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Head of Legal and Democratic Services
Pennaeth Gwasanaethau Cyfreithiol a Democraataidd



To: Cllr Richard Jones (Chairman)

CS/NG

Councillors: Haydn Bateman, Marion Bateman,
Clive Carver, Peter Curtis, Ian Dunbar,
Ron Hampson, Patrick Heesom, Trefor Howorth,
Richard Lloyd, Mike Lowe, Paul Shotton,
Ian Smith, Nigel Steele-Mortimer and
Arnold Woolley

11 January 2013

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Dear Sir / Madam

A meeting of the **CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE** will be held in the **DELYN COMMITTEE ROOM, COUNTY HALL, MOLD CH7 6NA** on **THURSDAY, 17TH JANUARY, 2013** at **10.00 AM** to consider the following items.

Yours faithfully

Democracy & Governance Manager

AGENDA

- 1 **APOLOGIES**
- 2 **DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)**
- 3 **MINUTES** (Pages 1 - 10)

To confirm as a correct record the minutes of the meeting held on 13th December 2012.

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The Council welcomes correspondence in Welsh or English
Mae'r Cyngor yn croesawau gohebiaeth yn y Cymraeg neu'r Saesneg

- 4 **ADOPTION OF THE COUNCIL TAX REDUCTION SCHEME 2013/14** (Pages 11 - 28)
Report of Head of Finance enclosed
- 5 **REVENUE BUDGET MONITORING 2012/13 MONTH 7** (Pages 29 - 72)
Report of Head of Finance enclosed
- 6 **ASSET MANAGEMENT AS A FLINTSHIRE FUTURES WORKSTREAM**
(Pages 73 - 80)
Report of Director of Environment enclosed
- 7 **FORWARD WORK PROGRAMME** (Pages 81 - 86)
Report of Member Engagement Manager enclosed

CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE **13 DECEMBER 2012**

Minutes of the meeting of the Corporate Resources Overview and Scrutiny Committee of the Flintshire County Council held at County Hall, Mold on Thursday 13 December 2012

PRESENT: Councillor R.B. Jones (Chairman)

Councillors: G.H. Bateman, M. Bateman, C.S. Carver, R.G. Hampson, M. Lowe, P. Shotton, I. Smith, N.R. Steele-Mortimer and A. Woolley

SUBSTITUTIONS:

Councillor C.A. Thomas for Councillor P.G. Heesom, Councillor J. Johnson for Councillor I.A. Dunbar and Councillor D. Mackie for Councillor R. Lloyd.

APOLOGIES:

Councillor P. Curtis and Cabinet Member for Corporate Services

CONTRIBUTORS:

Chief Executive, The Leader of the Council, Head of Finance, Head of Human Resources and Organisational Development, Head of ICT and Customer Services, Head of Legal and Democratic Services, Corporate Finance Manager

IN ATTENDANCE:

Member Engagement Manager and Committee Officer

48. DECLARATIONS OF INTEREST

No declarations of interest were made.

49. MINUTES

The minutes of the meeting of the Committee held on 19 November 2012 had been circulated to Members with the agenda.

Matters Arising

The Chairman referred to page 5 of the minutes and variances and said that he had met with the Corporate Finance Manager to discuss how variances could be made more easily identifiable. A further meeting would take place between the Chairman, Councillor C.S. Carver and the Corporate Finance Manager.

Councillor C. A. Thomas referred to page 5 and said that she had not received a response from the Corporate Finance Manager on the under spend in the School Improvement Service and the variance under Agricultural Estates Service. The Corporate Finance Manager said that he had sent information to Councillor Thomas the previous week via email. Councillor C. A. Thomas said that the auto forwarding facility on her Flintshire email

address was no longer in operation. She asked if this service could be reinstated. The Chief Executive said that a personal email address could be used instead of the Flintshire address, but in doing so, responsibility for security of emails would rest with the councillor.

The Chairman referred to page 8 and said that variances in Social Services budget monitoring reports should be added to the Forward Work Programme.

RESOLVED:

- (a) That the minutes be approved as a correct record and signed by the Chairman; and
- (b) That the Member Engagement Manager place Variances in Social Services budget monitoring reports on the Forward Work Programme.

50. REVENUE BUDGET MONITORING 2012/13 (MONTH 6) AND CAPITAL PROGRAMME 2012/13 (QUARTER 2)

The Corporate Finance Manager introduced a report on the Revenue Budget Monitoring 2012/13 (Month 6) which was due to be considered by Cabinet on 18 December.

The latest forecast projected an in-year overspend of £0.714 million on the Council Fund and a projected net under spend of £0.349 million on the Housing Revenue Account.

For Council Fund there was an improvement on the month 5 position of £0.269m which mainly related to a reduced overspend of £0.078m within Corporate Services and an increased under spend of £0.191 m within Central and Corporate. The reasons for all variances over month 5 were included in Appendix 1 of the report.

The Corporate Finance Manager highlighted the risks and assumptions in relation to the projection and also the non standard inflation held in respect of Energy for Street Lighting, Energy, Fuel and Food. To date only the allocations for fuel of £0.196m and food for £0.133m had been allocated to service areas. The allocations for energy continue to be held centrally although latest forecasts suggest that the allocations will be required in full.

The current projected level of contingency reserve at the end of March 2013 was an overdrawn amount of £0.083 million.

The Housing Revenue Account (HRA) latest projection was an under spend of £349,000 which would mean a closing balance at the end of the financial year of £1.419m, which at 5.2% of total expenditure satisfied the minimum level of 3%.

Councillor D. Mackie said that the way the appendices had been printed made them difficult to read. The Head of Finance said that she would speak to Committee Services to see if this matter could be rectified.

Councillor R.G. Hampson asked whether the £349,000 under spend on the HRA could be used to increase spend on improving the council housing stock. The Chief Executive confirmed that all efficiencies were reinvested in property repair and maintenance and that a number of targets e.g. bathroom replacement were being exceeded as a result.

Councillor G. H. Bateman asked about the budget pressure of £25,000 that had been caused by the relocation of Leisure Services staff to Deeside Leisure Centre. The Chief Executive said that this represented the office space left behind at County Hall, and the costs associated with loss of rental and ongoing utility costs as an accounting exercise for property costs.

Councillor P. Shotton asked about the grant settlement for Flintshire from the Welsh Government and how the welfare reforms would affect this. The Head of Finance said that there were budget pressures in 2012-13 which related to increased staffing in benefits section, costs of systems and that these would run into 2013-14. A total of £8.8m of Council Tax Benefit support funding had been awarded to Flintshire, but the impact of the policy change had not yet been fully investigated. The Chief Executive said that the public had to be consulted about the changes and that members would be made aware of the consultations. He said that the £8.8m funding appeared to be adequate for current caseload, but would confirm this the following week. The Head of Finance said that it had been suggested that persons previously in receipt of Council Tax Benefit would now be required to pay 10% of their bill. This would be confirmed the following week.

Councillor R. G. Hampson said that persons on the basic state pension may have problems in finding the 10% council tax contribution in 2013/14. The Head of Finance said that the Pensioner Grant Scheme would be available to persons on the lowest incomes and could potentially offer a rebate of up to £24 on the council tax bill.

Councillor C.S. Carver asked if the Lifelong Learning Overview and Scrutiny Committee could examine the budget pressure of £564,000 in Leisure Services. The Chief Executive said that this was partly due to historic over spend and capital repayments to Alliance Leisure for improvement works. He reported that the trading figures were actual and not projected income and that in some areas, income was up 25%.

The Chairman asked about the insurance risk highlighted on page 15 of the report. The Corporate Finance Manager said that this was a risk that had only recently been notified to the Council and related to the triggering of a Scheme of Arrangement by the former Municipal Mutual Insurance Company (MMI). A trigger event occurred when the Directors gave written notice to the scheme that there was no reasonable prospect that MMI would avoid going into insolvent liquidation. This then allowed a potential levy to be applied to

the scheme creditors. The Chief Executive said that members would be briefed once more details became available, and that the cost was likely to be a six figure sum. The situation was not unique to Flintshire; many other Local Authorities were affected by MMI's insolvency.

Councillor M. Bateman asked if Flintshire was vulnerable in the event of any new claims of abuse. The Chief Executive said that all known abuse claims against the former Clwyd County Council had been processed and that there was no new evidence of further claims. The Head of Finance explained MMI had got into financial difficulties as a result of several high level court cases which involved historic asbestos claims. The Leader of the Council said that it was a financial risk, and that it would be helpful if the council could be made aware of whether the demand will arise in 2012-13 or 2013-14. The Head of Finance said that it was possible that provision would need to be made in the current years' accounts and that Flintshire would need to discuss with the other successor Local Authorities, the liability faced by Clwyd County Council so that the financial burden could be shared accordingly.

The Chairman asked why variances of over £25,000 in Community Services in re-ablement and locality teams had not been explained on the summary on page 19. The Corporate Finance Manager agreed with the Chair and said that items over £25,000 should be reported. He said that these two items would be reported back to committee.

The Chairman asked why a net position of zero for Central and Corporate was included on page 20 of the report. The Corporate Finance Manager said that this should not have been on the report and that would not appear in future reports.

The Chairman asked if more explanation be provided on page 38 of the report in relation to the £240,000 central budget movement and the Corporate Finance Manager responded to this.

The Chairman asked if the under spend in the HRA could stay within Housing. The Leader of the Council said that it was planned to reallocate the money within housing and that further information would be available at the next Housing Overview and Scrutiny Committee.

The Chairman asked about the reduction in 2012-13 unsupported borrowing of £1.079 million for new school premises on page 58. The Corporate Finance Manager said that he would provide further information at the next meeting.

Councillor M. Bateman asked if central government had allocated any additional funds to the Welsh Government for Capital Funding. The Chief Executive said that £200+ million had been allocated to Wales and Welsh Government decisions were awaited on its use. Councillor D. Mackie asked if there were any projects waiting for funding. The Leader of the Council said that there was a big funding gap concerning capital projects, and any additional funding could be allocated quickly.

Councillor C.A. Thomas asked if the Chancellor's announcement would impact upon current school match funding arrangements and the modernisation plans for 3 areas. The Chief Executive said that it was unlikely the 50-50 national-local funding agreement for 21st Century schools would be changed as a result of the extra funding announcement. It was agreed that capital, schools modernisation and section 106 money be referred to the Lifelong Learning Overview and Scrutiny Committee for consideration as a forward work plan item.

Councillor G. H. Bateman asked if the under spend on the Heating Programme would affect individual member's wards in the light of the Sean O'Donnell letter. It was agreed that Housing Overview and Scrutiny look at this issue.

Councillor M. Bateman asked why route treatment and traffic calming projects had been delayed. The Chief Executive said that he would provide information about the schemes.

RESOLVED:

- (a) That the report is received;
- (b) That the printing format of the appendices be reviewed;
- (c) That information about variances of over £25,000 should be reported; and
- (d) That a net position of zero be removed from future reports.

51. QUARTER 2 SERVICE PERFORMANCE REPORTS

Finance

The Head of Finance presented the Quarter 2 Service Performance Report from Finance which covered the period 1 July 2012 to 30 September 2012.

