 506">68.629</td> <td data-bbox="1182 450 1374 506">0.164</td> </tr> <tr> <td data-bbox="320 506 786 562">Out of County Placements</td> <td data-bbox="786 506 975 562">11.940</td> <td data-bbox="975 506 1182 562">12.571</td> <td data-bbox="1182 506 1374 562">0.631</td> </tr> <tr> <td data-bbox="320 562 786 618">Education & Youth</td> <td data-bbox="786 562 975 618">8.770</td> <td data-bbox="975 562 1182 618">8.174</td> <td data-bbox="1182 562 1374 618">(0.596)</td> </tr> <tr> <td data-bbox="320 618 786 674">Schools</td> <td data-bbox="786 618 975 674">98.728</td> <td data-bbox="975 618 1182 674">98.728</td> <td data-bbox="1182 618 1374 674">0.000</td> </tr> <tr> <td data-bbox="320 674 786 730">Streetscene & Transportation</td> <td data-bbox="786 674 975 730">30.650</td> <td data-bbox="975 674 1182 730">31.446</td> <td data-bbox="1182 674 1374 730">0.796</td> </tr> <tr> <td data-bbox="320 730 786 786">Planning & Environment</td> <td data-bbox="786 730 975 786">5.762</td> <td data-bbox="975 730 1182 786">6.071</td> <td data-bbox="1182 730 1374 786">0.310</td> </tr> <tr> <td data-bbox="320 786 786 842">People & Resources</td> <td data-bbox="786 786 975 842">4.491</td> <td data-bbox="975 786 1182 842">4.350</td> <td data-bbox="1182 786 1374 842">(0.141)</td> </tr> <tr> <td data-bbox="320 842 786 898">Governance</td> <td data-bbox="786 842 975 898">9.193</td> <td data-bbox="975 842 1182 898">9.112</td> <td data-bbox="1182 842 1374 898">(0.081)</td> </tr> <tr> <td data-bbox="320 898 786 954">Strategic Programmes</td> <td data-bbox="786 898 975 954">4.943</td> <td data-bbox="975 898 1182 954">4.677</td> <td data-bbox="1182 898 1374 954">(0.266)</td> </tr> <tr> <td data-bbox="320 954 786 1010">Housing & Assets</td> <td data-bbox="786 954 975 1010">16.149</td> <td data-bbox="975 954 1182 1010">15.426</td> <td data-bbox="1182 954 1374 1010">(0.723)</td> </tr> <tr> <td data-bbox="320 1010 786 1066">Chief Executive</td> <td data-bbox="786 1010 975 1066">2.748</td> <td data-bbox="975 1010 1182 1066">2.429</td> <td data-bbox="1182 1010 1374 1066">(0.319)</td> </tr> <tr> <td data-bbox="320 1066 786 1122">Central & Corporate Finance</td> <td data-bbox="786 1066 975 1122">24.147</td> <td data-bbox="975 1066 1182 1122">24.002</td> <td data-bbox="1182 1066 1374 1122">(0.145)</td> </tr> <tr> <td data-bbox="320 1122 786 1205">Total</td> <td data-bbox="786 1122 975 1205">285.986</td> <td data-bbox="975 1122 1182 1205">285.615</td> <td data-bbox="1182 1122 1374 1205">(0.372)</td> </tr> </tbody> </table>	Portfolio/ Service Area	Approved Budget £m	Projected Outturn £m	In-Year Over / (Under) spend £m	Social Services	68.465	68.629	0.164	Out of County Placements	11.940	12.571	0.631	Education & Youth	8.770	8.174	(0.596)	Schools	98.728	98.728	0.000	Streetscene & Transportation	30.650	31.446	0.796	Planning & Environment	5.762	6.071	0.310	People & Resources	4.491	4.350	(0.141)	Governance	9.193	9.112	(0.081)	Strategic Programmes	4.943	4.677	(0.266)	Housing & Assets	16.149	15.426	(0.723)	Chief Executive	2.748	2.429	(0.319)	Central & Corporate Finance	24.147	24.002	(0.145)	Total	285.986	285.615	(0.372)
Portfolio/ Service Area	Approved Budget £m	Projected Outturn £m	In-Year Over / (Under) spend £m																																																						
Social Services	68.465	68.629	0.164																																																						
Out of County Placements	11.940	12.571	0.631																																																						
Education & Youth	8.770	8.174	(0.596)																																																						
Schools	98.728	98.728	0.000																																																						
Streetscene & Transportation	30.650	31.446	0.796																																																						
Planning & Environment	5.762	6.071	0.310																																																						
People & Resources	4.491	4.350	(0.141)																																																						
Governance	9.193	9.112	(0.081)																																																						
Strategic Programmes	4.943	4.677	(0.266)																																																						
Housing & Assets	16.149	15.426	(0.723)																																																						
Chief Executive	2.748	2.429	(0.319)																																																						
Central & Corporate Finance	24.147	24.002	(0.145)																																																						
Total	285.986	285.615	(0.372)																																																						
1.03	<p>The reasons for the favourable net movement of £0.102m from the previous month are shown in Appendix 1. The reasons for the overall projected variances are summarised within Appendix 2 showing the detail of all variances over £0.050m and a summary of minor variances for each portfolio.</p> <p>Within the projected underspend position of £0.372m, there are COVID-19 related cost pressures and income shortfalls totalling £1.268m which are shown in a separate column in Appendix 2 (cost savings of £0.175m, cost pressures of £0.343m and income shortfalls of £1.100m). We will continue to look at legitimate funding opportunities from the Welsh Government Hardship Fund which if confirmed will have a positive impact on the overall position.</p>																																																								
	Significant Movement from Month 8																																																								
1.04	<p>Social Services £0.200m</p> <p>Due to a misinterpretation of the complex Financial Assessment Regulations a number of service users have been incorrectly charged with the estimated value required to be reimbursed being in the region of £0.750m-£0.800m. However, this is partly mitigated by an increase in Direct Payment funds which are due to be drawn back in line with the</p>																																																								

Direct Payment Contract (£0.200m). In addition, there is a further positive movement following confirmation of further Welsh Government Hardship funding claimed to support the Council's in-house care provision (£0.360m-£0.400m) leaving a projected month on month movement of up to £0.200m.

Increased care service costs in Mental Health totaling £0.075m are mitigated by the delay in opening of Plas yr Ywen extra care facility (£0.039m) and additional funding contributing to a care package in Disability Services for (£0.035m).

Out of County Placements £0.064m

The aggregate impact of new placements and changes of placements forecast to the end of the financial year.

Streetscene & Transportation (£0.310m)

There has been a reduction in costs for January and early February due to school closures as school transport providers have been reimbursed at 75% of contracted price as per Welsh Government guidance.(£0.205m).

There has been a reduction in the projected costs of risks associated with the pandemic following a review of costs and an updated position on the Hardship Claims agreed by Welsh Government (£0.254m).

The above are offset by additional workforce costs in Waste Services and additional security costs at the Council's Household Recycling Centres (£0.108m), together with minor variances across the portfolio of £0.041m.

Governance (£0.126m)

Part of the positive movement relates to an increase to the projected surplus on the Council Tax Collection Fund (£0.025m).

The Revenues Service have received a number of Administration Grant awards for resourcing and disseminating Welsh Government Emergency Business Grants (£0.045m). There has also been an increase in income from fines, over and above previously anticipated levels (£0.038m).

Education & Youth (£0.072m)

The positive movement is due to delays in recruitment within Schools Inclusion and Progression Service (£0.027m); further reduction of costs at non maintained settings payments (£0.025m); and other minor variances across the service (£0.021m).

Central & Corporate Finance £0.206m

Due to the rising level of outstanding debt across the Council due to the impact of the pandemic and the current economic climate on business and service clients of the Council, a prudent approach has been adopted by increasing the overall bad debt provision by £0.250m. This is partly mitigated by other positive movements for the projected outturn on Apprentice Tax levy and Pensions Added Years contributions totaling (£0.044m).

1.05	<p>Key Financial Risks – Council Tax Income and Council Tax Reduction Scheme</p> <p>There have been significant impacts on Council Tax income and the Council Tax Reduction Scheme.</p> <p>The potential financial impact of these two areas is being reported separately due to 1) the difficulties in predicting the impacts of these risks and 2) the potential for these areas to be further supported by additional Welsh Government funding.</p> <p>An update on the latest position on each area is detailed below.</p>
1.06	<p>Council Tax Income</p> <p>As with all Councils the pandemic has significantly impacted on council tax collection. At this stage council tax income is 1.1% below target which equates to £1.1m. Income is expected to continue to recover now that recovery processes have resumed in full and when agreed payment deferrals are settled. Welsh Government have recently announced financial support of £22.6m across Wales as a contribution towards these potential losses.</p>
1.07	<p>Council Tax Reduction Scheme (CTRS)</p> <p>During the pandemic there has been a significant increase in demand with additional costs of £0.294m identified as at the second quarter. Welsh Government previously confirmed funding for the first two quarters totalling £0.147m and have also recently confirmed the final two quarters of the financial year will be supported by grant funding totalling £5.5m across Wales.</p>
1.08	<p>OPEN RISKS</p> <p>Members were made aware when setting the budget that there were a number of open risks that would need to be kept under close review. An update on these is provided below.</p>
1.09	<p>Pay Award</p> <p>The Teachers Pay Award which is effective from September 2020 has been set at 3.1% and the financial impact of this for 2020/21 is estimated to be £0.535m. Welsh Government have previously announced grant funding of £0.200m to part fund this increase. The remainder will need to be met from Schools delegated budgets.</p>
1.10	<p>Charging for Post 16 Transport</p> <p>The budget for 2020/21 provides for expected additional income of £0.449m based on the assumption that charging would be introduced from September 2020. This policy decision was reversed by Cabinet in May.</p>

	<p>The developing financial solution through effective partnership working with Coleg Cambria will assist with mitigating the financial risk for 2020/21. An agreement has been reached with the college that a level of the anticipated value of the journeys would be reimbursed to the Portfolio and that is now reflected in the projected outturn.</p>
1.11	<p>Out of County Placements</p> <p>Additional funding of £2.7m was included in the budget for 2020/21 to address the historic significant increase in demand. At this stage, based on current activity there is an overall net projected overspend of £0.631m (underspend of £0.156m within Education together with an overspend of £0.787m within Children's Services). The impact of this increase in demand will need to be considered as part of the budget considerations for 2021/22.</p>
1.12	<p>NEW EMERGING RISKS</p> <p>Free School Meals (FSM)</p> <p>Schools have a delegated budget for free school meals which is based on the number of pupils eligible. The budget for 2020/21 is £1.256m. Following the closure of schools in March, the Council made direct payments to families and there was a marked increase in the number of claims. Based on current free school meal claims and making projections for a range of take-up percentages in the remainder of the year, it is estimated that the budget could overspend by between £0.222m and £0.344m.</p>
1.13	<p>Severe Weather / Flood Risks</p> <p>The recent severe weather in January has impacted a number of services across the Council. As a result, there are likely to be significant costs being incurred, having both Revenue and Capital implications.</p> <p>Welsh Government have confirmed that the Emergency Financial Assistance Scheme (EFAS) threshold will not apply for the costs incurred.</p> <p>Welsh Government have advised with regard to revenue and capital funding which indicates that costs can be claimed for between 85% and 100% of expenditure incurred, subject to further confirmation. Costs at this stage are estimated to be in the region of £0.900m.</p>
1.14	<p>Achievement of Planned In-Year Efficiencies</p> <p>The 2020/21 budget contains £5.206m of specific efficiencies which are being tracked and monitored. The Council aims to achieve a 95% rate in 2020/21 as reflected in the MTFS KPI's.</p> <p>The current assessment of the efficiencies to be achieved in 2020/21 shows that £5.357m or 100% of the efficiencies will be achieved, with an over recovery of £0.151m on Discretionary Transport Review – Post 16 Transport.</p>

	Further details on the current status on efficiencies can be seen in Appendix 3 with the overall impact in relation to any impact for 2021/22 being reviewed as part of the ongoing work on the MTFs.																																								
1.15	<p>Reserves and Balances</p> <p>Un-earmarked Reserves</p> <p>The level of Council Fund Contingency Reserve brought forward into 2020/21 was £2.370m as detailed in the 2019/20 outturn report. This is the amount available for general purposes following the set-aside of £3.0m for Emergency Funding.</p>																																								
1.16	<p>Taking into account the above and, the current projected underspend at this stage, and previously agreed allocations, the balance on the Contingency Reserve at 31 March 2021 is projected to be £1.787m as detailed in Appendix 4.</p> <p>This assumes that the projected underspend of £0.372m increases the overall Reserve.</p> <p>The £3m emergency ring-fenced fund would have an amount of £2.377m remaining after allowing for currently known ineligible items, However, there are a number of holding items and Income Loss claims still being considered by the Grants Panel. Therefore, it is estimated that the final amount remaining will be in the range £1.5m to £2m.</p>																																								
1.17	A review of the Earmarked Balances and Reserves is on-going, balances are challenged and some identified as no longer required, which can then be returned to the Contingency Reserve.																																								
1.18	<p>Earmarked Reserves</p> <p>The table below gives a summary of earmarked reserves as at 1 April 2020 and provides an estimate of projected balances as at the end of the current financial year.</p> <p>Council Fund Earmarked Reserves 2020/21 Monitoring Summary Month 9</p> <table border="1"> <thead> <tr> <th>Reserve Type</th> <th>Balance as at 01/04/20</th> <th>Balance as at Month 9</th> <th>Balance as at 31/03/21</th> </tr> </thead> <tbody> <tr> <td>Service Balances</td> <td>1,614,705</td> <td>1,139,498</td> <td>1,219,850</td> </tr> <tr> <td>Specific Service Balances</td> <td>213,991</td> <td>213,991</td> <td>189,670</td> </tr> <tr> <td>Single Status/Equal Pay</td> <td>1,120,944</td> <td>1,120,944</td> <td>729,615</td> </tr> <tr> <td>Investment in Organisational Change</td> <td>1,693,937</td> <td>1,670,552</td> <td>1,355,815</td> </tr> <tr> <td>Benefits Equalisation</td> <td>132,822</td> <td>132,822</td> <td>132,822</td> </tr> <tr> <td>County Elections</td> <td>211,990</td> <td>211,990</td> <td>211,990</td> </tr> <tr> <td>Local Development Plan (LDP)</td> <td>180,000</td> <td>180,000</td> <td>180,000</td> </tr> <tr> <td>Waste Disposal</td> <td>82,648</td> <td>82,648</td> <td>22,806</td> </tr> <tr> <td>Enterprise Centres</td> <td>6,993</td> <td>6,993</td> <td>0</td> </tr> </tbody> </table>	Reserve Type	Balance as at 01/04/20	Balance as at Month 9	Balance as at 31/03/21	Service Balances	1,614,705	1,139,498	1,219,850	Specific Service Balances	213,991	213,991	189,670	Single Status/Equal Pay	1,120,944	1,120,944	729,615	Investment in Organisational Change	1,693,937	1,670,552	1,355,815	Benefits Equalisation	132,822	132,822	132,822	County Elections	211,990	211,990	211,990	Local Development Plan (LDP)	180,000	180,000	180,000	Waste Disposal	82,648	82,648	22,806	Enterprise Centres	6,993	6,993	0
Reserve Type	Balance as at 01/04/20	Balance as at Month 9	Balance as at 31/03/21																																						
Service Balances	1,614,705	1,139,498	1,219,850																																						
Specific Service Balances	213,991	213,991	189,670																																						
Single Status/Equal Pay	1,120,944	1,120,944	729,615																																						
Investment in Organisational Change	1,693,937	1,670,552	1,355,815																																						
Benefits Equalisation	132,822	132,822	132,822																																						
County Elections	211,990	211,990	211,990																																						
Local Development Plan (LDP)	180,000	180,000	180,000																																						
Waste Disposal	82,648	82,648	22,806																																						
Enterprise Centres	6,993	6,993	0																																						

Design Fees	200,000	200,000	0
Winter Maintenance	250,000	250,000	250,000
Car Parking	45,403	45,403	45,403
Insurance Reserves	2,203,010	2,203,010	2,503,010
Cash Receipting Review	3,181	3,181	3,181
Flintshire Trainees	524,106	524,106	524,106
Rent Income Shortfall	30,979	30,979	30,979
Customer Service Strategy	22,468	22,468	22,468
Capita One	18,827	18,827	0
Supervision Fees	48,798	48,798	48,798
LMS Curriculum	420,896	431,106	338,531
Organisational Change/ADM	33,500	33,500	0
Carbon Reduction	25,221	25,221	25,221
Employment Claims	107,998	103,613	103,613
Property Claims	36,363	20,763	20,763
Community Benefit Fund NWRWTP	64,727	64,727	64,727
Total B823 Balances	7,678,801	7,645,640	6,803,517
Schools Balances	111,957	111,957	111,957
Grants & Contributions	3,887,337	3,337,553	3,255,187
TOTAL	13,292,799	12,234,648	11,390,511

The projected level of school balances are currently being reviewed in detail as we near the end of the financial year. At this stage however, there is a significant risk that overall balances could fall into an overall net negative position. However, in the past schools have benefitted from the notification of late in-year external grant funding opportunities which would positively impact on year end balances.

1.19

Request for Carry Forward of Funding

Education & Schools

Transition of the Plas Derwen Pupil Referral Unit into the new build on the Queensferry site is due to open in September 2021. The service has a projected underspend of £0.020m in 2020/21 and approval is sought to carry forward this funding to support additional TLRs (Teaching and Learning Responsibilities) for staff to lead on curriculum development across the age ranges and to enable the purchase of resources to support the new curriculum.

Planning Environment & Economy

One off funding of £0.024m is currently being utilised to fund a short term contract Clerk of Works to assist the team in providing greater resilience to the Empty Homes Scheme and clearing a backlog and administration. The delay in acquiring additional resource due to the Pandemic means that this post will now be required to continue on into the 1st quarter of the new financial year. This is an area of work which appears in the Council Plan and is measured by a Public Accountability Measure (PAM). Approval is sought to carry forward this funding.

	<p>Streetscene & Transportation Due to the amount of late Welsh Government grant funding being made available to the Council, some of the spend that is normally allocated to the capital programme via a revenue contribution on the Highways Asset Management Plan works is now not required because of the need to maximise this grant funding (£0.150m) Approval is sought to carry forward this funding to be utilised in full on Highways schemes during 2021/22.</p>
1.20	<p>Housing Revenue Account</p> <p>The 2019/20 Outturn Report to Cabinet on 16 June 2020 showed an un-earmarked closing balance at the end of 2019/20 of £2.009m and a closing balance of earmarked reserves of £0.437m.</p>
1.21	<p>The 2020/21 budget for the HRA is £36.672m which includes a movement of £0.164m to reserves.</p>
1.22	<p>The monitoring for the HRA is projecting in year expenditure to be £1.641m lower than budget and a closing un-earmarked balance as at 31 March 2021 of £3.650m, which at 10.48% of total expenditure satisfies the prudent approach of ensuring a minimum level of 3%. Appendix 5 attached refers.</p>
1.23	<p>Housing Revenue Account (£0.051m)</p> <p>Positive movement is in the main due to a reduction in court costs due to the suspension of action as a result of the pandemic (£0.030m); minor variances across the service (£0.021m).</p>
1.24	<p>The budget contribution towards capital expenditure (CERA) is £12.928m.</p>

2.00	RESOURCE IMPLICATIONS
2.01	As set out within the report.

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

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	None specific.

5.00	APPENDICES
5.01	Appendix 1: Council Fund – Movement in Variances from Month 8 Appendix 2: Council Fund – Budget Variances Appendix 3: Council Fund – Programme of Efficiencies Appendix 4: Council Fund – Movement on Un-earmarked Reserves Appendix 5: Housing Revenue Account Variances

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Various budget records.

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

8.00	GLOSSARY OF TERMS
8.01	<p>Budget: a statement expressing the Council’s policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p> <p>Council Fund: the fund to which all the Council’s revenue expenditure is charged.</p> <p>Financial Year: the period of twelve months commencing on 1 April.</p> <p>Housing Revenue Account: the Housing Revenue Account (HRA) is a local authority account showing current income and expenditure on housing services related to its own housing stock. The account is separate from the Council Fund and trading accounts and is funded primarily from rents and government subsidy.</p> <p>Intermediate Care Fund: Funding provided by Welsh Government to encourage integrated working between local authorities, health and housing.</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>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</p>

level and purpose of their reserves and to take account of the advice of the Chief Finance Officer.

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

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

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

This page is intentionally left blank

Budget Monitoring Report
Council Fund Variances

MONTH 9 - SUMMARY

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £0.025m
Social Services		
Older People		
Resources & Regulated Services	-0.039	This variance is due to the delay in opening of the Plas Yr Ywen extra care facility.
Minor Variances	0.015	
Adults of Working Age		
Resources & Regulated Services	0.025	This is due to increased care service costs within Disability Services.
Disability Services	-0.035	The favourable variance is due to additional funding identified to contribute to a care package.
Residential Placements	0.074	This is due to increased care service costs within Mental Health services.
Minor Variances	-0.008	
Safeguarding & Commissioning		
Charging Policy income	0.544	It has been identified that there have been a number of service users who have been overcharged due to a misinterpretation of complex financial assessment rules. This dates back a number of years and the variance is the estimated amount to be reimbursed to the service users. This amount has been offset by an estimated recoupment of Direct Payments
Impact of Covid-19	-0.360	This is hardship funding received from Welsh Government to support the Councils in-house care provision. Most additional costs due to COVID-19 are staff costs, which have been reported within their respective services.
Minor Variances	-0.016	
Total Social Services (excl Out of County)	0.200	
Out of County		
Children's Services	0.090	Mainly due to new placements
Education & Youth	-0.025	Reduced costs for some recent new placements due to delayed start dates due to COVID-19
Total Out of County	0.064	
Inclusion & Progression	-0.027	Movement of £0.026m in month 9 as a result from delays in recruitment
Integrated Youth Provision	-0.020	
School Improvement Systems	-0.025	At month 9 Non-maintained settings payments are projected lower than previously anticipated
Business Change & Support	-0.008	
School Planning & Provision	0.008	
Minor Variances	-0.021	
Total Education & Youth	-0.072	
Schools	0.000	
Streetscene & Transportation		
Service Delivery	0.130	Additional staffing costs totalling £0.060m due to pay arrears for charge hand roles. £0.048m relating to HRC additional security costs which are deemed to be not eligible to claim from the WG Hardship Claim. Other minor variances totalling £0.022m.
Highways Network	0.021	Minor Variances across the service
Transportation	-0.205	Impact of 75% payable to School Transport providers from January due to school closures into February and reflects the projected 25% saving.
Regulatory Services	-0.003	Minor Variances
Impact of Covid-19	-0.254	Reduction in Covid-19 risks following a review of costs and risks, together with an updated position on the proposed Hardship claims to Welsh Government, including Car Parks.
Other Minor Variances	0.000	
Total Streetscene & Transportation	-0.310	
Planning, Environment & Economy		

Development	-0.037	Higher than anticipated Planning Fees/ Land Charges income received during December
Regeneration	-0.016	A further Admin Management Fee for Welsh Government COVID Business Restrictions Fund
Minor Variances	0.007	
Total Planning & Environment	-0.046	
People & Resources		
HR & OD	-0.009	
Corporate Finance	-0.006	
Total People & Resources	-0.015	
Governance		
Revenues	-0.126	At Period 09 the movement is due to an early indication of a potential surplus on the Council Tax Fund increased by £0.025m; underspends calculated on the Welsh Government Admin Grants for Covid Funding £0.045m; review of Income expected from Fines £0.038m
Minor Variances	-0.026	
Total Governance	-0.152	
Strategic Programmes		
Public Libraries & Arts, Culture & Events		
Minor Variances	0.041	Extension of the Income Strategy Post £0.029m, minor variances across the service
Total Strategic Programmes	0.041	
Housing & Assets		
Housing Solutions	0.040	Claims from WG COVID-19 Hardship fund
Impact of Covid-19	-0.040	Claims from WG COVID-19 Hardship fund
Minor Variances	-0.005	
Total Housing & Assets	-0.005	
Chief Executive's		
Impact of Covid-19	0.000	
Central & Corporate Finance		
	0.206	Favourable movement of (£0.044m) is due to revised outturn projections for Apprentice Tax Levy costs to March, 2021 and Pension Recharges Added years. Due to the rising level of outstanding debt within the Council due to the impact of COVID-19 on business and service clients of the Council, a prudent approach has been adopted by increasing the bad debt provision by £0.250m across the Council.
Impact of Covid-19	0.000	
Grand Total	-0.101	

Budget Monitoring Report
Council Fund Variances

MONTH 9 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Social Services							
Older People							
Localities	19.218	18.656	-0.563		-0.579	The net cost of residential care is £0.488m underspent. This includes the cost of residential care placements net of income received such as property charges and contributions from health. There is a decline in the demand for residential care placements due to Covid 19. Day care is £0.058m under budget, this service is currently closed and will be reopened only when it is safe to do so. Domiciliary and Direct Payments are reporting a combined overspend of £0.215m and are projected based on recent levels of care provision. The Localities Team staff budget is underspending by £0.161m due to a number of staff not yet on top of scale, some temporary reduced hours and in-year savings on travel costs. The minor adaptations budget is £0.058m underspent based on expected activity and there is a small underspend on service level agreements paid to the third sector of £0.008m.	
Resources & Regulated Services	8.027	7.689	-0.337		-0.298	The Councils in-house care provision is reporting an underspend of £0.337m. Day care is reporting an overspend of £0.003m, day centres are currently closed and assumed to be so until it is safe to reopen. The day centre staff are deployed to residential care to assist in delivering care, however the staff costs are still recorded against the day-care budget. Homecare is underspent by £0.018m. Staff costs are incurred as a result of the amount of homecare delivered and projected forward based on estimated activity. Residential care is overspent by £0.007m due to a number of small variances. Extra care is underspending by £0.330m. Plas Yr Ywern in Holywell has not yet opened an a full compliment of staff is yet to be recruited. Care staff already recruited to Plas Yr Ywern are currently redeployed to alternate in-house care services and this has meant significant costs due to Covid 19 have been avoided. It is anticipated that Plas Yr Ywern will open in March 2021.	
Minor Variances	1.228	1.197	-0.031		-0.030		
Adults of Working Age							
Administrative Support	0.328	0.255	-0.073		-0.081	Not all staff are currently paid at top of grade and there are also some staff seconded from this service. There have also been in-year savings on staff travel costs.	

