

# Public Document Pack

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Chief Officer (Governance)  
Prif Swyddog (Llywodraethu)



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To: Cllr Richard Jones (Chair)

Councillors: Bernie Attridge, Bill Crease, Ron Davies, Chris Dolphin,  
Alasdair Ibbotson, Allan Marshall, Vicky Perfect, Kevin Rush, Jason Shallcross,  
Sam Swash and Linda Thomas

7 October 2022

Dear Sir/Madam

**NOTICE OF HYBRID MEETING**  
**CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE**  
**THURSDAY, 13TH OCTOBER, 2022 at 10.00 AM**

Yours faithfully

Steven Goodrum  
Democratic Services Manager

Please note: Attendance at this meeting is either in person in the Council Chamber, Flintshire County Council, County Hall, Mold, Flintshire or on a virtual basis.

The meeting will be live streamed onto the Council's website. The live streaming will stop when any confidential items are considered. A recording of the meeting will also be available, shortly after the meeting at <https://flintshire.public-i.tv/core/portal/home>

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 (INCLUDING WHIPPING DECLARATIONS)**

**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 on 23 September 2022.

### 4 **ACTION TRACKING** (Pages 15 - 18)

Report of Democratic Services Manager -

**Purpose:** To inform the Committee of progress against actions from previous meetings.

### 5 **FORWARD WORK PROGRAMME** (Pages 19 - 26)

Report of Democratic Services Manager -

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

### 6 **JOINT FUNDED CARE PACKAGES** (Pages 27 - 34)

Report of Chief Officer (Social Services), Corporate Finance Manager - Deputy Leader of the Council and Cabinet Member for Social Services and Wellbeing

**Purpose:** To update Members on the current situation on the long term debt with the Betsi Cadwaladr University Health Board since the last report was received.

7 **COUNCIL PLAN 2023-28** (Pages 35 - 44)

Report of Chief Executive - Leader of the Council and Cabinet Member for Education, Welsh Language, Culture and Leisure

**Purpose:** To agree the proposed Priorities, Sub Priorities and Well-being Objectives for the Council Plan 2023-28.

8 **REVENUE BUDGET MONITORING 2022/23 (MONTH 5)** (Pages 45 - 66)

Report of Corporate Finance Manager - Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement

**Purpose:** To provide Members with the Revenue Budget Monitoring 2022/23 (Month 5) Report and Significant Variances.

9 **CORPORATE JOINT COMMITTEE (CJC) UPDATE REPORT** (Pages 67 - 98)

Report of Chief Executive, Chief Officer (Governance) - Leader of the Council and Cabinet Member for Education, Welsh Language, Culture and Leisure

**Purpose:** To provide an update on the progress being made in relation to the Corporate Joint Committee (CJC).

***Please note that there may be a 10 minute adjournment of this meeting if it lasts longer than two hours***

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## **CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE** **23 SEPTEMBER 2022**

Minutes of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held as a hybrid meeting on Friday, 23 September 2022

**PRESENT: Councillor Richard Jones (Chairman)**

Councillors: Bill Crease, Ron Davies, Alasdair Ibbotson, Allan Marshall, Vicky Perfect, Jason Shallcross, Sam Swash and Linda Thomas

**SUBSTITUTE:** Councillor: Bernie Attridge (for Mike Peers) and Carolyn Preece (for Kevin Rush)

**APOLOGIES:** Councillor Chris Dolphin and Councillor Billy Mullin (Cabinet Member for Governance and Corporate Services)

**CONTRIBUTORS:** Councillor Ian Roberts - Leader and Cabinet Member for Education, Welsh Language, Culture and Leisure; Councillor Paul Johnson - Cabinet Member for Finance, Inclusion & Resilient Communities; Councillor Dave Hughes - Deputy Leader and Cabinet Member for Streetscene and the Regional Transport Strategy; Chief Executive; Chief Officer (Governance); Corporate Finance Manager; Corporate Manager (Capital Programme and Assets); Strategic Finance Managers; and Asset Manager

Internal Audit, Performance and Risk Manager - for minute numbers 27-28  
Liam Evans-Ford, Executive Director, Theatr Clwyd - for minute 30

**IN ATTENDANCE:** Democratic Services Manager and team

### **20. DECLARATIONS OF INTEREST**

Councillor Carolyn Preece declared a personal and prejudicial interest on agenda item 11 due to a family member doing research through a PhD funded by Theatr Clwyd.

### **21. MINUTES**

The minutes of the meetings held on 7 July and 28 July 2022 were approved, as moved and seconded by Councillors Ron Davies and Bill Crease.

On the minutes of 7 July, the Chairman and Councillor Bernie Attridge made reference to the penultimate paragraph of minute number 10. They were advised that service reform changes formed part of agenda item 7 and all Members would be invited to a workshop in October to provide an update on the additional budget requirement for 2023/24.

**RESOLVED:**

That both sets of minutes be approved as a correct record.

## **22. ACTION TRACKING**

The Democratic Services Manager presented an update on actions arising from previous meetings, all of which had been completed.

The recommendation was moved by Councillor Bernie Attridge and seconded by Councillor Bill Crease.

### **RESOLVED:**

That the Committee notes the progress which has been made.

## **23. FORWARD WORK PROGRAMME**

The Democratic Services Manager presented the current forward work programme and advised that the Coroner's item scheduled for October had been moved to December.

The Chairman requested that the Committee receive updates on the Poverty theme and the North Wales Economic Ambition Board before the end of the year. In highlighting the budget item on the agenda, he asked that his previous suggestion to consider outsourcing or sharing some Council services to identify any financial benefits be scheduled for October/November. Councillor Bernie Attridge spoke in support and seconded the additional items.

Councillor Alasdair Ibbotson proposed that an item be scheduled to review the Council's policy on Section 13A (sub-section 1c) of the Local Government Finance Act 1992 relating to the discretionary powers held by councils to discount or write-off the amount of Council Tax payable on a case-by-case basis.

The Chief Executive's suggestion that the Committee receive an update on Corporate Joint Committees (CJCs) in October was supported.

With the inclusion of these additional items, the recommendations were moved and seconded by Councillors Richard Jones and Bernie Attridge.

### **RESOLVED:**

- (a) That the Forward Work Programme, as amended, be noted; and
- (b) That the Democratic Services Manager, in consultation with the Committee Chairman, be authorised to vary the Forward Work Programme between meetings, as the need arises.

## **24. ASSET MANAGEMENT PLAN 2022 - 2027**

The Corporate Manager (Capital Programme and Assets) presented the Corporate Asset Management Plan for 2022-2027 which replaced the previous Plan for 2019-2026. The updated document reflected Welsh Government (WG)

policy on carbon reduction and the Future Generations Act in addition to the Council's own Climate Change Strategy adopted earlier in the year.

Councillor Sam Swash asked about previous farm disposals and any changes made to that policy. The Corporate Manager advised that specific information on farm sales could be provided separately and he clarified that the policy took into account various environmental considerations, with further WG legislative changes likely.

The Asset Manager advised that to her knowledge, the sale of Council owned farms had resulted in those farms continuing to operate under new ownership. She provided clarification on the contractual clause where planning consent for different use would invoke a percentage of the value being returned to the Council.

The Chief Executive spoke about policy changes over the years involving encouraging young tenants to take on farms and holdings, moving to a focus on succession rights and farm business tenancies, some of which had resulted in purchases. He said that a review of the farm disposal policy could be scheduled for a future meeting.

Councillor Bernie Attridge sought information on the table of operational properties and was informed that more detail was available from the asset management system upon request. He was also advised by the Chief Officer (Governance) that Members would be provided with a link to published details of Council freehold ownerships when this was made available. A query on contributions towards investment in Theatr Clwyd would be addressed as part of the item later on the agenda.

Following comments by Councillor Attridge on the redevelopment of the County Hall campus, Councillor Alasdair Ibbotson said that projected levels of home working to plan for the future should be reflected in the Plan. Officers advised that whilst timescales had not yet been confirmed, there were a range of considerations involved such as the need to identify key democratic facilities and potential savings from non-domestic rates. During discussion on the matter, Councillor Ian Roberts spoke about Member involvement and the Chief Executive explained the development of the agile working strategy.

In response to a question from Councillor Bill Crease, the Corporate Manager provided clarification that the annual service charge for the Mynydd Isa 3-16 campus would not exceed that reported to Cabinet and Overview & Scrutiny.

Councillor Ibbotson asked about the basis on which the carbon reduction strategy was reflected in the Plan. The Chief Executive advised that this was a high-level report setting out the strategic context for signposting to various strategies and policies. He confirmed that the Council's Climate Change & Carbon Reduction Programme Manager (Alex Ellis) had been consulted on the Plan and was able to respond to specific questions upon request.

Following a question by Councillor Sam Swash, the Corporate Manager and Asset Manager spoke about the different categorisation of assets shown in the table of operational properties.

The Corporate Manager acknowledged the Chairman's point on the number of schools considered to be in a poor condition, however, the Council's school estate compared favourably to other local authorities in Wales. Additionally the schools' backlog maintenance figures had significantly reduced through both Council and WG investment. Whilst the WG funding at year end was welcomed in significantly contributing to the team's achievements in reducing the backlog of work, the uncertainty around that funding impacted on capacity to manage the situation.

The Corporate Manager agreed to rectify the inconsistency between the wording and chart showing assets sold, under section 3 of the Plan.

The recommendation was moved by Councillor Bernie Attridge and seconded by Councillor Jason Shallcross.

**RESOLVED:**

That the Asset Management Plan 2022-2027 be supported, in order that it can be adopted as the principal document for managing the Council's corporate property and land resource assets.

**25. MEDIUM TERM FINANCIAL STRATEGY AND BUDGET 2023/24**

The Corporate Finance Manager presented a report to update Members on the additional budget requirement for 2023/24 prior to cost pressures and efficiency proposals being reviewed by Member briefings and Overview & Scrutiny committees during the Autumn.

Since the additional budget requirement of £16.503m for 2023/24 reported in July, further work had taken place to reflect changing service demands and assess the impacts of emerging pay awards and inflationary pressures based on the latest information, as detailed in the report. The in-year impact was reported in the next agenda item. The updated forecast indicated a minimum budget requirement of an additional £24.348m of revenue resources for 2023/24 as shown in Table 1. Clarification was given on delegated school pressures and other pressures some of which remained under review. There were a number of ongoing risks which could impact further on the additional budget requirement and would be kept under continued review, including Out of County Placements and pay award outcomes.

The budget solutions available to the Council reinforced the need for additional financial support from Welsh Government (WG) to meet the costs of pressures such as increased pay awards and inflation which were outside the control of councils. The Corporate Finance Manager reminded Members of the indicative settlement figures provided for 2023/24 and 2024/25, and advised that an uplift to the Council's settlement to the Welsh average would equate to an



additional £8m. Without a supplementary increase to the allocation, there would be a serious and significant challenge for the Council to meet its statutory duty in setting a legal and balanced budget for 2023/24 and for future years.

In expressing concerns about the seriousness of the situation and acknowledging the significant impact of national decisions such as pay awards and inflation, the Chairman said that solutions should not include increases in costs and that the scale of efficiencies to meet the gap was not achievable, which reiterated the need to make representations to WG.

Councillor Bernie Attridge agreed that direct representations should be made to Ministers in Cardiff for additional funding to avoid impacting core services. He said that councils should not be expected to fund national decisions and referred to the different funding approach applied to other areas of the public sector.

Councillor Ian Roberts gave assurance that the case continued to be made for funding national decisions. He said that whilst representations were being made to WG, it was important to also take into account the impact of key decisions by the UK Government. As a member of the Welsh Local Government Association (WLGA) Financial sub-group, he was urging use of current data to influence the funding formula. He said that without additional financial support, the Council would face challenging decisions in order to set a legal and balanced budget.

On rising inflation costs, Councillor Alasdair Ibbotson referred to anticipated pressures identified within the Medium Term Financial Strategy (MTFS) for this year categorised as lower, medium and higher variances. He asked for details of which, if any, of those pressures had exceeded the higher categories for this period. The Corporate Finance Manager advised that all the cost pressures had been projected at the lower end and would provide comparison between the figures projected last year against their current position.

In referring to limited flexibility to bridge the funding gap, Councillor Paul Johnson encouraged all Members to attend the forthcoming workshops which would inform decision-making.

The Chief Executive reiterated the severity of the situation and said that the use of language such as efficiencies, having noted the current financial information provided by the Corporate Finance Manager, should now be referred to as cuts such was the seriousness of the matter. He added that the Council's risk profile would increase, without intervention by WG including funding of national decisions which was an unfair burden on all councils.

Councillor Bill Crease spoke in support of making representations to WG representatives on funding national decisions to avoid impacting on the future of Flintshire.

In addition to the Cabinet response, the Chairman proposed that the Committee respond separately in writing to reiterate the full impact of funding

decisions. In response to comments from Councillors Roberts and Attridge, it was agreed that the letter would be sent on behalf of the Committee to the WG First Minister, the UK Chancellor and local elected Assembly Members.

The recommendations, which were amended to reflect the debate, were moved and seconded by the Chairman and Councillor Attridge.

**RESOLVED:**

- (a) That the comments on the Medium Term Financial Strategy and Budget 2023/24 report be reported back to the Cabinet when it considers the report; and
- (b) That a letter be sent on behalf of the Committee to the Welsh Government First Minister, the UK Chancellor and local elected Welsh Government Members.

**26. REVENUE BUDGET MONITORING 2022/23 (MONTH 4) AND CAPITAL PROGRAMME MONITORING 2022/23 (MONTH 4)**

The Strategic Finance Managers (Corporate Finance) presented reports on the 2022/23 month 4 position for the revenue budget monitoring for the Council Fund and Housing Revenue Account (HRA) and the Capital Programme, prior to consideration by Cabinet.

Revenue Budget Monitoring

On the Council Fund, the projected year-end position was an operating deficit of £0.285m (excluding the impact of the pay award which would need to be met from reserves), leaving a year-end contingency reserve balance of £6.911m (before the impact of final pay awards). An update was given on the impact of Welsh Government (WG) Hardship funding, along with projected variances as detailed in the report including significant movements across portfolios. The current position on Council Tax income and the impact of pay awards was reported under in-year and emerging risks along with other risks including projected overspends for Out of County Placements and Homelessness which continued to be monitored closely. All planned in-year efficiencies were expected to be achieved in 2022/23. The current position with unearmarked reserves indicated a projected contingency reserves balance of £6.911m excluding the impact of final pay awards. The projected position on earmarked reserves would be reported at Month 5.

On the HRA, projected in-year expenditure of £0.188m higher than budget would leave a closing un-earmarked balance of £6.287m, which was above the recommended guidelines on spend.

In expressing concern, the Chairman referred to the additional £2.2m of costs for variances outside the control of the Council.

Councillor Bernie Attridge asked for background on the reasons for three areas of overspend and why these had not formed part of projected budgets: (i) in-house residential care which was “due to staff and running costs”, (ii) overspend on legal costs in Children’s Services due to a rising number of court cases and using external legal professionals and (iii) Out of County Placements which included 40 new placements. He also asked about the potential risk to the HRA on the loss of income for collecting water rates.

The Corporate Finance Manager explained that variances were inevitable given the wide range of services with significant budgets coupled with changes in demand and inflationary pressures. He stated that robust budgetary processes were in place including the monthly monitoring cycle which provided detailed information on variances across portfolios and risks associated with budgets. He went on to refer to the volatility of some services such as Out of County Placements and the need to maintain reserves levels to protect against unforeseen circumstances.

On increased legal costs in Children’s Services, the Chief Officer (Governance) referred to the difficult balance required in budget-setting without over-predicting demand-led services such as safeguarding on which the Council had a statutory duty.

The Chief Executive highlighted the level and quality of data provided in the monitoring reports and the challenges in anticipating volatile service areas where variances could arise. He gave assurance that such areas were being closely monitored and that the situation at this stage of the financial year was a concern.

*At this point, there was a brief adjournment before re-commencing the meeting.*

### Capital Programme

The revised programme for 2022/23 was £92.133m taking into account all carry forward sums and savings transferred back to the programme. Changes during the last quarter were mainly due to the introduction of grant funding streams, additional allocations approved in the 2021/22 outturn report and budget re-profiling. The projected outturn position totalled £90.590m leaving a £1.543m underspend recommended to be carried forward for the completion of schemes in 2023/24 as detailed. There was one additional allocation identified for the Ty Nyth Children’s Assessment Centre and no savings had been identified during this quarter. The overall funding position of approved schemes indicated a surplus of £3.126m due to a number of capital receipts received during the first quarter, prior to the realisation of additional capital receipts and/or other funding sources.

The recommendations for both reports were moved and seconded by Councillors Bernie Attridge and Linda Thomas.

**RESOLVED:**

- (a) That having considered the Revenue Budget Monitoring 2022/23 (month 4) report, the Committee confirms that there are no specific matters to be raised with Cabinet; and
- (b) That having considered the Capital Programme Monitoring 2022/23 (month 4) report, the Committee confirms that there are no specific matters to be raised with Cabinet.

**27. COUNCIL PLAN 2022/23 TIMELINE REVIEW**

The Chairman introduced the report on the review of timelines for the Council Plan 2022/23 as requested at County Council in July. Since publication, the appendix had been amended and re-issued to clarify links to themes.

Whilst acknowledging day-to-day core business within the document, the Chairman said it would be useful for Overview & Scrutiny Committees to identify when milestones had passed. He was seconded by Councillor Bernie Attridge.

The Internal Audit, Performance & Risk Manager clarified that the timeline related to the Council Plan for 2022-23 which included some items rolling forward beyond that period. Officers were currently focussed on developing the five year Council Plan which would incorporate more specific detail of use to Overview & Scrutiny Committees in identifying topics for their Forward Work Programmes.

In acknowledgement, the Chairman and Councillor Attridge withdrew the motion. The Chairman asked that the new Council Plan be scheduled for a future meeting.

The recommendations, which were amended to reflect the debate, were moved by the Chairman and seconded by Councillor Bernie Attridge.

**RESOLVED:**

- (a) That the Committee agrees the Council Plan Part 1 updated timelines for completion; and
- (b) The Committee awaits the completion of the 5 year Council Plan for further review.

**28. FOR INFORMATION - BUSINESS AND FINANCIAL PLANNING CYCLE**

The Chairman thanked officers for the Business and Financial Planning Cycle which had been provided for information. He asked that A3 copies be circulated to Members of the Committee for ease of reading.

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

Exclusion of the press and public was moved and seconded by Councillors Bernie Attridge and Bill Crease. Having declared a personal and prejudicial interest, Councillor Carolyn Preece left the meeting at this point.

**RESOLVED:**

That the press and public be excluded from the meeting as the following item was considered to be exempt by virtue of paragraph 14 of Part 4 of Schedule 12A of the Local Government Act 1972 (as amended).

**30. THEATR CLWYD PROJECT - UPDATE**

The Chief Officer (Governance) introduced the report to seek support for the Council's share of the projected increase in costs for the capital refurbishment of Theatr Clwyd, provided that Welsh Government (WG) agree to bear its share of the extra costs in line with the proportions previously agreed. He suggested that the Executive Director of Theatr Clwyd, who was in attendance to provide information and respond to questions, should remain in the meeting until such time as the Committee may wish to have a confidential discussion.

The Chief Executive and Corporate Manager (Capital Programme and Assets) provided background on key aspects of the report.

In acknowledging the value of the Council's support for Theatr Clwyd, the Executive Director provided information on investment streams and assurance on the project through an independent report.

Councillor Ian Roberts advised Members of the Cabinet's intention to approve the additional £1.5m to proceed with the project. However, in the event of WG being unable or unwilling to proportionally increase its contribution, Councillor Roberts stated that Cabinet would refer the matter to full Council for a final decision.

In response to detailed questions from Members, clarification was given on a range of issues including financial elements and contractual arrangements with the project.

**RESOLVED:**

That the report be accepted.

31. **MEMBERS OF THE PRESS IN ATTENDANCE**

None.

(The meeting started at 10am and ended at 2.10pm)

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**Chairman**



## CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

<b>Date of Meeting</b>	Thursday, 13 <sup>th</sup> October 2022
<b>Report Subject</b>	Action Tracking
<b>Report Author</b>	Democratic Services Manager
<b>Type of Report</b>	Operational

### EXECUTIVE SUMMARY

The report shows the action points from previous meetings of the Corporate Resources Overview & Scrutiny Committee and the progress made in completing them.