An update regarding the final settlement for Flintshire County Council would be given to cabinet the following week. The medium term financial strategy 2013-14 would be discussed in January 2013. A team from Finance had been working on Single Status with Human Resources. The Revenues and Benefits team were awarded IWRB improved team of the year. The Revenues team had successfully piloted agile working in their department and it would now be offered to Benefits in quarter 3. Finance staff had been working with Flintshire Futures on corporate investment, corporate debt policy and fees and charges. The Finance Review was near completion with the new structure to be in place from 7 January 2013.

The Head of Finance summarised the performance indicator results for quarter 2. The quarter outturn for Performance Indicator CFH/006,

Percentage of undisputed invoices paid on time (30 days) was 78.8% which fell short of the quarter target of 95%. This was partly attributed to a temporary technical problem with invoice payment system.

Councillor C.S. Carver said that every councillor had been sent an invoice for photocopying, and was surprised at the amount of copies used. The Member Engagement Manager said that he would investigate the photocopying costs for Democratic Services. Councillor N. R. Steele Mortimer said that 100% of undisputed invoices should be paid within 30 days. The Chief Executive agreed that a target of 100% should be the aspiration

Human Resources and Organisational Development

The Head of Human Resources and Organisational Development presented the Quarter 2 Service Performance Report from Human Resources and Organisational Development which covered the period 1 July 2012 to 30 September 2012.

An update was given on ongoing projects undertaken by the department such as Single Status which now had a new timetable for implementation which was likely to be June 2013. It was envisaged that equal pay claims would be settled after the implementation of single status towards the end of 2013. A review of policies, including agile working policies was now underway. Phase 2 of I-Trent Manager Self Service was now complete. The Head of Human Resources and Organisational Development explained that the Occupational Health Partnership Agreement with Wrexham County Borough Council was continuing to operate “successfully”. She said that the aim was to offer Occupational Health services to other Councils and/or organisations and operate more as a semi-commercial Unit in the future.

The Head of Human Resources and Organisational Development said that performance indicator CHR/002 – The number of working days/shifts per full time equivalent (FTE) local authority employee lost due to sickness absence for quarter 2 was 2.3 days. The target for quarter 2 had been 2.00 days.

Councillor C.S. Carver thanked the Head of Human Resources and Organisational Development for the report. He asked about the categories used to define reasons for sickness absence and asked what the option “other” would include. The Head of Human Resources and Organisational Development said that 50% of absences could not be explained by the listed categories used. It would be known to the manager the reason for absence, but if “other” was ticked on the sickness records, Human Resources would not be able to see the exact cause. She said that Human Resources could look at new categories to avoid the use of “other” and that for quarter 3, reports about short and long term absences would be available.

Councillor M. Bateman asked who was responsible for completing return to work interview forms. The Head of Human Resources and

Organisational Development said that the form was jointly completed by the manager and the staff member.

Councillor P. Shotton asked when the trade union ballot regarding single status would be conducted. The Head of Human Resources and Organisational Development said that the ballot was likely to be held in April 2013. Councillor Shotton asked about the progress of the Physiotherapy pilot project. The Head of Human Resources and Organisational Development said that a report would be available towards April/May 2013.

ICT and Customer Services

The Head of ICT and Customer Services presented the Quarter 2 Service Performance Report which covered the period 1 July 2012 to 30 September 2012.

There had been an improvement in Performance Indicator ICTM 1, Help desk calls fixed on time which was 92% in quarter 2 compared to 88.33% in the previous quarter. The annual was 94%. Additional resources had now been provided for the Help Desk. Flintshire was now the host for Capita One schools management system on behalf of the 6 North Wales authorities. A new deal had been negotiated for software which had reduced the costs of licences. Building Control now used mobile devices which allowed them to view documents on site. The ICT service review had been delayed due to capacity issues. A new structure will be proposed in the New Year and details brought to Overview and Scrutiny. With regards to Customer Services, the time taken to respond to complaints had improved, but had not reached the target of 80%. Flintshire Connects in Holywell had now opened and had been well received. Options were now being considered for centres initially in Flint and Connah's Quay, with Buckley, Mold and Saltney later, possibly with partner agencies. The new e-procurement system had been rolled out in Corporate Services and was now due to be rolled out in Environment.

Councillor P. Shotton asked if Flintshire and North Wales companies were used as widely as possible in terms of procurement. The Head of ICT and Customer Service said that the council was constrained by OJEU process but would seek to support local providers. Following a proposal by the Chair, it was agreed that an item be included on the Forward Work Programme in March for a fuller debate on this matter.

Councillor M. Bateman asked if councillors in Flintshire would be provided with tablets to replace hard copy committee papers. The Head of ICT and Customer Services said that he had prepared a business case for tablets for discussion with the Leadership with demonstrable savings. Councillor Bateman said that further savings could be identified by the use of electronic handbooks, diaries and A-Z.

Councillor C. S. Carver asked if the Member ICT Working Group would be retained. The Head of ICT and Customer Services said that following a review of working groups that it had been decided to retain this group.

Councillor R. G. Hampson asked if technical difficulties with PDA systems for Housing Staff had been resolved. The Head of ICT and Customer Services said that dialogue was ongoing between the hardware supplier, software supplier and the council.

Councillor D. Mackie said that the implementation of tablets for members would require dedicated IT back up. The Head of ICT and Customer Services said that the business case stated the need for a full time member of staff to support members for a period of 12-18 months.

Legal and Democratic Services

The Head of Legal and Democratic Services presented the Quarter 2 Service Performance Report and gave an update on highlights for the quarter which included the approval of the Annual Governance Statement by the Audit Committee subject to minor amendments.

Revision to Guidance on the Code of Conduct had been issued by the Ombudsman following the "Calver" decision. The Adjudication Panel for Wales hearing in respect of Councillor Heesom would now consider its findings of fact and report back in the new year. A number of training sessions for Town and Community Councillors had been held.

In Legal Services, there had been an increase in child protection cases. The council was in discussion with other North Wales councils to see if a lawyer could be jointly employed in order to reduce the use of Counsel. Interviews for the Legal Services Collaborative Project Manager would be held on 19 December.

The Police and Crime Commissioner Elections had a low turnout. Flintshire took on the role of coordinating all the North Wales results and good feedback was received about the electoral services team. Guidance around R.I.P.A legislation had changed and the council must now refer applications to a magistrate.

The Head of Legal and Democratic Services said that Data Protection continued to have red status under the Strategic Assessment of Risks and Challenges (SARC) which was due to the fact that the council held a lot of personal information and that the financial penalties for loss were substantial. The ICO would inspect Data Protection processes at the council in early 2013. A list of posts within the council that required mandatory Data Protection training has been documented and Data Protection training had been ongoing.

Councillor P. Shotton expressed his thanks to all the staff involved with the Police and Crime Commissioner Elections and to civic services staff involved with the Flintshire Olympic civic receptions.

Councillor J. Johnson asked about procedures in relation to dog fouling fines. The Head of Legal and Democratic Services said that the council issued fines notices and were entitled to prosecute for any non payment of fines. The Head of Legal and Democratic Services said that he would forward more detailed information to Councillor Johnson.

Councillor I. Smith asked if member training could be conducted in the evenings for working members, but this suggestion was not supported by the rest of the committee members.

The Chairman asked why Data Protection remained at red status on the SARC if controls were in place. The Head of Legal and Democratic Services said given the sensitive nature of the data handled by the council any accidental loss could be significant and the numbers of staff involved meant that there was scope for an error to be made. Red status would therefore be normal for this area. Officers would reassess the risk in light of the findings of an inspection to be undertaken by the Information Commissioners Office around March 2013.

RESOLVED:

- (a) That the reports be received;
- (b) That copier invoice errors be pursued;
- (c) That 100% of undisputed invoices should be paid in 30 days;
- (d) That Human Resources explore new categories to avoid the use of "other" and that for quarter 3, reports about short and long term absences would be available;
- (e) That a report on the progress of the Physiotherapy project be submitted to committee in April 2013;
- (f) That it be recommended that the business case for tablets include savings associated with electronic handbooks, diaries and A-Z; and
- (g) That Councillor J. Johnson be provided with further information about dog fouling enforcement.

52. FORWARD WORK PROGRAMME

The Member Engagement Manager introduced the report to consider the Forward Work Programme for the Committee.

The next meeting was to be held on 17 January 2013 and no changes had been identified for the programme for the meeting.

It was agreed that a Flintshire Futures Work Force programme report by Flintshire Futures be submitted to committee by the Head of Human Resources and Organisational Development for the 14 February 2013 meeting.

It was agreed that a Procurement Report by the Head of ICT and Customer Service be submitted to the committee for the 14 March 2013 meeting.

It was agreed that a progress report about the Physiotherapy Service by the Head of Human Resources and Organisational Development be submitted to the committee for the 18 April 2013 meeting or thereafter.

The Member Engagement Manager asked if the committee wished to set up a Task and Finish Group to look at variances, with Social Services being the first focus as suggested by the Chief Executive at the November meeting. This was agreed by the committee and members nominated to serve on this group were Councillors R. Jones, M. Bateman. G. H. Bateman, P. Shotton and I. A. Dunbar.

RESOLVED:

That the Forward Work Programme be amended to reflect the above suggestions.

53. DURATION OF MEETING

The meeting commenced at 10 a.m. and ended at 1.00 p.m.

54. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE

There were no members of the public or press in attendance.

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Chairman

FLINTSHIRE COUNTY COUNCIL

REPORT TO: CORPORATE RESOURCES OVERVIEW & SCRUTINY
COMMITTEE
DATE: THURSDAY, 17 JANUARY 2013
REPORT BY: HEAD OF FINANCE
SUBJECT: ADOPTION OF THE COUNCIL TAX REDUCTION
SCHEME 2013/14

1.00 PURPOSE OF REPORT

The report explains the change from Council Tax Benefit to the Council Tax Reduction Scheme, addresses the funding implications and the requirement to adopt the scheme by the 31st January 2013.

2.00 BACKGROUND

The current Council Tax Benefit Scheme is to be replaced from 1st April 2013 with a Council Tax Reduction scheme. In Wales there will be a national scheme (in contrast to England, where schemes are local to each billing authority).

2.01 The Prescribed Requirement Regulations require the Council to adopt a Council Tax Reduction Scheme by the 31st January. If the Council fails to make a scheme then a default scheme will apply under the provisions of the Default Scheme Regulations.

2.02 The Council was obliged to carry out consultation on the adoption of the scheme, even though the provisions were set by Welsh Government. Because of the tight timescales between the making of the Prescribed Requirement Regulations and the 31st January (when the scheme has to be adopted) consultation has been truncated in Flintshire County between the 17th December 2012 and the 14th January 2013. During this period a local Equalities Impact Assessment has also been commissioned.

2.03 This report has to be presented to Cabinet on the 22nd January for there to be adequate time for adoption at full County Council on the 29th January. This report to Corporate Overview and Scrutiny is to be treated as a holding report for information as the full Cabinet report cannot be completed until after the close of the public consultation period, and the receipt of the final local Equalities Impact Assessment (14th January 2013). It is hoped that all the information for the Cabinet Report will be finalised on the 16th January and presented to Corporate Resources Overview & Scrutiny on the 17th January. It is considered very important for Corporate Resources Overview & Scrutiny to consider this report in full.