Budget Monitoring Report
Council Fund Variances

MONTH 9 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Residential Placements	1.297	2.090	0.793		0.720	This outturn is the cost of social care for people within the Mental Health service. These costs include nursing and residential care, domiciliary care and Direct Payments. Care needs for individuals within this service vary over time, sometimes suddenly, and corresponding costs are subject to the same changes.	
Minor Variances	29.581	29.281	-0.300		-0.273		
Children's Services							
Family Placement	2.621	2.786	0.165		0.162	The overspend is due to current demands on the service from the number of fostering placements, which in some instances avoid making an Out of County placement which would be more expensive. The main pressure areas are payments for foster carers, foster agencies and special guardianship payments.	
Legal & Third Party	0.225	0.540	0.316		0.321	Legal costs are overspent due to the number of cases going through the courts and the use of external legal professionals. Direct Payments have also increased in demand.	
Professional Support	5.293	5.572	0.279		0.283	To support adequate levels of child protection, the established staffing structure needs to be at a sufficient level to meet mandatory safeguarding standards. Vacancies are therefore minimised and additional temporary posts are sometimes required.	
Minor Variances	1.482	1.504	0.022		0.017		
Safeguarding & Commissioning							
Charging Policy income	-3.060	-2.595	0.465		-0.079	A misinterpretation of complex financial assessment rules has been detected. This has resulted in a number of service users being overcharged over a number of years. The overspend is due to the cost to reimburse service users of any overcharges. This is being partially offset by an estimated recoupment of Direct Payments.	
Business Support Service	1.224	1.162	-0.062		-0.059	This variance is on salaries and due to some staff not yet paid top of scale and some staff opting out of the pension scheme.	
Management & Support	-2.057	-2.192	-0.135		-0.130	The underspend is due to not having to contribute to the Regional Collaboration unit in 2020/21.	
Impact of Covid-19	0.000	-0.360	-0.360		0.000	This underspend is due to hardship funding received from Welsh Government to support the Councils in-house care provision for homecare, residential care and supported living. Most additional costs incurred due to Covid are staff costs which have already been reported within their respective services areas.	
Minor Variances	3.058	3.042	-0.016		-0.008		
Total Social Services (excl Out of County)	68.465	68.629	0.164	-0.000	-0.036		

Budget Monitoring Report
Council Fund Variances

MONTH 9 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Out of County							
Children's Services	7.437	8.223	0.787		0.697	The pressure reflects the current cohort of placements with significant numbers of new placements in recent months together with a number of placement changes at higher cost due to breakdowns of placements	Continue to robustly challenge placement proposals presented to the Out of County panel and explore opportunities for cost reductions across the whole of the current cohort.
Education & Youth	4.504	4.348	-0.156		-0.131	The projected underspend reflects the current cohort of Education placements with demand for new placements still being maintained	Continue to robustly challenge placement proposals presented to the Out of County panel and explore opportunities for cost reductions across the whole of the current cohort.
Total Out of County	11.940	12.571	0.631	0.000	0.566		
Education & Youth							
Integrated Youth Provision	1.347	1.099	-0.248	-0.135	-0.228	Includes a projected underspend of -£0.135 on Youth Centres due to closures arising from COVID-19 safety measures producing savings on building cleaning and some relief staffing costs. Also includes a total saving of -£0.111m on the Youth Justice Service mainly due to a delay in recruitment to a new post and savings on equipment purchase and training.	
School Improvement Systems	1.709	1.504	-0.205		-0.181	Savings arising from the challenge of non-essential spend. Early Entitlement savings due to demography and reduced number of settings requiring funding. COVID-19 has caused a significant reduction of non-maintained settings requiring funding.	
School Planning & Provision	0.676	0.618	-0.058		-0.065	Mainly a saving against the provision for third party/public liability insurance claims	
Minor Variances	5.038	4.953	-0.086		-0.051		
Total Education & Youth	8.770	8.174	-0.596	-0.135	-0.524		
Schools	98.728	98.728	0.000		0.000		
Streetscene & Transportation							

Budget Monitoring Report
Council Fund Variances

MONTH 9 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Service Delivery	8.911	9.271	0.360		0.230	The service has incurred additional revenue pressures from responding to and resolving previously reported security measures and remedial actions following vandalism at the Household Recycling Centres. This matter was widely reported during 2019-20 and has not abated. The monthly costs are now running at over £0.006m per month, mainly due to the introduction of a night time presence on the sites. This has resulted in a forecast pressure in the sum of £0.072m for the year. Further impacts for hire of transport, additional stores recharges and HRC site costs are reflected at Month 9.	
Highways Network	7.764	7.724	-0.040		-0.061	Following a stringent review of fuel costs and advice from market advisors, the fuel cost forecast for fleet vehicles has been reduced accordingly. In addition, updated projections on a number of services across Highways Network has resulted in reduced commitments.	
Transportation	9.366	8.915	-0.452		-0.246	Operators have been supported during school closures by receiving 75% of their contracted values, in addition a number of routes have been re-procured to reflect current arrangements for operation in the new school year. The forecast position for this service has now been clarified and accommodates both matters. It should be noted however that this improvement will only impact during 2020-21 and the underlying impact of the current circumstances. There are also risks around this position in that the updated forecast is based on the assumption that Colleges will honour their agreement to support Post 16 transport in the sum of £0.600m. However, if this income is not realised in full, the position will be impacted accordingly. Impact of 75% payable to School Transport providers from January due to school closures into February and reflects the projected 25% saving has been recognised at Month 9	
Regulatory Services	4.609	4.815	0.206		0.208	This service has experienced a downturn in the levels of income generated by sales of Electricity and this is currently anticipated to reach a level of some £0.120m during the year. There has also been a downturn in the rebate for co-mingled waste due to a considerable drop in the value of approximately £70-£80 per ton. The variance reflects the projected loss of car park income in Quarter 2 and 3 following amendments to WG Income Loss Funding eligibility criteria, with further car park income loss risks shown under the COVID-19 variances.	

Budget Monitoring Report
Council Fund Variances

MONTH 9 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Impact of Covid-19	0.000	0.721	0.721	0.721	0.975	Following a full reconciliation and review of Streetscene expenditure and income loss relating to the Coronavirus Pandemic, all relevant details have now been consolidated to one code. This has been done in order to facilitate enhanced reporting and monitoring of the impact. All risks identified are now recorded in this forecast and at month 9 they include; £0.450m car parking income loss, £0.099m in relation to potential PCN and FPN revenues, £0.040m in relation to additional vehicles and fuel and £0.075m in relation to additional private contractors and plant hire. A level of additional disposal expenditure as a result of increased kerbside waste collections due to people working and remaining at or close to home up to October totalling £0.133m was approved by WG. A further £0.057m for the November to March period is now reflected in the Month 9 variance position.	It should also be noted that Welsh Government has approved 50% funding of the Grass Cutting contract, let due to all operatives being diverted to waste routes. An application has been made for the release of part of the £3m COVID-19 Contingency Reserve Funding to fund the other 50%. In addition, there has only been part funding approved of the free school meal transport provided to homes and hubs and submitted as a part of the COVID claim; the balance of funding will also need to be met from the £3m COVID-19 Contingency Reserve.
Holding Accounts	0.000	0.000	0.000		0.000		
Total Streetscene & Transportation	30.650	31.446	0.796	0.721	1.106		-0.310
Planning, Environment & Economy							
Development	0.023	0.175	0.153	0.228	0.190	Pressure within the Building Control service is due in the main, to delays sourcing core materials meaning that the construction industry is operating at a low level of capacity. This results in a projected reduced Building Control fee income. The current economic conditions are having an adverse effect on the Planning Applications, the projection is dependant on the number and value of applications received, resulting in a changeable outturn to ensure an accurate reflection. The overall variance is mitigated by the Fee Increase for planning and related applications of approx 20% that came into effect August 2020	
Regeneration	0.511	0.559	0.048		0.064	There has been a significant impact on income levels following the closure of the markets in the first half of the financial year. Market rents remain suspended as a result of the ongoing pandemic. The overspend has been mitigated in part due to the receipt of a proportion of Welsh Government Admin Grants for COVID funding for business Grants	
Impact of Covid-19	0.000	0.000	0.000	0.044	0.000		
Minor Variances	5.228	5.337	0.109		0.102		
Total Planning & Environment	5.762	6.071	0.310	0.272	0.356		
People & Resources							

Budget Monitoring Report
Council Fund Variances

MONTH 9 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
HR & OD	2.398	2.299	-0.098		-0.090	Favourable variance due to the agreed recharge for overheads claimed for the TTP project for hosting the service on behalf of the region	
Corporate Finance	2.094	2.051	-0.043		-0.036		
Total People & Resources	4.491	4.350	-0.141	0.000	-0.126		
Governance							
Legal Services	0.736	0.893	0.157		0.161	Overspend as a result of employing locums covering absence to ensure continuing client service delivery in the area of child protection £0.193m. Historical efficiency target that was dependant on demand reduction in another service that has not occurred, thereby preventing the consequent achievement of the efficiency £0.091m. Total overspend is mitigated by vacant posts, expected fee income and commitment challenge across the service.	
Democratic Services	2.098	2.018	-0.080	0.004	-0.074	Favourable variance following reduced take up of Members Allowances £0.024m, saving from non requirement to resource Electoral Canvassers £0.022m Commitment challenge and minor variances across the service.	
ICT	4.445	4.394	-0.051		-0.038	Minor variances across the service each less than £0.025m	
Revenues	0.037	-0.035	-0.071	0.293	0.055	Favourable variance at Month 9 following review of Council Tax Collection Fund potential surplus, committed spend against Welsh Government Admin Grants received for COVID business grants; potential fee income for fines anticipated by March, 2021	
Impact of Covid-19	0.000	-0.000	-0.000	0.030	-0.000		
Minor Variances	1.878	1.842	-0.036		-0.032		
Total Governance	9.193	9.112	-0.081	0.327	0.071		
Strategic Programmes							
Minor Variances	4.943	4.677	-0.266		-0.307		
Total Strategic Programmes	4.943	4.677	-0.266	0.000	-0.307		
Housing & Assets							
Enterprise Centres	-0.217	-0.109	0.107		0.108	Pressure due to loss of income in respect of void units	
Property Asset And Development	0.444	0.368	-0.076		-0.076	Mainly staffing cost savings pending completion of restructure	
Caretaking & Security	0.262	0.201	-0.062		-0.061	Mainly staffing cost savings due to vacancies	
Centralised Costs	3.353	2.409	-0.943		-0.931	Favourable variance of £(0.943)m for utilities. £(0.570)m NDR savings predominantly due to the demolition of Phases 3&4 . £(0.228)m savings on electricity, £(0.085)m savings on gas, and £(0.059)m savings on water.	

Budget Monitoring Report
Council Fund Variances

MONTH 9 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Impact of Covid-19 (£m)	Last Month Variance (£m)	Cause of Major Variances greater than £0.050m	Action Required
Benefits	11.665	11.839	0.174	0.119	0.173	Potential net pressure of up to £0.750m on the Council Tax reduction scheme due to additional take up arising from the COVID-19 pandemic impact on employment. This figure takes account of £0.147m of WG emergency funding support in respect of the April to September element of the overall pressure but the £0.750m is not included in the variance figures. Variance includes pressure of £0.119m on staffing costs due the additional demand caused by the COVID-19 pandemic and overpayments.	
Housing Solutions	1.091	1.031	-0.060		-0.100	Savings on Bed and Breakfast accommodation due to managing demand through use of temporary accommodation	
Council Fund Housing	-0.324	-0.202	0.122		0.120	Reduction of internal Housing Support grant allocation due to eligibility issues and pressure arising from new service contract for Carelink	
Impact of Covid-19	0.000	-0.040	-0.040	-0.040	0.000		
Minor Variances	-0.126	-0.071	0.055		0.050		
Total Housing & Assets	16.149	15.426	-0.723	0.079	-0.718		
Chief Executive's	2.748	2.429	-0.319	0.004	-0.308	Vacant Posts across the service; commitment challenge	
Central & Corporate Finance	24.147	24.002	-0.145		-0.351	Over recovery of planned pension contributions recoupment against actuarial projections based on the level of contributions received to date and forecast to the end of the financial year. At Month 9 committed £0.250m against a revised Bad Debt Provision following re-evaluation of aged debt and the current economic climate and COVID conditions.	
Impact of Covid-19	0.000	0.000	0.000	0.000	-0.000		
Grand Total	285.986	285.615	-0.372	1.268	-0.270		

This page is intentionally left blank

2020/21 Efficiencies Outturn Tracker - Master Mth 9

Efficiency Description	Accountable Officer	Efficiency Target	Projected Efficiency	(Under)/Over Achievement	Efficiency Open/Closed (O/C)	Confidence in Achievement of Efficiency - Based on (see below) R = High Assumption A = Medium Assumption G = Figures Confirmed	
		2020/21 £m	2020/21 £m	2020/21 £m			
Portfolio							
Corporate							
Employer Pension Contributions	Reduced requirement due to recovery	Rachel Parry Jones	0.800	0.800	0.000	C	G
Actuarial Review	Reduced contribution rate	All	2.646	2.646	0.000	C	G
Single Person Discount Review	One Off Efficiency	David Barnes	0.300	0.300	0.000	O	G
Total Corporate Services			3.746	3.746	0.000		
Social Services							
Reviewing Function	Reduction of Post	Neil Ayling	0.025	0.000	(0.025)	C	G
Supported Living	Reduction of Voids	Neil Ayling	0.025	0.000	(0.025)	C	G
Communications	Reduction in Mobile Hardware	Neil Ayling	0.030	0.000	(0.030)	C	G
Vacancy Management Saving	Appropriate Vacancy Management	Neil Ayling	0.030	0.070	0.040	C	G
Strategic Use of Grant Funding	Core Funding Replacement Solution	Neil Ayling	0.100	0.170	0.070	C	G
Regional Collaboration Wrexham CBC	Reduction in Posts	Neil Ayling	0.030	0.000	(0.030)	C	G
Additional Social Services Grant	Social Services Grant	Neil Ayling	0.426	0.426	0.000	C	G
Total Social Services			0.666	0.666	0.000		
Education & Youth							
Integrated Youth Provision	Youth Centres - Premises	Claire Homard	0.014	0.014	0.000	O	G
Total Education & Youth			0.014	0.014	0.000		
Streetscene & Transportation							
Discretionary Transport Review - Post 16 Transport	Joint with Education	Stephen O Jones	0.449	0.600	0.151	O	G
Income from External Works		Stephen O Jones	0.010	0.010	0.000	O	G
Garden Waste Charges	Additional take up of service	Stephen O Jones	0.030	0.030	0.000	O	G
NWRWTP Gate Fee Benefit	Utilisation of WG Grant funding	Stephen O Jones	0.200	0.200	0.000	O	G
Total Streetscene & Transportation			0.689	0.840	0.151		
Planning, Environment & Economy							
Countryside	Additional Tree Income	Tom Woodall	0.010	0.010	0.000	O	G
Countryside	Review of Spending	Tom Woodall	0.017	0.017	0.000	O	G
Review of Pest Control	Trading Standards Investigations and Community Safety	Sian Jones	0.035	0.035	0.000	O	G
Development Management	Increased Planning Fee Income	Mandy Lewis	0.015	0.015	0.000	O	G
Minerals & Waste	Adoption of new SLA with Partners	Gary Nancarrow	0.005	0.005	0.000	O	G
Portfolio Admin	Supplies and Services Review	Lynne Fensome	0.005	0.005	0.000	O	G
Regeneration	Bus Dev, Housing and Markets	Niall Waller	0.004	0.004	0.000	O	G
Total Planning, Environment & Economy			0.091	0.091	0.000		
Total 2020/21 Budget Efficiencies			5.206	5.357	0.151		

	%	£
Total 2020/21 Budget Efficiencies	100	5.206
Total Projected 2020/21 Budget Efficiencies Underachieved	3	0.151
Total Projected 2020/21 Budget Efficiencies Achieved	103	5.357
Total 2020/21 Budget Efficiencies (Less Previously agreed Decisions)	100	0.000
Total Projected 2020/21 Budget Efficiencies Underachieved	0	0.000
Total Projected 2020/21 Budget Efficiencies Achieved	0	0.000

Corporate Efficiencies Remaining from Previous Years

Income Target Remaining		£m	
Income Target Efficiency remaining from Previous Years	All Portfolios	-0.150	
Pressure 2020/21		0.100	
Total Income Efficiency Remaining		-0.050	0.050

This page is intentionally left blank

Movements on Council Fund Unearmarked Reserves

	£m	£m
Total Reserves as at 1 April 2020	11.025	
Less - Base Level	(5.769)	
Total Reserves above base level available for delegation to Cabinet		5.256
Less - amount approved for Childrens Services ' Front Door Pressures'		(0.134)
Less - COVID-19 Emergency Funding Allocation*		(2.886)
Plus Month 9 projected outturn		0.372
Less - projected national pay award increase		(0.821)
Total Contingency Reserve available for use		1.787

This page is intentionally left blank

Budget Monitoring Report
Housing Revenue Account Variances

MONTH 9 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Housing Revenue Account						
Income	(36.676)	(36.477)	0.200	0.210	There is a pressure forecast of £0.200m. Of this £0.090m relates to loss of income voids which are currently running at 2.00% void rate compared to 1.75% in the Business Plan. £0.070m relates to garages, £0.068m relates to void water charges. Additional new build rental income projected at £0.054m. The remaining £0.026m is attributed to Minor Variances	
Capital Financing - Loan Charges	9.027	7.916	(1.111)	(1.111)	Reduction in spend on SHARP has reduced Prudential borrowing required.	
Estate Management	1.846	1.634	(0.212)	(0.174)	Additional expenditure of £0.061m is anticipated during the year in respect of the purchase of software. This is offset by salary efficiencies arising from vacancy savings and the pay award of £0.197m. There is also a saving of £0.030m relating to court costs as action has been suspended due to Covid. The remaining £0.046m is minor variances	
Landlord Service Costs	1.434	1.378	(0.056)	(0.041)	There is a saving of £0.044m which relates to servicing costs which are lower due to some Covid restrictions, and £0.012m of minor variances	
Repairs & Maintenance	8.907	8.409	(0.498)	(0.500)		
Management & Support Services	2.523	2.558	0.035	0.024	There is a pressure projected of £0.035m of this £0.020m relates to salary savings. £0.011m relates to underspend on training due to Covid restrictions. There has been an increase in insurance costs of £0.084m. -£0.018m minor variances.	
Capital Expenditure From Revenue (CERA)	12.928	12.928				
HRA Projects	(0.153)	(0.151)	0.002	0.002		
Contribution To / (From) Reserves	0.164	0.164				
Total Housing Revenue Account	0.000	(1.641)	(1.641)	(1.590)		

This page is intentionally left blank



CABINET

Date of Meeting	Tuesday, 16 th February 2021
Report Subject	Capital Programme Monitoring 2020/21 (Month 9)
Cabinet Member	Cabinet Member for Finance
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

The report summarises changes made to the Capital Programme 2020/21 since it was set in January 2020 to the end of Month 9 (December 2020), along with expenditure to date and projected outturn.

The Capital Programme has seen a net increase in budget of £0.506m during the period which comprises of:-

- Net budget increase in the programme of £0.423m (See Table 2 - Council Fund (CF) £0.821m, Housing Revenue Account (HRA) (£0.398m));
- Net Carry Forward to 2021/22, approved at Month 6 of £0.083m (all CF)

Actual expenditure was £35.853m (See Table 3).

The final outturn funding surplus from the 2019/20 – 2021/22 Capital Programme was £1.145m. The 2020/21 – 2022/23 Capital Programme was approved on the 28th January 2020, with a funding deficit of £2.264m. The surplus carried forward led to an opening funding position deficit of £1.119m.

The reported Month 6 funding position for the 3 year period ending in 2022/23 was a surplus of £0.403m. Capital receipts received in the third quarter of 2020/21, total £0.864m. This gives a revised projected surplus in the Capital Programme at Month 9 of £1.267m for the 2020/21 – 2022/23 Capital Programme, prior to the realisation of additional capital receipts and/or other funding sources.

RECOMMENDATIONS

1	Cabinet are requested to approve the overall report.
2	Cabinet are requested to approve the carry forward adjustments set out at 1.17.
3	Cabinet are requested to approve the funding of schemes from the current 'headroom', as set out in 1.18.

REPORT DETAILS

1.00	EXPLAINING THE CAPITAL PROGRAMME MONITORING POSITION – MONTH 9 2020/21
1.01	Background The Council approved a Council Fund (CF) Capital Programme of £42.582m and a Housing Revenue Account (HRA) Capital Programme of £30.464m for 2020/21 at its meeting of 28 th January, 2020.
1.02	For presentational purposes the Capital Programme is shown as a whole, with sub-totals for the Council Fund and HRA. In reality the HRA programme is 'ring fenced' and can only be used for HRA purposes.
1.03	Changes since Budget approval Table 1 below sets out how the programme has changed during 2020/21. More detailed cumulative information relating to each Portfolio is provided in Appendix A:-

Table 1

REVISED PROGRAMME	Original Budget 2020/21	Carry Forward from 2019/20	2020/21 Previously Reported			Changes - This Period	Revised Budget 2020/21
			Changes	Carry Forward to 2021/22	Savings		
			£m	£m	£m		
People & Resources	0.400	0.170	(0.260)	0.000	0.000	0.000	0.310
Governance	1.176	0.975	0.000	(0.068)	0.000	0.207	2.290
Education & Youth	10.166	8.519	(0.629)	(3.207)	(0.027)	(1.510)	13.312
Social Services	1.247	4.188	4.434	(0.288)	0.000	(0.283)	9.298
Planning, Environment & Economy	3.078	0.905	0.078	(0.217)	0.000	0.526	4.370
Streetscene & Transportation	3.030	1.302	11.320	(0.593)	0.000	(0.314)	14.745
Strategic Programmes	0.985	0.636	0.184	(1.162)	0.000	1.895	2.538
Housing & Assets	22.500	3.071	(11.365)	(0.699)	(0.650)	0.300	13.157
Council Fund Total	42.582	19.766	3.762	(6.234)	(0.677)	0.821	60.020
HRA Total	30.464	0.000	(13.124)	0.000	0.000	(0.398)	16.942
Programme Total	73.046	19.766	(9.362)	(6.234)	(0.677)	0.423	76.962

1.04

Carry Forward from 2019/20

Carry forward sums from 2019/20 to 2020/21, totalling £19.766m (CF £19.766m, HRA £0.000m), were approved as a result of the quarterly monitoring reports presented to Cabinet during 2019/20.

1.05

Changes during this period

Funding changes during this period have resulted in a net increase in the programme total of £0.423m (CF £0.821m, HRA (£0.398m)). A summary of the changes, detailing major items, is shown in Table 2 below:-

Table 2

CHANGES DURING THIS PERIOD		
	Para	£m
<u>COUNCIL FUND</u>		
Increases		
Theatr Clwyd	1.06	1.800
Waste Services	1.07	0.500
Primary Schools	1.08	0.880
Other Aggregate Increases		0.841
		4.021
Decreases		
School Modernisation	1.09	(1.129)
Primary Schools	1.09	(1.125)
Local Transport Grant	1.10	(0.814)
Other Aggregate Decreases		(0.132)
		(3.200)
Total		0.821
<u>HRA</u>		
Increases		
WHQS Improvements	1.11	3.951
Other Aggregate Increases		0.104
		4.055
Decreases		
SHARP	1.12	(4.453)
Other Aggregate Decreases		0.000
		(4.453)
Total		(0.398)

1.06	Introduction of grant funding for the redevelopment of Theatr Clwyd. The grant is for the final design and technical stage of the project, before the commencement of construction. Total grant awarded is £3m, which is split over two financial years.
1.07	In addition to the above, Welsh Government (WG) funding has been introduced for improvement works at Standard Waste Transfer Station.
1.08	There has also been an introduction of grant funding from WG relating to school extension and improvement works at Ysgol Glanrafon, Mold.
1.09	Re-profiling of grant funding and Prudential Borrowing for two school modernisation programmes at the Queensferry Campus and Ysgol Croes Atti, Shotton. Works will be carried out over two financial years with budget being re-profiled to match projected actual expenditure in year.

1.10	Re-profiling of Local Transport Funding to match expenditure across financial years.
1.11	At the beginning of the financial year, budgets were re-profiled across all of the HRA programme. Works have progressed on the Welsh Housing Quality Standard (WHQS) resulting in bringing budget back in, to match projected actual expenditure.
1.12	As part of the Strategic Housing and Regeneration Programme (SHARP), the Council are building new social and affordable houses. The programme is currently developing the latest batch of sites for which expenditure will be incurred over two financial years. Re-profiling of Prudential Borrowing has been carried out to match projected actual expenditure.
1.13	<p>Capital Expenditure compared to Budget</p> <p>Expenditure as at Month 9, across the whole of the Capital Programme was £35.853m. The breakdown of expenditure is analysed in Table 3, along with the percentage spend against budget.</p> <p>This shows that 46.59% of the budget has been spent (CF 42.33%, HRA 61.65%). Corresponding figures for Month 9 2019/20 were 55.78% (CF 44.09%, HRA 75.09%).</p>
1.14	The table also shows a projected underspend (pending carry forward and other adjustments) of £4.352m on the Council Fund and a break even position on the HRA.

Table 3

EXPENDITURE	Revised Budget	Cumulative Expenditure Month 9	Percentage Spend v Budget	Projected Outturn	Variance Budget v Outturn (Under)/Over
	£m	£m	%	£m	£m
People & Resources	0.310	0.000	0.00	0.310	0.000
Governance	2.290	0.734	32.05	1.984	(0.306)
Education & Youth	13.312	5.066	38.06	12.325	(0.987)
Social Services	9.298	6.355	68.35	9.298	0.000
Planning, Environment & Economy	4.370	1.693	38.74	3.909	(0.461)
Streetscene & Transportation	14.745	5.203	35.29	13.113	(1.632)
Strategic Programmes	2.538	1.068	42.08	2.303	(0.235)
Housing & Assets	13.157	5.290	40.21	12.426	(0.731)
Council Fund Total	60.020	25.409	42.33	55.668	(4.352)
Disabled Adaptations	0.691	0.453	65.56	0.691	0.000
Energy Schemes	0.874	0.874	100.00	0.874	0.000
Major Works	1.760	1.321	75.06	1.760	0.000
Accelerated Programmes	0.343	0.193	56.27	0.343	0.000
WHQS Improvements	12.141	6.697	55.16	12.141	0.000
SHARP Programme	1.133	0.906	79.99	1.133	0.000
Housing Revenue Account Total	16.942	10.444	61.65	16.942	0.000
Programme Total	76.962	35.853	46.59	72.610	(4.352)

1.15 Details of the variances for individual programme areas are listed in Appendix B, which includes the reasons, and remedial actions which may be required, where those variances exceed +/- 10% of the revised budget. In addition, where carry forward into 2021/22 has been identified, this is also included in the narrative.