The majority of the requested actions have been completed. Any outstanding will be reported back to the next monthly meeting.

### RECOMMENDATIONS

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

<b>1.00</b>	<b>EXPLAINING THE ACTION TRACKING REPORT</b>
1.01	In previous meetings, requests for information, reports or actions have been made. These have been summarised as action points. Following the meeting of the committee in July 2018, it was recognised that there was a need to formalise such reporting back, as 'Matters Arising' is not an item which can feature on an agenda.

1.02	This paper summarises those points and where appropriate provides an update on the actions resulting from them.  The Action Tracking details are attached in Appendix 1.
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<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	The creation of the Action Tracking report increases workflow but should provide greater understanding and efficiency.

<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
3.01	In some cases, action owners have been contacted to provide an update on their actions.

<b>4.00</b>	<b>RISK MANAGEMENT</b>
4.01	Not applicable.

<b>5.00</b>	<b>APPENDICES</b>
5.01	Appendix 1 – CRO&SC Action Points.

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	Minutes of previous meetings of the committee as identified in the report.  <b>Contact Officer:</b> Steven Goodrum, Democratic Services Manager <b>Telephone:</b> 01352 702320 <b>E-mail:</b> <a href="mailto:robert.robins@flintshire.gov.uk">robert.robins@flintshire.gov.uk</a>

<b>7.00</b>	<b>GLOSSARY OF TERMS</b>
7.01	None.



**ACTION TRACKING FOR THE CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE**

Meeting Date	Agenda item	Action Required	Action Officer(s)	Action taken	Timescale
23.09.2022	5. Forward Work Programme	The Chairman requested that the Committee receive updates on the Poverty theme and the North Wales Economic Ambition Board before the end of the year.		Items added to FWP as 'Item to be scheduled' awaiting allocation to a specific date.	Completed.
		Councillor Alasdair Ibbotson proposed that an item be scheduled to review the Council's policy on Section 13A (sub-section 1c) of the Local Government Finance Act 1992 relating to the discretionary powers held by councils to discount or write-off the amount of Council Tax payable on a case-by-case basis.		Items added to FWP – scheduled for meeting in March 2023.	Completed.
		The Chief Executive's suggestion that the Committee receive an update on Corporate Joint Committees (CJCs) in October was supported.		Item added to Agenda for CROSC meeting scheduled for 14 <sup>th</sup> October.	Completed.
23.09.2022	7. Medium Term Financial Strategy and Budget 2023/24	In addition to the Cabinet response, the Chairman proposed that the Committee respond separately in writing to reiterate the full impact of funding decisions. In response to comments from	Steven Goodrum	Letter currently being drafted for review by the Chair.	Ongoing

		Councillors Roberts and Attridge, it was agreed that the letter would be sent on behalf of the Committee to the WG First Minister, the UK Chancellor and local elected Assembly Members.			
23.09.2022	9. Council Plan 2022/23 Timeline Review	Following discussions about the review of timelines for the Council Plan 2022/23 which was requested at County Council in July, the Chairman asked that the new Council Plan be scheduled for a future meeting.	Lisa Brownbill	Items added to FWP as 'Item to be scheduled' awaiting allocation to a specific date.	Ongoing
23.09.2022	10. Business and Financial Planning Cycle	The Chairman asked that A3 copies be circulated to Members of the Committee for ease of reading.	Steven Goodrum	A copy will be provided to the Members of the Committee before it next meets.	Ongoing



## CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

<b>Date of Meeting</b>	Thursday, 13 <sup>th</sup> October 2022
<b>Report Subject</b>	Forward Work Programme
<b>Report Author</b>	Democratic Services Manager
<b>Type of Report</b>	Operational

### EXECUTIVE SUMMARY

Overview & Scrutiny presents a unique opportunity for Members to determine the Forward Work programme of the Committee of which they are Members.

By reviewing and prioritising the Forward Work Programme Members are able to ensure it is Member-led and includes the right issues.

A copy of the Forward Work Programme is attached at Appendix 1 for Members' consideration which has been updated following the last meeting.

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

### RECOMMENDATION

1	That the Committee considers the draft Forward Work Programme and approve/amend as necessary.
2	That the Democratic Services Manager, in consultation with the Chair of the Committee be authorised to vary the Forward Work Programme between meetings, as the need arises.

## REPORT DETAILS

<b>1.00</b>	<b>EXPLAINING THE FORWARD WORK PROGRAMME</b>
1.01	Items feed into a Committee's Forward Work Programme from a number of sources. Members can suggest topics for review by Overview & Scrutiny Committees, members of the public can suggest topics, items can be referred by the Cabinet for consultation purposes, or by County Council or Chief Officers. Other possible items are identified from the Cabinet Work Programme and the Improvement Plan.
1.02	<p>In identifying topics for future consideration, it is useful for a 'test of significance' to be applied. This can be achieved by asking a range of questions as follows:</p> <ol style="list-style-type: none"><li>1. Will the review contribute to the Council's priorities and/or objectives?</li><li>2. Is it an area of major change or risk?</li><li>3. Are there issues of concern in performance?</li><li>4. Is there new Government guidance of legislation?</li><li>5. Is it prompted by the work carried out by Regulators/Internal Audit?</li><li>6. Is the issue of public or Member concern?</li></ol>
<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	None as a result of this report.
<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
3.01	Publication of this report constitutes consultation.
<b>4.00</b>	<b>RISK MANAGEMENT</b>
4.01	None as a result of this report.
<b>5.00</b>	<b>APPENDICES</b>
5.01	Appendix 1 – Draft Forward Work Programme.
<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	<p>None.</p> <p><b>Contact Officer:</b> Steven Goodrum Democratic Services Manager</p> <p><b>Telephone:</b> 01352 702320</p> <p><b>E-mail:</b> <a href="mailto:steven.goodrum@flintshire.gov.uk">steven.goodrum@flintshire.gov.uk</a></p>

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

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CORPORATE RESOURCES OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME  
**CURRENT FWP**

Date of meeting	Subject	Purpose of Report	Report Author
<p>Thursday 17<sup>th</sup> November, 2022</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 23</p>	<p><b>Revenue Budget Monitoring 2022/23 (Month 6)</b></p>	<p>To provide the latest revenue budget monitoring position for 2022/23 for the Council Fund and Housing Revenue Account.</p>	<p>Corporate Finance Manager</p>
	<p><b>Joint Procurement Service Annual Report 2021/22</b></p>	<p>To receive a performance update report on the Joint Procurement Service with Denbighshire County Council.</p>	<p>Chief Officer (Governance)</p>
	<p><b>Capital Programme Monitoring 2022/23 (Month 6)</b></p>	<p>To present the Capital Programme Monitoring report (Month 6) for 2022/23.</p>	<p>Corporate Finance Manager</p>
	<p><b>Capital Strategy Including Prudential Indicators 2023/24 to 2025/26</b></p>	<p>To present the Capital Strategy 2023/24 - 2025/26 for review.</p>	<p>Corporate Finance Manager</p>
	<p><b>Capital Programme 2023/24 – 2025/26</b></p>	<p>To present the Capital Programme 2023/24 - 2025/26 for review.</p>	<p>Corporate Finance Manager</p>
<p>Thursday 15<sup>th</sup> December, 2022</p>	<p><b>Revenue Budget Monitoring 2022/23 (Month 7)</b></p>	<p>To provide the latest revenue budget monitoring position for 2022/23 for the Council Fund and Housing Revenue Account.</p>	<p>Corporate Finance Manager</p>
	<p><b>Work of the Coroner's Office</b></p>	<p>To receive a presentation from John Gittins on the work of the Coroner's Office.</p>	<p>Chief Officer (Governance)</p>
	<p><b>Council Plan 2022-23 Mid-Year Performance Reporting</b></p>	<p>To review the levels of progress in the achievement of activities and performance levels identified in the Council Plan.</p>	<p>Chief Executive</p>

## CORPORATE RESOURCES OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

<p><b>Thursday 12<sup>th</sup> January, 2023</b></p>	<p><b>Revenue Budget Monitoring 2022/23 (Month 8)</b></p> <p><b>Employment and Workforce Quarterly Update</b></p>	<p>To provide the latest revenue budget monitoring position for 2022/23 for the Council Fund and Housing Revenue Account.</p> <p>This report covers strategic updates in addition to the quarterly workforce statistics and their analysis</p>	<p>Corporate Finance Manager</p> <p>Corporate Manager, People and Organisational Development</p>
<p><b>Thursday 9<sup>th</sup> February, 2023</b></p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 24</p>	<p><b>Revenue Budget Monitoring 2022/23 (Month 9) and Capital Programme Monitoring 2022/23 (month 9)</b></p> <p><b>Public Services Ombudsman for Wales (PSOW) Annual Letter 2020-21 and Complaints against Flintshire County Council during the first half of 2021-22</b></p>	<p>To provide Members with the Revenue Budget Monitoring 2022/23 (Month 9) Report and the Capital Programme 2022/23 (Month 9) Report and Significant Variances.</p> <p>To share the Public Services Ombudsman for Wales Annual Letter 2021-22 and Complaints made against Flintshire County Council Services in the first half of 2022-23 (April-September 2022).</p>	<p>Corporate Finance Manager</p> <p>Chief Officer (Governance)</p>
<p><b>Thursday 9<sup>th</sup> March, 2023</b></p>	<p><b>Revenue budget monitoring 2022/23 (month 10)</b></p> <p><b>Local Government Finance Act 1992, Section 13A (Sub-section 1C)</b></p>	<p>To provide the latest revenue budget monitoring position for 2022/23 for the Council Fund and Housing Revenue Account.</p> <p>To review Flintshire County Council's policy on discretionary powers held by councils to discount or write-off the amount of Council Tax payable on a case-by-case basis.</p>	<p>Corporate Finance Manager</p> <p>Corporate Finance Manager</p>



## CORPORATE RESOURCES OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

<p><b>Thursday 20<sup>th</sup> April, 2023</b></p>	<p><b>Revenue budget monitoring 2022/23 (month 11)</b></p> <p><b>Employment and Workforce Quarterly Update</b></p>	<p>To provide the latest revenue budget monitoring position for 2022/23 for the Council Fund and Housing Revenue Account.</p> <p>This report covers strategic updates in addition to the quarterly workforce statistics and their analysis</p>	<p>Corporate Finance Manager</p> <p>Corporate Manager, People and Organisational Development</p>
<p><b>Thursday 18<sup>th</sup> May, 2023</b></p>	<p><b>Revenue Budget Monitoring 2022/23 (Outturn) and Capital Programme Monitoring 2022/23 (Outturn)</b></p>	<p>To present the Revenue Budget Monitoring (Outturn) and Capital Programme Monitoring (Outturn) for 2022/23.</p>	<p>Corporate Finance Manager</p>
<p><b>Thursday 15<sup>th</sup> June, 2023</b></p> <p style="text-align: center;">June 25</p>	<p><b>Revenue budget monitoring 2023/24 (month 1)</b></p> <p><b>Council Plan 2022-23 Year-End Performance</b></p>	<p>To provide the latest revenue budget monitoring position for 2023/24 for the Council Fund and Housing Revenue Account.</p> <p>To review the levels of progress in the achievement of activities and performance levels identified in the Council Plan.</p>	<p>Corporate Finance Manager</p> <p>Chief Executive</p>
<p><b>Thursday 13<sup>th</sup> July, 2023</b></p>	<p><b>Revenue budget monitoring 2023/24 (month 2)</b></p>	<p>To provide the latest revenue budget monitoring position for 2023/24 for the Council Fund and Housing Revenue Account.</p>	<p>Corporate Finance Manager</p>

# CORPORATE RESOURCES OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

## Items to be scheduled as agreed during the September 2022 meeting:

- Item to explore the financial benefits of outsourcing or sharing some Council services.
- To receive an update on the Poverty Theme.
- To receive an update from the North Wales Economic Ambition Board.
- Council Plan 2022/23 Timeline Review

## REGULAR ITEMS

Month	Item	Purpose of Report	Responsible / Contact Officer
Quarterly / Annual	<b>Performance Reporting</b>	To consider performance outturns for improvement targets against directorate indicators.	Chief Executive
Monthly 26	<b>Revenue Budget Monitoring</b>	To provide the latest revenue budget monitoring position for 2021/22 for the Council Fund and Housing Revenue Account.	Corporate Finance Manager
Quarterly	<b>Employment and Workforce Quarterly Update</b>	This report covers strategic updates in addition to the quarterly workforce statistics and their analysis.	Corporate Manager, People and Organisational Development
Annually	<b>Public Services Ombudsman for Wales (PSOW) Annual Letter and Complaints against Flintshire County Council</b>	To share the Public Services Ombudsman for Wales Annual Letter and Complaints made against Flintshire County Council Services	Chief Officer (Governance)



## CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

<b>Date of Meeting</b>	Thursday, 13 October 2022
<b>Report Subject</b>	Joint Funded Care Packages
<b>Cabinet Member</b>	Deputy Leader of the Council and Cabinet Member for Social Services
<b>Report Author</b>	Chief Officer (Social Services) and Corporate Finance Manager
<b>Type of Report</b>	Operational

### EXECUTIVE SUMMARY

Health and Social Care continue to work closely together to provide appropriate care and support packages to meet the needs of individuals in the community. These packages are funded either by Social Services (with or without a client contribution depending of the outcome of a financial assessment) or jointly between the Health Board and ourselves, or solely by the Health Board if an individual's needs meet the criteria for full Continuing Health Care (CHC) funding.

As discussed in the Corporate Resources Overview and Scrutiny Committee of the 9<sup>th</sup> December 2021, the process of funding is complex but much work has been done since then to strengthen the close working relationships with Health Board colleagues whilst also establishing new processes and including additional resources to manage outstanding invoices and ensure payment of invoices in a timely manner.

### RECOMMENDATIONS

1	To update Members on the progress made on the proactive budget management of outstanding invoices raised by the Council for payment by Betsi Cadwaladr University Health Board.
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## **REPORT DETAILS**

<b>1.00</b>	<b>BACKGROUND INFORMATION AND PROGRESS UPDATE</b>
1.01	<p>NHS Continuing Health Care (CHC) is a package of care and support for a person who has complex care needs which are primarily health based. The NHS in Wales is responsible for the delivery of CHC, although the Local Authority also has a role.</p>
1.02	<p>Welsh Government created an implementation framework for NHS Continuing Health Care in Wales which was published in 2014 and which is currently under review. The framework sets out the arrangements for CHC in Wales and how eligibility is determined. It stipulates that Local Health Boards have the lead responsibility for CHC in their local area. They must, however, work with local authorities, other NHS organisations and independent/voluntary sector partners to ensure effective operation of the Framework.</p>
1.03	<p>Many people have a blend of some social care needs and some health needs and their care packages are jointly funded by the health board and the local authority with the proportion of funding determined by the eligibility laid down in the Welsh Government CHC Framework referred to above.</p>
1.04	<p>The CHC process is well-established but has current challenges are as set out below:</p> <ul style="list-style-type: none"> <li>• As people become older, frailer, or their health deteriorates, their health needs increase. The social care package which used to meet their needs is now required to contain some health tasks. There is therefore a requirement on Social Services to gain engagement from the CHC team in BCUHB to ensure that they contribute to the cost of the care package(s). This has at times been a challenge for Social Services.</li> <li>• Flintshire and Wrexham continue to have the highest number of CHC packages across North Wales. This is likely due to the population size and is an indicator that officers have acted promptly and diligently to pursue CHC claims where appropriate.</li> <li>• BCUHB employ a team of specialist CHC reviewers and have a management structure to solely undertake this work which affords them resource and capacity. Social Services staff, however, undertake this role as part of their varied and demanding work roles.</li> <li>• Flintshire now also employ a Continuing Health Care Planning and Development Officer who sits within the Financial Assessment and Charging Team of Social Services.</li> </ul>
1.05	<p>It is also important to note that CHC is also present to support children with complex health needs and whilst the Children's Health and CHC framework is less prescriptive than the Adult framework, this flexibility can make it challenging when decisions regarding funding need to be reached. Few children receive 100% CHC funding. It is also important to note that the cost of packages of care for children can often be significant.</p>

<b>1.06</b>	<b>Progress Update</b>
1.07	The relationship between BCUHB and Flintshire staff at all stages in the process has improved considerably. This has resulted in constructive and supportive conversations and the resolution of long standing problems in the process.
1.08	<p>As mentioned above, the new Flintshire CHC Planning and Development Officer was appointed in February 2022.</p> <p>The priority for the post holder in their initial six months has been to streamline and improve processes, work has included:</p> <ul style="list-style-type: none"> <li>• developing new procedures and protocols where appropriate</li> <li>• improving recording and progress of current claims</li> <li>• improving communication processes and develop good working relationship with BCUHB</li> <li>• coordinating with Business Systems Team and Performance Management to utilise PARIS (the Social Services Client Information System) to its full potential to reduce the time spent duplicating data in spreadsheets and enabling the production of management information to measure and report data.</li> </ul>
1.09	<p>The CHC Planning and Development Officer has recorded the following progress in each area:</p> <p><b>Procedures developed to improve protocols</b></p> <ul style="list-style-type: none"> <li>• Development of CHC procedure for FCC employees to follow</li> <li>• Development and launch of CHC tracking case note on PARIS to record all stages of a claim and outcomes.</li> <li>• Development of a CHC spreadsheet which records all cases, all stages of claims and outcomes, available to monitor progress and to monitor delay or drifting of cases.</li> <li>• Development of collaborative training between the Health Board and Flintshire County Council to be delivered to staff of both organisations to provide a unified approach to the process. This is ongoing for both Adults and Childrens Frameworks. Training started in September 2022.</li> <li>• Support to all staff through every stage of the process. Having early and regular follow-up conversations with staff to understand their needs can help make sure support and procedures are in place so they can continue to do their job effectively.</li> </ul>
1.10	<p><b>Improve recording and progress of current claims</b></p> <p>In the 6 month period mid-February to mid-August there have been 80 cases. They are broken down as follows, refer to table 1.</p>

**Table 1**

<b>Team</b>	<b>Agreed</b>	<b>Ended</b>	<b>Dispute</b>	<b>Current</b>	<b>Team Total</b>
Child 2 Adult	0	0	0	9	9
Physical Disability	4	0	0	4	8
Learning Disability	1	1	0	5	7
Older People	14	2	2	10	28
Hospital Social Work	17	8	0	3	28
<b>Totals</b>	<b>36</b>	<b>11</b>	<b>2</b>	<b>31</b>	<b>80</b>

The 2 disputed cases are at local resolution stage and anticipated to be agreed by the end of September 2022.

1.11

### **Improve communication processes and develop good working relationship with BCUHB**

Identifying and resolving historic disputes has highlighted many areas for improvement including the need for improved communication between organisations. A team including staff from Flintshire County Council and the Health Board meet monthly to work through old debt, disputes, and to identify and resolve issues causing delays in payments.

The team includes the CHC Planning and Development Officer, the FCC Debt Management Team, and Finance Officers from Flintshire County Council and BCUHB.

Since February 2022, this team have been working towards new processes for both the County Council and BCUHB which include identifying reasons for delays in payment of invoices and addressing those reasons to ensure swift payment by:

- Providing schedules for monthly invoicing to Health in advance to be checked before the invoice is raised. Any queries can be dealt with in advance avoiding delays in payment.
- Requesting that funding confirmation letters within agreement timescales are provided by Health. This provides evidence of our agreements and avoids delay in making payment.
- Providing Health references on Council invoices for ease of cross referencing.