3.00 CONSIDERATIONS

3.01 Appendix 1 – Draft Cabinet report 22nd January 2013.

4.00 RECOMMENDATIONS

4.01 That the draft report be considered and that a verbal update / and completed Cabinet report be discussed at Corporate Resources Overview and Scrutiny Committee on the 17th January 2013.

5.00 FINANCIAL IMPLICATIONS

5.01 Appendix 1 – Draft Cabinet report 22nd January 2013.

6.00 ANTI POVERTY IMPACT

6.01 Appendix 1 – Draft Cabinet report 22nd January 2013.

7.00 ENVIRONMENTAL IMPACT

7.01 Appendix 1 – Draft Cabinet report 22nd January 2013.

8.00 EQUALITIES IMPACT

8.01 Appendix 1 – Draft Cabinet report 22nd January 2013.

9.00 PERSONNEL IMPLICATIONS

9.01 Appendix 1 – Draft Cabinet report 22nd January 2013.

10.00 CONSULTATION REQUIRED

10.01 Appendix 1 – Draft Cabinet report 22nd January 2013.

11.00 CONSULTATION UNDERTAKEN

11.01 Appendix 1 – Draft Cabinet report 22nd January 2013.

12.00 APPENDICES

12.01 Appendix 1 - Draft Cabinet Report 22nd January 2013.

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS**

None.

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **TUESDAY, 22 JANUARY 2013**

REPORT BY: **HEAD OF FINANCE, CHIEF EXECUTIVE**

SUBJECT: **ADOPTION OF COUNCIL TAX SUPPORT SCHEME -
APRIL 2013**

1.00 PURPOSE OF REPORT

1.01 The report explains the change from Council Tax Benefit to the Council Tax Reduction scheme, addresses the funding implications and the requirement to adopt the scheme by 31st January 2013.

2.00 BACKGROUND

2.01 The current Council Tax Benefit Scheme is to be replaced from 1 April 2013 with a Council Tax Reduction Scheme. In Wales, there will be a national scheme (in contrast to England, where schemes are local to each billing authority.)

2.02 The Council Tax Reduction Scheme in Wales is set by Regulations made under Schedule 1B of the Local Government Finance Act 1992 (as inserted by the Local Government Finance Act 2012). On 19 December 2012, the Welsh Assembly approved two sets of regulations:

- the Council Tax Reduction Schemes (Default Schemes) (Wales) Regulations 2012 ("the Default Scheme Regulations");¹ and
- The Council Tax Reduction Schemes and Prescribed Requirements (Wales) Regulations 2012 ("the Prescribed Requirements Regulations")².

These Regulations prescribe the main features of the Scheme to be adopted by all Councils in Wales.

¹ These can be accessed: <http://www.assemblywales.org/bus-home/bus-business-fourth-assembly-laid-docs.htm?act=dis&id=241510&ds=1/2013>

² These can be accessed: <http://www.assemblywales.org/bus-home/bus-business-fourth-assembly-laid-docs.htm?act=dis&id=241510&ds=1/2013>

- 2.03 Although the Act had given the Welsh Ministers discretion to allow Welsh local authorities to determine the content of their own schemes, the Government took a decision to establish a national framework for the provision of Council Tax Support in Wales. This will avoid what has been termed a "postcode lottery" whereby eligibility for particular groups could be different in different council areas.
- 2.04 Although a national scheme has been approved, within the Prescribed Requirements Regulations, there is limited discretion given to the Council to apply additional discretionary elements that are more generous than the national scheme and which provide for additional administrative flexibility. These are:
- The ability to extend the standard period of 4 weeks during which council tax reduction will continue after someone starts work;
 - A discretion to increase the amount of War Disablement Pensions and War Widows Pensions which is to be disregarded when calculating the income of the claimant;
 - A discretion to permit claims for council tax reduction to be submitted at offices other than County Hall/Flintshire County Council buildings;
 - A discretion to enhance the process for notification of decisions above the minimum requirements; and
 - The ability to backdate the award of council tax reduction for longer than the new standard period of three months, where a claim has been submitted late.
- 2.05 The Prescribed Requirements Regulations require the Council to adopt a Council Tax Reduction Scheme by 31 January 2013, regardless of whether it applies any of the discretionary elements. If the Council fails to make a scheme, then a default scheme will apply under the provisions of the Default Scheme Regulations. The Council can only apply discretion if it makes its own scheme under the Prescribed Requirements Regulations.
- 2.06 Whether or not the Council wished to adopt any of the above discretionary elements it was obliged to carry out consultation on the adoption of a scheme, even though the provisions were set by the Welsh Government. Because of the tight timescales between the making of the Prescribed Requirements Regulations and 31 January 2013 (by which date the scheme has to be adopted), consultation has been truncated in Flintshire County Council between 17th December 2012 and 14th January 2013. The consultation exercise has been applied by all Welsh Councils and has been based upon the best information available at the time.

3.00 CONSIDERATIONS

- 3.01 The Council's recommended approach to the available discretions is to apply them as outlined in Appendix 2.
- 3.02 It should be noted that there are no additional monies available from the Welsh Government to fund the discretionary elements. The cost of funding similar discretionary elements under the current council tax benefit scheme is outlined in Appendix 2
- 3.03 The Council continues to have powers to support hardship on an individual basis or in respect of a defined group. Such arrangements cannot, however, form part of the Council Tax Reduction Scheme itself.

4.00 RECOMMENDATIONS

- 4.01 To note the making of the Council Tax Reduction Scheme and Prescribed Requirements (Wales) Regulations ("the Prescribed Requirements Regulations") by the Welsh Assembly on 19 December 2012.
- 4.02 To note the outcome of the consultation exercise undertaken by the Council on the introduction of the Council Tax Support Scheme.
- 4.03 To adopt the Scheme as set out in Appendix [1].

5.00 FINANCIAL IMPLICATIONS

- 5.01 The Council needs to manage the cost of Council Tax Support within its budget. The amount of government support is limited to £8,772,518 and is provided on a fixed basis rather than the demand-led basis of support to council tax benefit. The Council needs to recognise also that as well as receiving a reduced amount of government support, it is anticipated that there will be an increase in non-collection rates as a result of the increased burden on claimants.
- 5.02 The Council has a duty to recover all outstanding Council Tax balances so that debts owed to the Council are kept to a minimum. With this in mind, the recent introduction of a Corporate Debt Policy should help to minimise the impact of non collection. The policy will ensure fairness for all in that every debtor will have an obligation to repay their debt owed so that future services do not suffer.

5.03 Critically, the policy will also ensure the Council and partner organisations will treat all debtors fairly and, where possible we will promote free debt advice services. Where appropriate, payment agreements will be put in place to assist debtors in adverse financial circumstances. Where a customer makes contact to discuss payment difficulties their circumstances will be considered fairly and objectively with a view to agreeing a reasonable payment arrangement, minimising recovery action and avoiding potential additional costs.

5.04 The decision to agree a repayment timetable will be influenced by the willingness of the customer to take advantage of the debt advice. Proportionate measures will be deployed to develop a culture of payment and early intervention while encouraging those in need of help to get in touch with the Council at an early stage.

6.00 ANTI POVERTY IMPACT

6.01 IMPACTS TO BE INSERTED WHEN EQUALITIES IMPACT ASSESSMENT COMPLETED.

7.00 ENVIRONMENTAL IMPACT

7.01 None specifically associated with the content of this report.

8.00 EQUALITIES IMPACT

8.01 The replacement of Council Tax Benefit with the national support scheme will impact upon many of our low income residents including those in vulnerable groups.

The Council has undertaken a consultation exercise in the limited time available The consultation assists the Council in satisfying the public sector equality duty in the Equality Act.

The Welsh Government has compiled an equalities impact assessment following its consultation³. A local equalities impact assessment has been carried out by the Council and this is contained in Appendix 4.

9.00 PERSONNEL IMPLICATIONS

9.01 None specifically associated with the content of this report.

10.00 CONSULTATION REQUIRED

10.01 Yes.

³ This may be accessed through the following link (Page 16 Appendix A): <http://www.assemblywales.org/bus-home/bus-business-fourth-assembly-laid-docs.htm?act=dis&id=241515&ds=1/2013>

11.00 CONSULTATION UNDERTAKEN

- 11.01 The Welsh Government undertook consultation on Providing Support for Council Tax between February and April 2012. A technical consultation was carried out between 21 September and 19 October on the draft Default Scheme Regulations. No specific consultation has been carried out nationally on the Prescribed Requirement Regulations. An Equality Impact Assessment has been carried out and was submitted to the Minister for Local Government and Communities for consideration alongside the draft regulations.
- 11.02 Local consultation has taken place between 17th December 2012 and 14th January 2013. A summary of the consultation results is contained at Appendix 3.

12.00 APPENDICES

- Appendix 1 – Summary of the Scheme
Appendix 2 – The Discretionary Elements
Appendix 3 - Summary of Public Consultation
(TO BE INSERTED WHEN COMPLETED)
Appendix 4 - Local Equalities Impact Assessment
(TO BE INSERTED WHEN COMPLETED)

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985 BACKGROUND DOCUMENTS

Schedule 1B of the Local Government Finance Act 1992 (as inserted
by the Local Government Finance Act 2012
Council Tax Reduction Schemes (Default Schemes) (Wales)
Regulations 2012 (“Default Scheme Regulations”)
Council Tax Reduction Schemes and Prescribed Requirements (Wales)
Regulations 2012 (“Prescribed Requirement
Regulations)

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Summary of the Scheme

The Council Tax Reduction Scheme takes all its principal elements from the Council Tax Benefit scheme it replaces. It is a “means tested reduction” but it exists outside the legal framework for other Social Security benefits.

As such the new scheme compares an applicant’s “needs” with regard to age, disability and responsibility for a partner, children, or as a carer to their assessable income and capital. There are disregards from earned income and of some disability benefits, and the capital limit is £16, 000

Applicants with an income in excess of their needs will have their maximum Council Tax Reduction withdrawn at the rate of 20%.

The principal difference to CTB is that the maximum Council Tax Reduction available is limited to 90%, meaning that all applicants, even those on the lowest of income will have to pay at least 10% of their Council Tax bill.