1.16 **Carry Forward into 2021/22**
During the quarter, carry forward of £4.352m (all CF) has been identified which reflects reviewed spending plans across all programme areas; these committed amounts have been identified as now required to meet the cost of programme works and/or retention payments in 2021/22.

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

Table 4

CARRY FORWARD INTO 2021/22						Total
	Month 4 £m	Month 6 £m	Reversed £m	Sub Total £m	Month 9 £m	£m
Governance	0.171	0.000	(0.103)	0.068	0.306	0.374
Education & Youth	4.539	0.039	(1.371)	3.207	0.987	4.194
Social Services	0.000	0.288	0.000	0.288	0.000	0.288
Planning, Environment & Economy	0.187	0.030	0.000	0.217	0.461	0.678
Streetscene & Transportation	0.543	0.050	0.000	0.593	1.632	2.225
Strategic Programmes	0.200	0.962	0.000	1.162	0.235	1.397
Housing & Assets	0.780	0.000	(0.081)	0.699	0.731	1.430
Council Fund	6.420	1.369	(1.555)	6.234	4.352	10.586
TOTAL	6.420	1.369	(1.555)	6.234	4.352	10.586

1.18

Additional Allocations

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

- Brynford CP School - £0.050m. The capital programme has an allocation of £1.040m to invest in Brynford CP School, to bring the building up to Building Bulletin standards to deliver high quality services efficiently. An additional £0.050m is required for the scheme.
- Member IT Support - £0.014m. Provision of Council laptops to each Member who requires one, to support remote attendance of Member meetings and in order to reduce the costs of printing and postage which are being incurred.

Both can be funded from within the current 'headroom' provision.

Wepre Country Park

£0.080m has been allocated in the capital programme over two years to repair bridges at Wepre Country Park. Three of the four bridges have been completed and the costs of the fourth bridge are anticipated to be within budget, leaving an expected saving of £0.032m.

Severe weather conditions caused a landslip and path collapse at Red Rocks, a key route in the park. It is proposed that the expected underspend is used to repair the path at this location.

1.19

Savings

No savings have been identified in the programme in this quarter.

1.20

Funding of 2020/21 Approved Schemes

The position at Month 9 is summarised in Table 5 below for the three year Capital Programme between 2020/21 – 2022/23:-

Table 5

FUNDING OF APPROVED SCHEMES 2020/21 - 2022/23		
	£m	£m
Balance carried forward from 2019/20		(1.145)
Increases		
Shortfall in 2020/21 to 2022/23 Budget	2.264	
Additional allocation to Queensferry Campus	0.217	
		2.481
Decreases		
Actual In year receipts	(1.926)	
Savings	(0.677)	(2.603)
Funding - (Available)/Shortfall		(1.267)

1.21

The final outturn funding surplus from the 2019/20 – 2021/22 Capital Programme was £1.145m. The 2020/21 – 2022/23 Capital Programme was approved on the 28th January 2020, with a funding deficit of £2.264m. The surplus carried forward led to an opening funding position deficit of £1.119m.

The reported Month 6 funding position for the 3 year period ending in 2022/23 was a surplus of £0.403m. Capital receipts received in the third quarter of 2020/21, total £0.864m. This gives a revised projected surplus in the Capital Programme at Month 9 of £1.267m for the 2020/21 – 2022/23 Capital Programme, prior to the realisation of additional capital receipts and/or other funding sources.

1.22

Update on Capital Programme 2021/22 – 2023/24

The 2021/22 – 2023/24 Capital Programme was approved by Council on the 8th December 2020, with a funding deficit of £1.317m. On the 22nd December 2020, WG announced its provisional local government settlement for 2021-22.

This provides a net increase in 2021/22 of £1.526m compared with the estimated funding assumed in December's Capital Programme budget report. The Un-hypothecated Supported Borrowing (USB) has reduced by £0.033m and the General Capital Grant (GCG) has increased by £1.559m. Since 2018/19 WG have been providing additional GCG, with £50m allocated on an all Wales level in 2018/19, £30m in 2019/20, and £35m in 2020/21. The £35m additional capital funding has been continued into 2021/22.

Using the Provisional Settlement figures over the three year Capital Programme 2021/22 – 2023/24, reflecting the reduced USB figure and assuming that the GCG remains at the lower level, with no additional funding for the following two years (2022/23 and 2023/24), this gives an estimated funding increase of £1.460m over the approved three year period when compared with the December Capital Programme budget report.

This results in the programme being in a surplus position of £0.143m.

As it stands, the surplus carried forward will lead to an opening funding position surplus of £1.410m, in 2021/22.

1.23 Investment in County Towns

At its meeting on 12th December 2017, the Council approved a Notice of Motion relating to the reporting of investment in county towns. The extent and format of the reporting was agreed at the Corporate Resources Overview and Scrutiny Committee on 14th June 2018.

1.24 Table 6 below shows a summary of the 2019/20 actual expenditure, the 2020/21 revised budget and budgets for future years as approved by Council at its meeting of 28th January, 2020. Further detail can be found in Appendix C, including details of the 2020/21 spend to Month 9.

Table 6

INVESTMENT IN COUNTY TOWNS			
	2019/20 Actual £m	2020/21 Revised Budget £m	2021 - 2023 Budget £m
Buckley / Penyffordd	7.729	12.496	1.644
Connah's Quay / Shotton	3.844	4.495	1.295
Flint / Bagillt	3.048	3.417	0.169
Holywell / Caerwys / Mostyn	3.291	1.037	3.406
Mold / Treuddyn / Cilcain	3.406	8.562	5.306
Queensferry / Hawarden / Sealand	5.925	7.052	7.089
Saltney / Broughton / Hope	0.748	4.528	2.851
Unallocated / To Be Confirmed	0.728	4.721	38.372
Total	28.719	46.308	60.132

1.25 The inclusion of actuals for 2019/20 and approved schemes for future years allows a slightly fuller picture of investment plans. However, expenditure which has occurred in years' prior to 2019/20 has not be included, and the expenditure and budgets reported should be considered in that context.

1.26 There are two significant factors which increase allocations to particular areas, which are homes developed under SHARP, and new or remodelled

	schools. The impact of these can be seen in the detail shown in Appendix C.																											
1.27	Some expenditure cannot yet be allocated to specific towns as schemes are not yet fully developed or are generic in nature and not easily identifiable to one of the seven areas. As such schemes are identified the expenditure will be allocated to the relevant area.																											
1.28	Information on the split between internal and external funding can be found in Appendix C.																											
1.29	<p>In addition to the information contained in Appendix C, there is also considerable capital expenditure on the HRA Welsh Housing Quality Standard (WHQS), which was originally outside the scope of this analysis. A summary is provided in Table 7 below, albeit using a slightly different catchment area basis.</p> <p><u>Table 7</u></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="3" style="text-align: left;">WHQS Programme</th> </tr> <tr> <th></th> <th style="text-align: center;">2019/20 Actual £m</th> <th style="text-align: center;">2020/21 Budget £m</th> </tr> </thead> <tbody> <tr> <td>Holywell</td> <td style="text-align: center;">2.950</td> <td style="text-align: center;">0.300</td> </tr> <tr> <td>Flint</td> <td style="text-align: center;">2.110</td> <td style="text-align: center;">0.300</td> </tr> <tr> <td>Deeside & Saltney</td> <td style="text-align: center;">0.420</td> <td style="text-align: center;">2.611</td> </tr> <tr> <td>Buckley</td> <td style="text-align: center;">0.600</td> <td style="text-align: center;">4.579</td> </tr> <tr> <td>Mold</td> <td style="text-align: center;">7.130</td> <td style="text-align: center;">1.432</td> </tr> <tr> <td>Connah's Quay & Shotton</td> <td style="text-align: center;">0.480</td> <td style="text-align: center;">1.400</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">13.690</td> <td style="text-align: center;">10.622</td> </tr> </tbody> </table>	WHQS Programme				2019/20 Actual £m	2020/21 Budget £m	Holywell	2.950	0.300	Flint	2.110	0.300	Deeside & Saltney	0.420	2.611	Buckley	0.600	4.579	Mold	7.130	1.432	Connah's Quay & Shotton	0.480	1.400	Total	13.690	10.622
WHQS Programme																												
	2019/20 Actual £m	2020/21 Budget £m																										
Holywell	2.950	0.300																										
Flint	2.110	0.300																										
Deeside & Saltney	0.420	2.611																										
Buckley	0.600	4.579																										
Mold	7.130	1.432																										
Connah's Quay & Shotton	0.480	1.400																										
Total	13.690	10.622																										

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

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	The recent adverse weather has caused significant damage to the highway network. Assessments are ongoing but impacts are likely to be numerous and expensive. Bids for funding will be submitted to WG, with the outcome of these bids, determining the impact on the Council's programme. This will be monitored during the final quarter of the year.

	<p>The impact of the current pandemic will continue to be monitored closely during the final quarter. Any changes to the Government guidelines may have an adverse impact on the ability of Portfolios to deliver schemes before the end of the year. This may result in them being re-profiled into the next financial year.</p> <p>These delays could impact the delivery of the programme in 2021/22, which could result in future schemes being stalled in order to deliver the schemes carried forward from 2020/21. There is a risk around having resources available to manage and deliver schemes.</p> <p>Grants received in year will also continue to be closely monitored to ensure that expenditure is incurred within the terms and conditions of the grant. The capital team will work with project leads to report potential risks of achieving spend within timescales and assist in liaising with the grant provider.</p> <p>The Council has a prudent policy of allocating its own capital receipts to fund capital projects only when receipts are actually received rather than when it is anticipated the receipt will be received, and this position continues to be the case. Due to the pandemic there may be a delay in obtaining capital receipts as the timing of these receipts are also subject to market forces outside of the Council's control. In line with current policy no allowance has been made for these receipts in reporting the Council's capital funding position.</p>
--	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

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

5.00	APPENDICES
5.01	Appendix A: Capital Programme - Changes during 2020/21
5.02	Appendix B: Variances
5.03	Appendix C: Investment in Towns

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Capital Programme monitoring papers 2020/21.

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

8.00	GLOSSARY OF TERMS
8.01	<p>Budget Re-profiling: Capital schemes are very dynamic and a number of factors can influence their timing and funding. Budget re-profiling assures that the correct resources are available in the correct accounting period to finance the actual level of expenditure.</p> <p>Capital Expenditure: Expenditure on the acquisition of non-current assets or expenditure which extends the useful life of an existing asset</p> <p>Capital Programme: The Council's financial plan covering capital schemes and expenditure proposals for the current year and a number of future years. It also includes estimates of the capital resources available to finance the programme.</p> <p>Capital Receipts: Receipts (in excess of £10,000) realised from the disposal of assets.</p> <p>Carry Forward: Carry forward occurs when schemes due to be completed in a given financial year are delayed until a subsequent year. In this case the relevant funding is carried forward to meet the delayed, contractually committed expenditure.</p> <p>CERA: Capital Expenditure charged to Revenue Account. The Council is allowed to use its revenue resources to fund capital expenditure. However the opposite is not permissible.</p> <p>Council Fund (CF): The fund to which all the Council's revenue and capital expenditure is charged.</p> <p>Housing Revenue Account (HRA): The fund to which all the Council's revenue and capital expenditure relating to its housing stock is charged.</p> <p>MRA: Major Repairs Allowance. A general capital grant from WG for HRA purposes.</p> <p>Non-current Asset: A resource controlled (but not necessarily owned) by the Council, from which economic benefits or service potential are expected to flow to the Council for more than 12 months.</p> <p>Section 106: Monies are received from developers/contractors pursuant to Section 106 of the Town & Country Planning Act 1990. These sums are available for use once the relevant terms of the individual agreement have been met. The monies are most commonly used for educational enhancement, play areas, highways and affordable housing.</p> <p>Target Hardening: Measures taken to prevent unauthorised access to Council sites.</p> <p>Unhypothecated Supported Borrowing (USB), commonly referred to as Supported Borrowing - Each year Welsh Government provide Councils with a Supported Borrowing allocation. Councils borrow to fund capital expenditure equivalent to that annual allocation, Welsh Government then include funding to cover the revenue costs associated</p>

with the borrowing for future years within the Revenue Support Grant. The Council decides how this funding is spent.

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

This page is intentionally left blank

CAPITAL PROGRAMME - CHANGES DURING 2020/21

	Original Budget 2020/21	Carry Forward from 2019/20	2020/21 Previously Reported			Savings (Current)	Changes (Current)	Revised Budget 2020/21
			Changes	Carry Forward to 2021/22	Savings			
	£m	£m	£m	£m	£m	£m	£m	£m
Council Fund :								
People & Resources								
'Headroom'	0.350	0.170	(0.260)	0.000	0.000	0.000	0.000	0.260
Corporate Finance - H & S	0.050	0.000	0.000	0.000	0.000	0.000	0.000	0.050
	0.400	0.170	(0.260)	0.000	0.000	0.000	0.000	0.310
Governance								
Information Technology	1.176	0.975	0.000	(0.068)	0.000	0.000	0.207	2.290
	1.176	0.975	0.000	(0.068)	0.000	0.000	0.207	2.290
Education & Youth								
Education - General	1.500	2.668	(1.305)	(0.119)	0.000	0.000	0.143	2.887
Primary Schools	2.399	0.065	0.686	(0.025)	0.000	0.000	(0.974)	2.151
Schools Modernisation	5.365	0.072	(0.316)	0.000	0.000	0.000	(1.129)	3.992
Secondary Schools	0.652	5.784	0.264	(3.024)	(0.027)	0.000	0.447	4.096
Special Education	0.250	(0.070)	0.042	(0.039)	0.000	0.000	0.003	0.186
	10.166	8.519	(0.629)	(3.207)	(0.027)	0.000	(1.510)	13.312
Social Services								
Services to Older People	0.725	4.048	3.778	(0.288)	0.000	0.000	0.000	8.263
Children's Services	0.522	0.140	0.656	0.000	0.000	0.000	(0.283)	1.035
	1.247	4.188	4.434	(0.288)	0.000	0.000	(0.283)	9.298
Planning, Environment & Economy								
Closed Landfill Sites	0.000	0.250	0.000	0.000	0.000	0.000	0.000	0.250
Engineering	0.038	0.350	0.038	(0.187)	0.000	0.000	0.034	0.273
Energy Services	2.950	0.300	(0.339)	0.000	0.000	0.000	0.061	2.972
Ranger Services	0.040	0.005	0.000	0.000	0.000	0.000	0.000	0.045
Townscape Heritage Initiatives	0.050	0.000	0.216	(0.030)	0.000	0.000	0.243	0.479
Private Sector Renewal/Improv't	0.000	0.000	0.163	0.000	0.000	0.000	0.188	0.351
	3.078	0.905	0.078	(0.217)	0.000	0.000	0.526	4.370
Streetscene & Transportation								
Waste	2.430	0.497	(0.953)	(0.497)	0.000	0.000	0.500	1.977
Cemeteries	0.000	0.000	0.070	(0.050)	0.000	0.000	0.000	0.020
Highways	0.600	0.704	1.028	0.000	0.000	0.000	0.450	2.782
Local Transport Grant	0.000	0.055	11.175	0.000	0.000	0.000	(1.264)	9.966
Solar Farms	0.000	0.046	0.000	(0.046)	0.000	0.000	0.000	0.000
	3.030	1.302	11.920	(0.593)	0.000	0.000	(0.314)	14.745

	Original Budget 2020/21	Carry Forward from 2019/20	Previously Reported 2020/21		Savings (Current)	Changes (Current)	Revised Budget 2020/21
			Changes	Carry Forward to 2021/22			
	£m	£m	£m	£m	£m	£m	£m
Strategic Programmes							
Leisure Centres	0.285	0.047	(0.024)	0.000	0.000	0.000	0.299
Play Areas	0.200	0.218	0.024	(0.200)	0.000	0.000	0.337
Libraries	0.000	0.012	0.024	0.000	0.000	0.000	0.045
Theatr Clwyd	0.500	0.359	0.160	(0.962)	0.000	1.800	1.857
	0.985	0.636	0.184	(1.162)	0.000	1.895	2.538
Housing & Assets							
Administrative Buildings	0.650	1.205	0.286	0.000	0.000	0.000	2.141
Community Asset Transfers	0.100	0.836	0.000	(0.699)	0.000	0.000	0.237
Food Poverty	0.050	0.042	0.000	0.000	0.000	0.300	0.392
Affordable Housing	20.000	0.000	(11.700)	0.000	0.000	0.000	8.300
Disabled Facilities Grants	1.700	0.988	0.049	0.000	(0.650)	0.000	2.087
	22.500	3.071	(11.365)	(0.699)	(0.650)	0.300	13.157
Housing Revenue Account :							
Disabled Adaptations	1.104	0.000	(0.367)	0.000	0.000	(0.046)	0.691
Energy Schemes	0.275	0.000	0.000	0.000	0.000	0.599	0.874
Major Works	1.811	0.000	0.000	0.000	0.000	(0.051)	1.760
Accelerated Programmes	0.742	0.000	(0.001)	0.000	0.000	(0.398)	0.343
WHQS Improvements	15.361	0.000	(7.171)	0.000	0.000	3.951	12.141
SHARP Programme	11.171	0.000	(5.585)	0.000	0.000	(4.453)	1.133
	30.464	0.000	(13.124)	0.000	0.000	(0.398)	16.942
Totals :							
Council Fund	42.582	19.766	3.762	(6.234)	(0.677)	0.821	60.020
Housing Revenue Account	30.464	0.000	(13.124)	0.000	0.000	(0.398)	16.942
Grand Total	73.046	19.766	(9.362)	(6.234)	(0.677)	0.423	76.962

PEOPLE & RESOURCES

Capital Budget Monitoring 2020/21 - Month 9

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
'Headroom'	0.260	0.000	0.260	0.000	0	0.000		Corporate provision - to be allocated as requested and approved.	Any unspent allocation will be the subject of a carry forward request at outturn.
Corporate Finance - Health & Safety	0.050	0.000	0.050	0.000	0	0.000		Corporate provision - to be allocated as requested and approved.	Any unspent allocation will be the subject of a carry forward request at outturn.
Total	0.310	0.000	0.310	0.000	0	0.000			

GOVERNANCE

Capital Budget Monitoring 2020/21 - Month 9

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Information Technology	2.290	0.734	1.984	(0.306)	-13	0.000	Air Conditioning Replacement - Estimating 70% of works to be completed by year end, resulting in £0.112m to be carried forward for delivery in 2021/22. ICT Cyber Security project, £0.145m now expected to be delivered in 2021/22 due to huge demand on IT Team delivering WG HWB project in schools. Laptop Replacement Scheme - due to global shortage of laptops £0.049m will be required to rolled into 2021/22.	Carry Forward - Request approval to move funding of £0.306m to 2021/22.	
Total	2.290	0.734	1.984	(0.306)	-13	0.000			

Variance = Budget v Projected Outturn

EDUCATION & YOUTH

Capital Budget Monitoring 2020/21 - Month 9

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Education - General	2.887	1.062	2.613	(0.274)	-9	0.000	Fire Risk Assessments, £0.110m - three schools will be deferred until Summer 2021 due to site access, therefore budget will be required to be carried forward to 2021/22. Fan convectors, £0.060m - works due to commence during Easter Holidays. R&M works, £0.104m - retentions and capital works will roll into 2021/22.	Carry Forward - Request approval to move funding of £0.274m to 2021/22.	
Primary Schools	2.151	0.986	1.955	(0.196)	-9	0.000	Core funding for works at Ysgol Glanrafon to be used in 2021/22. Grant funding to be utilised in year.	Carry Forward - Request approval to move funding of £0.196m to 2021/22.	
Schools Modernisation	3.992	0.836	3.775	(0.217)	-5	0.000	Core funding for works at Queensferry Campus to be used in 2021/22. Grant funding to be utilised in year.	Carry Forward - Request approval to move funding of £0.217m to 2021/22.	
Secondary Schools	4.096	2.091	3.796	(0.300)	-7	0.000	Works on Mold Alun roof lights is not projected to be spent this financial year.	Carry Forward - Request approval to move funding of £0.300m to 2021/22.	
Special Education	0.186	0.091	0.186	0.000	0	(0.039)			
Total	13.312	5.066	12.325	(0.987)	-7	(0.039)			

Variance = Budget v Projected Outturn

SOCIAL SERVICES

Capital Budget Monitoring 2020/21 - Month 9

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Services to Older People	8.263	5.922	8.263	0.000	0	(0.288)			
Children's Services	1.035	0.434	1.035	0.000	0	0.000			Welsh Government have now approved a more flexible approach to the use of grant funding for the Childcare Wraparound Schemes.
Total	9.298	6.355	9.298	0.000	0	(0.288)			

Variance = Budget v Projected Outturn

PLANNING, ENVIRONMENT & ECONOMY

Capital Budget Monitoring 2020/21 - Month 9

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Closed Landfill Sites	0.250	0.000	0.000	(0.250)	-100	0.000	As a result of external constraints, the project is unlikely to progress in 2020/21.	Carry Forward - Request approval to move funding of £0.250m to 2021/22.	
Engineering	0.273	0.053	0.112	(0.161)	-59	0.000	Land Drainage schemes are likely to commence in 2021/22 due to lack of resources, £0.099m. Flour Mill Reservoir is likely to slip into 2021/22 due to ongoing site issues and contractor availability, £0.028m. Greenfield Reservoir - nominal expenditure anticipated in 2020/21 with the scheme to progress in 2021/22, £0.034m.	Carry Forward - Request approval to move funding of £0.161m to 2021/22.	
Energy Services	2.972	0.553	2.972	0.000	0	0.000			
Ranger Services	0.045	0.035	0.045	0.000	0	0.000			
Townscape Heritage Initiatives	0.479	0.546	0.429	(0.050)	-10	(0.030)	Historic Buildings - will not start in 2020/21 due to the disruption of COVID-19 preventing schemes to be submitted and evaluated. Grant reliant on listed building owners funding the majority of repairs, and given the current climate, interest is low. Bailey Hill scheme - grant funding drawn down once received.	Carry Forward - Request approval to move funding of £0.050m to 2021/22.	Request that the three year provision in effect starts April 2021 to properly implement the scheme.
Private Sector Renewal/Improvement	0.351	0.506	0.351	(0.000)	-0	0.000		Funding to be introduced to match expenditure.	
Total	4.370	1.693	3.909	(0.461)	-11	(0.030)			

Variance = Budget v Projected Outturn

STREETSCENE & TRANSPORTATION

Capital Budget Monitoring 2020/21 - Month 9

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Waste Services	1.977	0.286	1.477	(0.500)	-25	0.000	Welsh Government recently awarded £0.500m in respect of improvements to Standard Waste Transfer Station. To request carry forward of core funding to 2021/22.	Carry Forward - Request approval to move funding of £0.500m to 2021/22.	Additional grant funding is being sought in relation to improvements at Standard Waste Transfer Station. Works are programmed in 2020/21 and 2021/22.
Cemeteries	0.020	0.018	0.020	0.000	0	(0.050)			
Highways	2.782	0.640	1.650	(1.132)	-41	0.000	Lead in time for ordering electric buses will result in the vehicles being delivered in 2021/22, £0.180m. Programmed resurfacing works will now take place in 2021/22 as a result of COVID-19 related delays as well as unsuitable weather conditions, £0.852m. Roundabout improvements works to take place next financial due to demand on the service to deliver grant funded schemes, £0.100m.	Carry Forward - Request approval to move funding of £1.132m to 2021/22.	
Local Transport Grant	9.966	4.259	9.966	0.000	0	0.000			Planned works relating to the Bus Lanes through Queensferry have been delayed as a result of the local response to COVID-19, resulting in works now being programmed to take place in 2021/22.
Total	14.745	5.203	13.113	(1.632)	-11	(0.050)			

Variance = Budget v Projected Outturn

STRATEGIC PROGRAMMES

Capital Budget Monitoring 2020/21 - Month 9

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Leisure Centres	0.299	0.116	0.199	(0.100)	-33	0.000	Urgent property works expenditure likely to roll into 2021/22.	Carry Forward - Request approval to move funding of £0.100m to 2021/22.	
Play Areas	0.337	0.194	0.210	(0.127)	-38	0.000	Section 106 and match funded schemes monies drawn down when scheme is completed. It is unlikely the Play Area funding for the Bailey Hill Project will be spent this financial year.	Carry Forward - Request approval to move funding of £0.127m to 2021/22.	
Libraries	0.045	0.036	0.037	(0.008)	-18	0.000		Carry Forward - Request approval to move funding of £0.008m to 2021/22.	
Theatr Clwyd	1.857	0.722	1.857	0.000	0	(0.962)			
Total	2.538	1.068	2.303	(0.235)	-9	(0.962)			

Variance = Budget v Projected Outturn

HOUSING & ASSETS

Capital Budget Monitoring 2020/21 - Month 9

Programme Area	Total Budget	Actual Exp.	Projected Outturn	Variance (Under)/ Over	Variance %age	Variance Prev Qtr	Cause of Variance	Action Required	Comments
	£m	£m	£m	£m	%	£m			
Administrative Buildings	2.141	1.504	2.141	0.000	0	0.000			
Community Asset Transfers	0.237	0.237	0.237	0.000	0	0.000			Expenditure is incurred as and when schemes are signed off.
Food Poverty	0.392	0.392	0.392	0.000	0	0.000			Additional Grant funding of £0.300m has been awarded by Welsh Government.
Affordable Housing	8.300	2.228	8.300	0.000	0	0.000			
Disabled Facilities Grants	2.087	0.929	1.356	(0.731)	-35	0.000	Delays in service delivery were experienced as a result of COVID-19 restrictions. This, in combination with a service re-design has resulted in works planned to be delivered in 2020/21 now being scheduled to take place in 2021/22.	Carry Forward - Request approval to move funding of £0.731m to 2021/22.	DFG spend is customer driven and volatile.
Total	13.157	5.290	12.426	(0.731)	-6	0.000			

Variance = Budget v Projected Outturn

HOUSING REVENUE ACCOUNT

Capital Budget Monitoring 2020/21 - Month 9

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Disabled Adaptations	0.691	0.453	0.691	0.000	0	(0.054)			
Energy Services	0.874	0.874	0.874	0.000	0	0.000			
Major Works	1.760	1.321	1.760	0.000	0	0.200			
Accelerated Programmes	0.343	0.193	0.343	0.000	0	(0.335)			
WHQS Improvements	12.141	6.697	12.141	0.000	0	1.944	Original budget was £15.361m. Initial projections from Capital Works Team indicated a 50% reduction in spend due to the COVID-19 restrictions, hence the reduction in budget. However, contractors are now back on site and spend is increasing. This will be met from the original budget allocation.		
SHARP	1.133	0.906	1.133	0.000	0	(1.755)	Reduced spend projection based on current schemes being delayed, resulting in a reduction in borrowing requirements.		
Total	16.942	10.443	16.942	0.000	0	0.000			

