

2021/22

Flintshire County Council  
Annual Governance Statement

Mid-Year Progress Update

Version 3

## What is the purpose of this document?

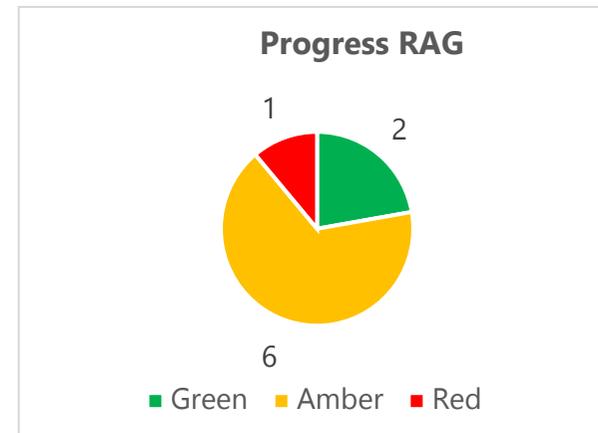
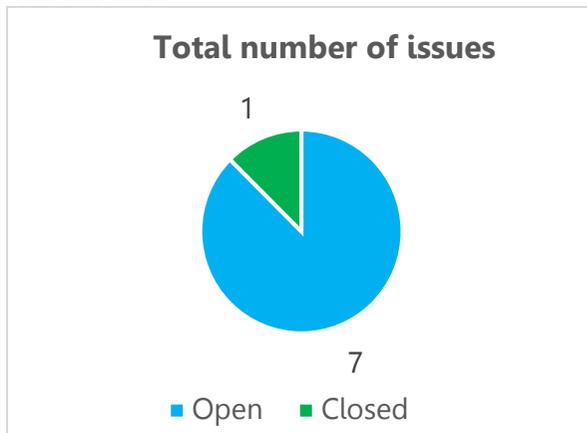
This document details our progress made against the actions from the assessment of Council’s Corporate Governance Framework where areas of best practise and areas for further improvement were identified.

### Areas for Improvement

	Area for Improvement	Progress Update
<b>Principle B</b>	Circumstances have curtailed our ability to consult and engage, but not the willingness so to do. Further planning required following the legislation on Local Government & Elections (Wales) Act 2021.	Local Government & Elections (Wales) Act 2021 to be assessed to determine our strategy for formal and informal consultation and engagement.
<b>Principle C</b>	Identifying and managing risks to the achievement of outcomes.	<p>The revised Risk Management Framework has been completed and presented and approved by Governance and Audit Committee in November 2022.</p> <p>All services have been asked to review all risks in line with the new Risk Management Framework. Including the closure of Recovery Risks.</p> <p>Risk data will be imported into the new InPhase Performance and Risk Management system once technical resource is available.</p>
<b>Principle D</b>	<p>Engaging with internal and external stakeholders in determining how services and other interventions can be delivered.</p> <p>Considering and monitoring risks facing each partner when working collaboratively including shared risks.</p>	As above. This requirement for this has been included within the new Risk Management Framework and would be included as part of the review of all Council risks
<b>Principle F</b>	An Internal audit Review of the risk management framework was undertaken during 2021/22 and has highlighted some areas for improvement to build upon the Risk Management Framework and processes going forward.	The revised Risk Management Framework has been completed and presented and approved by Governance and Audit Committee in November 2022.

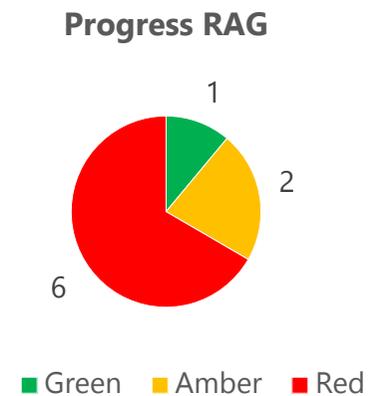
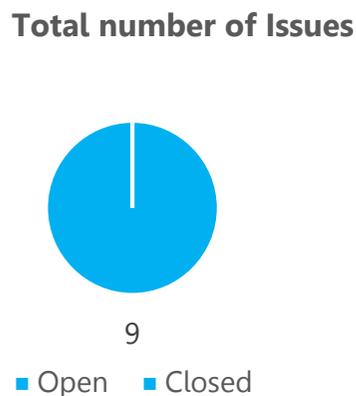
## Dashboard overview for significant Governance Issues reported in the 2021/22 AGS

The charts below give a high-level overview of the progress made for the areas identified of significance for Governance issues as identified as part of the AGS review.