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The Discretionary Elements

There are five distinct areas of discretion within the new Regulations and Flintshire County Council proposes to exercise these as follows; **BUT WILL RECONSIDER FOLLOWING RESULTS OF PUBLIC CONSULTATION**

1. Not to increase the “extended reduction period” to more than four weeks when an applicant starts work. This rule currently acts as a good work incentive measure under CTB, and it makes sense to maintain it in line with the Housing Benefit (HB) Extended Payment, which will continue at four weeks. FCC paid Council Tax Benefit (CTB) Extended Payments to the value of £19, 223 in 2011/2012
2. To continue to disregard all War Disablement and War Widows Pensions as income. This measure resulted in £30,297 of CTB expenditure in 2011/2012 and to continue this discretion would follow a long precedent and maintain the link with the Authority’s treatment of this income for HB purposes
3. Not to “designate” non Local Authority offices for the receipt of CTRS forms, as it is thought that this would not improve the service with regard to the security and speed of processing and it may prove difficult to guarantee Welsh language assistance to applicants
4. To maintain the current, extensive provision of information contained in notifications of awards
5. To maintain the standard three month backdating provisions for pensioners (in line with current CTB and HB arrangements) and to use the discretion to increase the period for which working age peoples claims can be backdated from 3 to 6 months when a good reason for failing to claim is shown. This reflects the current position with regard to CTB and HB, and in 2011/2012 FCC awarded backdated CTB claims to the value of £33, 078.

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Summary of Public Consultation

TO BE INSERTED WHEN RESULTS ARE KNOWN

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Local Equalities Impact Assessment

TO BE INSERTED WHEN RESULTS ARE KNOWN

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

DATE: THURSDAY, 17 JANUARY 2013

REPORT BY: HEAD OF FINANCE

SUBJECT: REVENUE BUDGET MONITORING 2012/13 MONTH 7

1.00 PURPOSE OF REPORT

1.01 To provide Members with the Revenue Budget Monitoring 2012/13 (Month 7) report.

2.00 BACKGROUND

2.01 The Revenue Budget Monitoring 2012/13 (Month 7) report will be presented to Cabinet on 22nd January 2013. A copy of the report is attached as Appendix A to this report.

3.00 RECOMMENDATIONS

3.01 Members are asked to note the report.

4.00 FINANCIAL IMPLICATIONS

4.01 As set out in the report.

5.00 ANTI POVERTY IMPACT

5.01 None.

6.00 ENVIRONMENTAL IMPACT

6.01 None.

7.00 EQUALITIES IMPACT

7.01 None.

8.00 PERSONNEL IMPLICATIONS

8.01 None.

9.00 CONSULTATION REQUIRED

9.01 None.

10.00 CONSULTATION UNDERTAKEN

10.01 None.

11.00 APPENDICES

11.01 (A) Revenue Budget Monitoring 2012/13 (Month 7) report.

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS**

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **TUESDAY, 22 JANUARY 2013**

REPORT BY: **HEAD OF FINANCE**

SUBJECT: **REVENUE BUDGET MONITORING 2012/13 (MONTH**
7)

1.00 **PURPOSE OF REPORT**

1.01 To provide members with the most up to date revenue budget monitoring information (Month 7) for the Council Fund and the Housing Revenue Account in 2012/13.

1.02 **INDEX OF CONTENTS**

Section 2	Executive Summary
Paragraph 3.01	Council Fund Summary Table
Paragraph 3.05	Risks and Assumptions
Paragraphs 3.06 to 3.09	Carry Forward Requests
Section 4	Non Standard Inflation / Central Contingencies
Section 5	Unearmarked Reserves
Section 6	Housing Revenue Account
Appendix 1	Council Fund - Movement in Variances from Month 6
Appendix 2	Community Services -Variances Summary
Appendix 3	Environment -Variances Summary
Appendix 4	Lifelong Learning -Variances Summary
Appendix 5	Corporate Services -Variances Summary
Appendix 6	Central & Corporate Finance -Variances Summary
Appendix 7	Council Fund Unearmarked Reserves Summary
Appendix 8	Housing Revenue Account -Variances Summary

2.00 **EXECUTIVE SUMMARY**

2.01 Members are requested to note the projected year end position as estimated at Month 7 which is :

- Council Fund - Net overspend of £0.516m
- Housing Revenue Account - Net underspend of £0.401m

3.00 CONSIDERATIONS

COUNCIL FUND

3.01 The table below shows a projected in-year overspend of £0.516m :-

TOTAL EXPENDITURE AND INCOME	Original Budget	Revised Budget	In-Year Over / (Under) spend		Non Ring-fenced		Ring-fenced	
			Month 6	Month 7	Month 6	Month 7	Month 6	Month 7
	£m	£m	£m	£m	£m	£m	£m	£m
Directorates								
Community Services	58.437	58.397	(0.272)	(0.424)	(0.097)	(0.130)	(0.175)	(0.294)
Environment	31.794	32.452	(0.116)	(0.121)	(0.116)	(0.121)	-	-
Lifelong Learning	109.219	109.912	0.988	0.822	1.120	1.128	(0.132)	(0.306)
Corporate Services	17.469	17.404	0.319	0.370	0.319	0.370	-	-
Total Directorates	216.919	218.165	0.919	0.647	1.226	1.247	(0.307)	(0.600)
Central and Corporate Finance	25.759	24.513	(0.205)	(0.131)	(0.205)	(0.131)	-	-
Total	242.678	242.678	0.714	0.516	1.021	1.116	(0.307)	(0.600)

3.02 The Original Budget column reflects the budget approved by Council on the 1st March 2012. The Revised Budget column reflects in-year virements which have been approved in compliance with Financial Procedure Rules.

3.03 The significant in-year projected variances to date are detailed in Appendices 2 - 6 (Council Fund) and Appendix 8 (HRA), and in addition to giving the reasons for the variances, the actions required to address each variance is provided. The significant changes for the Council Fund from Month 6 are detailed in Appendix 1.

3.04 It is the intention of Management to contain the currently projected variation within the overall agreed Council budget for the year. As part of the ongoing work to develop the MTFP, opportunities to generate efficiencies are being explored including those that may have a positive impact on the 2012/13 projected outturn.

RISKS / ASSUMPTIONS

3.05 The in-year over / (under) spends shown in the table at paragraph 3.01 reflect the following risks and assumptions :-

1. **Community Services**

- Social Services for Adults
 - Occupational Therapy service - increased demand
- Social Services for Children
 - Out of county placements - demand led with volatility influenced by numbers and high values of individual placements
 - Family Placement - increases in foster care places / court orders for Residence and Specific Guardianship

- Housing Services
 - Homelessness - projected high demand influenced by current economic climate and recent welfare reform
- 2. Environment**
- Planning
 - A number of planning decisions are the subject of ongoing appeals which may have the potential for costs to be awarded against the Council
- 3. Lifelong Learning**
- Facilities
 - Catering - overspend projected but possible mitigation from project plans following APSE review
 - Development & Resources
 - Free school meals and remissions - influenced by economic factors
 - Ringfenced budgets
 - Out of county placements - demand led with volatility influenced by numbers and high values of individual placements
 - Leisure Income
 - Income levels for the new leisure facilities are being monitored carefully on a weekly basis. Any variation, either positive or negative, could have a material effect on the projected outturn.
- 4. Corporate Services**
- Welfare Reform
 - Welfare Reform preparation is starting to impact on the projected outturn for 2012/13 (see Appendix 5). Although a number of pressures are already included in the projections the full impacts are continuously being assessed and will be reported to Cabinet as soon as any variations are identified.
 - Municipal Mutual Insurance Ltd (MMI)
 - A contingent liability was recorded in the 2011/12 Statement of Accounts which recognised a possible future requirement to provide for Flintshire County Council's share of liability relating to a scheme of arrangement set up in 1992. The MMI Board of Directors met on the 13th November 2012 and decided that there was no other alternative to insolvent liquidation than to trigger the scheme of arrangement. A financial review of the company will now take place to consider the extent to which any levy is to be imposed upon scheme creditors (including Flintshire County Council).
 - Outcome Agreement Grant
 - The current projections assume that the Council will receive the full amount of Outcome Agreement Grant included within the budget for 2012/13 (£1.475m). WG assessment currently being discussed with Officers. The Minister is to be advised by civil servants that the Council has met the threshold to qualify for the grant in full.

3.06 REQUEST FOR CARRY FORWARD - ENVIRONMENT

The WG funding arrangements for the Local Transport Services Grant (LTSG) in 2012/13 were revised after a pressure for £0.149m had already been approved for the service. As a result of these revised arrangements only £0.079m of this pressure will be utilised in 2012/13. Consequently, it is requested that the estimated balance of £0.070m on LTSG in 2012/13 be carried forward to meet further WG grant reductions on LTSG in 2013/14.

3.07 REQUEST FOR CARRY FORWARD - ENVIRONMENT

As reported in the Cabinet Report of 18th December, the specific balance of £0.186m is required to provide for the set up costs of implementing Civil Parking Enforcement (CPE) during 2013/14. This will involve significant investment in signing and lining works on both on-street and off-street parking, together with car park resurfacing and lighting works. Permission is therefore sought to carry the existing balance of £0.186m into 2013/14.

3.08 REQUEST FOR CARRY FORWARD - ENVIRONMENT

The Unitary Development Plan (UDP) was adopted in 2011/12 and subsequently printed and published in 2012/13. The review of the UDP leads to the production of a new plan, the Local Development Plan (LDP). This has required a significant amount of evidence to be gathered to support the development of the LDP hence the provision of funding for specialist advice and background studies. Unfortunately, not all of this work and studies will have been completed by financial year end, so it is anticipated that £0.060m will be required to be carried forward for completion in 2013/14. This is in addition to the £0.325m already held in balances which will also require carrying forward for future commitments on the LDP in 2013/14. Permission is therefore sought to increase the existing balance of £0.325m by £0.060m.

3.09 REQUEST FOR CARRY FORWARD – CORPORATE SERVICES

An ongoing budget investment of £0.245m was approved during the 12/13 budget process to sustainably fund the Modern Trainee Programme. Following detailed costing work and the identification of budgets held within directorates an increased number of trainees were recruited in September 2012 on a two year basis. In order to fund this cohort over the two year period it is requested that £0.170m be carried forward into 2013/14.

4.00 NON STANDARD INFLATION

4.01 Included in the budget are amounts for non-standard inflation. These budgets are being monitored closely and the current position for each element is outlined below:

- £0.078m in respect of Energy for Street Lighting - this budget is still held centrally and is expected to be allocated in full to the service budget prior to the reporting of budget monitoring for Month 8.
- £0.300m in respect of Energy - most of this budget has now been allocated to services, the remaining £0.060m is currently being reviewed and will be reported on for Month 8.

- £0.196m in respect of Fuel - it has been confirmed that the full amount will be required and the allocation of this budget is reflected in this report.
- £0.133m in respect of Food - it has been confirmed that the full amount will be required and the allocation of this budget is reflected in this report.

5.00 UNEARMARKED RESERVES

5.01 The 2011/12 final outturn reported to Cabinet on 10th July showed unearmarked reserves at 31st March 2012 (above the base level of £5.476m) of £0.992m, after taking into account commitments in 2012/13 :

- Use of £0.973m to meet one-off / time limited costs
- Ringfencing of £1.500m to support Organisational Change costs

5.02 Appendix 7 details the movements to date on unearmarked reserves and the level of contingency sum available. As a result of the movements the current projected level of the contingency reserve at the end of March 2013 is an amount of £0.115m. However, as noted in section 3.04 it is the intention of Management to contain the currently projected variation within the overall agreed Council budget for the year which will also have a further positive effect on the contingency reserve.