Variance = Budget v Projected Outturn

SUMMARY

Capital Budget Monitoring 2020/21 - Month 9

Programme Area	Total Budget	Actual Exp.	Projected Outturn	Variance (Under)/ Over	Variance %age	Variance Prev Qtr	Cause of Variance	Action Required	Comments
	£m	£m	£m	£m	%	£m			
People & Resources	0.310	0.000	0.310	0.000	0	0.000			
Governance	2.290	0.734	1.984	(0.306)	-13	0.000			
Education & Youth	13.312	5.066	12.325	(0.987)	-7	(0.039)			
Social Services	9.298	6.355	9.298	0.000	0	(0.288)			
Planning, Environment & Economy	4.370	1.693	3.909	(0.461)	-11	(0.030)			
Streetscene & Transportation	14.745	5.203	13.113	(1.632)	-11	(0.050)			
Strategic Programmes	2.538	1.068	2.303	(0.235)	-9	(0.962)			
Housing & Assets	13.157	5.290	12.426	(0.731)	-6	0.000			
Sub Total - Council Fund	60.020	25.410	55.668	(4.352)	-7	(1.369)			
Housing Revenue Account	16.942	10.443	16.942	0.000	0	0.000			
Total	76.962	35.853	72.610	(4.352)	-6	(1.369)			

Variance = Budget v Projected Outturn

This page is intentionally left blank

INVESTMENT IN COUNTY TOWNS - 2019/20 ACTUAL SPEND

APPENDIX C

TOWN FUNDING	19/20 ACTUAL £000	BUCKLEY		CONNAH'S QUAY		FLINT		HOLYWELL		MOLD		QUEENSFERRY		SALTNEY		UNALLOCATED		TOTALS				
		Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Total £000		
EXPENDITURE																						
HOUSING - HRA																						
SHARP	5,576	1,706	236	7		10		1,385	1	466			1,765							3,574	2,002	5,576
EDUCATION & YOUTH																						
Connah's Quay High School	3,435				1,435	2,000														1,435	2,000	3,435
Queensferry Campus	368											368								368	0	368
Penyffordd Amalgamation	2,138	1,945	193																	1,945	193	2,138
School Extension & Remodelling:-																						
Mynydd Isa Argoed High School	270	270																		270	0	270
St John the Baptist	232	188	44																	188	44	232
Bagillt Ysgol Glan Aber	2,184						1,017	1,167												1,017	1,167	2,184
Castell Alun High School	477													477						477	0	477
Shotton St Ethelwolds	217			2	215															2	215	217
Flint Saint Richard Gwyn	531							531												0	531	531
PLANNING, ENVIRONMENT & ECONOMY																						
Bailey Hill	271											271								0	271	271
Targeted Regeneration Investment	474								474											0	474	474
SOCIAL CARE																						
LD Day Care Facility	1,016												1,016							0	1,016	1,016
Marleyfield EPH	595		595																	0	595	595
STREETSCENE & TRANSPORTION																						
Benches	59			50	9															50	9	59
Highways Maintenance	2,349	112	269	26	100	46	174	119	447	86	324	24	89	52	197	60	224		525	1,824	2,349	
Transport Grant	3,769						103	62	274		201		2,663		22		444		62	3,707	3,769	
STRATEGIC PROGRAMMES																						
Trefny Clwyd - Redevelopment	1,135									284	851									284	851	1,135
HOUSING & ASSETS																						
Affordable Housing	3,623	1,662	509					294	235	923										2,879	744	3,623
	28,719	5,883	1,846	1,520	2,324	1,073	1,975	1,860	1,431	1,759	1,647	392	5,533	529	219	60	668		13,076	15,643	28,719	

AREA TOTAL 7,729 3,844 3,048 3,291 3,406 5,925 748 728

TOWN FUNDING	ACTUAL TO DATE £000	BUCKLEY		CONNAH'S QUAY		FLINT		HOLYWELL		MOLD		QUEENSFERRY		SALTNEY		UNALLOCATED		TOTALS			
		Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Total £000	
EXPENDITURE																					
HOUSING - HRA																					
SHARP	906	83				33		156		217		386				31			906	0	906
EDUCATION & YOUTH																					
Connah's Quay High School	182				182														0	182	182
Queensferry Campus	546												546						0	546	546
Ysgol Glanrafon	308										308								0	308	308
Castell Alun High School	1,654													1,654					1,654	0	1,654
SOCIAL CARE																					
Marleyfield EPH	6,768	2,988	3,780																2,988	3,780	6,768
PLANNING, ENVIRONMENT & ECONOMY																					
Solar PV Farms	487					487													487	0	487
STREETSCENE & TRANSPORTION																					
Highways Maintenance	605		35		77		23		66		142		53		198		11		0	605	605
Transport Grant	4,259				12		153	82	481		50		2,288		842		351		82	4,177	4,259
STRATEGIC PROGRAMMES																					
Theatr Clwyd - Redevelopment	735										735								0	735	735
HOUSING & ASSETS																					
County Hall Demolition	1,012									1,012									1,012	0	1,012
Affordable Housing	2,228	1,407								821									2,228	0	2,228
	19,690	4,478	3,815	0	271	520	176	238	547	2,050	1,235	386	2,887	1,654	1,040	31	362	9,357	10,333	19,690	
AREA TOTAL			8,293		271	696		785		3,285		3,273		2,694		393					

INVESTMENT IN COUNTY TOWNS - 2021- 2023 BUDGET

APPENDIX C (Cont)

TOWN FUNDING	FUTURE BUDGET £000	BUCKLEY		CONNAH'S QUAY		FLINT		HOLYWELL		MOLD		QUEENSFERRY		SALTNEY		UNALLOCATED		TOTALS			
		Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Total £000	
EXPENDITURE																					
HOUSING - HRA																					
SHARP	19,500							1,916		10		31					17,543		19,500	0	19,500
EDUCATION & YOUTH																					
Queensferry Campus	7,058											1,932	5,126						1,932	5,126	7,058
Brynford CP	1,040							1,040											1,040	0	1,040
Castell Alun High School	2,851													2,851					2,851	0	2,851
Ysgol Croes Atti, Shotton	1,125				262	863													262	863	1,125
Joint Archive Facility, FCC and DCC	3,028									3,028									3,028	0	3,028
SOCIAL CARE																					
Marleyfield EPH	944	944																	944	0	944
Foster Care Homes Adaptations	120																120		120	0	120
Mockingbird	688																	688	0	688	688
PLANNING, ENVIRONMENT & ECONOMY																					
Solar PV Farms	339				170		169												339	0	339
STREETSCENE & TRANSPORTION																					
Highways Asset Management Plan:-	1,200																	1,200	1,200	0	1,200
Improvements to Standard Yard Waste Transfer Station	700	700																	700	0	700
Greenfield Waste Management Infrastructure	450							450											450	0	450
STRATEGIC PROGRAMMES																					
Theatr Clwyd - Redevelopment	2,268									1,068	1,200								1,068	1,200	2,268
HOUSING & ASSETS																					
Affordable Housing	18,821																18,821		18,821	0	18,821
	60,132	1,644	0	432	863	169	0	3,406	0	4,106	1,200	1,963	5,126	2,851	0	37,684	688	52,255	7,877	60,132	
AREA TOTAL				1,644	1,295	169		3,406		5,306		7,089		2,851		38,372					



CABINET

Date of Meeting	Tuesday, 16 th February 2021
Report Subject	Treasury Management Strategy 2021/22
Cabinet Member	Cabinet Member for Finance
Report Author	Corporate Finance Manager
Type of Report	Strategic

EXECUTIVE SUMMARY

The report presents the draft Treasury Management Strategy 2021/22 for approval and recommendation to Council. The report was considered in detail by Audit Committee on 27th January.

The Treasury Management Strategy for 2021/22 is attached as Appendix 1 for review and a summary of the key points are included in the report.

This report is supplemented by the training provided to all Members of the Council on Treasury Management on 9th December.

RECOMMENDATIONS

1	Cabinet approves for recommendation to Council the Treasury Management Strategy 2021/22.
---	------------------------------------------------------------------------------------------

REPORT DETAILS

1.00	EXPLAINING THE STRATEGY
	Background
1.01	The Local Government Act 2003 requires all local authorities to have due regard to both the Chartered Institute of Public Finance and Accountancy's Treasury Management in Public Services: Code of Practice (The CIPFA Code of Practice) and Welsh Government guidance on Local Authority Investments.
1.02	<p>In April 2019 the Council adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2017 Edition (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year.</p> <p>The CIPFA Code of Practice (2017 edition) requires:-</p> <ul style="list-style-type: none"> • The Council to create and maintain a Treasury Management Policy Statement which states the Council's policies, objectives and approach to risk management of its Treasury Management activities. • The Council to create and maintain suitable Treasury Management Practices (TMPs) and accompanying schedules, stating how those policies and objectives will be achieved and prescribing how those activities will be managed and controlled. • The Council to receive reports on its Treasury Management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs. • Responsibility for Treasury Management to be clearly defined. The Council delegates responsibility for the implementation and regular monitoring of its Treasury Management policies and practices to the Cabinet, and for the execution and administration of treasury management decisions to the Corporate Finance Manager, who will act in accordance with the organisation's policy statement and TMPs and, CIPFA's Standard of Professional Practice on Treasury Management. • A body to be responsible for the scrutiny of Treasury Management Policy, Strategy and Practices. The Council has nominated the Audit Committee to be responsible for ensuring effective scrutiny of the Treasury Management function. The Audit Committee has previously agreed to include Treasury Management as a standing item on each quarterly agenda to receive an update.
1.03	The Welsh Government issue guidance on Local Authority investments that requires the Council to prepare an investment strategy before the start of

	each financial year. The guidance was updated in November 2019 and came into force from 1 st April 2020.
1.04	In preparation for approving the 2021/22 Treasury Management Strategy training for all Members was held on 9 th December 2020. The workshop presented by Arlingclose, the Council's Treasury Management advisors covered a detailed introduction to Treasury Management in local authorities, including the regulatory framework and the role of the elected Member in scrutinising the Treasury Management function. The training included an in depth presentation on investments, borrowing and changes made to the Investment Guidance issued by Welsh Government.
	Considerations
1.05	The Treasury Management Policy Statement was approved by Council in February 2019 and covers the 3 year period from 2019/20 to 2021/22. This document defines the Council's Treasury Management activities, sets out the Council's criteria to measure the effectiveness of Treasury Management activities and includes the Council's high level policies for borrowing and investments. Once approved, it was agreed that the document only be reported to Members during its lifetime in the event of any significant changes. There is no change to this document.
1.06	<p>Similarly the Treasury Management Practices (TMPs) and accompanying schedules to cover the 3 year period from 2019/20 to 2021/22 were approved by Council in February 2019 and it was agreed that these operational documents will only be reported to Members during their lifetime in the event of any significant changes.</p> <p>The TMPs and schedules state how Treasury Management policies and objectives will be achieved and give specific details of the systems and routines employed and the records to be maintained including:-</p> <ul style="list-style-type: none"> • TMP 1 Treasury risk management • TMP 2 Performance measurement • TMP 3 Decision-making and analysis • TMP 4 Approved instruments, methods and techniques • TMP 5 Organisation, clarity and segregation of responsibilities, and dealing arrangements • TMP 6 Reporting requirements and management information arrangements • TMP 7 Budgeting, accounting and audit arrangements • TMP 8 Cash and cash flow management • TMP 9 Money laundering • TMP 10 Staff training and qualifications • TMP 11 Use of external service providers • TMP 12 Corporate governance
	Treasury Management Strategy 2021/22
1.07	The 2021/22 Treasury Management Strategy is attached at Appendix 1 for review and discussion. The Strategy is updated and reported annually to

	<p>Members in accordance with the CIPFA Code of Practice (2017 edition) and the revised Welsh Government guidance.</p> <p>The Treasury Management Strategy details the approach that the Council will take for investing and borrowing over the next year, including the budgetary implications of the planned investment and borrowing strategy, and a number of Treasury Management indicators that the CIPFA Code requires.</p>
1.08	<p>The main body of the 2021/22 Strategy has not changed significantly from that of the 2020/21 Strategy. Matters that merit the attention of Members are summarised below:-</p> <ul style="list-style-type: none"> • Section 2 – Economic context, provided by Arlingclose, highlights that the major external influence on the Strategy will be the ongoing impact of the COVID-19 pandemic. The Bank of England maintained bank rate at 0.1% in November 2020 and also extended its Quantitative Easing programme by £150 billion to £895 billion. Arlingclose forecasts that interest rates will be held at 0.1% until at least the end of 2023. Further interest rate cuts to zero, or possibly negative, cannot yet be ruled out but this is not part of the Arlingclose central forecast. Gilt yields are expected to remain very low in the medium-term while short-term yields are likely to remain below or at zero until such time as the Bank of England expressly rules out the chance of negative interest rates or growth/inflation prospects improve (the Council’s borrowing costs are linked to gilt yields). • Section 4 – Local context. This section summarises the anticipated Treasury position in 2021/22. Activity in 2020/21, as it has in previous years, will focus more on borrowing and less on investing; as the Council’s requirement to borrow is forecast to grow due to a planned increase in capital expenditure, and there is less surplus cash to invest as services plan to spend reserves. • Section 5 – Investment strategy for treasury management investments. This section is largely a continuation of the Council’s 2020/21 strategy, the aim being to invest its funds prudently and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. • Section 6 - Borrowing strategy. Again, this section is largely a continuation of the 2020/21 strategy. The Council continues to forecast a significant long term borrowing requirement. The required amounts need to be confirmed before a commitment to long term borrowing is made and the use of short term borrowing will be used to assist during this period.
1.09	<p>The Welsh Government introduced changes in investment guidance in 2019, and the majority of the changes required were made in the Treasury Management Strategy 2020/21. Changes that still remain outstanding are in respect of disclosures around skills, culture and climate change. These have not been addressed during 2020/21 as a result of staff turnover within the Finance Technical Team, and pressures arising from other</p>

	priorities during 2020/21. It is anticipated that these will be addressed in 2021/22.
1.10	<p>The Audit Committee reviewed the draft Treasury Management Strategy at its meeting on 27th January 2021.</p> <p>Members of the Committee raised a number of detailed questions and queries including:</p> <ol style="list-style-type: none"> 1. A request that more information be provided to Committee Members on the Municipal Bond Agency 2. Are alternatives to PWLB loans considered for long-term borrowing? 3. Does the Council ever arrange 'forward loans'? 4. A Member expressed concern that the Council had invested with the DMO at a negative interest rate for several days at the end of December 2020. <p>Officers responded as follows to the positive satisfaction of the Committee:</p> <ol style="list-style-type: none"> 1. Arrangements will be made with Arlingclose to provide information / a presentation to the Committee on the Municipal Bond Agency 2. Alternatives for long-term borrowing are considered but generally the terms offered on PWLB loans are preferable. 3. We are not aware of the Council ever arranging forward loans to date 4. On the advice of Arlingclose the Council withdrew money invested in overseas based Money Market Funds over the 31st December / 1st January period as a precaution due to Brexit. The DMO provides security and liquidity for investments. £9m was invested for 4 days at a rate of -0.08% with a cost to the Council of £78.90. Officers will continue to avoid negative interest rates as far as is possible.

2.00	RESOURCE IMPLICATIONS
2.01	Financial implications are addressed in the report; no other resource implications directly as a result of this report.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT		
3.01	Risk Management directly addressed within the report and appendices including identification of risks and measures to mitigate likelihood and impact of risks identified.		
3.02	<p>Ways of Working (Sustainable Development) Principles Impact</p> <table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Long-term</td> <td>Positive. The Treasury Management Strategy considers the long-term impact of investing and borrowing decisions.</td> </tr> </table>	Long-term	Positive. The Treasury Management Strategy considers the long-term impact of investing and borrowing decisions.
Long-term	Positive. The Treasury Management Strategy considers the long-term impact of investing and borrowing decisions.		

	Prevention	No change
	Integration	No change
	Collaboration	No change
	Involvement	No change
3.03	Well-being Goals Impact	
	Prosperous Wales	No impact
	Resilient Wales	No impact
	Healthier Wales	No impact
	More equal Wales	No impact
	Cohesive Wales	No impact
	Vibrant Wales	No impact
	Globally responsible Wales	No impact

4.00	CONSULTATIONS REQUIRED AND UNDERTAKEN
-------------	----------------------------------------------

4.01	Arlingclose Ltd, being the Council's Treasury Management advisors.
------	--------------------------------------------------------------------

5.00	APPENDICES
-------------	-------------------

5.01	Appendix 1 - Draft Treasury Management Strategy 2021/22.
------	----------------------------------------------------------

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
-------------	------------------------------------------------

	None.
--	-------

7.00	CONTACT OFFICER DETAILS
-------------	--------------------------------

7.01	<p>Contact Officer: Paul Vaughan – Temporary Technical Finance Manager Telephone: 01352 702289 E-mail: paul.vaughan@flintshire.gov.uk</p>
------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

8.00	GLOSSARY OF TERMS
-------------	--------------------------

8.01	<p>Authorised Limit: A statutory limit that sets the maximum level of external debt for the Council.</p> <p>Balances and Reserves: Accumulated sums that are held, either for specific future costs or commitments (known as earmarked) or generally held to meet unforeseen or emergency expenditure.</p> <p>Bank Rate: The official interest rate set by the Bank of England's Monetary Policy Committee and what is generally termed at the "base rate".</p>
------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Basis Point: A unit of measure used in finance to describe the percentage change in the value or rate of a financial instrument. One basis point is equivalent to 0.01% (1/100th of a percent). In most cases, it refers to changes in interest rates and bond yields. For example, if interest rates rise by 25 basis points, it means that rates have risen by 0.25% percentage points.

Bond: A certificate of debt issued by a company, government, or other institution. The bond holder receives interest at a rate stated at the time of issue of the bond. The price of a bond may vary during its life.

Capital Expenditure: Expenditure on the acquisition, creation or enhancement of capital assets.

Capital Financing Requirement (CFR): The Council's underlying need to borrow for capital purposes representing the cumulative capital expenditure of the local authority that has not been financed.

Certificates of Deposits (CD's): A savings certificate entitling the bearer to receive interest. A CD bears a maturity date, a specified fixed interest rate and can be issued in any denomination. CDs are generally issued by commercial banks. The term of a CD generally ranges from one month to five years.

Consumer Price Index (CPI): The UK's main measure of inflation (along with Retail Price Index or 'RPI') The Monetary Policy Committee of the Bank of England set the Bank Rate in order to try and keep CPI at or close to the target set by the Government. The calculation of CPI includes many items of normal household expenditure but excludes some items such as mortgage interest payments and Council Tax.

Corporate Bonds: Corporate bonds are bonds issued by companies. The term is often used to cover all bonds other than those issued by governments in their own currencies and includes issues by companies, supranational organisations and government agencies.

Cost of Carry: The "cost of carry" is the difference between what is paid to borrow compared to the interest which could be earned. For example, if one takes out borrowing at 5% and invests the money at 1.5%, there is a cost of carry of 3.5%.

Counterparty List: List of approved financial institutions with which the Council can place investments.

Credit Rating: Formal opinion by a registered rating agency of a counterparty's future ability to meet its financial liabilities; these are opinions only and not guarantees.

Debt Management Office (DMO): The DMO is an Executive Agency of Her Majesty's Treasury and provides direct access for local authorities into a government deposit facility known as the Debt Management Account Deposit Facility (DMADF). All deposits are guaranteed by HM Government and therefore have the equivalent of a sovereign credit rating.

Federal Reserve: The US central bank, the equivalent of the Bank of England. (Often referred to as “the Fed”).

Financial Instruments: Financial instruments are tradable assets of any kind. They can be cash, evidence of an ownership interest in an entity, or a contractual right to receive or deliver cash or another financial instrument

Gilts: Gilts are bonds issued by the UK Government. They take their name from ‘gilt-edged’. They are deemed to be very secure as the investor expects to receive the full face value of the bond to be repaid on maturity.

IFRS: International Financial Reporting Standards.

LIBID: The London Interbank Bid Rate (LIBID) is the rate bid by banks on Eurocurrency deposits (i.e. the rate at which a bank is willing to borrow from other banks).

LIBOR: The London Interbank Offered Rate (LIBOR) is the rate of interest that banks charge to lend money to each other. The British Bankers' Association (BBA) work with a small group of large banks to set the LIBOR rate each day. The wholesale markets allow banks who need money to borrow from those with surplus amounts. The banks with surplus amounts of money are keen to lend so that they can generate interest which it would not otherwise receive.

LOBO: Stands for Lender Option Borrower Option. The underlying loan facility is typically very long-term - for example 40 to 60 years - and the interest rate is fixed. However, in the LOBO facility the lender has the option to call on the facilities at pre-determined future dates. On these call dates, the lender can propose or impose a new fixed rate for the remaining term of the facility and the borrower has the ‘option’ to either accept the new imposed fixed rate or repay the loan facility.

Maturity: The date when an investment or borrowing is repaid.

Maturity Structure / Profile: A table or graph showing the amount (or percentage) of debt or investments maturing over a time period.

Minimum Revenue Provision (MRP): An annual provision that the Council is statutorily required to set aside and charge to the Revenue Account for the repayment of debt associated with expenditure incurred on capital assets.

Monetary Policy Committee (MPC): Government Body that sets the Bank Rate. Its primary target is to keep inflation within 1% of a central target of 2%. Its secondary target is to support the Government in maintaining high and stable levels of growth and employment.

Money Market Funds (MMF): Pooled funds which invest in a range of short term assets providing high credit quality and high liquidity.

Non Specified Investment: Investments which fall outside the WG Guidance for Specified investments (below).

Operational Boundary: This linked directly to the Council's estimates of the CFR and estimates of other day to day cash flow requirements. This indicator is based on the same estimates as the Authorised Limit reflecting the most likely prudent but not worst case scenario but without the additional headroom included within the Authorised Limit.

Premiums and Discounts: In the context of local authority borrowing, (a) the premium is the penalty arising when a loan is redeemed prior to its maturity date and (b) the discount is the gain arising when a loan is redeemed prior to its maturity date.

Prudential Code: Developed by CIPFA and introduced in April 2004 as a professional code of practice to support local authority capital investment planning within a clear, affordable, prudent and sustainable framework and in accordance with good professional practice.

Prudential Indicators: Indicators determined by the local authority to define its capital expenditure and asset management framework. They are designed to support and record local decision making in a manner that is publicly accountable; they are not intended to be comparative performance indicators

Public Works Loans Board (PWLB): The PWLB is a statutory body operating within the United Kingdom Debt Management Office, an Executive Agency of HM Treasury. The PWLB's function is to lend money from the National Loans Fund to local authorities and other prescribed bodies, and to collect the repayments.

Quantitative Easing (QE): In relation to the UK, it is the process used by the Bank of England to directly increase the quantity of money in the economy. It does not involve printing more banknotes. Instead, the Bank buys assets from private sector institutions – that could be insurance companies, pension funds, banks or non-financial firms – and credits the seller's bank account. So the seller has more money in their bank account, while their bank holds a corresponding claim against the Bank of England (known as reserves). The end result is more money out in the wider economy.

Retail Price Index (RPI): A monthly index demonstrating the movement in the cost of living as it tracks the prices of goods and services including mortgage interest and rent.

Revenue Expenditure: Expenditure to meet the continuing cost of delivery of services including salaries and wages, the purchase of materials and capital financing charges.

Specified Investments: Term used in the Welsh Assembly Guidance for Local Authority Investments. Investments that offer high security and high liquidity, in sterling and for no more than one year. UK government, local authorities and bodies that have a high credit rating.

Supported Borrowing: Borrowing for which the costs are supported by the government or third party.

Supranational Bonds: Instruments issued by supranational organisations created by governments through international treaties (often called multilateral development banks). The bonds carry an AAA rating in their own right. Examples of supranational organisations are the European Investment Bank, the International Bank for Reconstruction and Development.

Temporary Borrowing: Borrowing to cover peaks and troughs of cash flow, not to fund capital spending.

Term Deposits: Deposits of cash with terms attached relating to maturity and rate of return (Interest).

Treasury Bills (T-Bills): Treasury Bills are short term Government debt instruments and, just like temporary loans used by local authorities, are a means to manage cash flow. They are issued by the Debt Management Office and are an eligible sovereign instrument, meaning that they have an AAA-rating.

Treasury Management Code: CIPFA's Code of Practice for Treasury Management in the Public Services, initially brought in 2003, subsequently updated in 2009 and 2011.

Treasury Management Practices (TMP): Treasury Management Practices set out the manner in which the Council will seek to achieve its policies and objectives and prescribe how it will manage and control these activities.

Unsupported Borrowing: Borrowing which is self-financed by the local authority. This is also sometimes referred to as Prudential Borrowing.

Yield: The measure of the return on an investment instrument.



FLINTSHIRE COUNTY COUNCIL

**DRAFT TREASURY MANAGEMENT
STRATEGY**

2021/22

CONTENTS

<u>Section</u>		<u>Page</u>
1.0	Introduction	1
2.0	Economic Context	1
3.0	Current Treasury Portfolio	4
4.0	Local Context	5
5.0	Investment Strategy	6
6.0	Borrowing Strategy	12
7.0	Policy on the use of Financial Derivatives	14
8.0	Policy on apportioning interest to Housing Revenue Account	15
9.0	Markets in Financial Instruments Directive	15
10.0	Treasury Management Indicators	15
11.0	Other Matters	16
APPENDIX A – Debt Maturity Profile		19
APPENDIX B – Additional Requirements of Welsh Government Guidance		20

Treasury Management Strategy Report 2021/22

The Council is recommended to:

- approve the Treasury Management Strategy for 2021/22
- approve the Treasury Management Indicators for 2021/22

1.0 Introduction

In April 2019 the Council adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2017 Edition* (the CIPFA Code) which requires the Council to approve a Treasury Management Strategy before the start of each financial year.

In addition, the Welsh Government (WG) issues guidance on local authority investments that requires the Council to approve an investment strategy before the start of each financial year. Welsh Government updated this guidance in November 2019.

This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the WG Guidance.

The successful identification, monitoring and control of risk are central to the Council's Treasury Management Strategy as the Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates.

In accordance with the WG Guidance, the Council will be asked to approve a revised Treasury Management Strategy should the assumptions on which this report is based change significantly. Such circumstances would include, for example, a large unexpected change in interest rates, in the Council's capital programme or in the level of its investment balance.

2.0 Economic Context (including interest rate forecast – as provided by Arlingclose Ltd, January 2021)

Economic background: The impact on the UK from coronavirus, lockdown measures, the rollout of vaccines, as well as the new trading arrangements with the European Union (EU), will remain major influences on the Authority's Treasury Management Strategy for 2021/22.