	<ul style="list-style-type: none"> <li>• Developing a pivot sheet on our Council records showing a collation of invoices by service user to identify problem cases which are hidden within larger invoices.</li> <li>• Providing management information and case file information to aid the resolution of outstanding invoices.</li> </ul>
1.12	<p><b>Historic Cases</b></p> <p>Since February 2022:</p> <ul style="list-style-type: none"> <li>• Debt 90+ days - 7 cases have been resolved totaling £239,827.30</li> <li>• Debt 90+ days - 3 cases being worked on totaling £316,501</li> <li>• 8 Aged Children's cases being worked on totaling £159,582.13</li> </ul>
<b>1.13</b>	<b>Ongoing Work</b>
1.14	For outstanding invoices relating to Children's care packages, BCUHB are now providing a breakdown of information required. The relevant information is sources by the CHC Planning and Development Officer and the Flintshire finance team to ensure prompt payment of invoices.
1.15	BCUHB have created a short-term debt pathway to ensure that where all the relevant information is present, any Flintshire invoices are paid through a weekly payment run.
1.16	The Flintshire finance team now provide a monthly statement of outstanding invoices up to 60 days, this has been successful in prompting payment of invoices which may need some additional information or which may have been held back as part of a wider delay and can now be paid.
1.17	Senior Managers meet every two months for a detailed progress update and to review process and facilitate continuous improvement in the processes.
1.18	BCUHB outstanding invoices are reported and discussed at the Social Services monthly Management Team Meeting. The outstanding invoices are also a standing agenda item at the Flintshire and BCUHB Strategic meeting held once a quarter and the Council is represented by the Chief Executive, Leader, Deputy Leader, Chief Officer Social Services and Senior Managers. BCUHB attendees include the Chairman, Chief Executive, East Area Director and other senior managers as required.
<b>1.19</b>	<b>Debt Levels</b>
1.20	<p>The most up to date figures available are as at the 5<sup>th</sup> September 2022. The current debt owed by BCUHB on unpaid invoices stands at £1,062,674.14 with all invoices up to 90 days now paid. This has been a marginal improvement over the past 6 to 9 months. The debt level as at December 2021 was £1,094,884.</p> <p>During this time there has been a concentration of effort to ensure short term (90 days and under) debts are paid on time, in December 2021 £0.258m of short term debts were outstanding, in September 2022 this had reduced to £0.000m</p>

	As noted above, work now continues to resolve long-term debt by addressing individual invoices and ensuring all the relevant information is available and escalated where this is appropriate.
<b>1.21</b>	<b>Next Steps</b>
1.22	A facilitated workshop has been arranged to discuss both the Flintshire internal process and the BCUHB internal process and the touch-points between them. The purpose of this is to better understand each other's processes and to iron out and pressure points.
1.23	BCUHB's Lead Finance Officer is producing a position statement which will provide details of +90 day invoices and the outstanding issues which are preventing payment.
1.24	Continue with monthly operational meeting, strategic meetings every two months and escalation pathways through the FCC and BCUHB Strategic Partnership Meeting.
1.25	<p>The CHC Planning and Development Officer will develop their role further by implementing, auditing and reviewing new and existing policies.</p> <p>They will also:</p> <ul style="list-style-type: none"> <li>• Develop a standard procedure for briefing management on disputes</li> <li>• Monitor changing legislation</li> <li>• Attend Panel Meetings for all teams to advise regarding CHC cases;</li> <li>• Attend Management Meetings to report performance data</li> <li>• Attend Team Meetings or individual supervision when required</li> <li>• Attend meetings with Social Workers regarding individual cases;</li> <li>• Manage disputes through challenging, as appropriate, when National Framework is not followed, through dispute process</li> <li>• Continue to research, analyse and interpret emerging and existing Welsh Government social care legislation, frameworks and guidance, and disseminate this information to Flintshire practitioners</li> </ul>

<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	As this report is the provision of financial information only, there are no resource implications.

<b>3.00</b>	<b>IMPACT ASSESSMENT AND RISK MANAGEMENT</b>
3.01	Debt levels are monitored monthly and an escalation route has been established.



<b>4.00</b>	<b>CONSULTATIONS REQUIRED/CARRIED OUT</b>
4.01	None required at this stage.

<b>5.00</b>	<b>APPENDICES</b>
5.01	None

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	Monthly Budget Monitoring Reports

<b>7.00</b>	<b>CONTACT OFFICER DETAILS</b>
7.01	<p><b>Contact Officer:</b> Jane Davies - Senior Manager Safeguarding and Commissioning</p> <p><b>Telephone:</b> 01352 704503 and 01352 702503</p> <p><b>E-mail:</b> <a href="mailto:jane.m.davies@flintshire.gov.uk">jane.m.davies@flintshire.gov.uk</a></p>

<b>8.00</b>	<b>GLOSSARY OF TERMS</b>
8.01	(1) Social Services and Wellbeing (Wales) Act 2014: The Social Services and Well-being (Wales) Act came into force on 6 April 2016. The Act provides the legal framework for improving the well-being of people who need care and support, and carers who need support, and for transforming social services in Wales.

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## CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

<b>Date of Meeting</b>	Thursday 13 <sup>th</sup> October 2022
<b>Report Subject</b>	Council Plan 2023-28
<b>Cabinet Member</b>	Leader of the Council and Cabinet Member for Education Welsh Language, Culture and Leisure
<b>Report Author</b>	Chief Executive
<b>Type of Report</b>	Strategic

### EXECUTIVE SUMMARY

The Council Plan for 2023 - 28 has been reviewed and refreshed to reflect the key priorities of the Council for the five-year term of the new administration.

The 'super-structure' of the Plan comprises of seven priorities and relevant sub-priorities. The seven priorities take a long-term view of recovery, projects and ambitions over the next five years.

The Council Plan 2023 - 28 will be published in a similar format to previous years, identifying actions aimed at achieving the Well-being objectives, priorities and sub-priorities. National and regional issues/risks which could impact on the achievement of these priorities will be identified and monitored.

Part 2 of the Council Plan will be considered by the respective Overview and Scrutiny committees to ensure full coverage of Part 1 of the Council Plan 2023/28 and its respective measures and their targets.

### RECOMMENDATIONS

1.	That the Committee support the proposed Priorities, Sub-priorities and Well-being objectives of the Council Plan 2023-28, as set out at Appendix 1.
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## REPORT DETAILS

<b>1.00</b>	<b>Council Plan 2023-28</b>
1.01	It is a requirement of the Local Government and Elections (Wales) Act 2021 for organisations to 'set out any actions to increase the extent to which the council is meeting the performance requirements.' Plans for organisations should be robust; be clear on where it wants to go; and how it will get there.
1.02	A full review has taken place to ensure the appropriateness and relevance of the well-being objectives, priorities, and sub-priorities going forward. This includes: <ul style="list-style-type: none"><li>• priority actions that continue from 2023 onwards for sustained attention</li><li>• priority actions which could be removed as they have been completed or become operational (business as usual); and</li><li>• emerging priority actions for 2023-28</li></ul>
1.03	The proposed structure of the Council Plan 2023-28 consists of seven priorities, well-being objectives, and sub-priorities as follows:  <b>Priority: Poverty</b> <b>Well-being Objective:</b> Protecting our communities and people from poverty by supporting them to meet their basic needs and to be resilient Sub-priorities: <ul style="list-style-type: none"><li>- Income Poverty</li><li>- Child Poverty</li><li>- Food Poverty</li><li>- Fuel Poverty</li><li>- Digital Poverty</li></ul> <b>Priority: Affordable and Accessible Housing</b> <b>Well-being Objective:</b> Housing in Flintshire meeting the needs of our residents and supporting safer communities Sub-priorities: <ul style="list-style-type: none"><li>- Housing Support and Homeless Prevention</li><li>- Housing Needs and Housing Options</li><li>- Social Housing</li><li>- Private Rented Sector</li><li>- Empty Properties</li></ul> <b>Priority: Green Society and Environment</b> <b>Well-being Objective:</b> Limiting and enhancing the impact of the Council's services on the natural environment and supporting the wider communities of Flintshire to reduce their own carbon footprint Sub-priorities: <ul style="list-style-type: none"><li>- Phosphates Mitigation</li><li>- Carbon Neutrality</li><li>- Climate Change Adaptation</li><li>- Flood Risk Management Strategy</li><li>- Strategic Flood Consequences Assessment</li><li>- Fleet Strategy</li><li>- Green Environment</li></ul>

- Flintshire Forest
- Green Access
- Renewable Energy
- Active and Sustainable Travel Options
- Circular Economy

**Priority: Economy**

**Well-being Objective:** Connecting communities and enabling sustainable economic recovery and growth

Sub-priorities:

- Rural Regeneration
- Levelling Up
- Town Centre Regeneration
- Business
- Transport Connectivity
- Digital Infrastructure
- Local Development Plan (LDP) Targets
- Spending Money for the benefit of Flintshire
- Reducing Worklessness

**Priority: Personal and Community Well-being**

**Well-being Objective:** Supporting people in need to live as well as they can

Sub-priorities:

- Independent Living
- Safeguarding
- Direct Provision to support people closer to home
- Local Dementia Strategy
- A Well-connected, Safe and Clean Local Environment.

**Priority: Education and Skills**

**Well-being Objective:** Enabling and Supporting Learning Communities

Sub-priorities:

- Educational Engagement and Achievement
- Digital Learning Opportunities
- Learning Environments
- Learning Community Networks
- Specialist Educational Provision
- Welsh Education Strategic Plan (WESP)
- Well-being

**Priority: A Well-managed Council**

**Well-being Objective:** A responsible, resourceful and trusted Council operating as efficiently as possible

Sub-priorities:

- People
- Anti-Racist and Anti-Discriminatory Council
- Financial Resilience
- Flintshire Assets
- Digital
- Partnerships

1.05	The final Council Plan will be available as a web-based document published on the Flintshire County Council website following adoption by County Council in June 2023.
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<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
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2.01	Resource implications have been considered during preparation of the Medium-Term Financial Strategy and Capital Programme and will continue to be monitored during the regular budget monitoring and financial review arrangements.
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<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
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3.01	All Members will have the opportunity to consider and review the content of the draft Well-being objectives, priorities and sub-priorities including the opportunity to scrutinise targets set for 2023-28.
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<b>4.00</b>	<b>IMPACT ASSESSMENT AND RISK MANAGEMENT</b>
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4.01	<p><b>Ways of Working (Sustainable Development) Principles Impact</b></p> <table border="1"> <tr> <td>Long-term</td> <td rowspan="5">The Council Plan 2023-28 continues to be aligned to the Sustainable Development Principles across all of their working. A full integrated impact assessment will be carried out for Council Plan 2023-28</td> </tr> <tr> <td>Prevention</td> </tr> <tr> <td>Integration</td> </tr> <tr> <td>Collaboration</td> </tr> <tr> <td>Involvement</td> </tr> </table> <p><b>Well-being Goals Impact</b></p> <table border="1"> <tr> <td>Prosperous Wales</td> <td rowspan="7">Council Plan 2023-28 continues to provide evidence of alignment with the Well-being Goals. Specific strategic and policy reports include impact and risk assessments.</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><b>Council's Well-being Objectives</b> The Council's Well-being objectives have been reviewed as part of this exercise. The refreshed set Well-being objectives is found within this report in section 1.03.</p>	Long-term	The Council Plan 2023-28 continues to be aligned to the Sustainable Development Principles across all of their working. A full integrated impact assessment will be carried out for Council Plan 2023-28	Prevention	Integration	Collaboration	Involvement	Prosperous Wales	Council Plan 2023-28 continues to provide evidence of alignment with the Well-being Goals. Specific strategic and policy reports include impact and risk assessments.	Resilient Wales	Healthier Wales	More equal Wales	Cohesive Wales	Vibrant Wales	Globally responsible Wales
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Cohesive Wales															
Vibrant Wales															
Globally responsible Wales															

<b>5.00</b>	<b>APPENDICES</b>
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5.01	Appendix 1: Council Plan 2023-28 – Proposed Priorities, Sub-priorities and Well-being Objectives.
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<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	None.

<b>7.00</b>	<b>CONTACT OFFICER DETAILS</b>
7.01	<p><b>Contact Officer:</b> Sam Perry, Performance and Risk Management Support Officer  <b>Telephone:</b> 01352 701476  <b>E-mail:</b> <a href="mailto:Sam.perry@flintshire.gov.uk">Sam.perry@flintshire.gov.uk</a></p>

<b>8.00</b>	<b>GLOSSARY OF TERMS</b>
8.01	<b>Council Plan:</b> the document which sets out the annual priorities of the Council.
8.02	<b>Medium Term Financial Strategy:</b> 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.
8.03	<b>Council Plan Part 2:</b> the document which underpins the Council Plan, which captures Measures, Tasks and Risks.

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## Council Plan 2023-28 Development – Proposed Priorities

The following table provides an overview of proposed priorities for the Council Plan 2023-28

<b>PRIORITY:</b>	<b>Poverty</b>
<b>Description/ Well-being Objective</b>	<b>Protecting our communities and people from poverty by supporting them to meet their basic needs and to be resilient</b>
<b>Income Poverty</b>	<b>Definition:</b> People on low income who are unable to meet day to day living costs
<b>Child Poverty</b>	<b>Definition:</b> Children who do not have access to adequate food, clothing, shelter and education to lead a healthy and active life
<b>Food Poverty</b>	<b>Definition:</b> People who are not able to access food that meets their daily nutritional needs and requirements
<b>Fuel Poverty</b>	<b>Definition:</b> Households that spend more than 10% of their income (after housing costs) on energy
<b>Digital Poverty</b>	<b>Definition:</b> Inability to interact fully in a digital world when, where and how an individual needs to
<b>PRIORITY:</b>	<b>Affordable and Accessible Housing</b>
<b>Description/ Well-being Objective</b>	<b>Housing in Flintshire meeting the needs of our residents and supporting safer communities</b>
<b>Housing support and homeless prevention</b>	<b>Definition:</b> Offering support to people to retain their housing and live well and ensuring homelessness is rare, brief, and unrepeated
<b>Housing Needs and Housing Options</b>	<b>Definition:</b> Helping people to explore their housing options so they can access the right homes to meet their needs
<b>Social Housing</b>	<b>Definition:</b> Working with housing partners to develop and invest in affordable housing and social housing - with modern methods of construction, improving the quality of Council homes, and a commitment towards carbon neutral
<b>Private Rented Sector</b>	<b>Definition:</b> Supporting the private sector to raise standards in the management and condition of housing and promote tenancy sustainment in our communities
<b>Empty Properties</b>	<b>Definition:</b> Bringing empty homes back into use to enhance the local housing market and improve our local communities

## Council Plan 2023-28 Development – Proposed Priorities

<b>PRIORITY:</b>	<b>Green Society and Environment</b>
<b>Description/ Well-being Objective</b>	<b>Limiting and enhancing the impact of the Council’s services on the natural environment and supporting the wider communities of Flintshire to reduce their own carbon footprint</b>
<b>Phosphates Mitigation</b>	<b>Definition:</b> Provision of viable and deliverable options to mitigate the impact of phosphates from new development on Special Areas of Conservation protected rivers
<b>Carbon Neutrality</b>	<b>Definition:</b> A net carbon zero Council by 2030 and supporting wider decarbonisation actions across the County, making this central to Covid-19 recovery
<b>Climate Change Adaptation</b>	<b>Definition:</b> Be more resilient to the changes that have happened due to climate change and prepare for predicted future change
<b>Flood Risk Management Strategy</b>	<b>Definition:</b> Refresh the Council’s flood risk management strategy to align with the national strategy and identify communities at most risk in Flintshire and the actions required to mitigate this risk
<b>Strategic Flood Consequences Assessment</b>	<b>Definition:</b> Review the Council’s Strategic Flood Consequences Assessment in light of the Ministerial letter of November 2021, to prepare for the implementation of revised TAN15 Development and Flood Risk guidance which becomes operational in June 2023
<b>Fleet Strategy</b>	<b>Definition:</b> Reducing the environmental impact of our fleet
<b>Green Environment</b>	<b>Definition:</b> Enhance and increase biodiversity and trees to deliver multiple benefits for people, wildlife and the environment
<b>Flintshire Forest</b>	<b>Definition:</b> Development of a plan to establish a Flintshire Forest that will identify available land assets, budget requirements and a realistic delivery timescale
<b>Green Access</b>	<b>Definition:</b> The promotion, good management and protection of our green spaces to deliver multiple benefits to the environment and our residents and visitors
<b>Renewable Energy</b>	<b>Definition:</b> The promotion and support of renewable energy opportunities across the Council Estate and wider communities
<b>Active and Sustainable Travel Options</b>	<b>Definition:</b> Create opportunities to increase levels of walking and cycling (Active Travel) and the use of sustainable public transport options, enabling the undertaking of multi-modal transport journeys to access key destinations
<b>Circular Economy</b>	<b>Definition:</b> Support and promote the Welsh Government’s strategy to create a sustainable, circular economy in Flintshire

## Council Plan 2023-28 Development – Proposed Priorities

<b>PRIORITY:</b>	<b>Economy</b>
<b>Description/ Well-being Objective</b>	<b>Connecting communities and enabling sustainable economic recovery and growth</b>
<b>Rural Regeneration</b>	<b>Definition:</b> Ensure that Economy interventions consider and meet the needs of rural businesses and individuals
<b>Levelling Up</b>	<b>Definition:</b> Prepare and submit bids to the UK Government Levelling Up Fund programme to invest in projects in deprived coastal communities in Flintshire
<b>Town Centre Regeneration</b>	<b>Definition:</b> Regenerate and re-invent our town centres
<b>Business</b>	<b>Definition:</b> Enable business continuity and encourage appropriate investment
<b>Transport Connectivity</b>	<b>Definition:</b> Develop and promote effective transport connectivity while supporting recovery and economic growth
<b>Digital Infrastructure</b>	<b>Definition:</b> Ensure the digital networks facilitate and support recovery and growth
<b>Local Development Plan (LDP) Targets</b>	<b>Definition:</b> Achieve LDP policy objectives for growth, protection and enhancement
<b>Spending money for the benefit of Flintshire</b>	<b>Definition:</b> Grow our local economic vitality through social value commitments and procurement strategy
<b>Reducing worklessness</b>	<b>Definition:</b> Work with our partners to support individuals to gain employment
<b>PRIORITY:</b>	<b>Personal and Community Well-being</b>
<b>Description/ Well-being Objective</b>	<b>Supporting people in need to live as well as they can</b>
<b>Independent Living</b>	<b>Definition:</b> People will be supported to live as independently as possible through the right type of support, when they need it
<b>Safeguarding</b>	<b>Definition:</b> Continue to embed safeguarding procedures so our employees understand how they can help safeguard people in the community
<b>Direct Provision to support people closer to home</b>	<b>Definition:</b> The services we provide so people can access the support they need in their local community
<b>Local Dementia Strategy</b>	<b>Definition:</b> Continuing to improve the lives of people living with dementia in Flintshire
<b>A well-connected, safe and clean local environment</b>	<b>Definition:</b> Resilient communities where people feel connected and safe

## Council Plan 2023-28 Development – Proposed Priorities

<b>Priority Name</b>	<b>Education and Skills</b>
<b>Description/ Well-being Objective</b>	<b>Enabling and Supporting Learning Communities</b>
<b>Educational Engagement &amp; Achievement</b>	<b>Definition:</b> Providing diverse learning opportunities to support educational achievement in schools and communities
<b>Digital Learning Opportunities</b>	<b>Definition:</b> Supporting education engagement and achievement through proactive use of accessible digital media
<b>Learning Environments</b>	<b>Definition:</b> Creating aspirational and flexible learning environments
<b>Learning Community Networks</b>	<b>Definition:</b> Supporting our learning communities to engage and achieve through extensive partnership working unpinned by common safeguarding practices
<b>Specialist Educational Provision</b>	<b>Definition:</b> Extending local capacity to support learners with additional learning needs (ALN)
<b>Welsh Education Strategic Plan (WESP)</b>	<b>Definition:</b> Working with schools and partners to support the Welsh Government’s strategy to enable one million Welsh speakers by 2050
<b>Well-Being</b>	<b>Definition:</b> Working with schools and partners to provide opportunities for children, young people and the education workforce to engage in activities which support their emotional health and well-being

<b>Priority Name</b>	<b>A well-managed Council</b>
<b>Description/ Well-being Objective</b>	<b>A responsible, resourceful and trusted Council operating as efficiently as possible</b>
<b>People</b>	<b>Definition:</b> Recruit, retain, develop and support the well-being of our employees to enable high quality service delivery
<b>Anti-Racist and Anti-Discriminatory Council</b>	<b>Definition:</b> Welsh Government Anti Racist Wales Action Plan and public sector equality duties
<b>Financial Resilience</b>	<b>Definition:</b> Ensuring that the Council is sustainable over the medium to longer term
<b>Flintshire Assets</b>	<b>Definition:</b> The provision of the right asset in the right place at the right time will ensure the effective and efficient delivery of a comprehensive range of high-quality public services
<b>Digital</b>	<b>Definition:</b> Modernising our services so that they are designed around user needs and are simple, secure and convenient
<b>Partnerships</b>	<b>Definition:</b> Working collaboratively with partners across the private, public, voluntary and community sectors to achieve shared goals and priorities



## CORPORATE RESOURCES OVERVIEW AND SCRUTINY

<b>Date of Meeting</b>	Thursday 13th October, 2022
<b>Report Subject</b>	Revenue Budget Monitoring 2022/23 Month 5
<b>Cabinet Member</b>	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
<b>Report Author</b>	Corporate Finance Manager
<b>Type of Report</b>	Operational

### EXECUTIVE SUMMARY

The purpose of this report is to provide Members with the Revenue Budget Monitoring 2022/23 (Month 5) Report.