6.00 HOUSING REVENUE ACCOUNT

6.01 On 21st February 2012, the Council approved a Housing Revenue Account (HRA) budget for 2012/13 of £26.671m. The budget provided for a closing balance of £0.867m, which at 3.25 % of total expenditure satisfies the prudent approach of ensuring a minimum level of 3 %.

6.02 The 2011/12 final outturn reported to Cabinet on 10th July 2012 showed a closing balance at the end of 2011/12 of £1.857m (subject to audit) which was £0.753m more than when the 2012/13 budget was set. This had the effect of increasing the closing balance for 2011/12 by the same amount.

6.03 There is an overall projected underspend of £0.401m and a projected closing balance at Month 7 of £1.471m, which at 5.4 % of total expenditure satisfies the prudent approach of ensuring a minimum level of 3 %.

6.04 Appendix 8 details the reasons for significant variances occurring to date and the actions planned to deal with them.

7.00 RECOMMENDATIONS

7.01 Members are recommended to :-

- a) Note the overall report and the management actions being taken to address the projected overspend

- b) Note the Council Fund contingency sum as at 31st March 2013 (paragraph 5.02)
- c) Approve the carry forward requests included in the report (paragraphs 3.06 to 3.09)
- d) Note the projected final level of balances on the Housing Revenue Account (paragraph 6.03)

8.00 FINANCIAL IMPLICATIONS

8.01 The financial implications are as set out in Sections 3.00 - 6.00 of the report.

9.00 ANTI POVERTY IMPACT

9.01 None

10.00 ENVIRONMENTAL IMPACT

10.01 None

11.00 EQUALITIES IMPACT

11.01 None

12.00 PERSONNEL IMPLICATIONS

12.01 None

13.00 CONSULTATION REQUIRED

13.01 None

14.00 CONSULTATION UNDERTAKEN

14.01 None

15.00 APPENDICES

15.01 Council Fund - Movement in Variances from Month 6 - Appendix 1
Council Fund Variances - Appendices 2 - 6
Council Fund - Movements on unearmarked reserves - Appendix 7
Housing Revenue Account Variances - Appendix 8

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS**

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COUNCIL FUND - REVENUE BUDGET 2012/13
FLINTSHIRE COUNTY COUNCIL



Budget Monitoring (Month 7)
Summary of Movement from Month 6

	£m	£m
Month 6		
Out of County Ringfenced Budget	(0.271)	
Service Directorates	1.190	
Central and Corporate Finance	(0.205)	
Variance as per Executive Report		0.714
Month 7		
Out of County Ringfenced Budget	(0.563)	
Service Directorates	1.210	
Central and Corporate Finance	(0.131)	
Variance as per Directorate Returns		0.516
Change Requiring Explanation		<u>(0.198)</u>
<u>Community Services</u>		
<ul style="list-style-type: none"> • Out of County Pooled Budget (Childrens' Services) - the movement from month 6 is mostly (£0.134m) due to the ending of three placements. Other minor variances account for the remaining change. (0.122) • Vacancy Management (Development & Resources) - the credit budget (£0.100m) has now been allocated against vacant posts within Adult Services resulting in reduced budgets within those areas for this year only.. (0.100) • Resources and Regulated Services (Intake and Reablement) - the movement is mostly due to changes in the projection of pay costs. (0.031) • Locality Teams (Localities) - the movement from month 6 is mainly due to a reduction in the projection of purchased care costs across both the Older People and PDSI service areas. (0.032) • Resource & Regulated Service (Disability Services) - This movement mostly reflects a budget reduction in respect of Vacancy Management (£0.050m) offset by reduced pay and agency costs in other areas within the Service. 0.039 • Transition & Disability Service (Disability Services) - This movement reflects the impact of two new employees within the Transition Team. 0.035 • Vulnerable Adults & Disability Services (Disability Services) - This movement mostly reflects a budget reduction in respect of Vacancy Management (£0.027m). 0.028 • Commissioning (Development & Resources) - additional pay costs shown against this area due to the effects of TSSA. 0.052 • Other minor changes of less than £0.025m (0.021) 		<u>(0.152)</u>
<u>Environment</u>		
<ul style="list-style-type: none"> • Highways Policy & Development Control - payment of £0.024m for line markings ahead of Civil Parking Enforcement implementation, plus £0.002m other minor 0.026 • Business & Strategy - Reduced running costs at Queensferry depot following relocation to Alltami depot (0.054) • Minor changes of less than £25k 0.023 		<u>(0.005)</u>

Lifelong Learning

• School Improvement Service - A number of minor one-off reductions as a result of the DMT commitment to reduce the Directorate overspend.	(0.055)
• Out of County Pooled Budget (Education) - the movement from month 6 (£0.174m) is due to the ending of a number placements and reduced charges from external suppliers.	(0.174)
• Leisure Services - Continuing review of income projections (£0.079m), additional security costs (£0.007m) and additional staff cover (sickness and HR related) (£0.008m).	0.094
• Development & Resources - Reductions in projected expenditure in the Youth Service (£0.029m), Service Units (£0.026m), and Management & General Admin. (£0.017m). These reductions have been partially offset by a number of small invest to save items of expenditure in Facility Services (£0.047m).	(0.030)
• Minor changes of less than £25k	(0.001)
	(0.166)

Corporate Services

• Legal and Democratic Services - (£0.015m) efficiency relating to the refurb of Room 206 due to costs being met by Environment (Capital), (£0.007m) reduction in salaries pressure, changes in other minor variances (£0.014m).	(0.036)
• HR and Organisational Development - (£0.005m) decrease in pressure on Corporate Training, decrease in loss of income from External Organisations in respect of Payroll provision (£0.001m), increase in vacancy savings (£0.002m) changes in other minor variances £0.015m.	0.007
• ICT and Customer Services - additional vacancy savings (£0.004m), increase in pressure relating to internal support services recharges £0.024m, additional registrars income (£0.013m), changes in other minor variances £0.007m.	0.014
• Corporate Finance: Reduction in the projected underspend within Corporate Finance following implementation of the Finance Function Review of £0.060m Revenues and Benefits: Reduction in workforce variance (£0.038m) partly offset by the required investment in Agile Working of £0.025m. Minor variances of less than £0.010m amounting to £0.025m account for the remaining change. Internal Audit: Reduction in committed expenditure to mitigate overspend (£0.005m)	0.067
• Chief Executives Department - increase in efficiency on other minor variances (£0.001m)	(0.001)
• Minor changes of less than £25k	0.000
	0.051

Central and Corporate

• Financing & Funding - Adjustment in respect of previously anticipated additional "windfall" income arising from settlement of VAT appeals which would result in positive outcomes for the Council. Although income of this nature may still be recovered, it is now considered much less likely to be settled in the current financial year.	0.090
• Minor changes of less than £25k	(0.016)
	0.074

Total changes**(0.198)**

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2012/13 (Month 7)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Resources and Regulated Services (Intake and Reablement)	6.189	5.661	(0.528)	(0.497)	<p>Extra Care projected in year underspend on new scheme (£0.200m) due to timeframe for completion.</p> <p>In-house Domiciliary Care projected underspend of £0.296m due to reduced pay costs from changes to service delivery and greater use of reablement and independent sector care providers. The increase (£0.061m) from month 6 is mainly due to further reductions in projected pay and staff transport costs (£0.051m) and additional income (£0.016m).</p> <p>Of the additional variance a projected underspend of £0.138m relates to work which is yet to be undertaken to realign the budgets following the transport review (this cannot be undertaken until the outcomes of the current contract tendering process is known in January) and £0.053m to vacancies within Day Services. This is offset by a projected overspend within Professional Support (£0.152m), increased from month 6 (£0.015m) which will be addressed as part of TSSA realignment.</p>	The underspend against Extra Care is one-off and non recurring and has arisen due to delays in building works encountered by our partner. Keep under review pending completion of Transforming Social Services for Adults (TSSA) programme and realign budgets as appropriate.

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2012/13 (Month 7)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Reablement Service (Intake and Reablement)	0.370	0.275	(0.095)	(0.093)	Pay costs being suppressed due to the use of Homecare staff, vacant post and part year appointments (£0.082m) together with additional Health income (£0.020m) offset by various small overspends.	Keep under review pending completion of Transforming Social Services for Adults (TSSA) programme.

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2012/13 (Month 7)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Locality Teams (Localities)	16.436	16.610	0.174	0.206	<p>The significant variances lie within:</p> <p>Physical Disability Services</p> <ul style="list-style-type: none"> > Purchased Home Care - projected overspend (£0.111m) reflects current care packages. A reduction from month 6 (£0.037m) due mostly to additional income (£0.031m). > Purchased Residential Care - projected underspend (£0.255m) reflecting current service users. > Minor Adaptations - projected overspend (£0.097m) reflecting the continuing demand within the service. <p>Older People Services</p> <ul style="list-style-type: none"> > Purchased Day Care - projected underspend (£0.082m) due to a changed emphasis in service delivery. > Reablement Service - projected overspend (£0.081m) due to changes in service delivery resulting from TSSA. > Purchased Home Care - projected overspend (£0.217m) reflecting current care packages. > Purchased Residential Care - projected overspend (£0.018m) a reduction from month 6 (£0.040m) reflecting current service users. 	<p>Keep under review pending completion of Transforming Social Services for Adults (TSSA) programme. Following phase 1 of TSSA and during the detailed reorganisation of services, it has been decided that most of the PDSI elements included as part of the locality team budgets at the early stages of TSSA will form a separate line under the Disability Services Heading, with only the Occupational Therapy service remaining as part of the locality teams. This will undertaken for 2013/14.</p>

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2012/13 (Month 7)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Resource & Regulated Service (Disability Services)	12.508	12.558	0.050	0.011	This variance is mostly due to a budget reduction (£0.050m) due to the application of the vacancy management efficiency. However, within the Service in-house Community Living is projecting an overspend of £0.176m mainly due to the need to procure independent sector staff to cover for absences across the various houses. in addition, the Independant sector purchased care section is projecting to underspend overall by £0.105m due to underspends against purchased residential care; the balance (£0.021m) is made up of various small under and overspends within the Service.	Keep under review.

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2012/13 (Month 7)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Ringfenced Budgets (Mental Health)	0.301	0.182	(0.119)	(0.126)	Reflects current care packages for 2012/13.	Keep under review - potential volatility due to changes in client numbers and demands at short notice from prison or courts. Reduced budget in 12/13. The possibility of re-aligning budget between the two services has been considered and dismissed for now as there are early indications of additional Mental Health clients although at this stage potential costs or start dates are unknown.
Ringfenced Budgets (Learning Disability)	0.466	0.610	0.144	0.149	This reflects the full year impact of a new service user that commenced during December 2011 together with some other changes to care packages.	
Good Health (Development & Resources)	0.981	1.117	0.136	0.136	The majority of the overspend (£0.104m) is mainly due to one-off redundancy related costs for two staff falling on the service following a restructure.	Not recurring.
Business Services - Income (Development & Resources)	(1.511)	(1.461)	0.050	0.050	Following a recommendation from Corporate Debt Recovery an additional £0.050m has been added to the total provision for bad or doubtful debts.	