The Bank of England (BoE) maintained Bank Rate at 0.10% in December 2020 and Quantitative Easing programme at £895 billion having extended it by £150 billion in the previous month. The Monetary Policy Committee (MPC) voted unanimously for both, but no mention was made of the potential future use of negative interest rates. In the November Monetary Policy Report (MPR)

forecasts, the Bank expects the UK economy to shrink -2% in Q4 2020 before growing by 7.25% in 2021, lower than the previous forecast of 9%. The BoE also forecasts the economy will now take until Q1 2022 to reach its pre-pandemic level rather than the end of 2021 as previously forecast. By the time of the December MPC announcement, a COVID-19 vaccine was approved for use, which the Bank noted would reduce some of the downside risks to the economic outlook outlined in the November MPR.

UK Consumer Price Inflation (CPI) for November 2020 registered 0.3% year on year, down from 0.7% in the previous month. Core inflation, which excludes the more volatile components, fell to 1.1% from 1.5%. The most recent labour market data for the three months to October 2020 showed the unemployment rate rose to 4.9% while the employment rate fell to 75.2%. Both measures are expected to deteriorate further due to the ongoing impact of coronavirus on the jobs market, particularly when the various government job retention schemes start to be unwound in 2021, with the BoE forecasting unemployment will peak at 7.75% in Q2 2021. In October, the headline 3-month average annual growth rate for wages were 2.7% for total pay and 2.8% for regular pay. In real terms, after adjusting for inflation, total pay growth was up by 1.9% while regular pay was up 2.1%.

GDP growth rebounded by 16.0% in Q3 2020 having fallen by -18.8% in the second quarter, with the annual rate rising to -8.6% from -20.8%. All sectors rose quarter-on-quarter, with dramatic gains in construction (41.2%), followed by services and production (both 14.7%). Monthly GDP estimates have shown the economic recovery slowing and remains well below its pre-pandemic peak. Looking ahead, the BoE's November MPR forecasts economic growth will rise in 2021 with GDP reaching 11% in Q4 2021, 3.1% in Q4 2022 and 1.6% in Q4 2023.

GDP growth in the euro zone rebounded by 12.7% in Q3 2020 after contracting by -3.7% and -11.8% in the first and second quarters, respectively. Headline inflation, however, remains extremely weak, registering -0.3% year-on-year in November, the fourth successive month of deflation. Core inflation registered 0.2% y/y, well below the European Central Bank's (ECB) target of 'below, but close to 2%'. The ECB is expected to continue holding its main interest rate of 0% and deposit facility rate of -0.5% for some time but expanded its monetary stimulus in December 2020, increasing the size of its asset purchase scheme to €1.85 trillion and extended it until March 2022.

The US economy contracted at an annualised rate of 31.4% in Q2 2020 and then rebounded by 33.4% in Q3. The Federal Reserve maintained the Fed Funds rate at between 0% and 0.25% and announced a change to its inflation targeting regime to a more flexible form of average targeting. The Fed also provided strong indications that interest rates are unlikely to change from current levels over the next three years.

Former vice-president Joe Biden won the 2020 US presidential election. Mr Biden is making tackling coronavirus his immediate priority and will also be reversing several executive orders signed by his predecessor and take the US back into the Paris climate accord and the World Health Organization.

Credit outlook: After spiking in late March as coronavirus became a global pandemic and then rising again in October/November, credit default swap (CDS) prices for the larger UK banks have steadily fallen back to almost pre-pandemic levels. Although uncertainly around COVID-19 related loan defaults lead to banks provisioning billions for potential losses in the first half of 2020, drastically reducing profits, reported impairments for Q3 were much reduced in some institutions. However, general bank profitability in 2020 and 2021 may be significantly lower than in previous years.

The credit ratings for many UK institutions were downgraded on the back of downgrades to the sovereign rating. Credit conditions more generally though in banks and building societies have tended to be relatively benign, despite the impact of the pandemic.

Looking forward, the potential for bank losses to be greater than expected when government and central bank support starts to be removed remains a risk, suggesting a cautious approach to bank deposits in 2021/22 remains advisable.

Interest rate forecast: The Authority's Treasury Management adviser Arlingclose is forecasting that BoE Bank Rate will remain at 0.1% until at least the first quarter of 2024. The risks to this forecast are judged to be to the downside as the BoE and UK government continue to react to the coronavirus pandemic and the new EU trading arrangements. The BoE extended its asset purchase programme to £895 billion in November while keeping Bank Rate on hold and maintained this position in December. However, further interest rate cuts to zero, or possibly negative, cannot yet be ruled out but this is not part of the Arlingclose central forecast.

Gilt yields are expected to remain very low in the medium-term while short-term yields are likely remain below or at zero until such time as the BoE expressly rules out the chance of negative interest rates or growth/inflation prospects improve. The central case is for 10-year and 20-year to rise to around 0.60% and 0.90% respectively over the time horizon. The risks around the gilt yield forecasts are judged to be broadly balanced between upside and downside risks, but there will almost certainly be short-term volatility due to economic and political uncertainty and events.

Table 1: Interest rate forecast

	Bank Rate	3 month Money Market Rate	5 year Gilt Yield	20 year Gilt Yield	50 year Gilt Yield
Q1 2021	0.10	0.10	0.00	0.70	0.60
Q2 2021	0.10	0.10	0.00	0.70	0.60
Q3 2021	0.10	0.15	0.05	0.75	0.65
Q4 2021	0.10	0.15	0.10	0.75	0.65
Q1 2022	0.10	0.20	0.15	0.75	0.65
Q2 2022	0.10	0.20	0.20	0.80	0.70
Q3 2022	0.10	0.20	0.20	0.80	0.70
Q4 2022	0.10	0.20	0.25	0.85	0.75
Q1 2023	0.10	0.20	0.25	0.85	0.75
Q2 2023	0.10	0.20	0.25	0.85	0.75
Q3 2023	0.10	0.20	0.25	0.90	0.80
Q4 2023	0.10	0.20	0.25	0.90	0.80

For the purpose of setting the budget, it has been assumed that new investments will be made at an average rate of 0.10%, and that new long-term loans will be borrowed at an average rate of 2.1%.

3.0 Current Treasury Portfolio

The Council's treasury portfolio as at 31st December 2020 was as follows:

Table 2: Current Treasury Portfolio

	Principal £m	Interest rate %
Investments:		
Call accounts	4.0	0.01
Money market funds	6.0	0.03
Short-term deposits	24.0	-0.03
Long-term deposits	0.0	n/a
Total Investments	34.0	
Borrowing:		
Short-term loans	38.0	0.04
Long-term PWLB loans (fixed)	262.6	4.73
Long-term PWLB loans (variable)	0.0	n/a
Long-term market loans (LOBOs)	18.9	4.53
Other Government loans	5.1	0.00
Total Borrowing	324.6	
Net Borrowing	290.6	

4.0 Local Context

Forecast changes in the sums in section 3 are shown in the balance sheet analysis in the table below.

Table 3: Balance Sheet Summary and Forecast

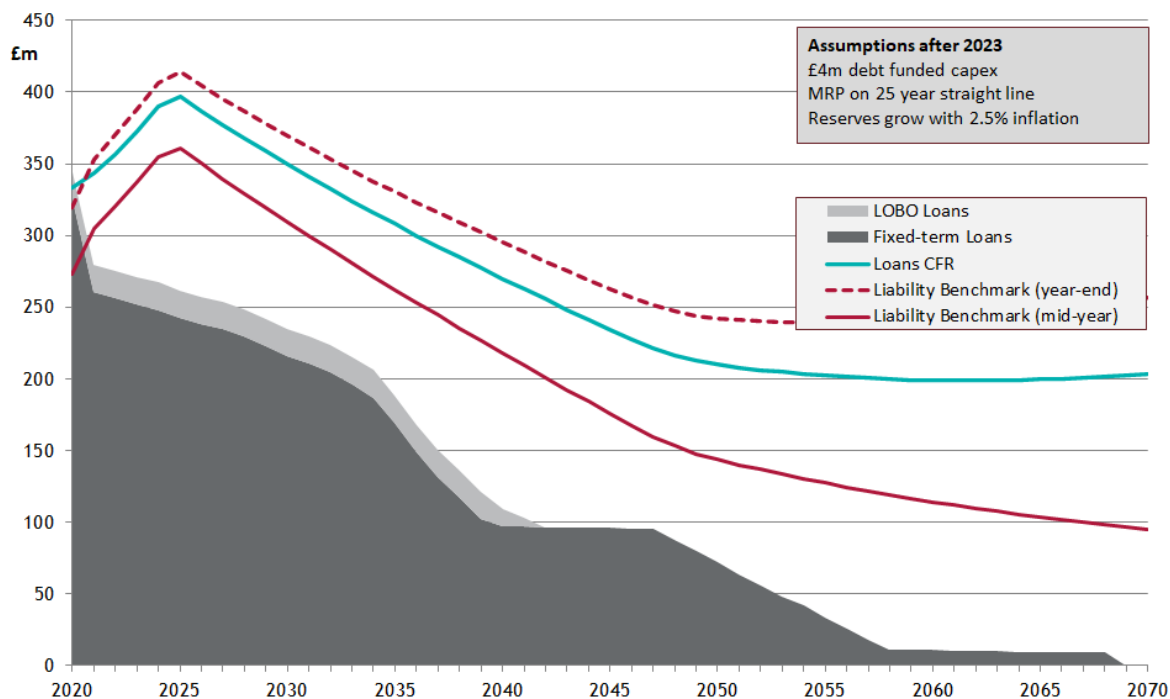
	31.3.20 Actual £m	31.3.21 Estimate £m	31.3.22 Estimate £m	31.3.23 Estimate £m	31.3.24 Estimate £m
Council Fund Capital Financing Requirement (Borrowing only)	211	223	231	244	256
Housing Revenue Account Capital Financing Requirement (Borrowing only)	135	137	139	147	157
Capital Financing Requirement (Borrowing only)	346	360	370	391	413
Less: Current ST borrowing	(53)	(280)	(275)	(271)	(267)
Less: Current LT borrowing	(291)				
Funding Required	2	80	95	120	146
Less: Usable reserves	(53)	(30)	(26)	(24)	(23)
Adj: Working capital	20	21	21	21	21
Investments / New borrowing	31	(71)	(90)	(117)	(144)

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Council's current strategy is to maintain borrowing below the CFR, sometimes known as internal borrowing. Internal borrowing is currently cheaper and incurs lower credit risk than external long term borrowing.

Table 3 shows the Council's CFR increases during 2021/22, this is linked with the capital programme (examples of schemes funded by borrowing include the 21st century schools building programme and the HRA capital programme which includes building new social housing). The level of reserves the Council has is expected to fall in 2020/21 as funding earmarked for specific purposes falls due for payment. The combination of the increase in capital expenditure and a reduction in reserves, results in a sustained requirement for new borrowing over the medium term.

The graph in table 4 shows the Council's anticipated liability benchmark over the next 50 years, being the net requirement for borrowing after considering resources available from reserves and working capital. The rise in the liability benchmark corresponds with the need to borrow to fund the increase in capital expenditure described above. The strategy in 2021/22, the same as in previous years, is to ensure that any new borrowing undertaken does not exceed the liability benchmark and cause the council to borrow more than it needs.

Table 4: Liability Benchmark - Flintshire County Council (January 2021)



Budget implications

The budget for investment income in 2021/22 is £10k, based on an average investment portfolio of £10m at an average interest rate of 0.1%. The total budget for loan interest paid in 2021/22 is £14.8m, based on a debt portfolio of £369m at an average interest rate of 4.06%. This will be apportioned between the Council Fund and the HRA. If levels of investments, borrowing and interest rates differ from those forecast, performance against budget will be correspondingly different.

5.0 Treasury Investment Strategy

The Council holds surplus funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council’s treasury average investment balance was £35m, with similar or slightly lower levels expected to be maintained in the forthcoming year.

Non-treasury investments including loans to subsidiaries and purchases of investment property are not normally considered to be treasury investments, and these are therefore covered separately in Appendix B.

Both the CIPFA Code and the WG Guidance require the Council to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council’s objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

Strategy

Given the increasing risk and very low returns from short-term unsecured bank investments, the Council continues its aim to diversify into more secure and/or higher yielding asset classes during 2021/22, so far as cash liquidity requirements allow. This is especially the case if any medium to longer-term investments are made. This represents a continuation of the strategy adopted in recent years.

Investment criteria and limits

The Council may invest its surplus funds with any of the counterparties in the following table, subject to the monetary and time limits shown.

Table 5: Treasury investment counterparties and limits

This table must be read in conjunction with the notes below

Sector	Time limit	Counterparty limit	Sector limit
The UK Government	50 years	Unlimited	n/a
Local authorities & other government entities	25 years	£3m	Unlimited
Secured investments *	25 years	£3m	Unlimited
Banks (unsecured) *	13 months	£2m	Unlimited
Building societies (unsecured) *	13 months	£2m	Unlimited
Registered providers (unsecured) *	5 years	£2m	Unlimited
Money market funds *	n/a	£3m	Unlimited
Strategic pooled funds	n/a	£1m	£5m
Real estate investment trusts	n/a	£1m	£1m
Other investments *	5 years	£2m	£10m

*** Minimum credit rating:** Treasury investments in the sectors marked with an asterisk will only be made with entities whose lowest published long-term credit rating is no lower than A-. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

For entities without published credit ratings, investments may be made either (a) where external advice indicates the entity to be of similar credit quality; or (b) to a maximum of £100k per counterparty as part of a diversified pool.

Government: Loans to, and bonds and bills issued or guaranteed by, national governments, regional and local authorities and multilateral development

banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Government are deemed to be zero credit risk due to its ability to create additional currency and therefore may be made in unlimited amounts for up to 50 years.

Secured investments: Investments secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be a key factor in the investment decision. Covered bonds and reverse repurchase agreements with banks and building societies are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used. The combined secured and unsecured investments with any one counterparty will not exceed the cash limit for secured investments.

Banks and building societies (unsecured): Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

Registered providers (unsecured): Loans to, and bonds issued or guaranteed by, registered providers of social housing or registered social landlords, formerly known as housing associations. These bodies are regulated by the Regulator of Social Housing (in England), the Scottish Housing Regulator, the Welsh Government and the Department for Communities (in Northern Ireland). As providers of public services, they retain the likelihood of receiving government support if needed.

Money market funds: Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. Although no sector limit applies to money market funds, the Authority will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.

Strategic pooled funds: Bond, equity and property funds that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives will be monitored regularly.

Real estate investment trusts: Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term, but are more volatile especially as the share price

reflects changing demand for the shares as well as changes in the value of the underlying properties.

Other investments: This category covers treasury investments not listed above, for example unsecured corporate bonds and company loans. Non-bank companies cannot be bailed-in but can become insolvent placing the Authority's investment at risk.

Operational bank accounts: The Authority may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail-in, and balances will therefore be kept as low as possible. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Authority maintaining operational continuity.

Risk assessment and credit ratings

Credit ratings are obtained and monitored by the Authority's treasury advisers, who will notify changes in ratings as they occur. The credit rating agencies in current use are listed in the Treasury Management Practices document.

Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it is likely to fall below the above criteria, then no further investments will be made in that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other information on the security of investments

The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Council's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as in 2008 and 2020, this is not generally reflected in credit

ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of “high credit quality” are available to invest the Council’s cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office for example, or with other local authorities. This will cause investment returns to fall but will protect the principal sum invested.

Specified investments

The WG Guidance defines specified investments as those:

- denominated in pound sterling,
- due to be repaid within 12 months of arrangement unless the counterparty is a local authority,
- not defined as capital expenditure by legislation, and
- invested with one of:
 - the UK Government,
 - a UK local authority, parish council or community council, or
 - a body or investment scheme of “high credit quality”.

The Council defines ‘high credit quality’ organisations as those having a credit rating of A- or higher that are, domiciled in the UK, or a foreign country with a sovereign rating of AA+ or higher. For money market funds and other pooled funds “high credit quality” is defined as those having a credit rating of A- or higher.

Non-Specified Investments

Any financial investment not meeting the definition of a specified investment is classed as non-specified. The Council does not intend to make any investments in foreign currencies. Given the wide definition of a loan, this category only applies to units in pooled funds and shares in companies. Limits on non-specified investments are shown in the table below. The Authority confirms that its current non-specified investments remain within these limits.

Table 6: Non-Specified Investment Limits

	Cash Limit
Total invested in pooled funds without credit rating	£5m
Shares in real estate investment trusts	£1m
Shares in local organisations	£1m
Total non-specified investments	£7m

Foreign countries

Investments in foreign countries will be limited to a maximum of £5 million per foreign country. Investments in countries whose lowest sovereign rating is not AAA will be limited to one year's duration. No country limit will apply to investments in the UK, irrespective of the sovereign credit rating.

Liquidity management

The Council uses purpose-built cash flow forecasting software to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis, with receipts under-estimated and payments over-estimated to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's medium term financial plan and cash flow forecast.

Negative Interest Rates

The COVID-19 pandemic has increased the risk that the Bank of England will set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. Since investments cannot pay negative income, negative rates will be applied by reducing the value of investments. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.

Business models

Under the new IFRS 9 standard, the accounting for certain investments depends on the Council's "business model" for managing them. The Council aims to achieve value from its internally managed treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.

6.0 Borrowing Strategy

The Council currently holds £286.7m of long-term loans, as part of its strategy for funding previous years' capital programmes, which includes £6.87m of new long-term borrowing undertaken to date during 2020/21. The balance sheet forecast in section 4 shows that the Council expects to undertake new borrowing during the remainder of 2020/21 and 2021/22.

The Council's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which the funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.

The Council's capital expenditure plans will continue to be monitored throughout 2021/22 to inform and confirm the Council's long term borrowing need (figures in section 4 are an estimate). This is to ensure that the Council does not commit to long term borrowing too early and borrow unnecessarily which will be costly. The use of short-term borrowing will assist with such. This will be balanced against securing low long term interest rates currently being forecast.

Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently lower than long-term rates, it is likely to be more cost effective in the short-term to use internal resources, and to borrow short-term instead.

By doing so, the Council is able to reduce net borrowing costs (despite forgone investment income) and reduce overall treasury risk, credit risk as a result of bail-in legislation in particular. The benefit of internal and short term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when the long term borrowing rates are forecast to rise modestly. Arlingclose will assist the Council with this 'cost of carry' and breakeven analysis. Its output may determine whether the Council borrows additional sums at long-term fixed rates in 2021/22 with a view to keeping future interest costs low, even if this causes additional costs in the short-term.

The Authority has previously raised the majority of its long-term borrowing from the PWLB but will consider long-term loans from other sources including banks, pensions and local authorities, and will investigate the possibility of issuing bonds and similar instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield; the Authority intends to avoid this activity in order to retain its access to PWLB loans.

Alternatively, the Council may arrange forward starting loans, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

In addition, the Council may borrow for short periods of time to cover unexpected cash flow shortages.

Sources of borrowing

The approved sources of long-term and short-term borrowing will be:

- HM Treasury's PWLB lending facility (formerly the Public Works Loan Board)
- any institution approved for investments (see above)
- any other bank or building society authorised to operate in the UK
- any other UK public sector body
- UK public and private sector pension funds (except Clwyd Pension Fund)
- Insurance companies
- capital market bond investors
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues

In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- leasing
- hire purchase
- Private Finance Initiative
- sale and leaseback
- WG Mutual Investment Model

Municipal Bonds Agency: UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It issues bonds on the capital markets and lends the proceeds to local authorities. This is a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to full Council

LOBOs

The Council holds £18.95m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. All of these LOBOs have options during 2021/22, and although the Council understands that lenders are unlikely to exercise their options in the current low interest rate environment, there remains an element of refinancing risk. The Council will take the option to repay LOBO loans at no cost if it has the opportunity to do so.

Short-term and Variable Rate loans

As at 31st December 2020, the Council held £38m of short term (temporary) loans with an average rate of 0.044% and no variable rate loans. These loans leave the Council exposed to the risk of short-term interest rate rises and are therefore subject to the limit on the net exposure to variable interest rates in the treasury management indicators in section 10.

Debt Rescheduling

The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.

Planned borrowing strategy for 2021/22

The Corporate Finance Manager will:

- Manage the Council's debt maturity profile, i.e. to leave no one future year with a high level of repayments that could cause problems in re-borrowing with the limits stated in this Strategy Statement. Appendix A analyses the debt portfolio of the Council, as at 31st December, 2020.
- Effect any borrowing that may be required in 2021/22 at the cheapest cost commensurate with future risk based on interest rate forecasts.
- Monitor and review the level of variable interest rate loans in order to take greater advantage of interest rate movements, within the limits stated in this Strategy.
- Continue to monitor options for debt-restructuring and debt re-payment.

The Corporate Finance Manager will monitor the interest rate market and adopt a pragmatic approach to any changing circumstances, reporting any decisions and actions taken under delegated powers to Cabinet via the Audit Committee.

7.0 Policy on Use of Financial Derivatives

In the absence of any explicit legal power to do so, the Council will not use standalone financial derivatives (such as swaps, forwards, futures and options). Derivatives embedded into loans and investments, including pooled funds and forward starting transactions, may be used, and the risks that they present will be managed in line with the overall treasury risk management strategy.

8.0 Policy on Apportioning Interest to HRA

The Council has adopted a single pool of loans which funds the capital expenditure of both Council Fund and HRA activities. The interest payable and other costs/income arising from long term loans (e.g. premiums and discounts on early redemption) is apportioned between the revenue accounts using the average Capital Financing Requirement (which measures the underlying need to borrow to fund capital expenditure) during the year.

Given that the HRA has minimal level of reserves compared to the total level of reserves held by the Council, any interest received on investments will be credited to the Council Fund revenue account.

9.0 Markets in Financial Instruments Directive

The Council has opted up to professional client with its providers of financial services, including advisers, banks, and brokers, allowing it access to a range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Council's treasury management activities, the Corporate Finance Manager believes this to be the most appropriate status.

10.0 Treasury Management Indicators

The Council measures and manages its exposures to treasury management risks using the following indicators. The Council is asked to approve the following indicators:

Interest rate exposures

This indicator is set to control the Council's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as an amount of net principal borrowed will be:

	2021/22	2022/23	2023/24
Upper limit on fixed interest rate exposures	£390m	£411m	£433m
Upper limit on variable interest rate exposures	£100m	£100m	£100m

Fixed rate investments and borrowings are those where the rate of interest is fixed for at least 12 months, measured from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate.

Maturity structure of borrowing

This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing will be:

	Lower	Upper
Under 12 months	0%	20%

12 months and within 24 months	0%	20%
24 months and within five years	0%	30%
Five years and within 10 years	0%	50%
10 years and above	0%	100%

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

Principal sums invested for periods longer than 364 days

The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long term principal sum invested to final maturities beyond the period end will be:

	2021/22	2022/23	2023/24
Limit on total principal invested beyond year end	£5m	£5m	£5m

Any long term investments carried forward from previous years will be included in each years limit.

Borrowing limits

The Council is being asked to approve these Prudential Indicators as part of the Capital Strategy report. However they are repeated here for completeness.

	2021/22	2022/23	2023/24
Operational boundary – borrowing	£370m	£391m	£413m
Operational boundary – other long-term liabilities	£20m	£20m	£20m
Operational boundary – TOTAL	£390m	£411m	£433m
Authorised limit – borrowing	£390m	£411m	£433m
Authorised limit – other long-term liabilities	£35m	£35m	£35m
Authorised limit – TOTAL	£425m	£446m	£468m

11.0 Other Matters

The WG Investment Guidance requires the Council to note the following matters each year as part of the investment strategy:

Treasury Management Advisers

The Council's treasury management adviser, Arlingclose continues to provide advice and information on the Council's investment and borrowing activities, although responsibility for final decision making remains with the Council and its officers. The services received include:

- advice and guidance on relevant policies, strategies and reports,
- advice on investment decisions,
- notification of credit ratings and changes,
- other information on credit quality,
- advice on debt management decisions,

- accounting advice,
- reports on treasury performance,
- forecasts of interest rates, and
- training courses.

The quality of this service is controlled by Financial Procedure Rules and Contract Procedure Rules.

Capacity and skills training

The needs of the Council's treasury management team for training in treasury management are assessed as part of the employee appraisal process, and additionally when the responsibilities of individual members of the treasury team change.

Employees regularly attend training courses, seminars and conferences provided by Arlingclose and CIPFA. Relevant employees are also encouraged to study professional qualifications from CIPFA and other appropriate organisations.

Training for elected Members is provided by Arlingclose on an annual basis and by the treasury management team on an ongoing basis.

Training ensures that those elected members and statutory officers involved in the investments decision-making process have appropriate capacity, skills and information to enable them to: 1. take informed decisions as to whether to enter into a specific investment; 2. to assess individual investments in the context of the strategic objectives and risk profile of the Council; and 3. understand how the quantum of these decisions have changed the overall risk exposure of the Council.

The Council is reviewing steps taken to ensure that those negotiating commercial deals are aware of the core principles of the prudential framework and of the regulatory regime within which local authorities operate.

Investment of Money Borrowed in Advance of Need

Welsh Government guidance states that local authorities must not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed.

The Council will not borrow more than or in advance of their needs to profit from the investment but may, from time to time, borrow in advance of need, where this is expected to provide the best long term value for money for example in a climate of rising interest rates. Since amounts borrowed will be invested until spent, the Council is aware that it will be exposed to the risk of loss of the borrowed sums, and the risk that investment and borrowing interest rates may change in the intervening period. These risks will be managed as part of the Council's overall management of its treasury risks.

The total amount borrowed will not exceed the authorised borrowing limit of £425million. The maximum period between borrowing and expenditure is

expected to be two years, although the Council is not required to link particular loans with particular items of expenditure.