### RECOMMENDATIONS

1	That the committee considers and comments on the Revenue Budget Monitoring 2022/23 (Month 5) report. Any specific matters for attention will be noted and reported back to the Cabinet when it considers the report.
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### REPORT DETAILS

<b>1.00</b>	<b>EXPLAINING THE REVENUE BUDGET MONITORING POSITION 2022/23 (MONTH 5)</b>
1.01	The Revenue Budget Monitoring 2022/23 (Month 5) report will be presented to Cabinet on Tuesday 18 <sup>th</sup> October, 2022. A copy of the report is attached as Appendix A to this report.

<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	As set out in Appendix A; Revenue Budget Monitoring 2022/23 (Month 5).
<b>3.00</b>	<b>IMPACT ASSESSMENT AND RISK MANAGEMENT</b>
3.01	As set out in Appendix A; Revenue Budget Monitoring 2022/23 (Month 5).
<b>4.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
4.01	None required.
<b>5.00</b>	<b>APPENDICES</b>
5.01	Appendix A; Revenue Budget Monitoring 2022/23 (Month 5)
<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	None required.
<b>7.00</b>	<b>CONTACT OFFICER DETAILS</b>
7.01	<p><b>Contact Officer:</b> Dave Ledsham, Finance Manager  <b>Telephone:</b> 01352 704503  <b>E-mail:</b> dave.ledsham@flintshire.gov.uk</p>
<b>8.00</b>	<b>GLOSSARY OF TERMS</b>
8.01	<p><b>Revenue:</b> 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><b>Budget:</b> 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><b>Capital Programme:</b> The Council's financial plan covering capital schemes and expenditure proposals for the current year and a number of future years. It also includes estimates of the capital resources available to finance the programme.</p>

**CABINET**

<b>Date of Meeting</b>	Tuesday 18 <sup>th</sup> October, 2022
<b>Report Subject</b>	Revenue Budget Monitoring Report 2022/23 (Month 5)
<b>Cabinet Member</b>	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
<b>Report Author</b>	Corporate Finance Manager
<b>Type of Report</b>	Operational

**EXECUTIVE SUMMARY**

This monthly report provides the latest detailed overview of the budget monitoring position in 2022/23 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 5.

This report projects how the budget would stand at the close of the financial year, without new actions to reduce cost pressures and/or improve the financial return on efficiency planning and cost control is:

**Council Fund**

- An operating deficit of £0.680m (excluding the impact of the pay award which will need to be met by reserves)
- A projected contingency reserve available balance as at 31 March 2023 of £7.724m (before the impact of final pay awards)

**Housing Revenue Account**

- Net in-year revenue expenditure forecast to be £3.308m higher than budget
- A projected closing balance as at 31<sup>st</sup> March, 2023 of £3.166m

Hardship Funding from Welsh Government helped secure £16m of direct financial help last year and we have continued to claim payments in 2022/23 for Self-isolation and Statutory Sick Pay Enhancement, along with Free School Meals direct payments within their eligible periods.

A brought forward amount of £2.066m remains available from the original £3m emergency ring-fenced fund. The 2022/23 budget approved in February included a further top up of £3.250m to this Reserve to provide a prudent safeguard against

any ongoing impacts of the pandemic. Early indications are that whilst the risks due to COVID-19 has diminished considerably, the inflationary risk has increased.

The position will be monitored closely over the coming months and any impacts reflected in future reports.

## RECOMMENDATIONS

1	To note the report and the estimated financial impact on the 2022/23 budget.
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## REPORT DETAILS

<b>1.00</b>	<b>EXPLAINING THE REVENUE BUDGET MONITORING 2022/23</b>
1.01	<p><b>Council Fund Projected Position</b></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"> <li>• An operating deficit of £0.680m (excluding the impact of the pay award which will need to be met by reserves)</li> <li>• A projected contingency reserve available balance as at 31 March 2023 of £7.724m (before the impact of pay awards)</li> </ul> <p>To assist with managing risks and mitigating the overall projected overspend, the review of non-essential spend and a vacancy management process continues.</p>
1.02	Hardship Funding from Welsh Government helped secure over £16m direct financial help last year and we have continued to claim payments in 2022/23 for Self-isolation and Statutory Sick Pay Enhancement, along with Free School Meals direct payments within their eligible periods.



1.03 **Table 1. Projected Position by Portfolio**

The table below shows the projected position by portfolio:

<b>Portfolio/Service Area</b>	<b>Approved Budget</b>	<b>Projected Outturn</b>	<b>In-Year Over / (Under) spend</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Social Services	77.969	78.447	0.478
Out of County Placements	15.101	16.112	1.011
Education & Youth	9.935	9.590	(0.344)
Schools	108.420	108.420	0.000
Streetscene & Transportation	38.466	39.562	1.096
Planning Env & Economy	6.797	6.188	(0.610)
People & Resources	4.324	4.270	(0.055)
Governance	10.772	10.396	(0.376)
Strategic Programmes	6.116	6.108	(0.009)
Assets	0.312	0.293	(0.019)
Community Housing & Poverty	14.662	14.448	(0.215)
Chief Executive	2.256	2.187	(0.069)
Central & Corporate Finance	31.552	31.343	(0.209)
<b>Total</b>	<b>326.682</b>	<b>327.362</b>	<b>0.680</b>

1.04 The reasons for the projected variances are summarised within Appendix 1 and shows the detail of all variances over £0.050m and a summary of minor variances for each portfolio.

**Significant Movements from Month 4**

1.05 **Social Services £0.155m**

Resources & Regulated Services £0.077m

In-House residential care costs Older People Services have reduced by (£0.031m) whereas in Adult of Working Age there is an adverse movement of £0.104m resulting from changes to Care Packages and increased staff costs.

Children's Services Professional Support £0.072m

Additional staff costs to support adequate levels of child protection service pressures.

	Minor variances across the Portfolio account for the remainder of the movement totalling £0.006m.
1.06	<p><b>Out of County Placements £0.186m</b></p> <ul style="list-style-type: none"> <li>• Children's Services £0.211m</li> <li>• Education &amp; Youth (£0.025m)</li> </ul> <p>The movement is in the main due to one new high cost residential placement in Children's Services mitigated by an increase in income recharges from placements to Flintshire schools in Education and Youth.</p>
1.07	<p><b>Education &amp; Youth (£0.054m)</b></p> <p>Minor movements across the Portfolio</p>
1.08	<p><b>Streetscene &amp; Transportation £0.032m</b></p> <p>The adverse movement relates to :</p> <ul style="list-style-type: none"> <li>• Transportation £0.198m - increased costs in the provision of additional key service routes equating to £270 per day from re-procurement and additional statutory provision.</li> <li>• Impact of COVID-19 (£0.190m) – COVID-19 costs agreed to be funded from the COVID-19 Emergency Reserve.</li> </ul> <p>Minor variances across the Portfolio account for the remainder £0.024m.</p>
1.09	<p><b>Planning, Environment &amp; Economy (£0.374m)</b></p> <p>The favourable movement follows :</p> <ul style="list-style-type: none"> <li>• An increase to projected Planning Fee income outturn following receipt of a further 'one off' large planning application fee (£0.300m) in the second quarter of the financial year within Development Management.</li> <li>• Vacant post within the Business Service (£0.035m) and receipt of Rent Smart Grant (£0.010m) not previously projected.</li> </ul> <p>Cumulative minor variances account for the remainder of (£0.029m).</p>
1.10	<p><b>Governance (£0.046m)</b></p> <ul style="list-style-type: none"> <li>• Revenues (£0.025m) – increase to potential surplus on the Council Tax Collection Fund</li> </ul> <p>Minor variances across the Portfolio account for the remainder (£0.021m).</p>
1.11	<p><b>Housing &amp; Communities £0.303m</b></p> <p><u>Benefits £0.130m</u> Reduction in the projected underspend on the Council Tax Reduction Scheme (CTRS) of £0.039m, increased expenditure on Discretionary</p>

	<p>Housing Payments (DHPs) and an increase to the pressure relating to recovery of overpayments £0.024m.</p> <p><u>Housing Solutions £0.163m</u> Increased demand for temporary accommodation for Homelessness.</p> <p>Minor variances across the Service account for the remainder of £0.010m.</p>
1.12	<p><b>Corporate Services</b></p> <p><u>People &amp; Resources £0.106m</u></p> <ul style="list-style-type: none"> <li>• £0.055m – initial charge incurred as a result of entering into a new contract with MHR Global for payroll services.</li> <li>• Successful recruitment to Occupational Health Nurse £0.041m</li> </ul> <p>Minor variances across the Service account for the remainder of £0.010m.</p>
1.13	<p><b>Central &amp; Corporate Finance £0.048m</b></p> <p>Movement relates to IFRS 9 accounting adjustments for soft loan mitigation of £0.053m.</p> <p>Minor variances account for the remainder of (£0.005m).</p>
1.14	<p><b>Tracking of In-Year Risks and Emerging Issues</b></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>
1.15	<p><b>Council Tax Income</b></p> <p>In 2021/22 the Council achieved an ‘in-year’ collection level of 97.73% - the second highest collection rate in Wales.</p> <p>For 2022/23 up to August, the ‘in-year’ collection level is 47.60%, compared to 47.75% in the previous year. The marginal fall in collection levels is mainly due to resources being diverted to administering the Cost of Living Support Scheme as well as the impact on households more generally of rising costs-of-living.</p>
1.16	<p><b>Pay Award (Teacher and Non-Teacher)</b></p> <p>National negotiations have commenced between Employers and Trade Unions. The Council has provided for an uplift of 3.5% for Teaching and Non-Teaching staff – any increase above this level would require the Council to utilise reserves to fund the difference in the current financial year and would add to the additional budget requirement for 2023/24.</p> <p>The current pay offer for teachers is 5% and there is an offer from the National employers for NJC employees of £1,925 on all spinal column points. This equates to an increase of 2.54% on the highest scale point to 10.5% on the lowest point.</p>

	<p><b>The impact on 2022/23 is as follows:</b></p> <p>Teachers pay - in year impact of an additional £0.674m for the period September to March (full year effect 2023/24 of £1.144m) over and above the budgeted level of 3.5%.</p> <p>NJC pay - in year impact of an additional £4.594m (Schools £1.637m and non-schools £2.957m) over and above the budgeted level of 3.5%.</p> <p><b>Additional amount needing to be met from reserves in 2022/23 based on the above is £5.268m.</b></p> <p>The above will also impact on the MTFs with the full year impact of the teachers' pay award increasing the impact for 2023/24 to £5.738m.</p> <p>The above pay offers are subject to agreement and out for consultation with the Trade Unions.</p>
1.17	<p><b>Other Tracked Risks</b></p> <p>In addition, there are a number of risks being tracked which may be subject to change and these are summarised below.</p>
1.18	<p><b>Medium Term Financial Strategy (MTFS) Impact</b></p> <p>Cabinet considered the latest projection for the MTFs in September which showed an increase in the additional budget requirement to £24.348m. The forecast includes the latest position on pay awards, which are still subject to agreement and revisions to forecasts for energy and fuel inflation which remains subject to constant change due to market volatility.</p> <p>All Portfolios consider their financial position, the risks within their service and the impacts on the Medium Term on a monthly basis as part of their Portfolio Management Team meetings.</p>
1.19	<p><b>Out of County Placements</b></p> <p>The risks include continued high demand for placements where children and young people cannot be supported within in-house provision, and market supply limitation factors and inflationary pressures leading to higher placement costs.</p> <p>There is a projected overspend for the current cohort of placements of circa £1.011m, although with 7 months of the year remaining this is likely to increase and a contingency of £0.300m is currently built into the outturn position for this with £0.250m in for Children's Services and £0.050m for Education placements.</p> <p>The service areas within this pooled budget will continue to do everything possible to manage these risks and additional investment has already been made to further develop in-house provision to help to mitigate against such financial pressures.</p>

1.20	<p><b>Benefits</b></p> <p>Council Tax Reduction Scheme (CTRS) – Based on current demand, costs are currently projected to be £0.609m below budget, although this will be monitored closely throughout the year due to the potential for growth.</p> <p>There is continued high demand across the whole of the Benefits service which is expected to remain the case for the foreseeable future. There is a significant pressure on recovery of overpayments which is a combination of a shortfall of recovery against the level of income target budget which is partly influenced by lower number of overpayments occurring, and also the need to increase the bad debt provision on historic debt. There is also a small pressure on Discretionary Housing Payments for which the Council receives an allocation from the DWP.</p> <p>The increased staffing levels are still required and those costs are now being met in full from the additional funding of £0.300m previously approved to provide the service with the additional flexibility needed to adapt to and meet the sustained increase in customer demand.</p>
1.21	<p><b>Homelessness</b></p> <p>The risk is a consequence of the cessation of funding support from the Welsh Government COVID-19 Hardship Fund at the end of 2021/22.</p> <p>Although, there is continued support via the new Homelessness – No One Left Out grant, this still falls well below the amount of support we received via the Hardship Fund in 2020/21 and 2021/22.</p> <p>Although it has been possible to contain some of the expected pressure through prepaid accommodation to the end of September 2022, which has been funded by the COVID-19 Hardship Fund, the expected continued high demand for temporary accommodation including short term Bed &amp; Breakfast provision will continue to present significant challenges.</p> <p>We continue to strategically use increased allocations of Housing Support Grant working with external partners, but there remains a risk that the costs of statutory provision of support for Homelessness may exceed existing funding provision from base budget and available grant funding.</p>
1.22	<p><b>Achievement of Planned In-Year Efficiencies</b></p> <p>The 2022/23 budget contains £1.341m of specific efficiencies which are tracked and monitored throughout the year. The Council aims to achieve a 95% rate in 2022/23 as reflected in the MTFs KPI's and fully achieved all efficiencies in the previous financial year</p> <p>It is projected that all efficiencies will be achieved in 2022/23 and further details can be seen in Appendix 3.</p>
1.23	<p><b>Earmarked Reserves</b></p> <p>A detailed review of earmarked reserves has been undertaken over the summer and an amount of £1,208m has been identified for release to the</p>

Contingency Reserve which will provide an additional safeguard against some of the financial risks across the Council.

The table below provides a summary of earmarked reserves as at 1 April 2022 and an estimate of projected balances as at the end of the current financial year.

**Council Fund Earmarked Reserves 2022/23**

**Monitoring Summary Month 5**

Reserve Type	Balance as at 01/04/22	Balance as at Month 5	Estimated Balance as at 31/03/23	Release to General Reserve
Service Balances	4,697,596	3,474,711	1,402,499	226,000
Workforce Costs	877,786	877,786	854,567	0
Investment in Organisational Change	1,617,975	1,617,975	1,102,846	0
County Elections	291,851	291,851	235,913	0
Local Development Plan (LDP)	242,360	242,360	242,360	0
Warm Homes Admin Fee	297,925	297,925	202,068	0
Waste Disposal	48,771	48,771	40,638	0
Design Fees	250,000	250,000	125,000	0
Winter Maintenance	250,000	250,000	250,000	0
Severe Weather	250,000	250,000	119,550	0
Car Parking	45,403	45,403	0	0
Insurance Reserves	2,135,817	2,135,817	2,350,000	0
Cheque Book Schools	3,814	3,814	0	3,814
School HWB ICT Replacement	263,223	263,223	263,223	0
Free School Meals	115,522	115,522	0	0
Flintshire Trainees	696,631	696,631	612,843	0
Rent Income Shortfall	12,779	12,779	0	0
Plas Derwen Wave 4	1,780	1,780	1,780	0
Customer Service Strategy	22,468	22,468	0	0
Supervision Fees	48,798	48,798	48,798	0
ICT Servers Reserve	85,000	85,000	0	0
IT Infrastructure HWB	327,442	312,442	0	0
Schools Intervention Reserve	491,133	491,133	231,540	0
Organisational Change/ADM	274,154	274,154	240,654	0
NWEAB	210,644	210,644	210,644	0
Employment Claims	109,846	109,846	109,846	0
Community Benefit Fund	450,653	450,653	229,792	0
NWRWTP				
<b>Total B823 Balances</b>	<b>9,421,775</b>	<b>9,406,775</b>	<b>7,472,062</b>	<b>3,814</b>
Schools Balances	12,291,688	12,291,688	5,100,000	0
Inflation/Budget Risk (additional RSG)	2,432,022	2,432,022	2,432,022	

Social Care (additional RSG)	400,000	400,000	400,000	
Grants & Contributions	7,944,134	6,417,730	3,722,245	977,758
<b>TOTAL</b>	<b>37,187,216</b>	<b>34,422,927</b>	<b>20,528,828</b>	<b>1,207,572</b>

The release to reserves as shown above increases the Contingency Reserve by £1.208m to £7.724m.

#### 1.24 **Unearmarked Reserves**

The final level of Council Fund Contingency Reserve brought forward into 2022/23 was £7.098m as detailed in the 2021/22 outturn report (subject to Audit). In addition, the Council has set-aside a further £3.250m to the carried forward £2.066m COVID-19 Emergency Reserve as a safeguard against the continuing impacts of the pandemic (additional costs and lost income).

Internal claims for Quarter 1 have been made in 2022/23 relating to additional costs in Schools, Streetscene & Transportation and for income losses within AURA.

After taking into account the transfer from earmarked reserves of £1.208m a projected contingency reserve available balance as at 31 March 2023 is anticipated of £7.724m (before the impact of final pay awards – currently estimated at £5.268m).

#### 1.25 **Housing Revenue Account**

The 2021/22 Outturn Report to Cabinet on 12 July 2022 showed an un-earmarked closing balance at the end of 2021/22 of £3.616m and a closing balance of earmarked reserves of £1.622m.

1.26 The 2022/23 budget for the HRA is £38.119m which includes a movement of £2.858m to reserves.

1.27 The monitoring for the HRA is projecting in year expenditure to be £3.308m higher than budget and a closing un-earmarked balance as at 31 March 2023 of £3.166m, which at 8.29% of total expenditure satisfies the prudent approach of ensuring a minimum level of 3%. Appendix 4 attached refers.

1.28 Significant movement of £3.121m at month 5 results from :

- Contribution to meet the additional Capital Works that are due to be undertaken in year £2.857m
- Increase in salaries cost across Services £0.118m
- Increase in projected cost of insurance claims £0.163m
- Mitigated by savings in respect in reduced projection in court costs (£0.027m)

Minor variances account for the remainder £0.010m

1.29 The budget contribution towards capital expenditure (CERA) is £10.898m with the actual contribution projected to be £13.755m at outturn.

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<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	As set out within the report.

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

<b>4.00</b>	<b>CONSULTATIONS REQUIRED/CARRIED OUT</b>
4.01	None specific.

<b>5.00</b>	<b>APPENDICES</b>
5.01	Appendix 1: Council Fund – Movement in Variances from Month 4 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

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	Various budget records.

<b>7.00</b>	<b>CONTACT OFFICER DETAILS</b>
7.01	<b>Contact Officer:</b> Dave Ledsham Strategic Finance Manager <b>Telephone:</b> 01352 704503 <b>E-mail:</b> <a href="mailto:dave.ledsham@flintshire.gov.uk">dave.ledsham@flintshire.gov.uk</a>

<b>8.00</b>	<b>GLOSSARY OF TERMS</b>
8.01	<b>Budget:</b> a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.



**Council Fund:** the fund to which all the Council's revenue expenditure is charged.

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

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

**Intermediate Care Fund:** Funding provided by Welsh Government to encourage integrated working between local authorities, health and housing.