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2012/13 (Month 7)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Vacancy Management (Development & Resources)	0.000	0.000	0.000	0.100	This has now been allocated against vacant posts: Resources & Regulated Services (Disability Services) £0.050m; Vulnerable Adults (Disability Services) £0.027m; Professional Support (Intake & Reablement) £0.016m; Resources & Regulated Services (Intake and Reablement) £0.007m.	None
Family Placement (Children's Services)	1.833	2.152	0.319	0.320	The projected overspend is mainly as a result of an increase in the number of foster care placements within the service. It is also due to the increasing number of court orders for Residence and Special Guardianship orders which invariably attract an ongoing allowance for the carers.	A review of the Family Placement Team has commenced the outcome of which will inform future planning and possible efficiencies.
Family Support (Children's Services)	0.341	0.285	(0.056)	(0.064)	The projected underspend in this service is mostly due to a reduction in the use of sessional staff following an embargo and a review of thresholds. The use of sessional staff can fluctuate monthly depending on caseloads, especially for child protection and court ordered supervised contact.	As the spend in this Service is very dependant on caseload continue to keep under review.

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2012/13 (Month 7)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Other Residential (Children Services)	0.526	0.466	(0.060)	(0.065)	The projected underspend relates to the opening of Arosfa being later than anticipated.	Keep under review due to the potential for additional costs relating to transport charges.
Grants (Children Services)	0.117	0.069	(0.048)	(0.049)	This budget is used for funding mostly one-off activities the need for which does vary. The underspend reflects current expectations of demands.	Keep under review.

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2012/13 (Month 7)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Professional Support (Children's Services)	5.382	5.551	0.169	0.158	This area comprises Fieldwork, Resources, Children's Integrated Disability Service (CIDS) and General. Fieldwork is projecting to overspend by £0.339m mostly due to the Children and Young Adolescent Support team (£0.328m) - client payments (£0.218m) and staff pay costs (£0.096m); the client payments includes the costs for two particularly high cost individuals (£0.120m). Resources is projecting to underspend by £0.037m mostly due to underspending on staff pay within Family Placement Team. CIDS is projecting to overspend by £0.061m which is mainly due to increased take up of direct payments. General is projected to underspend by £0.194m. This is partly due to legal/court costs underspending as is associated transport costs, in addition Children First is currently projecting an underspend by as is Corporate Parenting. Due to the overspend within the Service where possible spending is minimised wherever possible.	Keep under review. The Head of Service (Children) has instigated a review into the specifics around these two service users.

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2012/13 (Month 7)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Out of County Pooled Budget (Children's Services)	3.711	3.450	(0.261)	(0.139)	Projections reflect existing placements up until March 2013. This reflects known reductions in payments to providers following re-negotiation of contracts. The movement since month 6 reflect three placements ending and a reduced projection for costs associated with work undertaken in relation to provider costs.	The focus of high cost placements is now a North Wales project and will continued to be reviewed. The in house project requires sign off by the two directors at the next meeting.
Ring-fenced Budget (Housing Services)	0.377	0.319	(0.058)	(0.059)	This reflects current projection of the anticipated demand on the service this financial year.	Keep under review. One off and non recurring due to anticipated rise in presentations in 13/14 due to Welfare Reform impact and projections that the full budget will be required for further temporary accomodation units in the future.
Homelessness (Housing Services)	0.488	0.437	(0.051)	(0.040)	This reflects current projection of the anticipated demand on the service this financial year.	
Resident Wardens (Housing Services)	1.236	1.134	(0.102)	(0.090)	Budget based on restructure. Variance relates to vacancies within the new structure yet to be implemented.	Restructure approval required.
Other variances (aggregate)	8.646	8.558	(0.088)	(0.180)	Various minor variances.	Continue to review but not expected to be recurrent.
Total :	58.397	57.973	(0.424)	(0.272)		

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ENVIRONMENT

APPENDIX 3

Budget Monitoring 2012/13 (Month 7)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Industrial Units	(1.479)	(1.421)	0.058	0.063	Shortfall of Industrial Unit Rental Income, due in the main to Gaz de France decommissioning the Shotton Power Station site. Income shortfalls are partly mitigated by savings in vacant posts at Deeside Enterprise Centre. NNDR costs based on actuals to date. At Period 07 a non-standard inflation allocation for £0.005m for Metered Electricity has partly mitigated the variance.	Keep Unit rental income closely monitored throughout the year
Property Holdings	0.090	0.042	(0.048)	(0.036)	Ty'r Binwydden has budget provision for £21k but is no longer an active site. However, there is the potential for additional expenditure on vacant schools in Connah's Quay which could offset this underspend. NNDR costs based on actuals to date. Dilapidation Costs at Warren Hall.	Review of site budgets necessary in line with asset management programme
Agricultural Estates	(0.158)	(0.161)	(0.003)	(0.021)	The previous Land Agent Vacancy has now been filled on a one year fixed term contract basis.	
Property Asset & Development	0.530	0.485	(0.045)	(0.043)	Net Vacancy Savings	
Car Parks	0.025	0.061	0.036	0.037	Car Park income shortfall at Holywell and Mold partially offset by a reduced maintenance programme	

ENVIRONMENT

APPENDIX 3

Budget Monitoring 2012/13 (Month 7)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Highways Policy and Development Control	0.412	0.407	(0.005)	(0.031)	Recharge of Highways Policy staffing costs to the Rural Development Programme (RDP) At period 07, this is offset by a payment of £0.024m for Line Markings ahead of Civil Parking Enforcement implementation	
Business & Strategy	1.406	1.405	(0.001)	0.053	Additional costs associated with pay protection following the Streetscene Service Review of £0.050m. These have been mitigated at Period 7 by an estimated underspend on running costs at Queensferry Depot due to the move to Alltami of an equivalent value.	
Highways Maintenance	2.136	2.166	0.030	0.030	The figures now include the cost associated with attending flooding events following substantial rainfall in July, August and September.	

ENVIRONMENT

APPENDIX 3

Budget Monitoring 2012/13 (Month 7)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Waste Disposal & Waste Collection	9.201	9.429	0.228	0.200	Cost of overtime and agency payments to operatives (pre part 3 agreement) totalling £305k (a reduction of £75k at Period 6) plus additional vehicle requirements as a result of the phased roll out of the full Saturday collection service of £140k. This is partly mitigated by £300k due to the increased recycling levels from the implementation of Managed Weekly Collections which not only reduces landfill and tipping charges but increases the level of recycling income. In addition, the energy generation from Gas at the landfill sites has been affected by problems with the Gas Engines at both landfill sites in producing the energy and is estimated to result in at least a £90k shortfall.	Keep tonnage levels closely monitored to establish if further savings can be achieved to fully mitigate the costs. Business Case for additional Streetscene Operatives has been submitted to minimise use of agency and overtime on an ongoing basis. Gas Engines income return for 2013/14 a further risk to the Council.
Fleet Services	(0.026)	(0.052)	(0.026)	(0.066)	Outturn based on actual recharges to date projected to financial year end with these charges also refelected in all Environment client budgets. Additional Fleet Management System costs and overtime payments to the Fleet Operatives has reduced the variance at Period 7.	

ENVIRONMENT

APPENDIX 3

Budget Monitoring 2012/13 (Month 7)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Planning Control	0.367	0.402	0.035	0.047	Planning fee income has again improved against projections due to the receipt of Northern Gateway and Croes Atti related fees.	Partially offset by salary savings within the Planning service
Service Development & Support	0.236	0.218	(0.018)	(0.014)	Part time salary savings	
Management Support & Performance	1.164	1.053	(0.111)	(0.152)	Vacancy Savings relating to 5 posts (2 x Sc4, Sc6, SO1 & M6) ahead of Service Review implementation. This variance is affected at Period 7 by charging a further five Modern Apprentices from Sept 2012.	Provision will be made within Service budgets for the Modern Apprentice costs in 2013/14.
Public Protection	3.510	3.282	(0.228)	(0.196)	Vacancy Savings totalling £250k (3 x EHO 2 x EO 1 x Admin) ahead of the Service Review being implemented, offset by income shortfalls in Pollution Control. At Period 07, salary costs already incurred that were identified as Streetscene related were transferred totalling £0.032m.	
Other variances (aggregate)	15.038	15.015	(0.022)	0.013	A number of variances of no more than £0.038m individually.	
Total :	32.452	32.331	(0.121)	(0.116)		

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Out of County	2.659	2.353	(0.306)	(0.132)	Following a request from the Out of County Management Board one high cost placement has been heavily reduced with the continued involvement of Commercial and Clinical Solutions and a number of placements have ended or transferred back to Flintshire schools.	
Libraries, Culture and Heritage	2.883	2.836	(0.047)	(0.046)	There has been an in year adjustment to the book fund to address the Directorate budget overspend.	
Leisure Services	4.043	4.701	0.658	0.564	<p>Leisure (pressure of £0.658m) There are a number of historic budget issues which also adversely effected the Leisure outturn position in 11/12.</p> <p>In line with the national picture, income from ice skating at Deeside Leisure Centre has reduced by £0.173m over the last 4 years, this is despite inflationary increases in admission prices and promotions.</p> <p>Three posts within Leisure Services are unbudgeted due to timing delays caused between the Leisure Services Restructure and the JEQ results, this amounts to £0.120m including on-costs.</p>	<p>A tariff review is being undertaken across the whole of Leisure Services.</p> <p>Work is being conducted to review operational efficiency and performance at all facilities.</p> <p>Following receipt of JEQ results:</p> <p>Analysis of affordability of proposed new staffing structures.</p> <p>Revisit organisational design principles.</p>

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Leisure Services continued...					<p>The following pressures have been identified during 2012/13:</p> <p>The relocation of Leisure Services Staff to Deeside has assisted in making a significant saving from relocation (vacating Connah's Quay offices). However, this has increased occupancy costs for Leisure Services for cleaning, maintenance, mileage, telephones etc by £0.025m which is unfunded.</p> <p>A review of music licensing has identified additional liabilities resulting in a cost increase of £0.037m.</p> <p>Leisure centre income figures have not met those anticipated by the Alliance Business Plan. Future income projections are now based on actual income to date allowing for continued increases each month as facilities become more popular.</p>	<p>The in year recharges for these services are to be revisited and recharged accordingly.</p> <p>A budget pressure bid for this has been submitted for 2013/14.</p> <p>New processes for authorising expenditure have been implemented. Income figures will continue to be monitored closely. We are also hoping to implement P2P earlier than anticipated to introduce more controls on expenditure for 2013/14.</p>
Delegated Schools Budgets	77.523	77.523	0.000	0.000		