Climate change

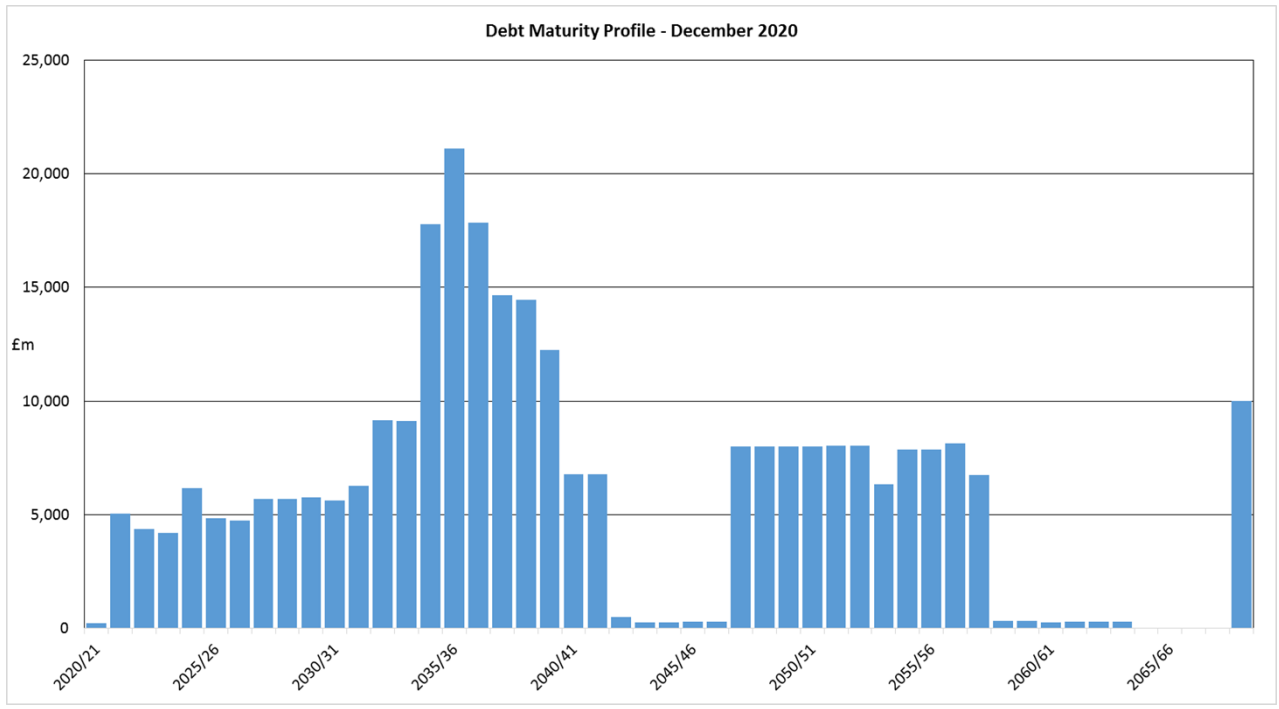
The Council is reviewing its approach to investment decisions to consider long-term climate risks to support a low carbon economy.

Other Options Considered

The WG Investment Guidance and the CIPFA Code of Practice do not prescribe any particular treasury management strategy for local authorities to adopt. The Corporate Finance Manager believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed in the following table.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter periods.	Interest income will be lower	Reduced risk of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer periods.	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs will be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long term costs will be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs will be less certain

APPENDIX A – DEBT MATURITY PROFILE



APPENDIX B: Additional requirements of Welsh Government

Investment Guidance – Non-Treasury Investments

The Welsh Government (WG) published revised Investment Guidance in November 2019 which places additional reporting requirements upon local authorities and covers investments that are not part of treasury management. In this appendix the Council sets out the information required to comply with the WG guidance for Non-Treasury Investments.

The Council has given loans to wholly owned companies for service purposes and has historical non-financial investments in property defined as Investment Properties within the Council's Statement of Accounts. The Council considers both to be non-treasury investments.

Loans to Wholly Owned Subsidiaries

The WG Guidance defines a loan as a written or oral agreement where the Council temporarily transfers cash to a third party, joint venture, subsidiary or associate who agrees a return according to the terms and conditions of receiving the loan, except where the third party is another local authority.

Contribution:

The Council's investments in the form of loans to wholly owned companies contribute to its service delivery objectives and/or to promote wellbeing as follows:

The Council has embarked on an ambitious house building programme as part of its Strategic Housing and Regeneration Programme (SHARP). Over a 5 year period 500 new homes will be built at a range of sites across the county, a mixture of new council houses and affordable homes, alongside commissioning a range of linked regeneration initiatives and community benefits.

Affordable homes are being developed through the Council's wholly owned subsidiary North East Wales Homes (NEW Homes) in partnership with the Council. Affordable homes for rent are built or purchased by NEW Homes funded by loans from the Council. New affordable homes for rent have been built in Flint, Penyffordd (Holywell), Dobshell and are under construction in Gronant, and Mold.

Controls and Limits:

The Council considers that its financial exposure to loans to wholly owned companies is proportionate and has set the limits in table B1. The Council's loan book is currently within these self-assessed limits.

NEW Homes was established on 3rd April 2014 to own, lease and manage properties with the aim of increasing the quantity and quality of affordable housing across the county.

NEW Homes is a company limited by shares, wholly owned by the Council (1 at £1 par value), established under section 95 of the Local Government Act 2003. The Council has a high level of control over NEW Homes as the single shareholder, approving:

- the issue of share capital
- the distribution of trading surplus
- the annual business plan
- any asset disposals
- any borrowing against assets
- appointment of directors to the board

Table B1: Loan limits

Borrower	Cash Limit
Wholly owned companies	£40m
Treasury management investments meeting the definition of a loan	Unlimited

The Council, as required, has considered allowing for an ‘expected credit loss’ model for loans and receivables as set out in International Financial Reporting Standard 9: *Financial Instruments* as adopted by proper practices to measure the credit risk of its loan portfolio. When calculated the expected credit loss was very small. Given the high level of control the Council has over NEW Homes and the security arrangements, the Council decided against setting up a provision for expected credit loss from the loans to NEW Homes.

Appropriate consideration is given to state aid rules and competition law. The Council sought specific legal and finance advice to ensure existing and future loans are compliant with State Aid regulations. The rates applied are below what NEW Homes would receive on the open market, and therefore are granted to NEW Homes under the Services of General Economic Interest Decision (a State Aid exemption). Arrangements are in place to monitor and ensure that the amount of aid granted through the loan does not exceed the net cost of providing the Service of General Economic Interest. A deed of entrustment is in place to clearly set out the requirements of both parties.

Liquidity

The Council has borrowed from the PWLB to on-lend at a small margin to NEW Homes on the same terms and conditions, therefore the impact on the Council’s Treasury Management activities is limited.

The length of the loans has been determined by assessing the cash flow of each housing development scheme to ensure over the long term affordable rents are sufficient to repay borrowing, interest, management costs, cyclical maintenance costs and reasonable allowances for voids and bad debts. Most schemes require an annuity loan commitment of 45 years, the maximum the Council would commit to is 50 years.

Agreements are in place ensuring that the Council has security on all NEW Homes properties which includes properties built using the loan funding and also other properties that NEW Homes owns outright (acquired from developers as part of Section 106 Planning Act agreements to provide affordable housing). In the event of a default, the Council could either sell the properties to repay its borrowing, or include within the Housing Revenue Account and continue to rent at social housing rent levels.

Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice and can take a considerable period to sell in certain market

conditions. The Council accepts that the invested funds have been invested in NEW Homes for the length of the loans – approx. 45 years – and cannot readily be accessed for other purposes.

Yield (net profit)

The loans generate a small income for the Council as there is a margin of approx. 0.25% charged to NEW Homes on the Council’s borrowing rate from the PWLB. The income makes a very small contribution to achieving a balanced revenue budget. The yield as a proportion of net revenue budget is less than 0.01%.

Investment Properties

The Welsh Government guidance includes an investment category covering non-financial assets held primarily or partially to generate a profit, primarily investment property. Proper accounting practice defines an investment property as those that are held solely to earn rent and / or for capital appreciation.

The Council has a portfolio of investment properties, in the form of agricultural property and industrial units. Although these are classified as investment properties, they are legacy assets and the council is managing down its agricultural portfolio and is reviewing its position in regard to industrial units.

Contribution:

The Council’s investments, in the form of investment properties, contribute to its service delivery objectives and/or to promote wellbeing by providing a net financial surplus that is reinvested into local public services.

Security:

The Welsh Government guidance requires that security is determined by comparing each asset’s purchase price to its fair value using the model in International Accounting Standard 40: *Investment Property*, as adapted by proper practices.

As the Council’s Investment Portfolio is of a historic nature, built up over many years, property purchase prices are not readily available to compare with current fair values. The table below shows the fair values of the current portfolio over the last 5 years demonstrating that the historic capital invested has remained stable over the past 5 years.

Table B2: Fair Value of Investment Properties

	31.3.2020 £m	31.3.2019 £m	31.3.2018 £m	31.3.2017 £m	31.3.2016 £m
Fair Value Inv. Properties	25.0	25.2	25.2	24.8	25.0

Liquidity

The Council's investment properties are historical investment decisions and therefore will have limited impact on the Council's liquidity. No recent investment has taken place in investment properties, and therefore there is no recent borrowing associated.

Yield (net profit)

The profit generated by investment activity makes a small contribution to achieving a balanced revenue budget. Table B3 below details the extent to which funding expenditure to meet the service delivery objectives and or promote wellbeing in the Council is dependent on achieving the expected yield over the life cycle of the Medium Term Financial Plan.

Table B3: Proportionality of Investment Properties

	2019/20 Actual £m	2020/21 Budget £m	2021/22 Budget £m
Net Revenue Budget	271,350	271.350	286.986
Net Investment income	1.72	1.73	1.50
Proportion	0.63%	0.64%	0.52

This page is intentionally left blank



CABINET

Date of Meeting	Tuesday, 16 th February 2021
Report Subject	Minimum Revenue Provision – 2021/22 Policy
Cabinet Member	Cabinet Member for Finance
Report Author	Corporate Finance Manager
Type of Report	Strategic

EXECUTIVE SUMMARY

Local authorities are required to set a Minimum Revenue Provision (MRP) policy each financial year.

Local authorities are required each year to set aside some of their revenue resources as provision for the repayment of debt.

Regulations require an authority to each year make an amount of MRP which it considers to be 'prudent'. The Regulations themselves do not define 'prudent' provision. Welsh Government (WG) has provided guidance which makes recommendations to local authorities on the interpretation of the term and authorities are required to prepare an annual statement of their policy on making minimum provision.

The Council, as part of the budget strategy, conducted detailed reviews of its MRP policy in 2016/17 and 2017/18 and amended the policy as a result.

No changes are required to the Policy for 2021/22.

The Policy will be presented to Members as part of the 2021/22 budget setting reports being considered by Cabinet and Council during February 2021.

RECOMMENDATIONS

1.	<p>Members approve and recommend to County Council for Council Fund (CF) outstanding debt that:-</p> <ul style="list-style-type: none"> • Option 3 (Asset Life Method) be used for the calculation of the MRP in financial year 2021/22 for the balance of outstanding capital
----	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

	<p>expenditure funded from supported borrowing fixed as at 31st March 2017. The calculation will be the 'annuity' method over 49 years.</p> <ul style="list-style-type: none"> • Option 3 (Asset Life Method) be used for the calculation of the MRP in 2021/22 for all capital expenditure funded from supported borrowing from 1st April 2016 onwards. The calculation will be the 'annuity' method over an appropriate number of years, dependent on the period of time that the capital expenditure is likely to generate benefits. • Option 3 (Asset Life Method) be used for the calculation of the MRP in 2021/22 for all capital expenditure funded from unsupported (prudential) borrowing or credit arrangements. The calculation will be the 'annuity' method over an appropriate number of years, dependent on the period of time that the capital expenditure is likely to generate benefits.
2.	<p>That members approve and recommend to the County Council for Housing Revenue Account (HRA) outstanding debt:-</p> <ul style="list-style-type: none"> • Option 2 (Capital Financing Requirement Method) be used for the calculation of the HRA's MRP in 2021/22 for all capital expenditure funded from debt.
3.	<p>Members approve and recommend to County Council that MRP on loans from the Council to NEW Homes to build affordable homes through the Strategic Housing and Regeneration Programme (SHARP) (which qualify as capital expenditure in accounting terms) be as follows:-</p> <ul style="list-style-type: none"> • No MRP is made during the construction period (of short duration) as the asset has not been brought into use and no benefit is being derived from its use. • Once the assets are brought into use, capital repayments will be made by NEW Homes. The Council's MRP will be equal to the repayments made by NEW Homes. The repayments made by NEW Homes will be classed, in accounting terms, as capital receipts, which can only be used to fund capital expenditure or repay debt. The capital repayment / capital receipt will be set aside to repay debt, and is the Council's MRP policy for repaying the loan.

REPORT DETAILS

1.00	EXPLAINING THE MINIMUM REVENUE PROVISION
	Background to Capital Expenditure and Financing
1.01	Capital expenditure is defined as expenditure to acquire, enhance or prolong the useful life of non-current assets, those which have a useful life of more than one year e.g. buildings or infrastructure improvements.

	<p>Capital expenditure is funded from a combination of capital receipts, revenue contributions, specific or general grants and debt in the form of borrowing or other long term financing arrangements such as leasing.</p> <p>Borrowing can be either:</p> <ul style="list-style-type: none"> • Supported borrowing - funding is provided by Welsh Government through the Revenue Support Grant to cover the revenue debt financing costs of interest and repayment costs; or • Unsupported borrowing (commonly referred to as prudential borrowing) – Councils have the freedom to determine the level of borrowing considered affordable in revenue debt financing costs with no support from Welsh Government.
1.02	<p>The annual charge to the revenue account for repaying debt is known as the Minimum Revenue Provision (MRP).</p> <p>Local Authorities are required each year, under the Capital Finance and Accounting Wales Amendment Regulations 2008, to set aside some of their revenue resources as provision for the repayment of debt.</p> <p>Regulation 22 of the 2008 Regulations requires an authority to, make an amount of MRP each year which it considers to be ‘prudent’, though the Regulations themselves do not define ‘prudent’ provision.</p> <p>Regulation 21(B) of the 2008 Regulations requires local authorities to have regard to guidance issued by Government.</p>
1.03	<p>The Welsh Government has issued guidance for the setting of MRP policy. It states that the broad aim of prudent provision is to ensure that the debt is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits.</p> <p>The WG guidance provides 4 options for making ‘prudent provision’ outlined below but states that;-</p> <p><i>‘This does not rule out or otherwise preclude a local authority from using alternative approaches differing from those exemplified should it decide that it is more appropriate.’</i></p>
1.04	<p>In a letter to all Local Authorities the Auditor General for Wales concurred that it is for each authority to determine what a ‘prudent’ policy is.</p>
	<p>Options for Prudent Provision within WG Guidance</p>
1.05	<p>Option 1 - Regulatory Method</p> <p>For capital expenditure funded from supported borrowing which is supported through funding in the Revenue Support Grant (RSG), authorities may continue to use the formula specified in the Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003 (the regulations which preceded the 2008 Regulations).</p> <p>Under this method the outstanding capital expenditure (known as the Capital Financing Requirement CFR) funded from supported borrowing</p>

	<p>less Adjustment A is written down annually by 4% on a reducing balance basis. Adjustment A is a commutation adjustment, a fixed value determined by changes to statutory regulations referred to above (which all Welsh Council's will have).</p> <p>The method implies that borrowing will be repaid over a 25 year period (in that $100\% / 4\% = 25$), however as the calculation applies the 4% to the reducing balance it takes much more than 25 years to fully repay the borrowing.</p> <p>The method is commensurate with the methodology used in the Revenue Support Grant to allocate revenue funding from WG to finance debt, as it also uses the 4% reducing balance method on notional outstanding debt.</p>
1.06	<p>Option 2 - Capital Financing Requirement Method</p> <p>The same as Option 1 without adjusting for Adjustment A, which results in a higher charge.</p>
1.07	<p>Option 3 - Asset Life Method</p> <p>Provision is made over the estimated life of the asset for which debt is undertaken.</p> <p>This can be calculated using the 'straight line' method or the 'annuity' method. To illustrate the difference, as an example an asset which is purchased at a cost of £4m which has an estimated useful life of 50 years;-</p> <ul style="list-style-type: none"> • Straight line method - equal annual MRP charge $\text{£}4\text{m} / 50 \text{ years} = \text{£}0.080\text{m}$ • Annuity or inflation method – annual MRP charge that takes the time value of money in the form of inflation into consideration Year 1 = £0.047m Year 2 = £0.048m Year 3 = £0.049m Year 4 = £0.050m Year 5 = £0.051m Year 50 = £0.125m
1.08	<p>Option 4 - Depreciation Method</p> <p>Alternatively, provision is made in accordance with the standard rules for depreciation accounting. The method is similar to option 3 above</p>
1.09	<p>Welsh Government guidance requires that either option 3 or 4 be used for all capital expenditure which is to be financed by unsupported borrowing or other long term liabilities. Options 1 and 2 are not permitted for this use.</p>

	Housing Revenue Account (HRA)
1.10	<p>Following the introduction of self-financing for the HRA and the voluntary exit from the negative subsidy system on 31st March, 2015, from 1st April 2015 the options to calculate the HRA MRP is now similar to the Council Fund as set out above, with the following modifications:</p> <ul style="list-style-type: none"> Options 1 and 2 - the percentage is 4% for the Council Fund and 2% for the HRA; and Options 1 and 2 can be used in relation to debt incurred before 1st April 2021. After that date only Options 3 and 4 may be used. <p>The MRP Policy for 2022/23 will be reviewed to ensure that any necessary changes resulting from this are fully included.</p>
1.11	<p>The Council approves loans to its wholly owned subsidiary NEW Homes for the purpose of building affordable homes. The loans qualify as capital expenditure and therefore need to be part of the MRP policy. At its meeting on 14th June 2016 the Council approved the MRP calculation for loans to NEW Homes as outlined in recommendation 3 above.</p>
	Practical Considerations
1.12	<p>The useful life of an asset will vary depending on the class of asset concerned; a vehicle or ICT equipment may be financed over 5 years whereas a new school over 50 years. Judgements about the useful life will need to be made on an individual basis as expenditure is incurred.</p>
1.13	<p>Large capital projects may take a number of years to complete, for example the 21st Century Schools building programme. In this instance the MRP is incurred in the year after the asset has become operational, rather than during the construction phase.</p>
1.14	<p>It is important to note that the capital financing position on outstanding capital expenditure (the Capital Financing Requirement) and the Council's level of external borrowing are not the same.</p> <p>Regulations stipulate that the Council can only borrow for capital purposes. However in day to day cash management, no distinction can be made between revenue cash and capital cash. External debt arises as a consequence of all the financial transactions of the Council and not simply those arising from capital spending. (Though checks are in place to ensure the Council does not borrow in the medium to long term for revenue purposes, as referred to in the Capital Strategy report approved by Council in December 2020).</p> <p>In practice the Council is under borrowed, this arises when the level of external borrowing is below the capital financing position on outstanding capital expenditure. The Council through its treasury management processes makes use of available cash arising from reserves etc. to fund capital expenditure and has 'internally' borrowed to an extent. This cash would otherwise have been invested at very low rates of return. External borrowing would also be that much more, at higher borrowing interest</p>

	rates than any returns on cash invested. Such activities are considered best practice and are undertaken in accordance with the Council's Treasury Management Policy Statement, Strategy, Schedules and Practices.
--	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

2.00	RESOURCE IMPLICATIONS
2.01	The 2021/22 Council Fund and HRA budgets provide for the MRP charges in accordance with the calculations set out in the report.
2.02	There are no other resource implications as a direct result of this report.

3.00	IMPACT ASSESSMENTS AND RISK MANAGEMENT	
3.01	<p>The impacts of an MRP policy has long term effects that cannot be readily undone and therefore has risks associated for future generations in terms of Council Tax and Housing Rents levels.</p> <p>The Well-being of Future Generations (Wales) Act 2015, puts in place a requirement to;</p> <p><i>“act in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs”.</i></p> <p>It also requires that authorities take account of, amongst other things;</p> <p><i>“the importance of balancing short term needs with the need to safeguard the ability to meet long term needs”.</i></p> <p>The MRP policy ensures that costs are spread equally in real terms amongst the tax and rent payers benefiting from the capital expenditure. This is not considered as compromising the ability of future generations to meet their own needs merely that future generations pay for assets from which they benefit from using equally to current tax payers.</p>	
3.02	Ways of Working (Sustainable Development) Principles Impact	
	Long-term	Positive - balancing short term and long term needs. The MRP policy ensures that costs are spread equally in real terms amongst the tax and rent payers benefiting from the capital expenditure.
	Prevention	No impact
	Integration	No impact
	Collaboration	No impact

Involvement	No impact
Well-being Goals Impact	
Prosperous Wales	No impact
Resilient Wales	No impact
Healthier Wales	No impact
More equal Wales	No impact
Cohesive Wales	No impact
Vibrant Wales	No impact
Globally responsible Wales	Financial decisions that enable future generations to thrive. Positive - The MRP policy ensures that costs are spread equally in real terms amongst the tax and rent payers benefiting from the capital expenditure.

4.00	CONSULTATIONS REQUIRED / CARRIED OUT
4.01	In changing the Council's MRP policy during 2017/18 and 2016/17 detailed discussions took place with the Council's Treasury Management advisors, senior internal officers and key Cabinet members. Audit Wales was also consulted as external auditors.
4.02	The revised MRP policy was considered by Council as part of setting the 2018/19 budget in March 2018.

5.00	APPENDICES
5.01	None.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Council Fund Budget 2018/19 report to Council 1 st March 2018

7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Paul Vaughan – Interim Technical Finance Manager Telephone: (01352) 702219

8.00	GLOSSARY OF TERMS
8.01	<p>Capital Expenditure: Expenditure on the acquisition of non-current assets or expenditure that extends the life or value of an existing asset.</p> <p>Capital Financing Requirement (CFR): A measure of the capital expenditure incurred historically by an authority that has yet to be financed from capital receipts, capital grants or revenue financing.</p> <p>Council Fund (CF): The fund to which all the Council's revenue and capital expenditure is charged.</p> <p>Housing Revenue Account (HRA): The fund to which all the Council's revenue and capital expenditure relating to its housing stock is charged.</p> <p>Minimum Revenue Provision (MRP): A charge made to the Council Fund to repay borrowing taken out for capital expenditure. Authorities must determine their own prudent MRP charge each year, taking into consideration statutory guidance issued by the Government.</p> <p>Prudential Code: The code of practice drawn up by the Chartered Institute of Public Finance and Accountancy (CIPFA) to underpin the requirements of the Local Government Act 2003 in respect of an authority's duty to determine the affordability, prudence and sustainability of its capital investment needs.</p> <p>Revenue Expenditure: All expenditure incurred by an authority that cannot be classified as capital expenditure</p> <p>Revenue Support Grant (RSG): Is paid to each authority to cover the cost of providing standard services less the Council Tax income at the standard level.</p> <p>Unhypothecated Supported Borrowing (USB), commonly referred to as Supported Borrowing: Each year Welsh Government provide Council's with a Supported Borrowing allocation. Council's borrow to fund capital expenditure equivalent to that annual allocation, Welsh Government then include funding to cover the revenue costs associated with the borrowing for future years within the Revenue Support Grant. The Council decides how this funding is spent.</p> <p>Unsupported Prudential Borrowing: Borrowing administered under the Prudential Code, whereby authorities can set their own policies on acceptable levels and types of borrowing. The Prudential Framework allows authorities to take out loans in response to overall cash flow forecasts and other factors provided they can show that the borrowing is to meet planned capital expenditure in the current year or the next three years.</p>



CABINET

Date of Meeting	Tuesday 16 th February 2021
Report Subject	Review of the Corporate Complaints Policy
Cabinet Member	Cabinet Member for Corporate Management and Assets
Report Author	Chief Officer (Governance)
Type of Report	Operational

EXECUTIVE SUMMARY

The purpose of this report is to share a new Concerns and Complaints Policy for Flintshire County Council, based on a model complaints handling procedure for public service providers in Wales.

The report also includes a new Managing Customer Contact Policy which provides guidance to employees on how to manage unacceptable behaviour from customers.

RECOMMENDATIONS

1	Cabinet approve the Concerns and Complaints Policy for implementation on 1 April, 2021.
2	Cabinet approve the Managing Customer Contact Policy for implementation on 1 April, 2021.
3	Cabinet support the performance reporting timetable as outlined in paragraph 1.15.

REPORT DETAILS

1.00	CONCERNS AND COMPLAINTS POLICY 2021
1.01	Background
1.02	The Public Services Ombudsman (Wales) Act 2019 (the “Act”) was passed by the Senedd (formerly National Assembly for Wales) and received Royal Assent on 22 May, 2019. The Act makes provision about the functions of the Public Services Ombudsman for Wales.
1.03	Under Section 38 of the Act the Ombudsman may specify a model complaints handling procedure for listed authorities in Wales. The Ombudsman shared a model complaints handling procedure (the “Model”) with Flintshire County Council on 30 September, 2020.
1.04	The Model is designed for public service providers and represents a minimum standard of complaint handling in Wales. The Council was asked to ensure its local procedures comply with the Model and submit its complaints policy to the Ombudsman’s office by 31 March, 2021.
1.05	To comply with Section 38 of the Act, the Council’s complaints policy (the “Policy”) has been reviewed to ensure compliance with the stated Model. The Policy is designed to deal with complaints against Council services with the exception of complaints against Social Services and Schools. The Social Services Complaints Procedure (Wales) Regulations 2014 outline the procedure for handling complaints about Social Services and the School Governing Bodies deal with school complaints.
1.06	It is important to note that the Policy is fully compatible with the Welsh Language Standards Regulations 2018. Three specific documents have been prepared for consideration and approval:
1.07	Statement of Principles
1.08	Under Section 36 of the Act, the Ombudsman is required to publish a statement of principles concerning complaints handling procedures of listed authorities and it is this statement of principles that form the basis of the Council’s new policy.
1.09	The statement of principles will be promoted on the Council’s website to complement the complaints policy. The document is intended to provide customers with an overview of what effective complaints handling looks like in Flintshire i.e. <ol style="list-style-type: none">1) Complainant Focused2) Simple3) Fair & Objective4) Timely & Effective5) Accountable6) Committed to Continuous Improvement

1.10	Concerns and Complaints Policy 2021															
1.11	The Council's current policy has been in place since it was issued by Welsh Government in 2011 and since that time the Ombudsman has noted that a diverse range of complaints practices has emerged across Wales. The Ombudsman's new guidance aims to bring practices back into broad alignment – providing basic standards, a common language and a set of principles to underpin how complaints are handled throughout public services.															
1.12	The proposed Concerns and Complaints Policy complies with the statement of principles as set out in paragraph 1.09. The Policy has been slightly modified to the extent that it is relevant to the culture and behaviour we want to promote in Flintshire i.e. an emphasis on treating people fairly and with respect, and listening to our conscience and acting with integrity.															
1.13	The Policy has been shared with key officers from across the organisation including Chief Officers, and it complies with the guidance issued by the Ombudsman. Following consultation and engagement with the Complaints Standards Authority, consent has also been given for the minor changes referred to in 1.12.															
1.14	<p>Overall there is no significant change to the process for how to make a complaint, the two-step approach will remain as will the right to escalate a complaint to the Ombudsman. The main changes are:</p> <ul style="list-style-type: none"> a) Complainants will be asked to tell us about their concern within six months - because it is best to look into concerns while the issues are fresh. b) A greater emphasis on learning from complaints to improve processes and procedures – Chief Officers to receive quarterly performance reports. c) Where there is a need for change (based on trend analysis) the relevant senior manager will be asked to develop an action plan setting out what will be done, who will do it and when. d) Sharing of anonymised complaint information. 															
1.15	<p>The use of complaints as a form of formally documented/reported feedback to drive continuous improvement will be a significant change for the Council and will require a culture amongst employees. The performance timetable set-out below is intended to help manage the process of reporting:</p> <table border="1" data-bbox="365 1697 1342 2040"> <thead> <tr> <th data-bbox="365 1697 719 1771">Meeting</th> <th data-bbox="719 1697 1016 1771">Frequency</th> <th data-bbox="1016 1697 1342 1771">Format</th> </tr> </thead> <tbody> <tr> <td data-bbox="365 1771 719 1845">Chief Officer Team (Business COT)</td> <td data-bbox="719 1771 1016 1845">Quarterly Half Yearly</td> <td data-bbox="1016 1771 1342 1845">Electronic Report / Verbal</td> </tr> <tr> <td data-bbox="365 1845 719 1886">Cabinet</td> <td data-bbox="719 1845 1016 1886">Half Yearly</td> <td data-bbox="1016 1845 1342 1886">Report / Verbal</td> </tr> <tr> <td data-bbox="365 1886 719 1926">Audit Committee</td> <td data-bbox="719 1886 1016 1926">Half Yearly</td> <td data-bbox="1016 1886 1342 1926">Report / Verbal</td> </tr> <tr> <td data-bbox="365 1926 719 2040">Corporate Resources Overview And Scrutiny Committee</td> <td data-bbox="719 1926 1016 2040">Annually*</td> <td data-bbox="1016 1926 1342 2040">Report / Verbal</td> </tr> </tbody> </table>	Meeting	Frequency	Format	Chief Officer Team (Business COT)	Quarterly Half Yearly	Electronic Report / Verbal	Cabinet	Half Yearly	Report / Verbal	Audit Committee	Half Yearly	Report / Verbal	Corporate Resources Overview And Scrutiny Committee	Annually*	Report / Verbal
Meeting	Frequency	Format														
Chief Officer Team (Business COT)	Quarterly Half Yearly	Electronic Report / Verbal														
Cabinet	Half Yearly	Report / Verbal														
Audit Committee	Half Yearly	Report / Verbal														
Corporate Resources Overview And Scrutiny Committee	Annually*	Report / Verbal														

1.16	<i>*To coincide with PSOW annual letter.</i>
	Managing Customer Contact Policy
1.17	A new Managing Customer Contact Policy is attached and provides clear guidance to employees on how to manage the very small number of cases where the actions or behaviour of a customer challenges our ability to deliver an effective service to all.
1.18	The new policy applies to all customers who have requested a service or made a complaint, or any other person acting on their behalf. The policy seeks to protect employees from aggressive, abusive or offensive behaviour, and unreasonable demands and persistence.
1.19	The guidance provides a clear process for considering implementation of a restriction and a formal process to manage contact where necessary. It is expected that the Council will issue an updated version of the policy later in 2021 to deal with an increasing number of cases of unacceptable behaviour on social media.