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

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

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

**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.

## MONTH 5 - SUMMARY

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £0.025m
<b>Social Services</b>		
<b>Older People</b>		
Resources & Regulated Services	-0.031	The reduction in spend is mostly due to reduced spend within the in-house residential service by £0.022m
Minor Variances	-0.008	
<b>Adults of Working Age</b>		
Resources & Regulated Services	0.104	A net change to care packages has resulted in an increase of £0.061m on the Learning Disability budget. Supported Living cost have increased by £0.028m due to staff costs.
Children to Adult Transition Services	0.029	This is due to net changes to care packages for young people transferring from Children Services to Adult Social Care.
Residential Placements	0.041	This is due to a net increase to Mental Healthcare support packages.
Minor Variances	0.015	
<b>Children's Services</b>		
Professional Support	0.072	This is mostly due to additional staff costs required to meet service pressures
Minor Variances	-0.016	
<b>Safeguarding &amp; Commissioning</b>		
Management & Support	-0.044	Expected reduction to the in-year contribution for the Regional Collaboration Team
Minor Variances	-0.007	
<b>Total Social Services (excl Out of County)</b>	<b>0.155</b>	
<b>Out of County</b>		
Children's Services	0.211	Mostly due to one new high cost residential placement with some other offsetting minor changes
Education & Youth	-0.025	Mostly due to an increase in recoupment income from other LA's placements to Flintshire schools
<b>Total Out of County</b>	<b>0.186</b>	
<b>Education &amp; Youth</b>		
Minor Variances	-0.054	Cumulative minor variances across the portfolio
<b>Total Education &amp; Youth</b>	<b>-0.054</b>	
<b>Schools</b>	<b>0.000</b>	
<b>Streetscene &amp; Transportation</b>		
Service Delivery	0.018	
Transportation	0.198	Movement due to additional routes (PRU's) 6 in total equating to £270.00 per day
Regulatory Services	-0.011	
Impact of Covid-19	-0.190	COVID related costs now funded from the Corporate Emergency Hardship Contingency Fund.
Other Minor Variances	0.023	
<b>Total Streetscene &amp; Transportation</b>	<b>0.032</b>	
<b>Planning, Environment &amp; Economy</b>		
Business	-0.049	At Month 5 Vacant post and receipt of Rent Smart Grant Income result in a favourable movement
Development	-0.348	One-off receipt of £0.300m planning application fee resulting in a revised projected outturn, plus minor variances across the Service
Impact of Covid-19	0.011	
Minor Variances	0.012	
<b>Total Planning &amp; Environment</b>	<b>-0.374</b>	
<b>People &amp; Resources</b>		
HR & OD	0.106	At Month 5 the successful recruitment to Occupational Health Nurse £0.040m and an Initial charge incurred as a result of entering a new contract with MHR for Payroll iTrent Services £0.056m result in an adverse movement, minor variances £0.010m
Corporate Finance	-0.001	
<b>Total People &amp; Resources</b>	<b>0.105</b>	
<b>Governance</b>		

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £0.025m
Revenues	-0.025	At Month 5 the potential surplus on the Council Tax Collection fund has been reviewed and increased accordingly
Minor Variances	-0.021	
<b>Total Governance</b>	<b>-0.046</b>	
<b>Strategic Programmes</b>		
Minor Variances	0.012	
<b>Total Strategic Programmes</b>	<b>0.012</b>	
<b>Assets</b>		
Minor Variances	0.027	Cumulative minor variances across the portfolio
<b>Total Assets</b>	<b>0.027</b>	
<b>Housing and Communities</b>		
Benefits	0.130	Increased expenditure on Discretionary Housing Payments (DHPs), Reduction of underspend on CTRS of £0.039m and increased shortfall in recovery of overpayments of £0.024m
Housing Solutions	0.163	Increased demand for temporary accommodation for Homelessness
Minor Variances	0.009	
<b>Total Housing and Communities</b>	<b>0.303</b>	
<b>Chief Executive's</b>		
	<b>0.001</b>	
<b>Central &amp; Corporate Finance</b>		
Central Loans & Investment Account	0.053	IFRS 9 accounting transaction for soft loan mitigation
<b>Grand Total</b>	<b>0.395</b>	

## Budget Monitoring Report

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
<b>Social Services</b>							
<b>Older People</b>							
Localities	20.679	20.063	-0.616		-0.612	The commissioned Older Peoples domiciliary and Direct Payment budget is expected to underspend by £0.834m based on recent months activity. There are recruitment and retention challenges within this service which is limiting the amount of required care purchased. The residential care budget is projecting a £0.364m overspend due to the cost of placements net of income such as Free Nursing Care, Regional Integration Fund contributions and property income. The Localities staffing budget is expected to underspend by £0.070m as not all staff are currently top of grade and some costs are to be recharged. There are also underspends on the Day Care budget of £0.033m and the Sensory service level agreement budget of £0.042m	
Resources & Regulated Services	8.921	9.139	0.218		0.249	In-house residential care is expected to overspend by £0.255m due to staff and running costs and in-house homecare is estimated to overspend by £0.022m. The Extra Care budget is underspent by £0.025m, and Day Care by £0.034m. There is an assumption that we will receive £0.185m Winter Pressures funding built into these projections.	
Minor Variances	1.269	1.245	-0.024		-0.021		
<b>Adults of Working Age</b>							
Resources & Regulated Services	29.481	29.683	0.202		0.098	The PDSI (Physically Disabled and Sensory Impaired) budget is reporting a £0.113m overspend due to net costs of care packages. The in-house Supported Living service is £0.077m overspent but will likely increase if required recruitment is successful. The Learning Disability Daycare and Work Scheme budget is £0.067m overspend due in part to recent inflationary pressures. The care package costs for independently provided care for Learning Disability services is a £0.054m underspend.	
Children to Adult Transition Services	0.951	1.065	0.113		0.084	These are the costs of care for young adults who are transferring to Adult Social Care, from Children Services, this financial year. Care costs are initially estimated but once services have been agreed the actual cost may be different.	
Residential Placements	1.956	2.350	0.394		0.353	This is the cost of current commissioned care packages within the Mental Health service.	
Minor Variances	4.033	4.004	-0.029		-0.044		
<b>Children's Services</b>							
Family Support	0.375	0.502	0.127		0.139	Costs are based upon the current activity levels over the last few months and projected forward for the rest of the year. Workforce costs, primarily sessional staff are the primary cost driver for this service.	
Legal & Third Party	0.232	0.743	0.511		0.516	Legal costs are overspent by £0.276m due to the number of cases going through the courts and some use of external legal professionals. Direct Payments also continue to increase in demand and are overspending by £0.234m.	
Residential Placements	1.312	0.917	-0.395		-0.406	The in-year opening of some Children's Residential care settings will mean that there will be one off cost savings, in addition it is expected that one off, non-recurring grant from Welsh Government will be received for start up costs.	
Professional Support	6.173	6.423	0.250		0.178	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 minimised and additional temporary posts are sometimes required to meet the challenges and demands of Childrens Services. There is an assumption that Welsh Government will allow for flexible use of Childrens Services grants which will allow for some cost pressures to be offset.	

## Budget Monitoring Report

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
Minor Variances	3.537	3.567	0.030		0.040		
<b>Safeguarding &amp; Commissioning</b>							
Business Support Service	1.195	1.144	-0.051		-0.027	The underspend is due to a decrease in staff costs because of vacancies which are unlikely to be filled within year.	
Safeguarding Unit	1.291	1.082	-0.209		-0.210	A consultation for the updated Liberty Protection Safeguard legislation continue to be undertaken. Due to the delay in implementing the legislation there will be an in-year saving	
Management & Support	-2.267	-2.328	-0.061		-0.017	An expected reduction of £0.040m on Flintshires contribution to the Regional Collaboration Team is expect this year	
Minor Variances	-1.170	-1.150	0.020		0.004		
<b>Total Social Services (excl Out of County)</b>	<b>77.969</b>	<b>78.447</b>	<b>0.478</b>	<b>-0.000</b>	<b>0.323</b>		
<b>Out of County</b>							
Children's Services	10.097	11.497	1.400		1.189	The projected overspend reflects significant additional demands on the service in the year to date with 25 new placements having been made in the year to date - most of which are high cost residential placements - there is provision for a contingency sum of £0.250m, for net impacts of further new placements and other placement changes but this may not prove to be enough.	
Education & Youth	5.004	4.615	-0.389		-0.364	The underspend reflects projected costs for the current cohort of placements and there have been 16 new placements in the year to date with further new placements also likely to emerge as the year progresses, for which contingency provision of £0.050m has been made.	
<b>Total Out of County</b>	<b>15.101</b>	<b>16.112</b>	<b>1.011</b>	<b>0.000</b>	<b>0.825</b>		
<b>Education &amp; Youth</b>							
School Improvement Systems	1.889	1.756	-0.133		-0.132	Payments to Non-maintained and maintained settings projected similar to those of 21/22. Welsh Government have announced continuation of top-up funding to £5 p/hour, so gives the Early Entitlement budget increasing financial capacity. Alongside this, the Recruit, Recover and Raise Standards grant and the Early Years Pupil Development Grant increases announced allow core budget to be released. Proposed efficiency savings are currently under review.	
School Planning & Provision	0.671	0.619	-0.053		-0.036	Projected underspend on insurance liability claims costs and some salary savings	
Minor Variances	7.374	7.215	-0.159		-0.122		
<b>Total Education &amp; Youth</b>	<b>9.935</b>	<b>9.590</b>	<b>-0.344</b>	<b>0.000</b>	<b>-0.290</b>		
<b>Schools</b>	<b>108.420</b>	<b>108.420</b>	<b>-0.000</b>		<b>-0.000</b>		
<b>Streetscene &amp; Transportation</b>							
Service Delivery	9.147	9.412	0.265		0.247	The service has a recurring revenue pressure of £0.100m for security costs due to vandalism at the Household Recycling Centres. Additional £0.050m Repair/Plant Hire costs across the Service. Street lighting is also incurring a £0.070m revenue pressure on the Community Council Income Budget. Remaining £0.170m is attributable to high sickness levels/Agency costs.	
Highways Network	8.096	8.599	0.503		0.487	Highways is incurring a Revenue pressure of £0.400m in Fleet services as a result of rising Fuel costs. Also additional £0.050m costs increase in weed spraying following concerns raised in Scrutiny, which cannot be covered by our existing Budget.	

## Budget Monitoring Report

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
Transportation	10.031	10.393	0.362		0.164	Local Bus is incurring additional overspend of £0.100m due to Park and Ride Service and Service 5 re-procurement. School Transport is incurring a revenue pressure of £0.090m, due to a shortfall in budget for 3 school days driven by Easter timelines in this financial Year. In Period 5 there has been an additional pressure of £0.200m in School Transport due to additional routes (PRU's) 6 in total equating to £270.00 per day.	
Regulatory Services	11.192	11.158	-0.034		-0.023	Following changes to Council Policy the Service is seeing a reduction in recycling disposal waste. Sustained and improved recycling rebate prices have improved our projected Income.	
<b>Total Streetscene &amp; Transportation</b>	<b>38.466</b>	<b>39.562</b>	<b>1.096</b>	<b>-0.000</b>	<b>1.064</b>		
<b>Planning, Environment &amp; Economy</b>							
Community	0.890	0.963	0.073		0.077	Fee income shortfalls in Licensing and Pest Control and historic business planning efficiency £0.024m not realised	
Development	0.146	-0.448	-0.594		-0.246	Favourable variance following receipt of a small number of high value one off Planning Fee each approx £0.300m	
Management & Strategy	1.385	1.274	-0.111		-0.116	Staff savings from vacant posts	
Impact of Covid-19	0.000	0.047	0.047	0.047	0.036	COVID-19 related additional cleaning costs for Countryside Service and Environmental Health Officer costs	
Minor Variances	4.376	4.350	-0.026		0.014		
<b>Total Planning &amp; Environment</b>	<b>6.797</b>	<b>6.188</b>	<b>-0.610</b>	<b>0.047</b>	<b>-0.236</b>		
<b>People &amp; Resources</b>							
HR & OD	2.284	2.257	-0.027		-0.133	Staff savings due to vacant posts and commitment challenge across the service	
Corporate Finance	2.041	2.013	-0.028		-0.027		
<b>Total People &amp; Resources</b>	<b>4.324</b>	<b>4.270</b>	<b>-0.055</b>	<b>0.000</b>	<b>-0.160</b>		
<b>Governance</b>							
Democratic Services	2.374	2.283	-0.091		-0.089	Variance as a result of the Members Allowances new rate not being implemented until May, 2022 and lower than anticipated take up of both Broadband and Pension Allowances (£0.108m) ; plus minor variances across Service	
ICT	4.960	4.910	-0.050		-0.038	Staff savings from vacant posts and minor variances across the Service	
Customer Services	1.018	0.893	-0.125		-0.116	Registrars Fee Income higher than anticipated and savings from vacant posts	
Revenues	0.201	0.063	-0.138		-0.113	The variance results from the projected potential surplus on the Council Tax Collection Fund (£0.117m) based on current information; minor variance across the service	
Impact of Covid-19	0.000	0.001	0.001	0.001	0.001		
Minor Variances	2.220	2.246	0.027		0.026		
<b>Total Governance</b>	<b>10.772</b>	<b>10.396</b>	<b>-0.376</b>	<b>0.001</b>	<b>-0.330</b>		
<b>Strategic Programmes</b>							
Minor Variances	6.116	6.108	-0.009		-0.020		
<b>Total Strategic Programmes</b>	<b>6.116</b>	<b>6.108</b>	<b>-0.009</b>	<b>0.000</b>	<b>-0.020</b>		
<b>Assets</b>							
Caretaking & Security	0.264	0.183	-0.081		-0.082	Due to vacancy savings	
Minor Variances	0.048	0.109	0.061		0.036		

## Budget Monitoring Report

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
<b>Total Assets</b>	<b>0.312</b>	<b>0.293</b>	<b>-0.019</b>	<b>0.000</b>	<b>-0.046</b>		
<b>Housing and Communities</b>							
Benefits	13.260	13.040	-0.220		-0.350	Projected underspend of -£0.609m on the Council Tax Reduction Scheme (CTRS) which is offset by pressures of £0.367m on recovery of overpayments including a shortfall against the income budget target which has previously been compensated by the WG COVID-19 Hardship Fund and also due to the need to increase the bad debt provision for recovery of overpayments	
Minor Variances	1.402	1.407	0.005		-0.168		
<b>Total Housing and Communities</b>	<b>14.662</b>	<b>14.448</b>	<b>-0.215</b>	<b>0.000</b>	<b>-0.518</b>		
<b>Chief Executive's</b>	<b>2.256</b>	<b>2.187</b>	<b>-0.069</b>		<b>-0.071</b>	Variance due to vacant post and not all staff at top of scale, together with commitment challenge across the Services	
<b>Central &amp; Corporate Finance</b>	<b>28.769</b>	<b>28.538</b>	<b>-0.231</b>		<b>-0.226</b>	Over recovery of planned pension contributions recoupment against actuarial projections based on the current level of contributions	
Centralised Costs	2.783	2.752	-0.031		-0.030		
Central Loans & Investment Account	0.000	0.053	0.053		0.000	IFRS 9 requires that for soft loans interest is accrued at the Effective Interest Rate (EIR) rather than the Contract Interest Rate.	
<b>Grand Total</b>	<b>326.682</b>	<b>327.363</b>	<b>0.680</b>	<b>0.048</b>	<b>0.285</b>		

2022/23 Efficiencies Outturn Tracker - Mth 5

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
		2022/23 £m	2022/23 £m	2022/23 £m		
<b>Portfolio</b>						
<b>Corporate</b>						
Increase in Reserves	Rachel Parry Jones	0.471	0.471	0.000	C	G
Utility Inflation	Rachael Corbelli	0.085	0.085	0.000	C	G
Efficiency from Restructure	Corporate Policy Rachel Parry Jones	0.025	0.025	0.000	C	G
Recharge to HRA	Chief Executive post to HRA 50% Rachel Parry Jones	0.027	0.027	0.000	C	G
<b>Total Corporate Services</b>		<b>0.608</b>	<b>0.608</b>	<b>0.000</b>		
<b>Housing &amp; Assets</b>						
Connahs Quay Power Station	Neal Cockerton	0.290	0.290	0.000	C	G
Rent Newydd	Neal Cockerton	0.020	0.020	0.000	C	G
<b>Total Housing &amp; Assets</b>		<b>0.310</b>	<b>0.310</b>	<b>0.000</b>		
<b>Social Services</b>						
Sleep in Pressure not Required	Neil Ayling	0.123	0.123	0.000	C	G
<b>Total Social Services</b>		<b>0.123</b>	<b>0.123</b>	<b>0.000</b>		
<b>Governance</b>						
Single Person Discount Review (One Off)	Gareth Owen	0.300	0.300	0.000	O	G
<b>Total Governance</b>		<b>0.300</b>	<b>0.300</b>	<b>0.000</b>		
<b>Total 2022/23 Budget Efficiencies</b>		<b>1.341</b>	<b>1.341</b>	<b>0.000</b>		

Page 64

	%	£
<b>Total 2022/23 Budget Efficiencies</b>	<b>100</b>	<b>1.341</b>
<b>Total Projected 2022/23 Budget Efficiencies Underachieved</b>	<b>0</b>	<b>0.000</b>
<b>Total Projected 2022/23 Budget Efficiencies Achieved</b>	<b>100</b>	<b>1.341</b>
<b>Total 2022/23 Budget Efficiencies (Less Previously agreed Decisions)</b>	<b>100</b>	<b>0.000</b>
<b>Total Projected 2022/23 Budget Efficiencies Underachieved</b>	<b>0</b>	<b>0.000</b>
<b>Total Projected 2022/23 Budget Efficiencies Achieved</b>	<b>0</b>	<b>0.000</b>

Corporate Efficiencies Remaining from Previous Years

Income Target Remaining	£m	
Income Target Efficiency remaining from Previous Years	All Portfolios	0.041
Fees and charges increase 1st October, 2022	Full Year effect 1st April 2023	(0.026)
<b>Total Income Efficiency Remaining</b>		<b>0.015</b>



**Movements on Council Fund Unearmarked Reserves**

	£m	£m
Total Reserves as at 1 April 2022	18.438	
Less - Base Level	(5.769)	
<b>Total Reserves above base level available for delegation to Cabinet</b>		12.669
Less - COVID-19 Emergency Funding Allocation		5.316
Less - Childrens Services Social Work Costs (approved 21/22)		0.157
Add - Total Balances Released to Reserves (Month 5)		1.208
Less - impact of the final pay awards (still awaited)		
Less - Month 5 projected outturn		0.680
<b>Total Contingency Reserve available for use</b>		<b>7.724</b>

**Budget Monitoring Report**  
**Housing Revenue Account Variances**

**MONTH 5 - SUMMARY**

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
<b>Housing Revenue Account</b>						
Income	(38.119)	(37.720)	0.399	0.405	Currently projecting a variance of £0.399m due to loss of rental income in relation to void properties. Of this, £0.308m relates to void properties, £0.067m relates to utilities costs on void properties and £0.039m relates to void garages. The remaining (£0.015m) relates to other minor variances.	
Capital Financing - Loan Charges	6.723	6.723			£2.857 contribution to meet the additional Capitalworks that are due to be undertaken in year	
Estate Management	2.321	2.195	(0.126)	(0.159)	Additional cost of agency positions of £0.158m, which is offset by vacancy savings of (£0.134m) and additional funding from the Housing Support Grant of (£0.120m). Other minor variances of (£0.030m).	
Landlord Service Costs	1.572	1.630	0.058	0.051	Salary savings of (£0.038m) are currently being projected within the service which offset agency costs of £0.020m. There is a forecasted pressure on utilities costs of £0.062m. The remaining variance of £0.014m is down to other minor movements.	
Repairs & Maintenance	10.908	10.992	0.084	0.017	There are a number of vacant trades positions which are being covered by agency, leading to an additional net cost of £0.059m. Vacancy savings of (£0.034m) in respect of Admin posts have also been identified. Savings on the cost of materials of (£0.102m). Additional cost of fleet forecasted to be £0.154m due to factors such as rising fuel costs. Other minor variances of £0.007m.	
Management & Support Services	2.716	2.752	0.036	(0.127)	Savings of (£0.059m) have been projected based on current vacancies within the service and a further (£0.100m) efficiency has been identified through a review of central support recharges. Costs of legal advice in respect of the Renting Homes Wales Act £0.017m. Pressure in relation to insurance costs currently forecasted to be £0.163m. Other minor variances of £0.015m.	
Capital Expenditure From Revenue (CERA)	10.898	13.755	2.857		£2.857 contribution to meet the additional Capital works that are due to be undertaken in year	
HRA Projects	0.122	0.122	(0.000)	(0.000)		
Contribution To / (From) Reserves	2.858	2.858				
<b>Total Housing Revenue Account</b>	<b>0.000</b>	<b>3.308</b>	<b>3.308</b>	<b>0.188</b>		



## CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

<b>Date of Meeting</b>	Thursday, 13th October 2022
<b>Report Subject</b>	Corporate Joint Committee (CJC) update report
<b>Cabinet Member</b>	Leader of the Council and Cabinet Member for Education, Welsh Language, Culture and Leisure
<b>Report Author</b>	Chief Executive Chief Officer, Governance
<b>Type of Report</b>	Strategic

### EXECUTIVE SUMMARY

The Local Government and Elections (Wales) Act 2021 gave Ministers the power to create a new type of regional body called a Corporate Joint Committee (CJC). Ministers have mandated the creation of four CJCs across Wales. They will each have the same four functions: economic well-being; preparing a Strategic Development Plan, transport and improving education. The precise governance arrangements for each CJC are to be settled by the body itself.