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
School Improvement Service	10.634	10.678	0.044	0.099	<p>Early Years Efficiencies of £0.066m have been secured to assist the overall in year position including photocopying, travel and catering. The realignment of sustainability funding has resulted in fewer requests for emergency funding from nurseries and playgroups.</p> <p>SLAs Following an instruction from the Director at month 5, budget holders have taken a number of measures to reduce expenditure in areas where schools have not taken up SLAs.</p> <p>School Improvement Service A number of minor efficiencies equating to £0.119m in total are projected. These relate to influencable expenditure on supplies and ICT and to recharges for staff seconded to the Welsh Government and RSEIS.</p> <p>Music Services Music Services are forecasting an overspend of £0.102m based on current levels of income and expenditure. A project group has been established to review the music service.</p> <p>ICT Unit The ICT Unit has managed to reduce expenditure on a one-off basis by £0.024m to assist in reducing the Directorate overspend.</p>	<p>Work is currently being undertaken to re-draft SLAs for the beginning of the new financial year.</p> <p>The Music Services project group has recently been established with a key aim of minimising the in-year overspend and developing a sustainable financial and operational model for the service moving forward into 2013/14.</p>

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Development & Resources	12.170	12.643	0.473	0.503	<p>Service Units (pressure of £0.218m) A pressure of £0.224m is currently anticipated on pupil benefits (free school meals and remissions) because of changes in the economic climate. A minor reduction in other projected expenditure of £0.006m has also been made.</p> <p>Facility Services - pressure of £0.313m The Catering Service is developing radical proposals to modernise via projects such as on-line payments for parents, rebranding, targeting increased take-up strategies, improved/themed menu's, cost reduction/procurement. The draft APSE review has been used to form the basis of this strategy.</p> <p>The Cleaning Service is unable to recover the surplus generated from the Law Courts contract and some other smaller sites. A large income target still exists which is unattainable with a lower level of cleaning activity taking place.</p> <p>Youth Service The Youth Service has reduced projected expenditure across all areas by £0.036m.</p> <p>Management & General Admin There have been a number of minor reductions in projected expenditure in Management & General Admin. These equate to £0.022m.</p>	<p>Both elements of the budget are being carefully monitored and pressure bids have been submitted as part of the 2013/14 budget process.</p> <p>Service needs to continue to implement the agreed strategy for efficiencies.</p> <p>This is the subject of management action and service redesign and a budget pressure bid for 2013/14.</p>

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
					The Development & Resources budget has increased by £0.266m since month 6. This relates to the non standard inflation allocation for energy budgets. The Directorate is currently reviewing all energy budgets and will allocate the additional budget across the relevant services during period 8.	
Total :	109.912	110.734	0.822	0.988		

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CORPORATE SERVICES

APPENDIX 5

Budget Monitoring 2012/13 (Month 7)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Chief Executive	2.270	2.263	(0.007)	(0.006)	(£0.019m) vacancy savings. £0.014m pressure relating to a voluntary sector contribution towards Dangerpoint. (£0.002m) other minor variances.	
Finance	4.367	4.775	0.408	0.341	Management and Secretariat (£0.010m) underspend made up of: (£0.010m) various minor variances.	
					Corporate Finance (£0.027m) underspend made up of: (£0.027m) net vacancy savings relating to the Corporate Finance Review.	

Budget Monitoring 2012/13 (Month 7)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
					<p>Revenues & Benefits £0.409m overspend made up of: £0.028m pressure relating to the Royal Mail price increases of 39% in April 2012. £0.269m pressure relating to workforce costs in Revenues & Benefits because of additional work in preparation for Welfare Reform and the new Council Tax Support Scheme. £0.065m pressure relating to a benefits system software upgrade. £0.025m investment in Agile Working (Revs & Bens). £0.022m other minor variances.</p>	Finance to investigate alternatives to Royal Mail. The additional workforce costs relating to welfare reform are one-off and will be reduced where possible.
					<p>Internal Audit £0.036m overspend made up of: £0.042m pressure relating to additional audit days. (£0.006m) reduction in non committed expenditure to mitigate pressure.</p>	

Budget Monitoring 2012/13 (Month 7)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Legal & Democratic Services	3.368	3.264	(0.104)	(0.068)	<p>£0.010m pressure translation of Constitution.</p> <p>(£0.119m) Members Special Responsibility Allowances.</p> <p>£0.053m Salary changes.</p> <p>(£0.048m) other minor variances.</p>	
Human Resources & Organisational Development	2.169	2.231	0.062	0.055	<p>£0.051m pressure CRB checks.</p> <p>£0.014m pressure Corporate Training.</p> <p>£0.031m loss of income from external organisations.</p> <p>(£0.047m) Vacancy Savings.</p> <p>£0.013m other minor variances.</p>	<p>A budget pressure for CRB checks has been submitted as part of the 2013/14 budget process.</p> <p>Request to carry forward £170k Modern Trainee budget which will be required in 2013/14.</p>

Budget Monitoring 2012/13 (Month 7)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
ICT & Customer Services	5.230	5.241	0.011	(0.003)	<p>£0.006m pressure relating to the final Design & Print costs.</p> <p>(£0.034m) vacancy savings relating to ongoing service reviews.</p> <p>£0.065m pressure relating to internal admin support recharges.</p> <p>(£0.027m) efficiency in relation to additional registrars income.</p> <p>£0.001m other minor variances.</p>	
Total :	17.404	17.774	0.370	0.319		

Budget Monitoring 2012/13 (Month 7)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Financing & Funding (insurance, banking etc.)	2.365	2.244	(0.121)	(0.211)	There is additional windfall income of £0.081m, which takes account of the recent settlement by Welsh Government of the Council's claim for additional costs for staff time incurred on the Housing stock transfer consultation/ballot project. Windfall income levels will be monitored closely and reported on in future monitoring reports.	Levels of unbudgeted income will continue to be monitored closely and reported on in future monitoring reports.
					A saving of £0.061m has been identified due to a budget provision within an insurance fund (relating to a potential liability for historic asbestos issues) which is now not required	
					Additional windfall income of £0.090m had previously been anticipated in respect of settlement of an outstanding claim re. overpayment of VAT due to the impact of legal challenges to custom and practice elsewhere. A recent Tribunal decision found in favour of HMRC in respect of one of the outstanding cases, although it is considered that there are grounds for appeal. This remains one of several ongoing cases which may bring additional "windfall" income to the Council in the future, although it is now considered less likely that it will be in the current financial year.	A number of outstanding VAT claims which may result in "windfall" income will be kept under review pending legal determinations and possible appeals.

CENTRAL CORPORATE FINANCE

APPENDIX 6

Budget Monitoring 2012/13 (Month 7)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Financing & Funding continued....					An overspend on additional superannuation costs of £0.044m in respect of added years granted to former employees early retirements prior to the 1996 Local Government reorganisation.	All significant overspends will be monitored monthly. Opportunities for budget realignment within the Central & Corporate Finance budgets will be explored and actioned where possible.
					A decrease in other miscellaneous Expenditure of £0.023m.	
Corporate - other	3.047	2.895	(0.152)	(0.136)	An overspend of £0.079m against the regional transformation fund following external audit requirements of the lead authority (Conwy CBC) on accounting treatment of balances.	This is a one-off budget pressure in 12/13. Notification by Conwy of the change in treatment was not received until after the 12/13 budget was approved.
					A reduced projected overspend of £0.015m against the phased funding strategy to address the Council's share of the Clwyd Pension Fund deficit following the 2010 actuarial valuation.	All significant overspends will be monitored monthly. Opportunities for budget realignment within the Central & Corporate Finance budgets will be explored and actioned where possible.
					An underspend of £0.240m resulting from salary budget efficiencies previously achieved following historic service reviews	
					Other minor variances amounting to a net underspend of £0.006m.	

CENTRAL CORPORATE FINANCE

APPENDIX 6

Budget Monitoring 2012/13 (Month 7)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Central Loans & Investment Account	14.200	14.066	(0.134)	(0.134)	Increased interest received on temporary investments £0.060m, increased internal interest received on prudential borrowing £0.025m. Reduction in interest payable on variable rate market loans and internal interest payable £0.036m, reduction in Minimum Revenue provision (MRP) £0.013m.	
Central Service Recharges	(1.968)	(1.691)	0.277	0.277	Shortfall of £0.192m of internal income recovered from trading accounts and the HRA, plus £0.085m impact of review of internal recharges from Service Level Agreements.	Support Service basis and allocations are currently being reviewed as part of the Finance Workstream of Flintshire Futures.
Other variances - aggregate	6.869	6.868	(0.001)	(0.001)		
Total :	24.513	24.382	(0.131)	(0.205)		

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APPENDIX 7

Movements on Council Fund Unearmarked Reserves

	£m	£m
Total Reserves as at 1 April 2012	9.029	
Less - Base Level (inclusive of increase of £0.088m agreed as part of the 2012/13 budget)	<u>(5.564)</u>	
Total Reserves above base level		3.465
Less amount approved in 2011/12 as being ringfenced for Investment in Change	(1.500)	
Less allocation from contingency reserve to meet one-off / time limited costs in 2012/13 (approved in 2012/13 budget and allowed for in calculation of 2011/12 final outturn on contingency reserve)	(0.973)	
Less allocation from contingency reserve as a one-off investment to support the new Leisure facilities in their first year of operation (approved in Month 3 report)	<u>(0.361)</u>	
Amount available for delegation to Cabinet		0.631
Less Projected overspend as at 31 st March 2013	<u>(0.516)</u>	
Projected Level of Total Contingency Reserve as at 31st March 2013		0.115

Note :-

See paragraph 3.04 of the report which sets out Management's intention to contain the projected variation within the overall agreed budget.

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Budget Monitoring 2012/13 (Month 7)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Finance and Support	2.506	2.272	(0.234)	(0.218)	Support recharges revised downwards to reflect 2011/12 costs. Vacancy savings.	Work is ongoing to progress accuracy and timeliness of the HRA support recharges.
Rents	(25.560)	(25.588)	(0.028)	(0.013)	Variance based on 14 more properties than anticipated at budget	
Other variances (aggregate)	23.841	23.702	(0.139)	(0.117)		
Total :	0.787	0.386	(0.401)	(0.349)		

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: CORPORATE RESOURCES OVERVIEW & SCRUTINY
COMMITTEE
DATE: THURSDAY, 17 JANUARY 2013
REPORT BY: DIRECTOR OF ENVIRONMENT
SUBJECT: ASSET MANAGEMENT AS A FLINTSHIRE FUTURES
WORKSTREAM

1.00 PURPOSE OF REPORT

1.01 To provide an update on the Assets Workstream within the Flintshire Futures Programme.

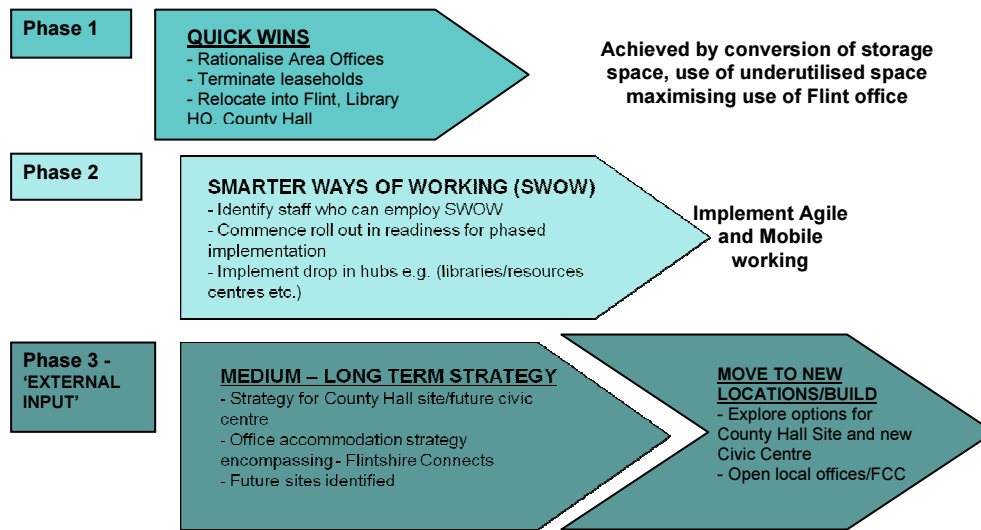
2.00 BACKGROUND

2.01 The Council has developed the Flintshire Futures Programme as its corporate programme for modernising and transforming the organisation and to make best use of its resources and secure efficiencies. Within this programme are a number of specific workstreams, Assets being one such workstream.