## Dashboard overview for significant Strategic Issues reported in the 2021/22 AGS

The charts below give a high-level overview of the progress made for the areas identified of significance for Strategic issues.



## Progress updates for significant governance issues identified during 2021/22

The review of the effectiveness of the Council's governance framework identified the following significant internal governance issues during 2021/22. Progress updates of how the issue has been addressed and if it remains open is provided below:

Internal Council Governance issues	Mitigation Actions	Current Status	Progress Update	Progress RAG
(B17, B21, B23, B24, B25) Circumstances have curtailed our ability to consult and engage, but not the willingness to do so. Further planning required following the legislation on Local Government & Elections (Wales) Act 2021	An action plan is being developed to make improvements in the coming year a review of the Council's Consultation Strategy.	Open	Following a service review in late 2022, a new Customer Service & Communications Manager is expected to be appointed early in the new year. A priority will be to develop a Consultation and Engagement Strategy for the Council, working alongside the Communications Officer. The intention of the strategy is to have a clear and consistent approach to consultation and engagement across all services which will enable better sharing of customer insight. The strategy will act as a toolkit to assist services to consult and engage with communities successfully.	Amber
(C30) Identifying and managing risks to the achievement of outcomes.	Full Action Plan has been developed and shared with Governance and Audit Committee in June 2022	Open	This is in progress. The Revised Risk Management Framework has been approved by Governance and Audit committee in November 2022, shared with Officers and available on the Council's Infonet. Officers are currently reviewing their risks in line with the new framework. These will be transferred onto the new Business Planning, Performance and Risk Management System.	Amber

<p>(D39) Engaging with internal and external stakeholders in determining how services and other interventions can best be delivered.</p>	<p>In relation to the Public Services Board, improvements could be made to ensure greater engagement of internal and external stakeholders in determining interventions which would provide greater synergy between the strategic partnership and operational delivery</p>	<p><b>Open</b></p>	<p>The Public Services Board (PSB) has drafted a new Well-being Plan for 2023-28. The draft Plan is currently out for consultation with key stakeholders and is being promoted within Public Services Board (PSB) organisations. This should enable engagement on the new well-being objectives from 2023, allowing stakeholders to shape strategic partnership priorities with consideration to operational delivery.</p>	<p><b>Amber</b></p>
<p>(D40) Considering and monitoring risks facing each partner when working collaboratively including shared risks.</p>	<p>Full Action Plan has been developed and shared with Governance and Audit Committee in June 2022</p>	<p><b>Open</b></p>	<p>The Council works closely with ADMs and some of the Community Asset Transfers (CAT) and through this any risks will be identified and monitored. Capital Programme and Assets are looking to enhance risk recording and monitoring so this may sit with that in future.</p> <p>This requirement has also been included within the review Risk Management Framework</p>	<p><b>Amber</b></p>
<p>(F66, 73, 74) An Internal Audit review of the risk management framework was undertaken during 21/22 and has highlighted some areas for improvement to build upon the risk management framework and processes going forward.</p>	<p>Full Action Plan has been developed and shared with Governance and Audit Committee in June 2022</p>	<p><b>Closed</b></p>	<p>Complete – Action plan presented, and the New Risk Management Framework approved by Governance and Audit Committee in November 2022.</p>	<p><b>Green</b></p>
<p>Red / Limited Assurance Audit – Drury Primary School</p>	<p>Full Action Plan has been developed and shared with Governance and Audit Committee in June 2022</p>	<p><b>Open</b></p>	<p>One action remains partly outstanding. This relates to the establishment of a rental agreement. Revised due date 31 January 2023.</p>	<p><b>Green</b></p>

Red / Limited Assurance Audit – Homelessness & Temporary Accommodation	Full Action Plan has been developed and shared with Governance and Audit Committee in March 2022	<b>Open</b>	Work is ongoing to address these issues however to date all actions remain open. The implementation of actions has been impacted on the available resources within the service.	<b>Red</b>
Red / Limited Assurance Audit – Contract Management: Residential Development	Full Action Plan has been developed and shared with Governance and Audit Committee in November 2021	<b>Open</b>	Work is ongoing to address these issues. One action has been implemented. The officers from the Service attended Governance and Audit Committee in November to provide members will a progress update.	<b>Amber</b>