Progress has continued to be made in line with transitional plans and expectations and this report and more particularly the report at appendix B provides a detailed update on work to second the lead officer from the North Wales Economic Ambition Board into the CJC for a time limited period to support and drive forward work of the CJC

### RECOMMENDATIONS

1	That the Committee note the report and support the ongoing work to develop the regional CJC.
2	That the Committee notes the proposals for seconding the EAB Portfolio Director from the North Wales Economic Ambition Board into the CJC up to March 2023.

## REPORT DETAILS

<b>1.00</b>	<b>EXPLAINING THE PROGRESS MADE ON CJC</b>
1.01	The Local Government and Elections (Wales) Act 2021 gave Ministers the power to create a new type of regional body called a Corporate Joint Committee (CJC). Ministers have mandated the creation of four CJCs across Wales. They will each have the same four functions: economic well-being; preparing a Strategic Development Plan, transport and improving education. The precise governance arrangements for each CJC are to be settled by the body itself.
1.02	Cabinet received an update report on the 14 <sup>th</sup> December 2021 (attached at appendix 1) on the North Wales CJC which dealt in the main with transitional arrangements that needed to be progressed in order to set up the new CJC.
1.03	Since then progress has continued to be made in line with transitional plans and expectations and this report and more particularly the report at appendix 2 provides a detailed update on work to transfer the lead officer from the North Wales Economic Ambition Board into the CJC for a time limited period.
1.04	In addition, a letter at Appendix 3 from the Minister for Finance at Welsh Government provides an overview of a number of technical issues relating to vat, access to Prudential Borrowing and Corporation Tax noting that progress is being made in resolving these matters at Ministerial level.

<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	The regional local authorities to the CJC each contribute an amount (a levy) to the CJC to cover the costs of managing and running the CJC. The contribution for financial year 2022/23 is £81,150.

<b>3.00</b>	<b>IMPACT ASSESSMENT AND RISK MANAGEMENT</b>				
3.01	The inability to second into the post will lead to delays in the implementation and transition work streams of the CJC. Work to mitigate this has been undertaken through decision and subsequent agreement of the North Wales Economic Ambition Board (NWEAB) to support the secondment from the NWEAB into the CJC.				
3.02	<p><b>Ways of Working (Sustainable Development) Principles Impact</b></p> <table border="1"> <tr> <td>Long term</td> <td>No impact</td> </tr> <tr> <td>Prevention</td> <td>No impact</td> </tr> </table>	Long term	No impact	Prevention	No impact
Long term	No impact				
Prevention	No impact				

Integration	Regional strategic planning will have a positive effect on integration
Collaboration	Greater regional working will have a positive effect on collaboration
Involvement	Regional working could be more remote and thus have a negative effect on involvement
<b>Well-being Goals and impact</b>	
Prosperous Wales	Regional strategic plans should positively benefit prosperity
Resilient Wales	Regional strategic plans should positively benefit resilience
Healthier Wales	No impact
More equal Wales	Improved regional transport should positively impact socio economic equality
Cohesive Wales	No impact
Vibrant Wales	No impact
Globally responsible Wales	No impact

<b>4.00</b>	<b>CONSULTATIONS REQUIRED/CARRIED OUT</b>
4.01	The North Wales Economic Ambition Board was consulted on the content of the reports at appendix 1 and 3.

<b>5.00</b>	<b>APPENDICES</b>
5.01	<p>Appendix 1 – Previous report to Cabinet, December 2021</p> <p>Appendix 2 – Report to the North Wales Economic Ambition Board relating to the secondments of the NWEAB Portfolio Director to the CJC for a time limited period.</p> <p>Appendix 3 – Letter from the Minister for Finance relating to outstanding matters regarding CJs.</p>

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	All as included within this report.

<b>7.00</b>	<b>CONTACT OFFICER DETAILS</b>
7.01	<p><b>Contact Officer:</b> Neal Cockerton, Chief Executive</p> <p><b>Telephone:</b> 01352 702101</p> <p><b>E-mail:</b> <a href="mailto:chief.executive@flintshire.gov.uk">chief.executive@flintshire.gov.uk</a></p>

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<b>8.00</b>	<b>GLOSSARY OF TERMS</b>
8.01	CJC - Regulations were made by the Welsh Government on 17 March 2021 creating four Corporate Joint Committees in Wales, and the North Wales Corporate Joint Committee (CJC) was established on 1 April 2021. The CJC must exercise functions relating to strategic development planning and regional transport planning, and are also be able to promote economic well-being.



## CABINET

<b>Date of Meeting</b>	Tuesday, 14 <sup>th</sup> December 2021
<b>Report Subject</b>	Establishing the Corporate Joint Committee for North Wales
<b>Cabinet Member</b>	Deputy Leader of the Council (Governance) and Cabinet Member for Corporate Management and Assets
<b>Report Author</b>	Chief Executive Chief Officer Governance Chief Officer Planning, Environment and Economy
<b>Type of Report</b>	Strategic

### EXECUTIVE SUMMARY

The Local Government and Elections (Wales) Act 2021 gave Ministers the power to create a new type of regional body called a Corporate Joint Committee (CJC). Ministers have mandated the creation of four CJCs across Wales. They will each have the same four functions: economic well-being; preparing a Strategic Development Plan, transport and improving education. The precise governance arrangements for each CJC are to be settled by the body itself.

The CJC for North Wales was created on 1 April 2021 and its functions come into force on 30 June 2022. It must set its outline budget for its first year of operation by the end of January 2022. It is therefore necessary for the CJC to outline its governance arrangements now. The economic well-being function encompasses the purpose for which the North Wales Economic Ambition Board (NWEAB) was created. The strategic planning and transport functions will influence the NWEAB's role as well and so it is important that the new body takes account of and dovetails with the existing regional governance structures. Proposals for the governance structure are contained within the attached report (Appendix A).

The report is being considered by all six Councils and so is in a common format to ensure consistent presentation of the issues to each Council.

## RECOMMENDATIONS

1	<p>Agree in principle that the functions of the North Wales Economic Ambition Board be transferred by way of a delegation agreement to the North Wales Corporate Joint Committee on condition:</p> <ul style="list-style-type: none"><li>a) that the statutory framework that the Welsh Government are developing allows for the delegation of the relevant executive functions to a Corporate Joint Committee;</li><li>b) that the North Wales Corporate Joint Committee agrees to the establishment of a Sub-Committee, with membership to be agreed with the Councils, to undertake the functions of the Economic Ambition Board.</li></ul>
2	<p>This transition is proposed in order to achieve a streamlined governance model, avoiding duplication. A further detailed report on the framework for implementation will be presented to a subsequent meeting of the Cabinet.</p>

## REPORT DETAILS

<b>1.00</b>	<b>EXPLAINING THE CORPORATE JOINT COMMITTEE</b>
1.01	<p>Cabinet will recall that the Local Government and Elections (Wales) Act 2021 gave Welsh Government power to establish a new type of regional body called Corporate Joint Committees (CJCs). These bodies have four immediate statutory functions as set out below, though more can be added at the request of the constituent councils:</p> <ul style="list-style-type: none"><li>1) economic well-being;</li><li>2) approving a regional development plan;</li><li>3) transport;</li><li>4) improving education.</li></ul>
1.02	<p>The North Wales CJC was created by statutory instrument and came into being on 1 April 2021. Its immediate functions take effect from 30 June 2022. It must set an indicative budget for its first year of operation by the end of January 2022 and so it needs to start outlining its governance structure.</p>
1.03	<p>The economic well-being function encompasses the purpose for which the North Wales Economic Ambition Board (NWEAB) was created. The strategic planning and transport functions will influence the NWEAB's role as well. It is important that the governance arrangements take account of and dovetail with that body without adding bureaucracy or cost. The attached report contains proposals for the governance structure of the CJC that will accommodate the NWEAB.</p>
1.04	<p>The report (Appendix A) is being considered by all six Councils and so is drafted in a common format for each in order to ensure consistent presentation of the issues.</p>



<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	These are addressed within the attached report. Welsh Government has contributed to the costs of establishing the CJC and the costs of the NWEAB are already included within the Council's budget.

<b>3.00</b>	<b>IMPACT ASSESSMENT AND RISK MANAGEMENT</b>																								
3.01	<p>The risks associated with the governance structure are very low level, because the CJC consists of Leaders of the six Councils in North Wales who can control its constitution and actions. The existence of a body with seemingly overlapping function to existing governance structures does create a risk of duplication and complexity which is addressed directly within the design of the structure. The risk is discussed within the report in detail</p> <table border="1"> <tr> <td>Long-term</td> <td>Positive the CJC is designed to work on issues of long term strategic importance</td> </tr> <tr> <td>Prevention</td> <td>Neutral</td> </tr> <tr> <td>Integration</td> <td>Positive. The CJC has the scope to co-opt private and other public sector members with voting rights.</td> </tr> <tr> <td>Collaboration</td> <td>Positive the CJC promotes regional working</td> </tr> <tr> <td>Involvement</td> <td>Neutral</td> </tr> </table> <p>Well-being Goals Impact</p> <table border="1"> <tr> <td>Prosperous Wales</td> <td>Positive the CJC is designed to enhance economic well being</td> </tr> <tr> <td>Resilient Wales</td> <td>Neutral</td> </tr> <tr> <td>Healthier Wales</td> <td>Positive poor health is often associated with deprivation</td> </tr> <tr> <td>More equal Wales</td> <td>Positive a more vibrant economy can help to reduce socio economic disadvantage</td> </tr> <tr> <td>Cohesive Wales</td> <td>Neutral</td> </tr> <tr> <td>Vibrant Wales</td> <td>Neutral</td> </tr> <tr> <td>Globally responsible Wales</td> <td>Positive the CJC is designed to address transport issues in a sustainable manner</td> </tr> </table>	Long-term	Positive the CJC is designed to work on issues of long term strategic importance	Prevention	Neutral	Integration	Positive. The CJC has the scope to co-opt private and other public sector members with voting rights.	Collaboration	Positive the CJC promotes regional working	Involvement	Neutral	Prosperous Wales	Positive the CJC is designed to enhance economic well being	Resilient Wales	Neutral	Healthier Wales	Positive poor health is often associated with deprivation	More equal Wales	Positive a more vibrant economy can help to reduce socio economic disadvantage	Cohesive Wales	Neutral	Vibrant Wales	Neutral	Globally responsible Wales	Positive the CJC is designed to address transport issues in a sustainable manner
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<b>4.00</b>	<b>CONSULTATIONS REQUIRED/CARRIED OUT</b>
4.01	The NWEAB and Leaders have considered the issues presented within this report, which reflects their views. The report needs to be considered at Environment and Economy Overview and Scrutiny Committee and Corporate Resources Overview and Scrutiny Committee as well.

<b>5.00</b>	<b>APPENDICES</b>
5.01	Appendix A – Report “Establishing the North Wales Region’s Corporate Joint Committee (CJC).

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	Integrated Impact Assessment.

<b>7.00</b>	<b>CONTACT OFFICER DETAILS</b>
7.01	<b>Contact Officer:</b> Gareth Owens, Chief Officer Governance <b>Telephone:</b> 01352 702344 <b>E-mail:</b> <a href="mailto:gareth.legal@flintshire.gov.uk">gareth.legal@flintshire.gov.uk</a>

<b>8.00</b>	<b>GLOSSARY OF TERMS</b>
8.01	None.

**Meeting:** Local Authority Cabinet (or Executive equivalent)

**Date:** \*\* December 2021

**Title:** Establishing the North Wales Region's Corporate Joint Committee (CJC)

**Purpose:** Further to Welsh Government legislation establishing the North Wales region's CJC, the 6 local authorities must make appropriate arrangements before holding the CJC's first meeting, and agree the CJC's 2022/23 budget by 31 January 2022, before initial CJC functions 'go live' on 30 June 2022.

**Cabinet Member:** Council Leader

**Contact Officers:** The Chief Executive and the Monitoring Officer

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#### Decision Sought –

**Agree in principle that the functions of the North Wales Economic Ambition Board be transferred by way of a delegation agreement to the North Wales Corporate Joint Committee** on condition;

- a) that the statutory framework that the Welsh Government are developing allows for the delegation of the relevant executive functions to a Corporate Joint Committee,
- b) that **the North Wales Corporate Joint Committee agrees to establishment of a Sub-Committee**, with membership to be agreed with the Councils, **to undertake the functions of the Economic Ambition Board.**

This transition is proposed in order to achieve a streamlined governance model, avoiding duplication. A further detailed report on the framework for implementation will be presented to a subsequent meeting of the Cabinet / Executive.

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#### Background

1. Regulations were made by the Welsh Government on 17 March 2021 creating four Corporate Joint Committees in Wales, and the North Wales Corporate Joint Committee (CJC) was established on 1 April 2021.
2. The four CJs will exercise functions relating to strategic development planning and regional transport planning. They will also be able to do things to promote the economic well-being. In contrast to other joint committee arrangements, the CJC is a separate corporate body which can employ staff and hold assets.
3. Our region's the CJC is already in existence as an independent corporate body, and its initial functions will come into force on 30 June 2022 ('go live' date for the North Wales CJC). In the past, reservations were expressed because CJs might lead to "another layer of bureaucracy", but now we have no choice other than to make it work.

4. Further regulations will follow. The Welsh Government are consulting on draft statutory guidance. Pinsent Masons LLP, who are advising several Welsh regions, are liaising with Welsh Government in the development of this detail. This report's focus is on regional implementation and transition - the establishment of the North Wales CJC.
5. Welsh Government grant funding of £250,000 has been approved, to enhance project management capacity and commission professional assistance (including legal advice) to support implementation of, and transition to the region's CJC during 2021/22.
6. Establishing the CJC is a legal requirement, but the timetable remains challenging, including the 'immediate duties' prescribed in the legislation (viz. regional Strategic Development Plan, Regional Transport Plan, and the economic well-being function), the need to balance legacy issues with new statutory requirements, the scheduling of initial meetings, and budget-setting in January 2022.
7. This report is submitted simultaneously to Cabinet (or similar Executive Committee) meetings at the 6 Councils: Anglesey, Conwy, Denbighshire, Flintshire, Gwynedd and Wrexham.

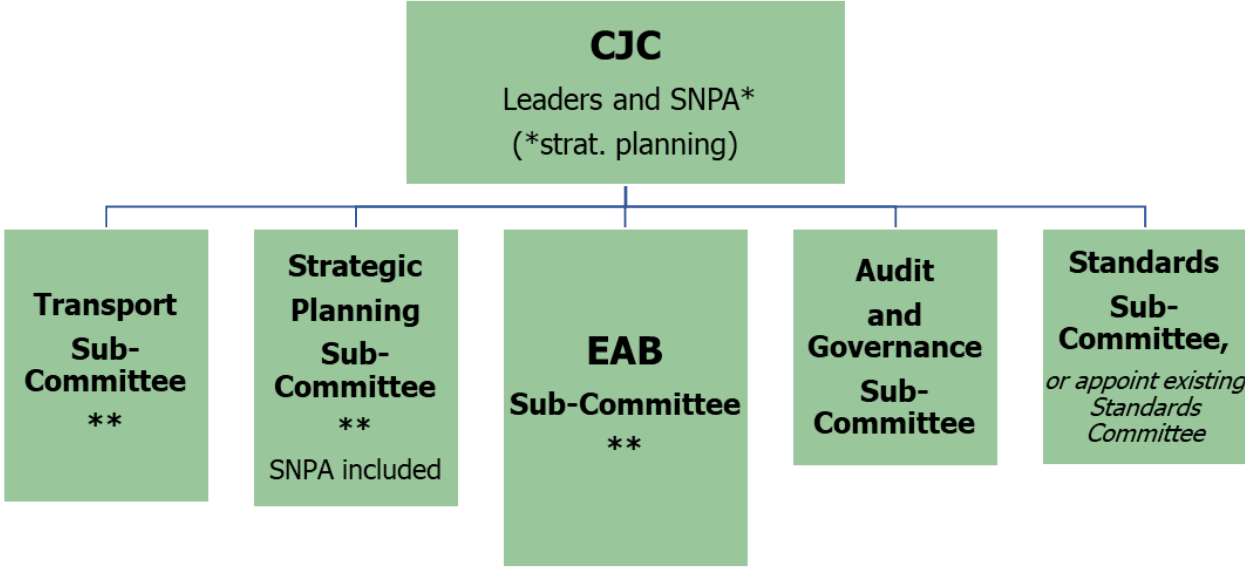
## **Principles**

8. There is a consensus that the CJC should continue in the direction established by the North Wales Economic Ambition Board (EAB), albeit possibly better supported in due course by the structures, powers and levers provided by the CJC legislation. Further, the 6 Council Leaders and Chief Executives are agreed that our CJC should be 'built' on the following aims and principles:
  - i. Clarity / simplicity
  - ii. Avoiding new bureaucracy and excessive cost
  - iii. Adding value to, not disrupting, existing regional governance
  - iv. Major Growth Deal decisions being protected by the 'reserved matters' rule
  - v. Subsidiarity (individual LAs make decisions on issues that affect them)
  - vi. Allowing new powers and opportunities to be devolved to the region
  - vii. Being 'future proof'
9. Faced with the challenging timescale, there is cross-border agreement that we should initially aim to establish a streamlined governance model, avoiding duplication while having due regard to subsidiarity. The first priority is to move the EAB to an empowered sub-committee of the CJC, noting that our local authority Leaders will be in control of this corporate body. Given approval to establish this governance model, we would ensure that we keep our options open with a high degree of flexibility to subsequently consider transition details (e.g. staff issues) on a 'case by case' basis.

## **Structure for the EAB in the CJC**

10. Pinsent Masons have considered operational structures available to the EAB going forward, in light of the establishment of the CJC, Welsh Government policy direction and the regionally agreed principles noted under paragraph 5 above.

- 11. Doing nothing, or 'co-existence' is insufficient, contrary to Welsh Government policy, and doesn't address how the Economic Ambition Board's functions are to be discharged by the CJC.
- 12. At first glance, a partial transfer to a 'hybrid' model retaining a host authority as accountable body, co-existing with the CJC, may appear to be attractive in terms of avoiding change from the current Economic Ambition Board model (despite the benefits of a CJC). However, this would require convoluted back-to-back agreements in respect of transactions entered into by project sponsors on behalf of the EAB. It lacks clarity, and provides no real advantage. Further, our region would still require a functioning CJC to undertake the Transport and Planning roles, which are vested directly in the CJC.
- 13. The most efficient and viable operational structure, which satisfies the requirement to transition to a CJC, is to transfer the Economic Ambition Board functions to an empowered sub-committee of the CJC. Consequently, transferring the functions to a sub-committee will retain core elements of the EAB, but provide a more robust and efficient delivery model directly via the CJC corporate vehicle. Crucially, the framework should allow a sub-committee governance model agreed with the CJC to confirm / continue the role of the Councils and Partners in relation to the "Reserved Matters".
- 14. Pinsent Masons have advised officers in detail on the advantages and some key issues, before we concluded that the transferring the EAB functions to a sub-committee provides the optimal structure for the CJC. As a separate corporate body, the CJC may naturally evolve over time and deliver wider initiatives, while building upon recent years of regional public investment under the EAB and continuing the trajectory established by Growth Deal.
- 15. The proposed CJC committee structure is shown in the following chart, including establishment of a subsidiary EAB delivery vehicle (sub-committee). This limits the extent of change and satisfies the 'immediate duties' in a consensual way –



\*\* Delegation to statutory sub-committees, which are also subject to the transparency requirements which apply to executive function bodies.