2.00	RESOURCE IMPLICATIONS
2.01	None.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	The Public Services Ombudsman for Wales undertook extensive consultation prior to issuing the model complaints handling procedure for listed authorities in Wales. Subsequently, the three documents attached to this report have been developed based on an all Wales model and key officers from the Council have had the opportunity to comment on them.
3.02	The Complaints Standards Authority has been consulted to seek approval for the minor changes to reflect local priorities.

4.00	RISK MANAGEMENT
4.01	None.

5.00	APPENDICES
5.01	Appendix 1 – Statement of Principles Appendix 2 – Concerns and Complaints Policy 2021 Appendix 3 – Managing Customer Contact Policy

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Contact Officer: Rebecca Jones, Customer Contact Service Manager Telephone: 01352 702413 E-mail: rebecca.jones@flintshire.gov.uk

7.00	GLOSSARY OF TERMS
7.01	Public Services Ombudsman (Wales) Act 2019 - an Act of the National Assembly for Wales to make provision about the functions of the Public Services Ombudsman for Wales.

This page is intentionally left blank

Concerns & Complaints Statement of Principles

Concerns and Complaints

Statement of Principles

Effective complaints handling processes should be:

- 1) Complainant Focused
- 2) Simple
- 3) Fair & Objective
- 4) Timely & Effective
- 5) Accountable
- 6) Committed to Continuous Improvement

1) Complainant Focused

- The complainant should always be at the centre of the complaints process.
- Service providers need to be flexible when responding to complainants' differing needs.

2) Simple

- Complaints processes should be well-publicised, have easy-to-follow instructions and have no more than two stages.
- Information on advocacy services and support should be available.
- Complaint responses should set out clearly the next stage and the right to approach the Ombudsman.

3) Fair & Objective

- Complainants should receive a complete and appropriate response to their concerns.
- Complainants and staff complained about should be treated equally and with dignity.

4) Timely & Effective

- Complaints should be resolved promptly, when possible investigations should be thorough, yet prompt.
- Complainants should be kept informed throughout the progress of a lengthy investigation.

5) Accountable

- Complainants should receive an honest and clear explanation of the findings of an investigation.
- Service providers should explain to complainants what changes will be made if their complaint is upheld, whenever possible.

6) Committed to Continuous Improvement

- Information from complaints should be collated and analysed.
- Data should be shared with the organisation's senior leaders and the Ombudsman to support improvement in complaint handling and in service delivery.
- Decision makers should regularly review the information gathered from complaints when planning service delivery.

HOW TO CONTACT US

Email: customerservices@flintshire.gov.uk

Phone: 01352 703020

Website: www.flintshire.gov.uk/complain

Write to us: Flintshire County Council, Customer Services, County Hall, Mold. CH7 6NR

You can also follow us on **Twitter:** @FlintshireCC

Concerns and Complaints Policy

Concerns and Complaints Policy

Flintshire County Council is committed to dealing effectively with any concerns or complaints you may have about our services. We believe in treating people fairly and with respect, and listening to our conscience and acting with integrity.

We aim to clarify any issues you may be unsure about. If possible, we will put right any mistakes we may have made. We will provide any service you are entitled to which we have failed to deliver. If we did something wrong, we will apologise and, where possible, try to put things right for you. We aim to learn from our mistakes and use the information we gain from complaints to improve our services.

When to use this policy

When you express your concerns or complain to us, we will usually respond in the way we explain below. However, sometimes you may have a statutory right of appeal e.g. against a refusal to grant you planning permission or the decision not to give your child a place in a particular school, so rather than investigate your concern, we will explain to you how you can appeal. Sometimes, you might be concerned about matters that are not covered by this policy e.g. when a legal framework applies and we will then advise you about how to make your concerns known.

This policy does not apply to Freedom of Information or data access issues. The Information Governance Team can help by emailing foi@flintshire.gov.uk

This policy does not apply to complaints made about schools. In matters of complaints against schools, our statutory role as the Council is to offer advice and check that fair processes have been worked through by the school when they are considering complaints. The Council does not have the regulatory power to undertake an investigation on your behalf, nor substitute our view for that of the governing body. Should you wish to raise a complaint about a school, contact the school direct who can provide you with a copy of their complaints policy.

Asking us to provide a service?

If you are approaching us to request a service, e.g. reporting a missed bin collection, or requesting an appointment this policy does not apply. If you make a request for a service and then are not happy with our response, you will be able to make your concern known as we describe below.

Informal resolution

If possible, we believe it is best to deal with things straight away. If you have a concern, please raise it with the person you are dealing with. They will try to resolve it for you there and then. If there are any lessons to learn from addressing your concern, the member of staff will draw them to our attention. If the member of staff cannot help, they will explain why and you can then ask for a formal investigation.

How to express concern or complain formally

You can express your concern in any of the following ways:

- Ask for a copy of our form from the person with whom you are already in contact. Tell them that you want us to deal with your concern formally.
- Use the form on our website at www.flintshire.gov.uk/complain
- Email us at customerservices@flintshire.gov.uk
- Get in touch with Customer Services on 01352 703020 if you want to make your complaint over the phone.
- Write to us at: Flintshire County Council, Customer Services, County Hall, Mold. CH7 6NR.

We aim to have concern and complaint forms available at all of our public areas e.g. Flintshire Connects Centres. Copies of this policy and the complaint form are available in alternative languages, audio and braille on request.

Dealing with your concern

STEP 1

- We will formally acknowledge your concern within 5 working days and let you know how we intend to deal with it.
- We will ask you to tell us how you would like us to communicate with you and establish whether you have any particular requirements – for example, if you need documents in large type.
- We will deal with your concern in an open and honest way.
- We will make sure that your dealings with us in the future do not suffer just because you have expressed a concern or made a complaint.

Normally, we will only be able to look at your concerns if you tell us about them within six months. This is because it is better to look into your concerns while the issues are still fresh in everyone's mind.

We may exceptionally be able to look at concerns which are brought to our attention later than this. However, you will have to explain why you have not been able to bring it to our attention earlier and we will need to have sufficient information about the issue to allow us to consider it properly. In any event, we will not consider any concerns about matters that took place more than three years ago.

If you are expressing a concern on behalf of somebody else, we will need their agreement to you acting on their behalf.

What if there is more than one body involved?

If your complaint covers more than one body e.g. a housing association we will usually work with them to decide who should take the lead in dealing with your concerns. You will then be given the name of the person responsible for communicating with you while we consider your complaint.

If the complaint is about a body working on our behalf e.g. repair contractors, you may wish to raise the matter informally with them first. However, if you want to express your concern or complaint formally, we will look into this ourselves and respond to you.

Investigation

We will tell you who we have asked to look into your concern or complaint. If your concern is straightforward, we will usually ask somebody from the relevant service area to look into it and respond to you. If it is more serious, we may use someone from elsewhere e.g. another area of the Council or where a statutory procedure applies, we may appoint an independent investigator.

We will set out our understanding of your concerns and ask you to confirm that we are right. We will also ask you to tell us what outcome you are hoping for.

The person looking at your complaint will usually need to see the files we hold relevant to your complaint. If you do not want this to happen, it is important that you tell us.

If there is a simple solution to your problem, we may ask you if you are happy to accept this. For example, where you asked for a service and we see straight away that you should have had it, we will offer to provide the service rather than investigate and produce a report.

Continued...

Investigation

We will aim to resolve concerns as quickly as possible and expect to deal with the vast majority within 10 working days. If your complaint is more complex, we will:

- Let you know within this time why we think it may take longer to investigate.
- Tell you how long we expect it to take.
- Let you know where we have reached with the investigation, and
- Give you regular updates, including telling you whether any developments might change our original estimate.

The person who is investigating your concerns will firstly aim to establish the facts. The extent of the investigation will depend upon how complex and how serious the issues you have raised are. In complex cases, we will draw up an investigation plan.

In some instances, we may ask to meet with you to discuss your concerns. Occasionally, we might suggest mediation or another method to try to resolve disputes.

We will look at relevant evidence. This could include information you have provided, our case files, notes of conversations, letters, emails or whatever may be relevant to your particular concern. If necessary, we will talk to the staff or others involved and look at our policies, any legal entitlement and guidance.

Outcome

If we formally investigate your complaint, we will let you know what we find. If necessary, we will produce a report. We will explain how and why we came to our conclusions.

If we find that we made a mistake, we will tell you what happened and why.

If we find there is a fault in our systems or the way we do things, we will tell you what it is and how we plan to change things to stop it happening again.

If we make a mistake, we will always apologise for it.

Putting Things Right

If we did not provide you with a service you should have had, we will aim to provide it now, if that is possible. If we did not do something well, we will aim to put it right. If you have lost out as a result of a mistake on our part, we will try to put you back in the position you would have been in if we had done things properly.

If you were entitled to funding and we did not provide it, we will try to refund the cost.

STEP 2

If we do not succeed in resolving your complaint, you may ask us to escalate your complaint to Step 2. You can ask the person who has dealt with your complaint or contact Customer Services. We will ask you to tell us why you are dissatisfied with the response you have received and what outcome you are hoping for.

We will tell you who we have asked to look into your concern or complaint and we will aim to respond within 20 working days. If your complaint is more complex, we will:

- Let you know within this time why we think it may take longer to investigate.
- Tell you how long we expect it to take.
- Let you know where we have reached with the investigation, and
- Give you regular updates, including telling you whether any developments might change our original estimate.

If we escalate your complaint, we will let you know what we find. If necessary, we will produce a report. We will explain how and why we came to our conclusions.

The Ombudsman

If we do not succeed in resolving your complaint, you may complain to the Public Services Ombudsman for Wales. The Ombudsman is independent of all government bodies and can look into your complaint if you believe that you personally, or the person on whose behalf you are complaining:

- Have been treated unfairly or received a bad service through some failure on the part of the service provider.
- Have been disadvantaged personally by a service failure or have been treated unfairly.

The Ombudsman normally expects you to bring your concerns to our attention first and to give us a chance to put things right. You can contact the Ombudsman by:

- **Phone:** 0300 790 0203
- **Email:** ask@ombudsman.wales
- **The website:** www.ombudsman.wales
- **Writing to:** Public Services Ombudsman for Wales, 1 Ffordd yr Hen Gae, Pencoed CF35 5LJ

There are also other organisations that consider complaints. For example, the Welsh Language Commissioner's Office deals with complaints about services in Welsh. We can advise you about such organisations.

Learning lessons

We take your concerns and complaints seriously and try to learn from any mistakes we have made. We are committed to using information from complaints to identify areas where we need to improve processes and procedures now and in the future. We use complaints information to drive improvements for the benefit of everyone who may need to access our services.

Our Chief Officer Team considers a summary of all complaints quarterly and is made aware of all serious complaints. Our Cabinet also considers our response to complaints at least twice a year. We share summary (anonymised) information on complaints received and complaint outcomes with the Ombudsman as part of our commitment to accountability and learning from complaints.

Where there is a need for significant change, we will develop an action plan setting out what we will do, who will do it and when we plan to do it. We will let you know when changes we have promised have been made.

What if you need help?

Our staff will aim to help you make your concerns known to us. If you need extra assistance, we will try to put you in touch with someone who can help. You may wish to contact advocacy services who may be able to assist you:

Advocacy Services North East Wales

- **Website:** <https://asnew.org.uk>
- **Email:** Advocacy@ASNEW.org.uk
- **Phone:** 01352 759332
- **Write to:** 1st Floor Offices, 42 High Street, Mold, Flintshire CH7 1BH

You can also use this concerns and complaints policy if you are under the age of 18. If you need help, you can speak to someone on the Meic Helpline:

- **Website:** www.meiccymru.org
- **Phone:** 0808 802 3456

Or contact the Children's Commissioner for Wales. Contact details are:

- **Website:** www.childcom.org.uk
- **Phone:** 0808 801 1000
- **Email:** post@childcomwales.org.uk

What we expect from you

In times of trouble or distress, some people may act out of character. There may have been upsetting or distressing circumstances leading up to a concern or a complaint. We do not view behaviour as unacceptable just because someone is forceful or determined.

We believe that all complainants have the right to be heard, understood and respected. However, we also consider that our staff have the same rights. We therefore expect you to be polite and courteous in your dealings with us. We will not tolerate aggressive or abusive behaviour, unreasonable demands or unreasonable persistence. We have a separate policy to manage situations when we find that someone's actions are unacceptable.

APPENDIX A

CONCERN/COMPLAINT FORM

Please Note: The person who experienced the problem should normally fill in this form. If you are filling this in on behalf of someone else, please fill in Section B.

A: YOUR DETAILS

Surname:	Forename(s):	Title:
Address and Postcode:		
Email Address:		
Daytime Phone Number:		
Please state how you would prefer us to contact you:		

Your requirements: if our usual way of dealing with complaints makes it difficult for you to use our service, for example if English or Welsh is not your first language or you need to engage with us in a particular way, please tell us so that we can discuss how we might help you.

B: MAKING A COMPLAINT ON BEHALF OF SOMEONE ELSE

THEIR DETAILS:

Please note: We have to be satisfied that you have the authority to act on behalf of the person who has experienced the problem.

Their full name:	
Address and Postcode:	
What is your relationship to them?	
Why are you making a complaint on their behalf?	

APPENDIX A

CONCERN/COMPLAINT FORM

C: ABOUT YOUR CONCERN/COMPLAINT *(please continue your answers to the following questions on a separate sheet(s) if necessary)*

C.1 Name of the department/section/service you are complaining about:

C.2 What do you think they did wrong, or failed to do?

C.3 Describe how you personally have suffered or have been affected:

C.4 What do you think should be done to put things right?

C.5 When did you first become aware of the problem?

C.6 Have you already put your concern to the frontline staff responsible for delivering the service? If so, please give brief details of how and when you did so:

C.7 If it is more than six months since you first became aware of the problem, please say why you have not complained before now:

If you have any documents to support your concern/complaint, please attach them with this form.

Signature: **Date:**

When you have completed this form, please send it to:

Flintshire County Council
Customer Services
County Hall
Mold
CH7 6NR

HOW TO CONTACT US

Email: customerservices@flintshire.gov.uk

Phone: 01352 703020

Website: www.flintshire.gov.uk/complain

Write to us: Flintshire County Council, Customer Services, County Hall, Mold. CH7 6NR

You can also follow us on **Twitter:** @FlintshireCC

This page is intentionally left blank

Managing Customer Behaviour Policy

Managing Customer Behaviour Policy

1 INTRODUCTION AND DEFINITIONS

- 1.1 Excellent customer care is at the forefront of everything Flintshire County Council do; we do our best to make our services accessible to all and easy to use, making reasonable adjustments if necessary. We aim to deliver a high quality complaints handling service, which considers and determines complaints thoroughly, but proportionately and conveys decisions clearly.
- 1.2 This policy sets out how contact with customers may be managed in the very small number of cases where the actions or behaviour of a customer challenges our ability to deliver an effective service to all.
- 1.3 The core aims of the policy are to ensure equity and fairness, improve efficiency and manage risks to the health and safety of employees. It applies to all services and employees who have contact with any customer by phone, in writing (including electronic communication) and in person. The term customer means anyone who has requested a service or made a complaint, or any other person acting on their behalf.
- 1.4 All customers will be treated with fairness and respect even if we perceive actions or behaviour to be challenging. We will always separate the way we may need to manage contact with a customer from the way we deal with their request for service or complaint.
- 1.5 More complex challenging behaviour can be referred to a senior manager. One of the intentions of the involvement of senior managers is that challenging behaviour is identified early, and informed decisions made. Senior managers will also be consulted where a customer who has challenging behaviour may need reasonable adjustments.
- 1.6 This policy refers generally to the Customer Contact Service Manager (CCSM), as this is the role that would most often be involved in managing customer contact. However, CCSM is to be interpreted as CCSM or any other senior manager.

2 AGGRESSIVE, ABUSIVE OR OFFENSIVE BEHAVIOUR

- 2.1 Employees have the right to work in an environment free from aggressive, abusive or offensive language or behaviour at all times.
- 2.2 We consider such behaviour to include:
 - swearing or abusive language
 - over-bearing behaviour; refusing to give staff an opportunity to speak
 - or repeated derogatory comments
 - inappropriate sexual or gender-based remarks
 - inappropriate cultural, racial, political or religious references
 - rudeness or shouting
 - threatening behaviour
 - emotional abuse or manipulative behaviour
- 2.3 Threats of physical violence or harassment to any person are unacceptable and will be reported to the police.

3 UNREASONABLE DEMANDS AND PERSISTENCE

3.1 We are committed to providing a proportionate amount of time and resources to each request for service or complaint. Unreasonable demands and persistence may prevent employees from fulfilling this commitment.

3.2 We consider such behaviour to include:

- excessive telephones calls, emails or letters
- sending duplicate correspondence
- persistent refusal to accept a decision or explanation
- continuing to contact us after a decision, about the same or similar matters, without presenting new or relevant information
- demanding responses within an unreasonable time scale or information not relevant to a request for service or complaint
- refusing to cooperate with our complaint handling procedures
- raising matters that are immaterial to a request for service or complaint or repeatedly changing the substance of a request for service or complaint
- repeatedly contacting or insisting to speak to an employee who is not directly dealing with a request for service or complaint

4 TERMINATING A TELEPHONE CALL

4.1 Employees may terminate a call if subjected to the behaviours outlined in sections 2 and 3. Before taking this action, the caller will be warned once that their conduct is of concern, to allow them the opportunity to moderate their behaviour. If the behaviour persists, no further warnings will be given and the call will be terminated.

4.2 The employee who terminates a call will report it to their Team Leader/Manager. Following a terminated call if the customer makes further contact and the behaviour has not changed, the CCSM may restrict telephone contact for one day. This decision will be recorded and communicated at the earliest opportunity to all employees taking frontline calls.

4.3 In the event that the customer does not modify their behaviour, further consideration will be given to formally managing contact between the customer and the service.

5 CONSIDERING WHEN TO MANAGE CONTACT

5.1 In the very small number of cases where the actions or behaviour of a customer challenges our ability to deliver an effective service to all, as set out above, an employee should report it to their Team Leader/Manager. The Team Leader/Manager will consider whether a warning should be given and if it is necessary to provide a copy of this policy. If the behaviour is sufficiently serious, or a warning has already been given, a decision will be taken to either manage contact, or to refer the matter to CCSM, or both.

5.2 During the process of considering implementation of a restriction the CCSM should be mindful that independent advocacy could be helpful for the customer in terms of avoiding implementation of this policy. If that appears to be the case, it would be prudent to advise the customer of this and provide appropriate help and advice to that end.

6 FORMAL DECISION TO MANAGE CONTACT

6.1 We may (amongst other considerations) manage the contact by:

- limiting contact to a particular form for example, the customer may be limited to contacting us by email or letter only
- limiting telephone calls to specific days and/or times
- arranging for a single point of contact for all future correspondence
- an agreed behaviour contract, setting out what is expected of the customer, to be signed by the customer
- advising the customer that their correspondence will be read to ensure no new issues are raised, but will then be filed or destroyed without acknowledgement

6.2 Wherever possible, we will endeavour to ensure that at least one line of contact will remain available.

6.3 Decisions on how to formally manage contact are made by the CCSM, on a case by case basis. The CCSM may decide to first consult a Chief Officer. This may be where employees are finding behaviour unusually challenging or difficult to manage, and generally where this is exhibited on more than one occasion. For example, where:

- employees are struggling to be heard, or feel upset, threatened, bullied or belittled by the contacts
- the contact is sexist, racist, culturally inappropriate etc
- a caller demands disproportionate time is spent relative to the circumstances of the issue, or makes unreasonable demands for action by us
- there is repetitive contact that is not merited in the circumstances of the case
- there are disproportionate threats to employees, legal action etc
- the customer is highly needy, emotionally demanding, or appears to be becoming dependent on certain members of staff
- there are repeated challenges to decisions

6.4 Referrals to Chief Officers should be made by the CCSM.

6.5 Chief Officers will discuss and consider the matter with the CCSM. Chief Officers will issue advice and recommendation(s) and return the matter to the CCSM for a formal decision.

6.6 The CCSM will record the decision on the CRM.

6.7 The CCSM will notify the customer of a decision to manage their contact, the reasons why this decision has been taken, how long any restriction will be in place, when it will be reviewed and the right to appeal the decision. A copy of this policy will be enclosed with the decision.

7 APPEALING A DECISION

7.1 The customer can appeal a decision to manage contact within 20 working days of receiving it by writing to the Chief Officer Governance. The Chief Officer Governance will consider the appeal and advise the customer in writing of the outcome.

8 REVIEWING DECISIONS

8.1 The decision to manage contact with a customer will be reviewed by the decision maker at the time specified in the decision letter, which will be no more than six months after the date the decision was taken and any alterations to the restriction will be noted on the CRM. We will only contact a customer to advise them of any change to the restriction if they remain in active contact with this office at the time of the review.

9 DECISION MATRIX

Decision Type	Who
Terminate call	All employees (must be reported to Team Leader/Manager)
Restrict contact for one day	Team Leader/Manager
Refer to Chief Officer for guidance	CCSM
Formally manage contact	CCSM
Review decision	CCSM
Appeal	Chief Officer Governance

10 ANNUAL REVIEW

10.1 The CCSM will arrange for a review of restrictions imposed under this policy at the end of each financial year to ensure a consistent approach.

APPENDIX 1

Request to Chief Officer to consider management of challenging behaviour or reasonable adjustments

Customer reference:

Name of customer:

Contact officer:

Referred by:

Reason for referral (e.g. type of behaviour and impact on office/employees, complex etc RA requested):
.....
.....
.....

Has any related action been taken to date or previously (e.g. warnings given, previous restriction):
.....
.....
.....

Do we know or believe the customer has any particular needs? If this relates to reasonable adjustments, has the customer told us what reasonable adjustments they seek?
.....
.....
.....

Chief Officer Governance analysis/comments/recommendation:
.....
.....
.....

Manager's decision:

Manager's signature: Date:

EXERCISE OF DELEGATED POWERS - DECISIONS TAKEN REPORTED TO CABINET – 16.02.21

Housing & Assets

- **Community Asset Transfer – Leadmills, King Street, Mold.**
The transfer of the Leadmills, King Street, Mold and surrounding land within the demise of the asset.
- **Community Asset Transfer – Mold Rugby Club, Chester Road, Mold, CH7 1UF**
The transfer of Mold Rugby Club, Chester Road, Mold, CH7 1UF.
- **Sunraye Supported Housing Project Local Solutions**
Contract extension to Sunraye Supported Housing Project, delivered by Local Solutions.
- **Plas Bellin Family Supported Housing Local Solutions**
Contract extension to Plas Bellin Family Supported Housing through Local Solutions.
- **Greenbank Villas Supported Housing Clwyd Alyn**
Contract Extension to Greenbank Villas Supported Housing, Clwyd Alyn.
- **Clwyd Alyn Womens Aid Refuge**
To extend the current service provision with Clwyd Alyn Womens Aid.
- **Shelter Cymru Floating Support**
Contract extension for services provided by Shelter Cymru for Floating Support.
- **Llys Emlyn Williams Supported Housing Clwyd Alyn**
Contract extension for Llys Emlyn Williams Supported Housing, delivered by Clwyd Alyn.
- **Erw Groes Family Centre Supported Housing Clwyd Alyn**
Contract Extension for Erw Groes Family Centre Supported Housing, delivered by Clwyd Alyn.
- **Aster Hope Domestic Abuse Floating Support**
Aster Hope Domestic Abuse Floating Support contract extension.
- **Declaring Land Surplus to Requirements to Facilitate an Extension to the Building used by the Scout Group, Tuscan Way, Connah's Quay, CH5 4RQ**
To declare surplus to requirements a small area of land within an area of open space to enable the Scouts to construct an extension to the existing scout building.