## Progress updates for significant strategic issues reported in the 2021/22 AGS

The review of the effectiveness of the Council’s governance framework identified nine strategic issues during 2021/22. Progress updates of how the issue has been addressed and if it remains open is provided below:

Strategic issues for 2021/22	Current Risk Rating	Mitigation Actions	Current Status	Progress Update	Progress RAG
<p><b>CF05</b> – An increase in the level of debt owed to the council</p>	<p><b>Amber</b></p>	<ul style="list-style-type: none"> <li>• Collection of income continues</li> <li>• Active engagement with taxpayers, tenants, customers and businesses to offer flexible arrangements</li> <li>• Enforcement has begun for taxpayers and tenants who are falling into debt and not made any contact with us</li> <li>• Risk is being taken into account in the review of the Medium-Term Financial Strategy (MTFS) including a review of the adequacy of levels of bad debt provision across the Council</li> <li>• Additional funding (circa £1.05m) from Welsh Government to compensate for losses of 2020/21 council tax collections is helping to provide financial resilience as we enter the recovery phase</li> </ul>	<p><b>Open</b></p>	<p>Debt Recovery work is ongoing and is targeted at those households and businesses who are falling into arrears in excess of two months of payments.</p> <p>Where necessary, legal action through the courts is being taken on a monthly basis.</p> <p>Council Tax Collections are very marginally lower than collections in the previous year (i.e. 0.2% lower) but reflect the ongoing cost-of-living crisis and the impact on households and businesses.</p>	<p><b>Amber</b></p>

<p><b>CF14</b> - Increase in rent arrears impacts on the stability of the Housing Revenue Account (HRA) Business Plan</p>	<p><b>Red</b></p>	<ul style="list-style-type: none"> <li>• Regular weekly monitoring of the financial impact by the Housing Rents team to track in-year rent collection levels and compare to previous year</li> <li>• Continued use of Mobysoft 'Rent Sense' to identify early arrears cases to allow the team to engage with and support these tenants by signposting to the support that may be available for the payment of Housing Rents</li> <li>• Reporting impacts to Financial TCG on a regular basis</li> <li>• Regular referral of cases to an officer led Case Review Panel to ensure all housing interventions are coordinated and cases at risk of homelessness are tracked by all teams</li> <li>• Increase of resource levels to support the work in rent income service</li> </ul>	<p><b>Open</b></p>	<p>Collection of housing rent arrears remains challenging for the service given the cost-of-living crisis has a disproportionate impact on residents who have limited scope and financial resilience to meet the rising costs of living.</p> <p>The mitigation actions are continuing to control, where possible, the rising levels of arrears, as well as supporting tenants and preventing homelessness.</p> <p>Rent Arrears, on average, are £250k higher than in the previous financial year.</p>	<p><b>Red</b></p>
<p><b>CW10</b> - Impacts of the third wave in the pandemic on the continuous availability of key workers to operate services in a further response phase</p>	<p><b>Green</b></p>	<ul style="list-style-type: none"> <li>• Key workers will be invited to attend for a flu vaccine when they are available</li> </ul>	<p><b>Open</b></p>	<p>Occupational health attended 86 venues (Schools, Alltami, Ty Dewi Sant and Llwynegrin) and delivered 2,645 vaccines between 14 September and 1 November 2022. As part of a pre-agreed, partnership approach, they also co-delivered COVID booster vaccines with BCUHB at Ty Dewi Sant.</p>	<p><b>Green</b></p>

<p><b>EY01</b> - Secondary schools are not financially viable due to insufficient base funding</p>	<p><b>Red</b></p>	<ul style="list-style-type: none"> <li>• Risk associated with insufficient base budgets for secondary schools included in the MTFS.</li> <li>• Funding Formula review.</li> </ul>	<p><b>Open</b></p>	<p>Additional funding allocated to support schools in a deficit position in the 2021/22 budget. This recurring budget is being used to target support to Secondary Schools in deficit.</p>	<p><b>Amber</b></p>
<p><b>EY06</b> - Insufficient funding to deliver new archive premises</p>	<p><b>Red</b></p>	<ul style="list-style-type: none"> <li>• Regular progress monitoring meetings between the Archive Project Board of senior officers and political leaders.</li> <li>• Cabinet and Executive support for the bid to National lottery Heritage Fund with formal commitment to provide capital funding to top up the scheme from both Flintshire and Denbighshire.</li> <li>• Effective project management ensuring the project is progressing within budget and timescales.</li> <li>• Revise project to reduce costs, develop further applications to the Wales Lottery Heritage Fund and explore other funding streams (Stage 1 bid submitted to the National Lottery Heritage Fund was unsuccessful. This has created a significant financial shortfall of £8.5m)</li> <li>•</li> </ul>	<p><b>Open</b></p>	<p>The Archive Project Board of Flintshire and Denbighshire officers and cabinet members continue to work towards securing funding for this project. Reports to both Cabinets will be presented later in the Spring which will provide a detailed overview of the capital proposal and potential future bids to the National Lottery Heritage (Wales) Fund.</p>	<p><b>Red</b></p>