## **Decision-Making**

16. Pinsent Masons advise that decision-making, after transferring functions under the CJC, could operate to a large degree how decision-making currently occurs within the Economic Ambition Board, with local authorities retaining overall control over Growth Deal decision-making through robust delegation or novation arrangements. This will require amending legislation to allow for executive or Cabinet functions to be delegated to the CJC, as they are currently delegated to the EAB. It is understood from Pinsent Masons, further to their discussions with the Welsh Government, that this will be addressed in the forthcoming set of regulations.
17. The scheme of delegation from the local authorities to the CJC will clarify which matters remain decisions that are reserved for the local authorities as is currently set out in 'GA2'.
18. Snowdonia National Park Authority is an additional voting member of the CJC, but only on matters relating to the strategic planning function and its budget.
19. The 'Advisors' (college principals) are not original CJC members, but can be co-opted to the subcommittee and may be given voting rights if CJC so determines (and, if so, the current EAB model would continue).

## **Merits of transferring the Economic Ambition Board functions into the CJC forming a single corporate entity**

20. Having considered the approach to and implications of transferring the north Wales region's EAB and current Growth Deal arrangements (and where applicable, Growth Vision delivery) into the CJC, legal advice received from Pinsent Masons shows that simplicity and avoiding bureaucracy (two key principles identified under paragraph 5 above) may be achieved by fully utilising the potential of the CJC via direct contractual arrangements.
21. This view is strongly supported by the Cardiff Capital Region's experience, analysis and decision to 'lift and shift' their city deal (growth deal) operations to their CJC, forming a single corporate entity. Cardiff's 'go live' date for commencement of functions is 28 February 2022, four months before our CJC's 'go live' date, allowing us to be informed by precedents there.
22. Transferring the Economic Ambition Board functions to a single corporate entity will mean not using a host authority as the accountable body. However, individual local authorities could continue to provide officers and support services to the CJC / EAB by agreement, or individual local authorities could agree to 'lead' on one of the specific 'immediate duties'. Also, individual partners could continue to lead on individual projects, of course.
23. The north Wales region's CJC must appoint statutory officers, i.e. a Chief Executive, a Monitoring Officer, and a Chief Finance Officer (CJCs have the same financial reporting and disclosure requirements as local authorities). However, the CJC could choose either to employ these directly, or enter into arrangements with constituent authorities for their officers to be placed at the disposal of the CJC.

24. Staff directly employed by the CJC may be minimised. Before the 30 June 2022 'go live' date, we will need to carefully consider transfer of Economic Ambition Board staff to be employed by the CJC, rather than the host authority. At the outset, any other employment shift could be limited by use of service level agreements with local authorities for services, or secondment of staff from local authorities. Subsequently, the CJC may make 'delivery' decisions with each individual function.

### **Added value for the EAB within the CJC as a single corporate entity**

25. Using a host authority as the accountable body has been successful in establishing the EAB. However, continuing with this contractual agency / services agreement approach ("co-existing" with the CJC henceforth) would eventually mean both the EAB and the host authority being mired in "back to back agreements" which will be required on individual projects.
26. Over circa 6 years, this has put increasing strain on Cardiff Council as the accountable body for their region's city deal. As we have grant funding to support such transition now, Gwynedd and north Wales should take cognizance of our opportunity to take the benefit of Cardiff's experiences now, in order to avoid the time and cost of changing later. We have a timely opportunity now to learn from the Capital Region's experience. Many more loan and contract agreements would need to be novated or retained by the accountable body (depending on the nature and complexity of the individual projects) if north Wales switched our EAB model to a corporate entity further on down the road.

### **Sub-committees for Strategic Planning and Strategic Transport**

27. There is clear consensus (from recent discussions between the 6 Council Leaders and Chief Executives) that we need a governance structure with sub-committees for Strategic Planning and Strategic Transport, both being sub-committees of the CJC alongside, and not underneath, the EAB as a sub-committee in its own right.
28. These sub-committees could be inclusive of relevant cabinet members from the constituent authorities, alongside their leaders on the CJC. The CJC could appoint other members with voting rights from partner organisations, as required. This delegated governance model could enable us to have a lighter CJC meeting agenda, with sub-committees doing the heavy lifting. There are certain matters which cannot be delegated by the CJC in this context, particularly around governance structure, budget decisions, and certain key decisions in relation to the adoption of the statutory plans.
29. It has been suggested that there should be 'host authority' for strategic planning and a 'host authority' for strategic transport. There could be seconding-in of some existing capacity to do the strategic work on the 'immediate duties' which must be delivered for the CJC. While individual local authorities could be prepared to lead on planning or transport functions, they would not be an 'accountable body' as Gwynedd are for the EAB. The CJC, as a corporate entity, would make agreements with third parties as required. However, in principle, it may be practical for individual authorities to lead and deliver the planning and transport functions, with the CJC funding these authorities' increased capacity / regional responsibility.

## **Transition from Growth Deal Arrangements**

30. Several regulatory issues remain to be resolved with regards transition from current arrangements to the CJC – some of these need to be addressed through expected CJC regulations, etc. Clarification required includes possible novation of the Growth Deal funding agreement to the CJC (alternatively, subject to legislative changes to reflect Welsh Government’s direction of travel, local authorities could delegate or novate to the CJC). Clarification is also required regarding the scope of the CJC’s ability to borrow, invest and act commercially, tax and VAT status. The Welsh Government have stated that their policy intention is that CJCs should be subject to the same powers and duties as principal LAs in the way that they operate (including essentially the ability to borrow and reclaim VAT like unitary local authorities). Solutions to some issues are still a ‘work in progress’.
31. Legal advice is being received from Pinsent Masons on the approach to and implications of transferring the north Wales region’s EAB and current Growth Deal arrangements into the CJC. Initial legal advice and the challenging timescales means that the Welsh Government’s aim to transfer these arrangements into the CJC is more challenging and complex than anticipated. We will also need to consider the governance of our region’s CJC and potential sub-committees, which will require specialist input from the local authorities’ lawyers.
32. The Welsh Government’s stated policy direction is that the CJC should be afforded the requisite powers to be able to deliver the Growth Deal for the local authorities. Accordingly, following review of the current legislation and discussion with the Welsh Government, Pinsent Masons’ specialist lawyers conclude that there is not intended to be a material disparity in the manner in which the NWEAB currently operates and how the CJC could operate in respect of the Growth Deal / Growth Vision. It is anticipated that complexities regarding delegation to the CJC may be solved by further Regulations, allowing us to tailor operations to reflect the needs of the region, in line with the Economic Ambition Board and ‘GA2’.

## **Governance and Finance**

33. Transition of the Economic Ambition Board (with no material change to how it currently operates) to the CJC would require a formal decision by each of the local authorities, and in practice the consent of the other partners to GA2. The Welsh Government’s Corporate Joint Committees General Regulations have not yet addressed the issue of the role of scrutiny committees. The current scrutiny arrangements for the Economic Ambition Board are within the statutory framework for scrutinising executive decision making. GA2 includes a protocol for managing the relationship. Thus far, there is no statutory arrangement for scrutiny of the Corporate Joint Committees. However, the draft statutory guidance on CJCs emphasises the role of local authorities’ overview and scrutiny arrangements, as part of the governance and democratic accountability framework which needs to be established. There are further regulations to follow and we will need to develop a scrutiny framework and understand the basis for the arrangements.



34. In respect of the 'initial functions' (see below), the CJC will need to agree the budget and allocate contributions across the local authorities. Each local authority's representative on the CJC will be mindful of the guiding principles under the NWEAB's GA2 but, as the budget setting relates to the 'initial functions', the budget contributions will be determined and levied by the CJC itself.
35. There will be significant ongoing resource requirements on local authorities' capacity in administering and delivering CJC functions. These administrative burdens and professional resource requirements for the establishment of and servicing of the CJC are yet to be fully identified.
36. As part of the scheme of delegation to the CJC, the local authorities will be passporting the Growth Deal funding, which will be allocated and invested in strict accordance with the terms of the 'Outline Business Plan' (which was adopted when 'GA2' was signed). Any change impacting on the financial position of a local authority may be reserved for the local authorities to determine (rather than the CJC), thus ensuring this aspect operates as per the EAB.
37. Some additional statutory obligations are broadly in keeping with how the EAB functions, including:
  - the CJC to prepare a 12-month business plan setting out activities to be undertaken and the CJC's budget requirements;
  - the CJC to agree the CJC's budget requirements for its first financial year at a meeting of the CJC by 31 January 2022, and how this will be met (levied);
  - the CJC to appoint the chairperson and vice-chairperson at its first meeting; and
  - the CJC to establish a Governance and Audit Sub-Committee.

### **The 'Initial Functions'**

38. There are three initial functions prescribed to be discharged by the CJC, two are which are not currently carried out by the NWEAB:
  - preparing, monitoring, reviewing and revising of a Strategic Development Plan;
  - developing a Regional Transport Plan – policies for transport; and
  - economic well-being function – anything likely to promote economic wellbeing.
39. Planning policy managers in north Wales have looked at delivery options and cost implications for producing the north Wales region's Strategic Development Plan (SDP) (in addition to Local Development Plans).
40. Transport professionals are currently considering how a compliant and suitably robust Regional Transport Plan (RTP) could be developed.

41. Both the Councils and the CJC have concurrent powers in relation to promoting economic wellbeing - this one of the powers, amongst many, that the parties currently rely upon to deliver the Growth Deal. In due course additionality in the co delivery of this function may be considered based on the currently envisaged Growth Vision role of the Economic Ambition Board.
42. The regionally agreed principles noted under paragraph 5 above are consistent with a shared view that the proposals here are made on a 'no threat' basis to the local authorities. Thus, the CJC will set the direction and priorities, and is likely to need some concurrent functions, while its SDP and RTP will set a policy framework which the local authorities must have regard to. However, the individual local authorities will remain best placed to undertake local activity around economic development, planning, transport and other functions, with the CJC empowering and supporting local, regional and national delivery.

### **Recommendation**

43. The Cabinet / Executive are asked, subject to the Welsh Government putting the appropriate statutory framework in place, to adopt a streamlined governance model, avoiding duplication, by approving in principle the transition of the North Wales Economic Ambition Board to be established as a sub-committee of the north Wales region's Corporate Joint Committee (CJC).

### **Next Steps**

44. The following key tasks (this is not an exhaustive list) will require attention during late 2021, or during first quarter of 2022:
  - i. Regarding CJC membership, Snowdonia National Park Authority to nominate their representative.
  - ii. Set the date of the first CJC meeting.
  - iii. Agree the CJC's budget requirements for its first financial year at a meeting of the CJC by 31 January 2022
  - iv. Agree how the CJC's budget requirements will be met, i.e. authorities' contributions to be levied.
  - v. The CJC to adopt a sub-committee structure, and form a view on co-option, who, where, scope of participation, and whether voting or non-voting.
  - vi. Establish meeting governance and support arrangements for the CJC.
  - vii. Develop and establish a Scrutiny framework, when the Welsh Government's regulations on CJs provides the relevant basis for the arrangements.
  - viii. Establish the Governance and Audit Committee and Standards Committee, and appoint members.

- ix. Formal decision by the local authorities, together with the consent of the other partners in GA2, to transition the NWEAB to the CJC.
- x. Establish the Governance Agreement with the CJC in relation to the Economic Ambition Board functions, and any other "host authority" agreements, with the CJC required to implement the proposed arrangement.
- xi. Appoint statutory officers.
- xii. Prepare a 12-month business plan.
- xiii. Agree how the CJC's business transactions are established / hosted.
- xiv. Prepare and adopt CJC Standing Orders and basic governance documentation.

### **Financial Implications**

45. Approving the decision sought here regarding the governance model would not add any financial implication for the Council. However, there will be an unavoidable ongoing cost (administrative burdens servicing the CJC and professional resource requirements) for local authorities to be able to administer and deliver the CJC's statutory functions. These costs are yet to be fully identified, but the direction set by this report is to make the CJC work effectively while minimising the financial burden on the Council.

### **Wider Duties**

46. In developing the proposals regard should be had, amongst other matters, to:
  - the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards,
  - Public sector duties under the Equalities Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties Councils must in making decisions have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics.
  - The Well-Being of Future Generations (Wales) Act 2015 ('the Act') is about improving the social, economic, environmental and cultural well-being of Wales. The Act places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language and is globally responsible.
47. Under the Welsh Government's Regulations, the CJC is subject to the Equalities Act, Future Generations Act, and other legislation, in the same way as local authorities.

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## **North Wales Economic Ambition Board**

**30 September 2022**

**TITLE:** North Wales Corporate Joint Committee (CJC)  
– Part-time Secondment of the EAB Portfolio Director as interim CJC Chief Executive

**AUTHOR:** Dylan J Williams, North Wales Councils' Lead Chief Executive for the Economic Ambition Board

### **1. PURPOSE OF THE REPORT**

- 1.1. The report presents a request by the North Wales Corporate Joint Committee (CJC), to the North Wales Economic Ambition Board (EAB), to release part of their Portfolio Director's time to fulfil the CJC Chief Executive's role, initially on a temporary basis until 31 March 2023. This proposal is supported by all six North Wales Council Chief Executives.

### **2. DECISION SOUGHT**

- 2.1. That the EAB consider the following recommendations and proposed arrangements:
- That the EAB supports the CJC's request to release the Portfolio Director's time for two days per week until 31 March 2023 on a part time secondment basis to undertake the Interim Chief Executive role.
  - That all associated employment and associated costs are covered by the North Wales CJC
  - To delegate authority to the Portfolio Director in consultation with Chair and Vice-Chair of the EAB to agree on the re-allocation of responsibilities within the Portfolio Management Office (PMO) in order to ensure that the proposed interim arrangements support the PMO priorities and responsibility to all the EAB partner organisations.

### **3. REASONS FOR THE DECISION**

- 3.1. Having regard to the in-principle decision of the Councils to transfer the functions of the North Wales Economic Ambition Board to assist the North Wales region in establishing the CJC, and to ensure that the EAB's interests are safeguarded as the CJC moves forward.

### **4. BACKGROUND AND RELEVANT CONSIDERATIONS**

- 4.1. At the 17 June CJC meeting, it was agreed to extend the CJC's statutory officer appointments made at the 14 January CJC meeting, i.e. the Chief Executive Officer (Dafydd Gibbard), Chief Finance Officer (Dewi Morgan) and Monitoring Officer (Iwan Evans) being provided by Gwynedd Council, and to approve the ongoing arrangements for Gwynedd Council to provide support services for the CJC.
- 4.2. The 22 July CJC meeting considered an options appraisal for filling the CJC's Chief Executive Officer role. It was agreed to submit a request to the EAB to release part of their Portfolio Director's time to fulfil the CJC's Chief Executive role on a secondment basis until 31 March 2023. This way forward considers an assumption that the EAB may be incorporated as part of the CJC in the future.

- 4.3. As noted in the September CJC Update (Appendix 1), there are a number of outstanding matters to resolve, along with the work required to operationalise the powers held by the CJC. This proposal presents a way forward which enables the EAB's Portfolio Director to play a key role in leading and influencing the work which will facilitate the assumed future transition of the regional PMO (including the Growth Vision and Growth Deal) currently being delivered by the PMO for the North Wales Economic Ambition Board, into the CJC.
- 4.4. The proposed interim secondment arrangement will help determine and set out the options to resolve the CJC's Chief Executive's role on a more permanent basis from April 2023. During the secondment period, progress can be made to establish the Planning and Transport sub-committees, and identify the resources required to discharge the CJC's initial duties.
- 4.5. The CJC recognise and support the need to make appropriate budgetary and operational arrangements to ensure that the work of the Portfolio Director in leading the PMO and delivery of the Growth Deal is not impacted by this proposed interim arrangement.

### **Opportunities and Risks**

- 4.6. The proposed way forward presents an opportunity to create cohesion between the EAB and the CJC and to ensure that the EAB's interests are represented and safeguarded as further development and implementation of the CJC moves forward. The key opportunities and risks to be managed are noted below:
  - An existing working assumption determines that the EAB and regional PMO could be incorporated within the CJC in future. The part-time secondment of the Portfolio Director would ensure that the Growth Deal and Growth Vision continue to be delivered during and after that transition, with turbulence minimised.
  - The EAB's Portfolio Director's involvement in establishing the CJC would be required with respect to co-ordinating the Economic Wellbeing function regardless, and therefore formalising this arrangement by means of the part-time secondment allows for that involvement to be focused and for duplication of resources to be avoided.
  - Releasing the Portfolio Director for two days a week to take on the interim CJC Chief Executive role will create a capacity challenge for the Portfolio Management Office that will need to be planned for and managed carefully.
  - The CJC will cover all employment costs for the proposed secondment which enables the EAB funding to be reinvested in appropriate backfill arrangements.
  - The backfill arrangements could provide development opportunities for those currently in the PMO by taking on additional responsibilities during the secondment period. Recruitment of additional short-term resource is likely to be necessary.
  - The potential capacity challenge may require the PMO to de-prioritise certain activities to focus on the core deliverables relating to the Growth Deal, however every effort will be made to avoid this.

## **5. FINANCIAL IMPLICATIONS**

- 5.1. The CJC has offered to fund the proposed back-fill required to undertake some of the Portfolio Director's duties. Hence, this proposed part-time secondment of the Portfolio Director would be net cost neutral for the EAB.

## **6. LEGAL IMPLICATIONS**

- 6.1. The EAB has been established pursuant to Governance Agreement 2 to act as the decision-making body for the partnership of local authorities and the education bodies to deliver the North Wales Growth Deal and the Growth Vision. It's functions and the outcomes it needs to deliver are defined by the agreement and the related Overarching Business Plan which was completed in tandem with the Growth Deal. It is also required to appoint the Portfolio Director to Lead the Portfolio Management Office.
- 6.2. Nevertheless, the advent of the Corporate Joint Committees was presaged in GA2 and is specifically referenced as a matter reserved to the Councils. There is a specific provision in the agreement which acknowledges the anticipated creation of CJC's and that a transfer of functions might occur. This is reflected in the in-principle decision of the 6 executives in December 2021 to transfer the functions of the EAB to the CJC provided that the model and the statutory framework was in place to achieve this. The CJC's have now been established and the statutory model is practically completed. However, at this point in time the work of creating the CJC as a functioning public body with appropriate governance and management arrangements is being moved forward. This work needs to reflect and prepare for the assumption of the role of the EAB into the CJC and its governing model.
- 6.3. In terms of GA2 the proposed secondment does not require that EAB resources and contributions are provided to support the CJC. There also provision in the interim for maintaining capacity for supporting the work of delivering the EAB's functions. It is also relevant that the transition of the EAB's functions to the CJC needs to be properly planned and resourced to ensure that when the functions transferred this can be achieved effectively and efficiently. Provided the EAB is assured of these matters then it can appropriately approve the secondment within GA2.

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## APPENDICES:

**Appendix 1**      CJC September Update

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## STATUTORY OFFICERS RESPONSE:

- i.      **Monitoring Officer – Host Authority:**  
"I have advised on this matter and in particular the "Legal Implications" section of the report. The report properly advises the EAB on its functions and constraints. It also properly reflects the fact that although there may an element of common membership of the BUE and the CJC they are separate bodies with differing governance resourcing and, in the case of the EAB partnership requirements which need to be considered. The EAB needs to come to a decision this matter within its own governance framework and having regard to it's functions as set out in GA2."
- ii.     **Statutory Finance Officer (the Host Authority's Section 151 Officer):**  
"I can confirm the accuracy of Part 5 of the report. The Finance Service will act to ensure that this arrangement remains cost-neutral for Ambition North Wales during the current financial year."





**Title: The North Wales Corporate Joint Committee (CJC)**

**Purpose: To update Authority Members regarding developments**

**Cabinet Member: Council Leader**

**Contact Officers: The Chief Executive and the Monitoring Officer**

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Further to Welsh Government legislation establishing the North Wales Corporate Joint Committee (CJC), the region's 6 Councils and the National Park have made appropriate arrangements, held four CJC meetings, agreed the budget for 2022/23, and are preparing to deliver the CJC's initial functions.