Copies of the Delegated Powers reports are retained by the Team Leader – Committee Services and available to view on request by Members.

This page is intentionally left blank

**FLINTSHIRE COUNTY COUNCIL FORWARD WORK PROGRAMME ITEMS
COUNCIL, CABINET, AUDIT AND GOVERNANCE & SCRUTINY
1 February 2021 TO 31 July 2021**

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
February					
Environment & Economy Overview & Scrutiny Committee	9/02/21	Overview and Scrutiny	Forward Work Programme and Action Tracking To consider the Forward Work Programme of the Environment & Economy Overview & Scrutiny Committee and to inform the Committee of progress against actions from previous meetings.	Operational	
Environment & Economy Overview & Scrutiny Committee	9/02/21	Chief Executive's	Council Plan 2020/21(E&E) To consider the proposed Council Plan for 2020/21 with specific focus on the Committee's respective portfolio(s).	Strategic	Leader of the Council and Cabinet Member for Education

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Environment & Economy Overview & Scrutiny Committee	9/02/21	Streetscene and Transportation	Fleet Electrification To consider proposals for fleet electrification.	Operational	Deputy Leader of the Council and Cabinet Member for Streetscene and Countryside
Environment & Economy Overview & Scrutiny Committee	9/02/21	Planning, Environment and Economy	Planning Enforcement To receive a progress report	Operational	Cabinet Member for Planning and Public Protection
Corporate Resources Overview & Scrutiny Committee	11/02/21	Overview and Scrutiny	Action Tracking To inform the Committee of progress against actions from previous meetings.	Operational	
Corporate Resources Overview & Scrutiny Committee	11/02/21	Planning, Environment and Economy	Community Safety Partnership Annual Report To receive the Community Safety Partnership Annual Report.	Operational	Cabinet Member for Planning and Public Protection
Corporate Resources Overview & Scrutiny Committee	11/02/21	Overview and Scrutiny	Forward Work Programme To consider the Forward Work Programme of the Corporate Resources Overview & Scrutiny Committee.	Operational	

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Corporate Resources Overview & Scrutiny Committee	11/02/21	Chief Executive's	Recovery Strategy Update To provide oversight on the recovery planning for the Committee's respective portfolio(s).	Operational	Cabinet Member for Corporate Management and Assets
Corporate Resources Overview & Scrutiny Committee	11/02/21	Chief Executive's	Council Plan 2021/22 To consider the proposed Council Plan.	Strategic	Cabinet Member for Corporate Management and Assets
Corporate Resources Overview & Scrutiny Committee	11/02/21	Finance	Council Fund Revenue Budget 2021/22 To present and invite feedback on the budget report to be reported verbally at Cabinet on 16th February.	Operational	Cabinet Member for Finance
Corporate Resources Overview & Scrutiny Committee	11/02/21	Chief Executive's	Annual Audit Summary for Flintshire County Council 2019/20 To receive the Annual Audit Summary from the Auditor General for Wales and note the Council's response.	Operational	Cabinet Member for Corporate Management and Assets

Page 2 of 2

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Corporate Resources Overview & Scrutiny Committee	11/02/21	Finance	<p>Revenue Budget Monitoring 2020/21 (month 9) and Capital Programme Monitoring 2020/21 (month 9)</p> <p>To provide Members with the Revenue Budget monitoring 2020/21 (month 9) report and the Capital Programme 2020/21 (month 9) report and significant variances.</p>	Operational	Cabinet Member for Finance
Cabinet	16/02/21	Chief Executive's	<p>Annual Audit Summary for Flintshire County Council 2019/20</p> <p>To receive the Annual Audit Summary from the Auditor General for Wales and note the Council's response.</p>	Operational	Cabinet Member for Corporate Management and Assets
Cabinet	16/02/21	Finance	<p>Council Fund Revenue Budget 2021/22 - Final Closing Stage</p> <p>To make recommendations to Council on a legal and balanced budget for 2021/22.</p>	Strategic	Cabinet Member for Finance

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Cabinet	16/02/21	Chief Executive's	Strategic Equality Plan Annual Report 2019/20 To approve the Strategic Equality Plan Annual Report 2019/20.	Strategic	Cabinet Member for Corporate Management and Assets
Cabinet	16/02/21	Housing and Assets	Housing Revenue Account (HRA) 30 Year Financial Business Plan To present, for recommendation to Council, the Housing Revenue Account (HRA) Budget for 2021/22, the HRA Business Plan and the summary 30 year Financial Business Plan.	Strategic	Cabinet Member for Housing
Cabinet	16/02/21	Housing and Assets	Strategic Housing and Regeneration Programme (SHARP) Update Report To provide an update on progress of the Councils SHARP Housebuilding programme.	Strategic	Cabinet Member for Housing

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Cabinet	16/02/21	Housing and Assets	North East Wales (NEW) Homes Business Plan 2020/2049 To approve the NEW Homes Business Plan 2020/2049.	Strategic	Cabinet Member for Housing
Cabinet	16/02/21	Chief Executive's	Revenue Budget Monitoring 2020/21 (Month 9) This regular monthly report provides the latest revenue budget monitoring position for 2020/21 for the Council Fund and Housing Revenue Account. The position is based on actual income and expenditure as at Month 9, and projects forward to year-end.	Operational	Cabinet Member for Finance
Cabinet	16/02/21	Chief Executive's	Capital Programme Monitoring 2020/21 (Month 9) To provide Members with the Month 9 capital programme information for 2020/21.	Operational	Cabinet Member for Finance

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Cabinet	16/02/21	Streetscene and Transportation	Development of Shotton Master Plan To seek approval to develop a Master Plan for the Shotton area to facilitate environmental and economic regeneration.	Strategic	Cabinet Member for Economic Development
Cabinet	16/02/21	Chief Executive's	Treasury Management Strategy 2021/22 To present the draft Treasury Management Strategy 2021/22 for recommendation to Council.	Operational	Cabinet Member for Finance
Cabinet	16/02/21	Chief Executive's	Minimum Revenue Provision - 2021/22 Policy To present the Council's draft policy on Minimum Revenue Provision for recommendation to Council.	Operational	Cabinet Member for Finance
Cabinet	16/02/21	Governance	Review of the Corporate Complaints Policy To present a new Concerns and Complaints Policy and a Managing Customer Contact Policy for Flintshire County Council.	Operational	Cabinet Member for Corporate Management and Assets

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Flintshire County Council	16/02/21	Chief Executive's	Council Fund Revenue Budget 2021/22 To set a legal and balanced budget for 2021/22 on the recommendation of Cabinet.		
Flintshire County Council	16/02/21	Governance	Council Tax setting for 2021/22 To set the Council Tax charges for 2021-22 as part of the Council's wider budget strategy.		
Flintshire County Council	16/02/21	Housing and Assets	Housing Revenue Account (HRA) 30 Year Financial Business Plan To present the Housing Revenue Account (HRA) Budget for 2021/22, the HRA Business Plan and the summary 30 year Financial Business Plan for approval.		Cabinet Member for Housing

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Flintshire County Council	16/02/21	Chief Executive's	<p>Minimum Revenue Provision - 2021/22 Policy Local Authorities are required each year to set aside some of their revenue resources as provision for the repayment of debt. The report presents the Council's draft policy on Minimum Revenue Provision.</p>		
Flintshire County Council	16/02/21	Chief Executive's	<p>Treasury Management Strategy 2021/22 To present to Members the draft Treasury Management Strategy 2021/22.</p>		
Flintshire County Council	16/02/21	Chief Executive's	<p>Pay Policy Statement for 2020/21 All local authorities are required to publish their Pay Policy Statement by April annually. The Pay Policy Statement presented within this report is the eighth annual Statement published by Flintshire County Council.</p>		

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Community, Housing & Assets Overview & Scrutiny Committee	23/02/21	Overview and Scrutiny	<p>Forward Work Programme and Action Tracking (CH & E)</p> <p>To consider the Forward Work Programme of the Community Housing & Assets Overview & Scrutiny Committee and to inform the Committee of progress against actions from previous meetings.</p>	Operational	Cabinet Member for Housing
<p>Proposed</p> <p>Community, Housing & Assets Overview & Scrutiny Committee</p>	23/02/21	Housing and Assets	<p>Housing Repairs Service procurement of a Dynamic Resource Scheduling System and Review of the Team Leader Job Profile</p> <p>To discuss the option of the purchase and implementation of a mobile Housing Repairs solution incorporating a repairs module, associated licences and Dynamic Resource Scheduler (DRS).</p>	Operational	
March					

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Social & Health Care Overview & Scrutiny Committee	4/03/21	Overview and Scrutiny	Forward Work Programme and Action Tracking (S & H) To consider the Forward Work Programme of the Social & Health Care Overview & Scrutiny Committee and to inform the Committee of progress against actions from previous meetings.	Operational	Cabinet Member for Social Services
Social & Health Care Overview & Scrutiny Committee	4/03/21	Social Services	Arosfa update To receive a progress report.	Operational	Cabinet Member for Social Services
Social & Health Care Overview & Scrutiny Committee	4/03/21	Social Services	North Wales Dementia Strategy and the Flintshire Local Strategy To receive a progress report	Operational	Cabinet Member for Social Services
Social & Health Care Overview & Scrutiny Committee	4/03/21	Social Services	Recovery Strategy Update (E&E) To provide oversight on the recovery planning for the Committee's respective portfolio(s).	Operational	Cabinet Member for Social Services

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Environment & Economy Overview & Scrutiny Committee	9/03/21	Overview and Scrutiny	<p>Forward Work Programme and Action Tracking (Env & E) To consider the Forward Work Programme of the Environment & Economy Overview & Scrutiny Committee and to inform the Committee of progress against actions from previous meetings.</p>	Operational	Deputy Leader of the Council and Cabinet Member for Streetscene and Countryside
Environment & Economy Overview & Scrutiny Committee	9/03/21	Streetscene and Transportation	<p>Provision of electric car charging points across Flintshire To consider the current provision across Flintshire for residents, workers and visitors.</p>	Operational	Deputy Leader of the Council and Cabinet Member for Streetscene and Countryside
Environment & Economy Overview & Scrutiny Committee	9/03/21	Planning, Environment and Economy	<p>Economic Recovery To update members on the major transitions and on the regional and local responses being established</p>	Operational	Cabinet Member for Planning and Public Protection

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Environment & Economy Overview & Scrutiny Committee	9/03/21	Streetscene and Transportation	Borderlands Line Train Services – Additional Services and Potential Impact on Stops To receive a progress report on developments.	Operational	Deputy Leader of the Council and Cabinet Member for Streetscene and Countryside
Environment & Economy Overview & Scrutiny Committee	9/03/21	Streetscene and Transportation	Recyclable materials income/increased expenditure on disposal of residual waste To receive a progress report	Operational	Deputy Leader of the Council and Cabinet Member for Streetscene and Countryside
Environment & Economy Overview & Scrutiny Committee	9/03/21	Planning, Environment and Economy	Recovery Strategy (Planning, Environment & Economy Portfolio) To provide oversight on the recovery planning for the Committee's respective portfolio(s).	Operational	Cabinet Member for Planning and Public Protection
Environment & Economy Overview & Scrutiny Committee	9/03/21	Streetscene and Transportation	Recovery Strategy Update (Streetscene and Transportation Portfolio) To provide oversight on the recovery planning for the Committee's respective portfolio(s).	Operational	Deputy Leader of the Council and Cabinet Member for Streetscene and Countryside

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Community, Housing & Assets Overview & Scrutiny Committee	10/03/21	Overview and Scrutiny	<p>Forward Work Programme and Action Tracking (CH & E)</p> <p>To consider the Forward Work Programme of the Community Housing & Assets Overview & Scrutiny Committee and to inform the Committee of progress against actions from previous meetings.</p>	Operational	Cabinet Member for Housing
Page 272 Community, Housing & Assets Overview & Scrutiny Committee	10/03/21	Housing and Assets	<p>Flintshire Food Enterprise and the Food Poverty Response</p> <p>To outline the work of the Flintshire Food Enterprise and its response to Food Poverty.</p>	Operational	Cabinet Member for Housing
Community, Housing & Assets Overview & Scrutiny Committee	10/03/21	Housing and Assets	<p>Performance of the Welsh Housing Quality Standard (WHQS) Programme</p> <p>To outline the work being undertaken in regenerating the Council's existing housing stock</p>	Operational	Cabinet Member for Housing
Community, Housing & Assets Overview & Scrutiny Committee	10/03/21	Housing and Assets	<p>Homelessness</p> <p>To provide an update on the work undertaken to prevent homelessness across Flintshire.</p>	Operational	Cabinet Member for Housing

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Community, Housing & Assets Overview & Scrutiny Committee	10/03/21	Housing and Assets	Recovery Strategy Update (CH&A) To provide oversight on the recovery planning for the Committee's respective portfolio(s).	Operational	Cabinet Member for Housing
Corporate Resources Overview & Scrutiny Committee	11/03/21	Overview and Scrutiny	Forward Work Programme (CROSC) To consider the Forward Work Programme of the Corporate Resources O & S Committee	Operational	Cabinet Member for Corporate Management and Assets
Corporate Resources Overview & Scrutiny Committee	11/03/21	Overview and Scrutiny	Action Tracking (CROSC) To inform the Committee of progress against actions from previous meetings	Operational	Cabinet Member for Corporate Management and Assets
Corporate Resources Overview & Scrutiny Committee	11/03/21	Finance	Revenue budget monitoring 2020/21 (month 10) To provide members with the latest budget monitoring position for 2020/21 on the Revenue Budget as at Month 10.	Operational	Cabinet Member for Finance

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Corporate Resources Overview & Scrutiny Committee	11/03/21	Chief Executive's	Member Communication and Case Management Support update To provide an update on Member Communication and Case Management Support.	Operational	Cabinet Member for Corporate Management and Assets
Corporate Resources Overview & Scrutiny Committee	11/03/21	Chief Executive's	Flintshire Community Endowment Fund - Annual Report To support the work of the Community Foundation in the presentation of their Annual Report.	Operational	Cabinet Member for Corporate Management and Assets
Corporate Resources Overview & Scrutiny Committee	11/03/21	Governance	Review of the Corporate Complaints Policy To provide an update on the review of the Corporate Complaints Policy	Operational	Cabinet Member for Corporate Management and Assets
Cabinet	16/03/21	Chief Executive's	Commencement of the Socio Economic Duty To advise Cabinet of the forthcoming commencement of the Socioeconomic Duty and assure Cabinet of our preparedness to meet the new Duty	Operational	Cabinet Member for Corporate Management and Assets
Cabinet	16/03/21	Housing and Assets	Food Poverty xxx	Operational	Cabinet Member for Housing

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Cabinet	16/03/21	Education and Youth	School Modernisation To seek approval to commission contractors and enter into a two Stage Design and Build Contract for proposed projects at Ysgol Croes Atti, Y Fflint & Drury County Primary school.	Operational	Leader of the Council and Cabinet Member for Education
Cabinet	16/03/21	Education and Youth	School Admission Arrangements 2022/23 To advise on the outcome of the statutory consultation exercise on the admission arrangements for September 2022 and to recommend approval.	Operational	Leader of the Council and Cabinet Member for Education
Education, Youth & Culture Overview & Scrutiny Committee	18/03/21	Overview and Scrutiny	Forward Work Programme and Action Tracking (EY&C) To consider the Forward Work Programme of the Education Youth & Culture Overview & Scrutiny Committee and to inform the Committee of progress against actions from previous meetings.	Operational	Leader of the Council and Cabinet Member for Education

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Education, Youth & Culture Overview & Scrutiny Committee	18/03/21	Education and Youth	<p>Community Asset Transfer Update To provide an update on the impact the emergency situation has had on the Business Plan for Holywell Leisure Centre and Cambrian Aquatics</p>	Operational	Leader of the Council and Cabinet Member for Education
Education, Youth & Culture Overview & Scrutiny Committee	18/03/21	Education and Youth	<p>Self-Evaluation of Education Services 2019 – 2021 To update Members on overall service performance over the last two years</p>	Operational	Leader of the Council and Cabinet Member for Education
Education, Youth & Culture Overview & Scrutiny Committee	18/03/21	Education and Youth	<p>Hwb Digital Programme To provide an update on the Hwb Digital Programme and the outcome of the assessment to identify the levels of access to devices and broadband for learners across Flintshire</p>	Operational	Leader of the Council and Cabinet Member for Education
Education, Youth & Culture Overview & Scrutiny Committee	18/03/21	Education and Youth	<p>School Attendance and Exclusions To provide the Committee with an update on learner attendance and exclusions for Flintshire Schools</p>	Operational	Leader of the Council and Cabinet Member for Education

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Education, Youth & Culture Overview & Scrutiny Committee	18/03/21	Education and Youth	Recovery Strategy Update (EY & C) To provide oversight on the recovery planning for the Committee's respective portfolio(s).	Operational	Leader of the Council and Cabinet Member for Education
Audit Committee	24/03/21	Finance	Audit Wales - Audit Plan 2021 Audit Wales, being the Council's external auditor, has prepared an audit plan for 2021 for the Council and the Clwyd Pension Fund which sets out their proposed audit work for the year along with timescales, costs and the audit teams responsible for carrying out the work.	Operational	Cabinet Member for Corporate Management and Assets
Audit Committee	24/03/21	Finance	Certification of Grants and Returns 2019/20 To inform Members of the grant claim certification by Audit Wales for the year ended 31 March 2020.	Operational	Cabinet Member for Finance

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Audit Committee	24/03/21	Chief Executive's	External Regulation Assurance To endorse the summary of all external regulatory reports received during 2019/20 along with the Council's responses.	Operational	Cabinet Member for Corporate Management and Assets
Audit Committee	24/03/21	Governance	Internal Audit Progress Report To present to the Committee an update on the progress of the Internal Audit Department.	All Report Types	Cabinet Member for Corporate Management and Assets
Audit Committee	24/03/21	Governance	Audit Committee Action Tracking To inform the Committee of the actions resulting from points raised at previous Audit Committee meetings.	All Report Types	Cabinet Member for Corporate Management and Assets
Audit Committee	24/03/21	Governance	Forward Work Programme To consider the Forward Work Programme of the Internal Audit Department.	All Report Types	Cabinet Member for Corporate Management and Assets
April					

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Flintshire County Council	1/04/21	Governance	<p>Petitions received at Council To inform Council of the outcomes of petitions which have been submitted over the past year.</p>		
Flintshire County Council	1/04/21	Governance	<p>Appointments of Independent Members to the Standards Committee To present details of the preferred candidates for the Independent Member vacancies on the Standards Committee for approval.</p>		
Environment & Economy Overview & Scrutiny Committee	12/05/21	Overview and Scrutiny	<p>Forward Work Programme and Action Tracking (Env & E) To consider the Forward Work Programme of the Environment & Economy Overview & Scrutiny Committee and to inform the Committee of progress against actions from previous meetings.</p>	Operational	Deputy Leader of the Council and Cabinet Member for Streetscene and Countryside

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Environment & Economy Overview & Scrutiny Committee	12/05/21	Planning, Environment and Economy	Ash Dieback surveys update To receive a progress report	Operational	
Environment & Economy Overview & Scrutiny Committee	12/05/21	Planning, Environment and Economy	Town centre regeneration To update members on the current challenges facing town centres and to set out regional and local responses being put in place.	Operational	Cabinet Member for Planning and Public Protection
Corporate Resources Overview & Scrutiny Committee	13/05/21	Overview and Scrutiny	Action Tracking (CROSC) To inform the Committee of progress against actions from previous meetings	Operational	Cabinet Member for Corporate Management and Assets
Corporate Resources Overview & Scrutiny Committee	13/05/21	Overview and Scrutiny	Forward Work Programme (CROSC) To consider the Forward Work Programme of the Corporate Resources O & S Committee	Operational	Cabinet Member for Corporate Management and Assets
Corporate Resources Overview & Scrutiny Committee	13/05/21	Overview and Scrutiny	Action Tracking (CROSC) To inform the Committee of progress against actions from previous meetings	Operational	Cabinet Member for Corporate Management and Assets

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Cabinet	18/05/21	Planning, Environment and Economy	Town Centre Regeneration The report will provide a review of the major economic challenges facing small towns and an update on the work undertaken so far to deliver the strategic approach to regenerating town centres agreed at Cabinet on 17 March 2020.	Strategic	Cabinet Member for Economic Development
Social & Health Care Overview & Scrutiny Committee	27/05/21	Overview and Scrutiny	Forward Work Programme and Action Tracking (S & H) To consider the Forward Work Programme of the Social & Health Care Overview & Scrutiny Committee and to inform the Committee of progress against actions from previous meetings.	Operational	Cabinet Member for Social Services
June					
Audit Committee	2/06/21	Governance	Internal Audit Progress Report To present to the Committee an update on the progress of the Internal Audit Department.	All Report Types	Cabinet Member for Corporate Management and Assets

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Audit Committee	2/06/21	Governance	Audit Committee Action Tracking To inform the Committee of the actions resulting from points raised at previous Audit Committee meetings.	All Report Types	Cabinet Member for Corporate Management and Assets
Audit Committee	2/06/21	Governance	Forward Work Programme To consider the Forward Work Programme of the Internal Audit Department.	All Report Types	Cabinet Member for Corporate Management and Assets
Environment & Economy Overview Scrutiny Committee	8/06/21	Overview and Scrutiny	Forward Work Programme and Action Tracking (Env & E) To consider the Forward Work Programme of the Environment & Economy Overview & Scrutiny Committee and to inform the Committee of progress against actions from previous meetings.	Operational	Deputy Leader of the Council and Cabinet Member for Streetscene and Countryside

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Environment & Economy Overview & Scrutiny Committee	8/06/21	Overview and Scrutiny	<p>Year-end Performance Indicators for Recovery, Portfolio and Public Accountability Measures (E&E)</p> <p>To review the levels of progress in the achievement of activities, performance levels and current risk levels as identified in the Council Plan.</p>	Operational	Deputy Leader of the Council and Cabinet Member for Streetscene and Countryside
Corporate Resources Overview & Scrutiny Committee	10/06/21	Overview and Scrutiny	<p>Forward Work Programme (CROSC)</p> <p>To consider the Forward Work Programme of the Corporate Resources O & S Committee</p>	Operational	Cabinet Member for Corporate Management and Assets
Corporate Resources Overview & Scrutiny Committee	10/06/21	Overview and Scrutiny	<p>Action Tracking (CROSC)</p> <p>To inform the Committee of progress against actions from previous meetings</p>	Operational	Cabinet Member for Corporate Management and Assets

Page 283

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Community, Housing & Assets Overview & Scrutiny Committee	16/06/21	Overview and Scrutiny	<p>Forward Work Programme and Action Tracking (CH & E)</p> <p>To consider the Forward Work Programme of the Community Housing & Assets Overview & Scrutiny Committee and to inform the Committee of progress against actions from previous meetings.</p>	Operational	Cabinet Member for Housing
<div style="writing-mode: vertical-rl; transform: rotate(180deg); position: absolute; left: -40px; top: 50%; font-weight: bold;">Public Resources Overview & Scrutiny Committee</div> Corporate Resources Overview & Scrutiny Committee	10/06/21	Overview and Scrutiny	<p>Year-end Performance Indicators for Recovery, Portfolio and Public Accountability Measures(CROSC)</p> <p>To review the levels of progress in the achievement of activities, performance levels and current risk levels as identified in the Council Plan.</p>	Operational	Cabinet Member for Corporate Management and Assets
Community, Housing & Assets Overview & Scrutiny Committee	16/06/21	Housing and Assets	<p>Disabled Facilities Grant (DFG)</p> <p>To provide an update on the ongoing work to improve the service</p>	Operational	Cabinet Member for Housing

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Community, Housing & Assets Overview & Scrutiny Committee	16/06/21	Overview and Scrutiny	Year-end Performance Indicators for Recovery, Portfolio and Public Accountability Measures(CH&A) To review the levels of progress in the achievement of activities, performance levels and current risk levels as identified in the Council Plan.	Operational	Cabinet Member for Housing
Social & Health Care Overview & Scrutiny Committee	1/07/21	Overview and Scrutiny	Year-end Performance Indicators for Recovery, Portfolio and Public Accountability Measures(S&H) To review the levels of progress in the achievement of activities, performance levels and current risk levels as identified in the Council Plan.	Operational	Cabinet Member for Social Services

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Social & Health Care Overview & Scrutiny Committee	1/07/21	Overview and Scrutiny	Forward Work Programme and Action Tracking (S & H) To consider the Forward Work Programme of the Social & Health Care Overview & Scrutiny Committee and to inform the Committee of progress against actions from previous meetings.	Operational	Cabinet Member for Social Services
Education, Youth & Culture Overview & Scrutiny Committee 1899 286	1/07/21	Overview and Scrutiny	Year-end Performance Indicators for Recovery, Portfolio and Public Accountability Measures (EY&C) To review the levels of progress in the achievement of activities, performance levels and current risk levels as identified in the Council Plan.	Operational	Leader of the Council and Cabinet Member for Education
Education, Youth & Culture Overview & Scrutiny Committee	1/07/21	Overview and Scrutiny	Forward Work Programme and Action Tracking (EY&C) To consider the Forward Work Programme of the Education Youth & Culture Overview & Scrutiny Committee and to inform the Committee of progress against actions from previous meetings.	Operational	Leader of the Council and Cabinet Member for Education

COMMITTEE	MEETING DATE	CHIEF OFFICER PORTFOLIO	AGENDA ITEM & PURPOSE OF REPORT	REPORT TYPE (Strategic or Operational) (Cabinet only)	PORTFOLIO (Cabinet only)
Environment & Economy Overview & Scrutiny Committee	6/07/21	Overview and Scrutiny	Forward Work Programme and Action Tracking (Env & E) To consider the Forward Work Programme of the Environment & Economy Overview & Scrutiny Committee and to inform the Committee of progress against actions from previous meetings.	Operational	Deputy Leader of the Council and Cabinet Member for Streetscene and Countryside
Corporate Resources Overview & Scrutiny Committee	8/07/21	Overview and Scrutiny	Forward Work Programme (CROSC) To consider the Forward Work Programme of the Corporate Resources O & S Committee	Operational	Cabinet Member for Corporate Management and Assets
Corporate Resources Overview & Scrutiny Committee	8/07/21	Overview and Scrutiny	Action Tracking (CROSC) To inform the Committee of progress against actions from previous meetings	Operational	Cabinet Member for Corporate Management and Assets

This page is intentionally left blank

By virtue of paragraph(s) 14 of Part 4 of Schedule 12A of the Local Government Act 1972.

Document is Restricted - Not for Publication

This page is intentionally left blank

By virtue of paragraph(s) 14 of Part 4 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted - Not for Publication

This page is intentionally left blank