<p><b>HA06</b> - Impacts on income stream based on delayed/non recovery of housing benefit overpayment</p>	<p><b>Red</b></p>	<ul style="list-style-type: none"> <li>Financial monitoring – Budget and Income</li> <li>Contacting customers to arrange to repayment plans at a level which suits their new income</li> <li>Offering customers support and advice to claim available benefits</li> </ul>	<p><b>Open</b></p>	<p>Recovery as at 05/12/22 (week 36) was £254,716.34. This gives us a payment projection of £367,923.60. This is £82,076.40 below the target.</p> <p>As a comparison recovery was £261,173 for week 36 2021/22 and £347,717.66 for week 36 2019/20</p>	<p><b>Red</b></p>
<p><b>ST24a</b> - Unable to progress with key infrastructure improvement projects due to resilience in staff, contractors and supply chain</p>	<p><b>Red</b></p>	<ul style="list-style-type: none"> <li>The service is continuing to see an issue in the supply chain to progress infrastructure projects. This is resulting in delays to schemes however the overall impact of progress is not resulting in project failure.</li> <li>Each grant funded project is given a project team to control delivery within specified timescales. Additional partners (consultants; WRAP) have been engaged in projects to support staff with delivery.</li> </ul>	<p><b>Open</b></p>	<p>No progress - The situation with regards to supply chain issues hasn't changed due to the current market conditions. In addition, our current staffing situation also hasn't improved however, this is also national problem and not specific to Flintshire.</p>	<p><b>Red</b></p>
<p><b>SS01</b> - Expenditure on out of county placements increases as placement costs increase in a demand led market</p>	<p><b>Red</b></p>	<ul style="list-style-type: none"> <li>Develop in house residential care services for children with complex needs who would otherwise need to be placed out of county.</li> <li>Grow our in-house fostering service to support more looked after children within Flintshire.</li> </ul>	<p><b>Open</b></p>	<p>We are on track for three in-house Residential Care Homes to become registered by 31/3/23 – subject to CIW approval and processing times.</p> <p>The expansion of in house fostering includes approval of two general foster carers with a further three going through assessment. Three connected persons have been approved, with four being provided temporary approval.</p> <p>The Special Guardianship Orders (SGO) service has grown in strength with a further five SGO's granted and three cases with court</p>	<p><b>Amber / Red</b></p>

				<p>dates pending.</p> <p><b>The market development element of this risk is Amber however, the risk to the budget remains Red</b></p>	
<p><b>SS29</b> - Insufficient capacity in the social care workforce (social work and occupational therapy) is a risk to the reputation of the Council and its ability to fulfil its statutory and essential functions with respect to social care</p>	<p><b>Red</b></p>	<ul style="list-style-type: none"> <li>• We are experiencing significant challenges in workforce recruitment within a highly competitive market, where people are choosing other, often better paid, career choices. A regional and local analysis of the underlying issues and actions to mitigate has been developed and will require national support and funding as well as local action.</li> <li>• Project team meets fortnightly and reports to the Portfolio Programme Board.</li> <li>• In the short term we have moved to a 12-month market supplement for Level 3 Childcare Social Workers.</li> </ul>	<p><b>Open</b></p>	<p>A social work review has taken place aimed at developing a structure that supports recruitment and retention. Subject to final consultation the new framework will be implemented in February 2023 and provide an exit strategy for the market supplement for level 3 childcare social workers. A comprehensive marketing campaign has been designed to support recruitment. Until vacant posts are filled workforce pressures remain and we are reliant on agency social workers to support the delivery of statutory functions.</p>	<p><b>Red</b></p>