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## **Background**

1. Regulations were made by the Welsh Government on 17 March 2021 creating four Corporate Joint Committees in Wales, and the North Wales Corporate Joint Committee (CJC) was established on 1 April 2021. The CJC must exercise functions relating to strategic development planning and regional transport planning, and are also be able to promote economic well-being.
2. In contrast to other joint committee arrangements, the CJC is a separate corporate body which can employ staff and hold assets. In the past, reservations were expressed because CJC's might lead to "another layer of bureaucracy", but it is here now and we have no choice other than to make it work.
3. There are three initial functions prescribed to be discharged by the CJC, two are which are mandatory, and one currently carried out concurrently by each individual local authority and by the North Wales Economic Ambition Board:
  - the CJC must prepare, monitor, review and revise a regional Strategic Development Plan;
  - the CJC must develop a Regional Transport Plan with policies for regional transport; and
  - the CJC may do anything which is likely to promote economic wellbeing (regional economic well-being is currently a function of the NWEAB).
4. In December 2021 / January 2022, the Cabinet (or equivalent) in each of the region's 6 Councils agreed in principle that the functions of the North Wales Economic Ambition Board be transferred by way of a delegation agreement to the CJC, when the CJC establishes a Sub-Committee, with membership to be agreed with the Councils, to undertake the functions of the Economic Ambition Board. This transition is proposed in order to achieve a streamlined governance model, avoiding duplication.
5. Further regulations will follow and the Welsh Government are liaising with the UK Government and HMRC, etc, regarding details of the CJC's VAT status, etc.
6. Establishing the CJC was a legal requirement, but the timetable remains challenging, particularly to discharge the 'immediate duties' prescribed in the legislation (producing a Regional Transport Plan, and a regional Strategic Development Plan).

7. Under the Welsh Government's Regulations, while developing proposals and discharging its duties, the CJC will be subject to the Equalities Act, Future Generations Act, language standards under the Welsh Language Measure 2011, and other legislation, in the same way as local authorities.
8. This update report is submitted simultaneously to elected members at the 6 Councils: Anglesey, Conwy, Denbighshire, Flintshire, Gwynedd and Wrexham, and members of Snowdonia National Park Authority.

### **Employment of Chief Officers and Staff**

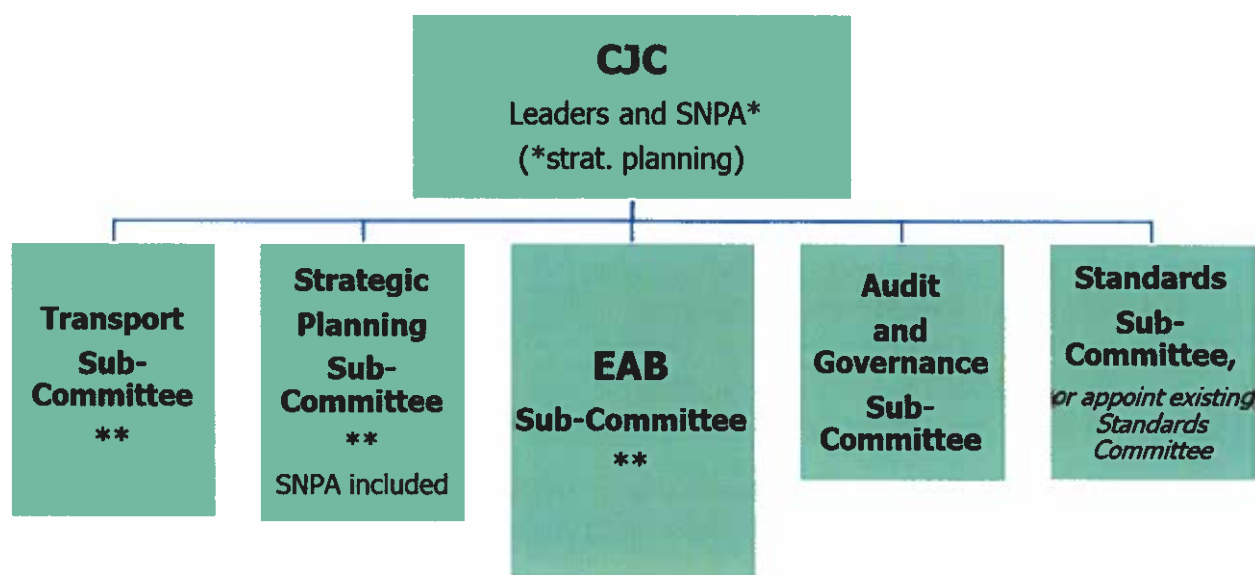
9. Staff directly employed by the CJC are currently minimised. The North Wales CJC must appoint statutory officers, i.e. a Chief Executive, a Monitoring Officer, and a Chief Finance Officer (CJCs have the same financial reporting and disclosure requirements as local authorities). However, rather than employing these directly, the CJC has made arrangements with constituent authorities for their officers to be placed at the disposal of the CJC.
10. At the 17 June CJC meeting, it was agreed to extend the CJC's statutory officer appointments made at the 14 January CJC meeting, i.e. the Chief Executive Officer (Dafydd Gibbard), Chief Finance Officer (Dewi Morgan) and Monitoring Officer (Iwan Evans) being provided by Gwynedd Council, and to approve the ongoing arrangements for Gwynedd Council to provide support services for the CJC.
11. The 22 July CJC meeting considered an options appraisal was for filling the CJC's Chief Executive Officer role on a more permanent basis. Bearing in mind the likelihood that the EAB will be incorporated as part of the CJC in future, it was agreed to submit a request to the North Wales Economic Ambition Board to release part of their Portfolio Director's time to fulfil the Corporate Joint Committee's Chief Executive's role until 31 March 2023. The NWEAB will formally consider this request in September.
12. Subsequently, the CJC may make 'delivery' decisions on a case by case basis for each individual function, i.e. planning, transport, etc. The CJC could employ staff or there could be seconding-in of some existing capacity from the authorities to do the strategic work on the 'immediate duties' which must be delivered for the CJC. In principle, it may be practical for individual authorities to lead and deliver the planning and transport functions, with the CJC funding these authorities' increased capacity / regional responsibility. The CJC, as a corporate entity, could make agreements with third parties as required.

### **The CJC's Members and Committees**

13. The CJC's committee members are –

<b>Leader</b>	<b>Authority</b>	<i>CJC Role</i>
Clr. Dyfrig L Siencyn	Gwynedd Council	<i>Chair</i>
Clr. Mark Pritchard	Wrexham County Borough Council	<i>Vice-chair</i>
Clr. Llinos Medi Huws	Isle of Anglesey County Council	
Clr. Charlie McCoubrey	Conwy County Borough Council	
Clr. Jason McLellan	Denbighshire Council	
Clr. Ian B Roberts	Flintshire Council	
Clr. Annwen Hughes	Snowdonia National Park Authority	

14. The CJC's proposed committee structure is shown in the following chart, including the anticipated growth deal delivery vehicle (EAB sub-committee). The Snowdonia member is entitled to vote on matters to be decided by the CJC about strategic planning functions.



\*\* Delegation to statutory sub-committees, which are also subject to the transparency requirements which apply to executive function bodies.

### Sub-committees for Strategic Planning and Strategic Transport

15. There was clear consensus that we need a governance structure with sub-committees of the CJC for Strategic Planning and Strategic Transport (alongside the EAB as another sub-committee if/when it transfers).
16. At the 17 June CJC meeting, it was agreed to establish a Strategic Planning Sub-Committee and a Strategic Transport Sub-Committee, and to approve the membership and voting rights as follows –
- i. The Strategic Planning Sub-Committee with 7 voting members, one from each of the constituent authorities (6 Councils and SNPA).
  - ii. The Strategic Transport Sub-Committee with 6 voting members, one from each of the 6 Councils.
  - iii. Membership of the Strategic Planning Sub-Committee to be comprised of the relevant Cabinet member from each constituent Council who holds the portfolio for Planning Policy, and the SNPA representative.
  - iv. That the membership of the Strategic Transport Sub-Committee to be comprised of the relevant Cabinet member from each constituent Council who holds the portfolio for Transport Policy.

17. The Strategic Planning Sub-Committee and/or the Strategic Transport Sub-Committee could recommend that the CBC consider co-option of additional members from partner organisations in due course, as required.
18. Snowdonia National Park Authority will need to nominate their representative on the Planning Sub-Committee. See below the region's local authority Cabinet Members for Planning and Transport –

Cabinet Members for <b>Planning</b>	<b>Council</b>	Cabinet Members for <b>Transport</b>
Cllr Nicola Roberts	Anglesey	Cllr Dafydd Rhys Thomas
Cllr Emily Owen	Conwy	Cllr Goronwy Edwards
Cllr Win Mullen-James	Denbighshire	Cllr Barry Mellor
Cllr Christopher Bithell	Flintshire	Cllr Dave Hughes
Cllr Dafydd Meurig	Gwynedd	Cllr Dafydd Meurig
Cllr Terry Evans	Wrexham	Cllr David A Bithell

19. This delegated governance model should enable the sub-committees to do the heavy lifting, but there are certain matters which cannot be delegated by the CJC, around the governance structure, budget decisions, and certain key decisions in relation to the adoption of the statutory plans.
20. In respect of the two initial duties prescribed to be discharged by the CJC, it will set the direction and priorities, and it will need some concurrent functions, while the CJC's regional Strategic Development Plan and Regional Transport Plan will set a policy framework which the local authorities must have regard to. However, the individual local authorities will remain best placed to undertake local activity around planning and transport functions, with the CJC empowering and supporting local, regional and national delivery.
21. Planning policy managers in north Wales' local authorities will need to work with the Strategic Planning Sub-Committee to look at delivery options and cost implications for producing the north Wales region's Strategic Development Plan and the Strategic Planning Sub-Committee will need to make timely recommendations to the CJC in order to draft the CJC's 2023/24 budget.
22. Similarly, Transport professionals in north Wales will need to work with the Strategic Transport Sub-Committee to consider how a compliant and suitably robust Regional Transport Plan (RTP) could be developed. We understand that the Regional Transport Plan will have to be completed by the first half of 2024, so the necessary resources must be identified soon.
23. There are number of other statutory obligations, including the need for the CJC to establish a Governance and Audit Sub-Committee, and a Standards Committee. These will receive attention in 2022, along with scrutiny arrangements. The Chairs of the 7 standards committees in the 'constituent' authorities could form one Standards Sub-Committee for the CJC.
24. The current scrutiny arrangements for the Economic Ambition Board are within the statutory framework for scrutinising the CJC's executive decision making, and GA2 includes a protocol for managing the relationship. These arrangements could be adopted for scrutinising the CJC, bearing in mind that Welsh Government guidance notes the role

of local authorities' overview and scrutiny arrangements, as part of the governance and democratic accountability framework which needs to be established during 2022/23.

## Financial Arrangements

25. There is a statutory obligation for the CJC to agree its budget requirements for the financial year at a meeting of the CJC by the preceding 31 January, and how this will be met (levied).
26. At the 28 January CJC meeting, the CJC's Budget for 2022/23 was approved, with totals for Strategic Planning £87,950 and Other Functions including Transport £274,310. Also on 28 January, the CJC approved the Levy for 2022/23 on the each authority, allocated based on the relevant population, with each authority's amounts as analysed below –

	<b>Strategic Planning</b>	<b>Other functions</b>	<b>Total Levy</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Conwy County Borough Council	(14,270)	(46,220)	(60,490)
Denbighshire County Council	(12,030)	(37,530)	(49,560)
Flintshire County Council	(19,700)	(61,450)	(81,150)
Gwynedd Council	(13,090)	(48,910)	(62,000)
Isle of Anglesey County Council	(8,750)	(27,290)	(36,040)
Wrexham County Borough Council	(16,970)	(52,910)	(69,880)
Snowdonia National Park Authority	(3,140)		(3,140)
<b>Total Levy</b>	<b>(87,950)</b>	<b>(274,310)</b>	<b>(362,260)</b>

27. As noted in parts 21/22 above, north Wales authorities' planning policy officers and transport officers will need to work with their relevant Sub-Committees to identify delivery options and cost implications to produce the region's Strategic Development Plan and the Regional Transport Plan, then the Sub-Committees will need to make timely recommendations to the CJC in order to in order to agree the CJC's 2023/24 budget before 31/01/2023.
28. Legislative clarification is required regarding the scope of the CJC's ability to borrow, invest and act commercially, and the CJC's corporation tax and value-added tax (VAT) status. The Welsh Government have stated that their policy intention is that the CJC should be subject to the same powers and duties as principal local authorities in the way that they operate (including essentially the ability to borrow and reclaim VAT like unitary local authorities).
29. Solutions to these issues are still a 'work in progress', but crucially Welsh Government officials have advised us that the Financial Secretary to the Treasury has confirmed the UK Government will legislate to admit the four CJs into the Section 33 VAT refund scheme, so that the CJC will receive a refund of the eligible VAT incurred from the date that the Order is made. Both Governments are engaged with HM Treasury regarding this Order, and they expect it will be effective from December 2022. Until then, the CJC will be unable to reclaim the VAT paid to local authorities or other suppliers of goods and services. Hence, it is currently 20% more expensive to receive support services from



Gwynedd Council, etc. Further, as it will be more expensive to second professional staff capacity from the authorities, or to pay consultants to do that work, until this is resolved there is a disincentive to rush ahead with work on the CJC's Planning and Transport duties.

30. Welsh Government officials have also advised us that they are engaging with the UK Government regarding the ability of the CJC to borrow from the PWLB at preferential interest rates like local authorities, and the CJC's status regarding corporation tax (it was mentioned that both Governments were considering a 'Section 150 Order' to tie-up loose ends), but these solutions would require UK Government legislation and no specific timeline was promised. As the terms of borrowing are key to the growth deal, until this is resolved, the CJC is unable to move ahead with transferring EAB arrangements of into the CJC.

### **Transition of Growth Deal Arrangements**

31. As noted above, solutions regarding some financial issues and some other regulatory issues are required before current Economic Ambition Board (EAB) arrangements may be transitioned into the CJC. Clarification is required regarding several matters, but the Welsh Government have stated that their policy intention is that the four regional CJCs should be subject to the same powers and duties as principal local authorities in the way that they operate (including essentially the ability to borrow and reclaim VAT).
32. The aim is still to transfer the north Wales region's EAB and current Growth Deal arrangements into the CJC, avoiding duplication, but this is proving to be more challenging and complex than the Welsh Government originally anticipated, and solutions to some of the issues are still a 'work in progress'.
33. As well as the governance of the CJC and its sub-committees, we will need to further consider and moving on from the Economic Ambition Board's 'GA2', which will require significant specialist input from the local authorities' lawyers, even though there is not intended to be a material disparity between the manner in which the EAB currently operates and how the CJC could operate in respect of the Growth Deal / Growth Vision.
34. It is anticipated that various complexities may be solved by legislation, etc, allowing us to tailor operations to reflect the needs of the region, in line with the Economic Ambition Board and 'GA2', but transition of the Economic Ambition Board (with no material change to how it currently operates) to the CJC would require a formal decision by each of the local authorities, and the consent of the other partners to GA2.

### **Other Actions and Conclusion**

35. Other tasks will require attention during late 2022/23, including creating a website and branding for the CJC, but the current priorities are resolving the Chief Executive's role on a more permanent basis, establishing the Planning and Transport sub-committees, and identifying the resources required to discharge the CJC's initial duties.



Ein cyf/Our ref DC/RE/00664/22

All Chairs and Vice Chairs  
Corporate Joint Committees

27 September 2022

Dear Chairs and Vice Chairs,

I was very pleased to have opportunity over the summer to individually meet with the Chairs and Vice Chairs from each of the four Corporate Joint Committees (CJCs). These meetings allowed me to hear about the continued progress being made and ambitions of each CJC following the local government elections in May. I am very grateful for all the hard work colleagues across Wales have already undertaken to establish these important new vehicles for regional collaboration.

CJCs provide a 'ready-made' consistent and accountable mechanism to support regional collaboration, and opportunity for existing arrangements to evolve and make use of the additional tools that a corporate body offers. Aligning economic development, transport and land use planning approaches in the CJC provides an opportunity to consider and capitalise on the interdependencies between them. I am confident this will allow you to deliver your regional ambitions, develop successful regional economies and encourage local growth. I was pleased to hear about the structures you are putting in place to take this work forward.

It is important to continue to stress the regulatory framework which underpins the work of CJCs is designed to provide you with flexibility and enable local discretion. How a CJC delivers its functions, and operates more generally, will largely be for determination by you and your members. It is important your CJC evolves to meet the specific needs, ways of working, and ambitions of each region—and I welcome this variation.

It is of course reasonable to expect there would be a small number of technical issues which emerge as CJCs are implemented, and some other questions were raised in these meetings that I thought all regions would appreciate clarification on to enable you to plan in confidence for the next financial year.

As you know, the UK Government has confirmed it will legislate to admit the four CJCs into the VAT refund scheme. CJCs will be eligible to receive a refund of the eligible VAT they incur from the date an Order is made.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

UK Government previously indicated this change would take effect by the 1 December. HM Treasury have however informed us that following the tragic death of Her Majesty the Queen they have amended Parliamentary timetables to take account of the period of mourning. They now estimate this change to VAT rules will come into force by 1 March. Whilst this delay is disappointing, this should still allow CJsCs to plan with confidence to operate with increased budgets next financial year.

Legislation to address remaining issues which relate to other non-devolved areas, including providing for CJsCs to have direct access to borrowing via the Public Works Loans Board and changes in relation to Corporation Tax, is also being planned. Whilst I understand the frustration felt by partners, unfortunately I do not yet have a definitive timetable for these changes to be made. I want to reassure you however it remains a priority.

Under current legislation, CJsCs are not exempt from Corporation Tax. My officials are in discussion with HMRC and HM Treasury to establish whether exemption is possible, but for the time being, you should assume Corporation Tax will apply. A CJC would only be eligible to pay Corporation Tax on any profits made. As HMRC would not expect the first Corporation Tax returns and accounts from CJsCs until 2024, we still have time to seek to obtain an exemption.

However, while these are issues that I know you need clarity on for future planning it is less clear these are issues which constitute immediate barriers to progress. I am therefore grateful for the offers you made to share details about the specific immediate issues your CJsCs would face until you are exempted from Corporation Tax. This will inform the discussions my officials are having with UK Government to explore whether, in advance of the required legislative changes, it might be possible to agree in the meantime that certain activities which CJsCs might undertake could be exempted from Corporation Tax.

CJsCs are not currently able to borrow from the Public Works Loans Board (PWLb). Until the UK legislation is amended to provide for this, regions will be able to identify a lead principal council to obtain loans to undertake regional activities at the favourable rate provided by the PWLB. Whilst I know this is not ideal, involving as it does underlying agreements between constituent councils of the CJC, this is obviously the approach which has previously been taken under the City and Growth Deals.

I also undertook to provide further clarity on the role of National Park Authorities (NPAs), specifically in relation to the approach to determining NPAs contributions to budgets. The CJC must agree its budget requirements, including from the relevant NPA in relation to the strategic planning function. There is deliberate flexibility to allow you to determine arrangements appropriate for your area. However, there may be value in discussing and comparing approaches you have adopted to determining the contribution provided by NPAs. I understand your officers are engaging on the common issues and challenges they face in establishing CJsCs and this could be a useful area to consider. My officials have also recently shared a note via the WLGA in relation to the role of NPAs within a CJC which I hope has been of use.

I know each region is carefully considering how their CJsCs will operate, including potentially how they will be 'branded' to build on rather than lose the reputations established by the city and growth deals. For example, colleagues in South-East Wales already refer to themselves as the Cardiff Capital Region CJC. I welcome this type of activity which could help ensure each CJC is more closely aligned to the collaborative history, ambition, and identity of the region.



Whilst significant progress has been made, I do not underestimate the challenges you face to transition existing arrangements into your CJC and to begin to exercise your functions. My officials stand ready to provide advice to support your ongoing implementation.

Yours sincerely,

A handwritten signature in black ink that reads "Rebecca Evans". The signature is written in a cursive style with a large initial 'R' and a distinct 'E'.

**Rebecca Evans AS/MS**

Y Gweinidog Cyllid a Llywodraeth Leol  
Minister for Finance and Local Government