2.02 The previous Executive agreed to half yearly reporting on the progress of the programme and its projects twice yearly to both Cabinet and Overview and Scrutiny - once at the mid stage of the year and once as part of the annual budget setting process as part of our efficiency forecasting work. The mid year report was submitted to Scrutiny on the 11th October 2012 by the Head of ICT and Customer Services.

2.03 This report provides information on the various strands of activity within the Assets workstream, which is a complex programme of work which touches upon a wide number of services within the Council. Our approach is set out in the diagram below.

Three Phased Approach



2.04 Our vision to achieve this strategy is:

“Modern buildings which can be used flexibly are adaptable, sustainable and intensively used by the Council and our partners, utilising the latest technology, to create, support and deliver modern and effective 21st Century services”

2.05 We have approximately £1000m worth of assets in a large and varied estate. We aim to rationalise by disposing of properties which are under-utilised, inefficient or poorly located. This will, in some cases, deliver capital receipts for reinvestment and reduce running costs. Our office accommodation currently costs us £1.75m per annum and has a carbon footprint of 1862 tonnes per year. We will ensure our properties are fit for purpose, meet our customer needs and are efficient to run.

2.06 The majority of our corporate property portfolio is offices and staff accommodation with County Hall being by far the largest and least efficient. The most recent condition survey has identified that there is a backlog £6million of maintenance required. The current space allocation is almost 12sqm per desk and as there is mostly a 1:1 desk/person provision this equates to an annual cost of £1280 per desk/person. By modernising the way we work and reducing the space provision to 8sqm per desk this can be reduced to £600 and by reducing the desk provision to 1 desk for 2 people the cost per person could be reduced to £300, over a 76% reduction.

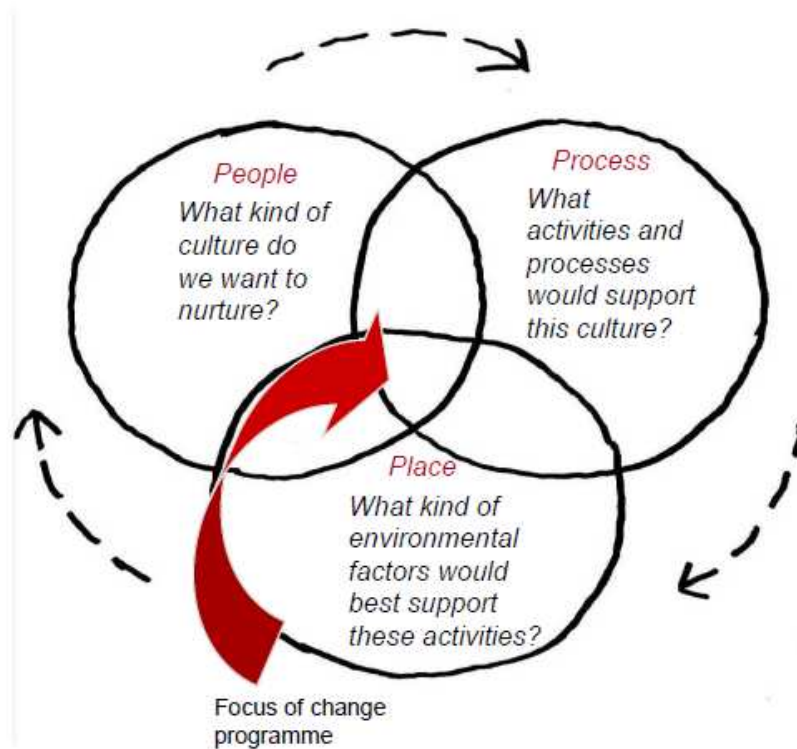
2.07 In addition to this we can reduce the amount of storage space we currently use. In County Hall 10% of the net internal area is dedicated for storage use (that’s almost 6 tennis courts and excludes space within offices for filing etc). This costs £156,000 per year. By implementing Electronic Document

Management dedicated storage space can be reduced to 2% of floor area, in a smaller building this could mean a reduction in running costs of £130,000 each year.

2.08 In addition we will encourage local community groups to use our assets to build sustainable social enterprises through Community Asset Transfers, and promote public and third sector co-location where appropriate.

3.00 CONSIDERATIONS

3.01 In understanding where we are now and where we need to be in the future we must consider our journey and in relation to this measure the initial value of our buildings, how these support the core activities of the Council and citizens of Flintshire and what measures we must deploy to modernise the services we provide.



3.02 In analysing our buildings it is clear that a number now have issues such as:

- customer access with offices in the wrong location and which do not serve our customers well in terms of accessibility, i.e. not in the heart of the community;
- high running costs and large carbon footprint, energy hungry
- building condition which is generally is poor and requires substantial investment;

- space standards which poor, with traditionally laid out floors and many cellular offices;
- team inter-dependence not fully considered;
- contribute negatively to issues of productivity and culture;
- appearance which is poor and as a consequence presents a poor image of the Council

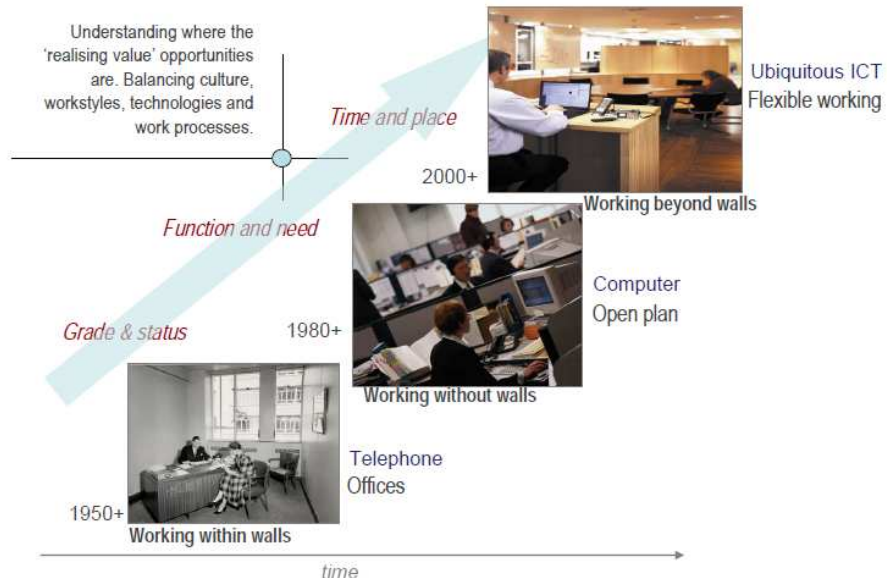
3.03 Essentially the assets workstream touches on a number of elements within other workstreams of the Flintshire Futures Programme for example:

- human resources and the development of supportive policies that assist a transition from current to future (agile and mobile working);
- document management through electronic document scanning, retention and retrieval;
- development of agile and mobile ways of working through the use of new technologies;
- intensification of building use and a cultural change from employees presenteesim to output based management by objectives,
- an employer of choice.
- efficiency savings through the increased utilisation of space leading to an overall reduction in core office requirements;

3.04 In developing the work involved in this workstream it is also apparent that there may be an opportunity to create, in some cases, a community aspect through developing a community based approach within the asset disposal programme. This approach is supported and further reinforced by the Councils Community Asset Transfer Policy which seeks to support, assist and enable local community groups and third sector organisations to occupy the Councils surplus accommodation.

3.05 What we are seeking to do is to move from a traditional office based approach to one which is highly responsive, flexible and which uses space intensively and is supported through modern technology. The journey is set out below:

Change in design and distribution of space



3.06 We have already started delivering a number of themes from the three phased approach and this activity is identified below:

- review of third party leases on a rolling basis and where appropriate these are being terminated
- relocation of services and consolidation into other Council Offices more notably Flint which now has a utilisation level of 9m² from a previous level of 15m²; this has enabled us to vacate the ground floor offices to potentially accommodate a Flintshire Connects and partner organisations.
- a number of service areas are now working in an agile or mobile way eg Building Control working mobile through the use of new technology, Revenues and Benefits who now work in an agile way;
- developing the rationalisation of accommodation at County Hall and the exploration of options
- further development of Flintshire Connects sites at Flint and Connahs Quay following the opening of the Holywell connects office.

3.07 Targets have been set within the workstream and these are set out below:

- reduction in floor space from 12m² to 8m² per person, this will reduce further in time
- reduce level of storage from 10% to 2% (this could mean a reduction in running costs of £120k pa or more)
- reduce floor space to 50% by 2016
- reduce office costs by 50% by 2016
- 95% of the workforce to be mobile or agile workers by 2016
- explore a total facilities management solution over the next three

years, involving the integration of a number of hard and soft FM functions such as security, CCTV, Maintenance and Repairs, campus management, cleaning and catering

- Increase the number of assets offered up on the basis of Community Asset Transfers

3.08 Within the whole Flintshire Futures approach there are clear linkages to the Medium Term Financial Plan (MTFP) and efficiencies generated through this particular workstream, like others, will contribute to the overall level of efficiencies within the Councils budget setting process.

4.00 RECOMMENDATIONS

4.01 That Members note the report

5.00 FINANCIAL IMPLICATIONS

5.01 None as a direct result of this report.

6.00 ANTI POVERTY IMPACT

6.01 Not as a direct result of this report.

7.00 ENVIRONMENTAL IMPACT

7.01 Should be positive in terms of reducing energy and hence carbon emissions.

8.00 EQUALITIES IMPACT

8.01 Positive in improving access opportunities for those with disabilities.

9.00 PERSONNEL IMPLICATIONS

9.01 Not as a direct result of this report.

10.00 CONSULTATION REQUIRED

10.01 Key stakeholders and Members is ongoing activity.

11.00 CONSULTATION UNDERTAKEN

11.01 Report to Scrutiny on the 11th October 2012.

12.00 APPENDICES

12.01 None

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS

None included

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE**

DATE: **17 JANUARY 2013**

REPORT BY: **MEMBER ENGAGEMENT MANAGER**

SUBJECT: **FORWARD WORK PROGRAMME**

1.00 PURPOSE OF REPORT

1.01 To consider the Forward Work Programme of the Corporate Resources Overview & Scrutiny Committee.

2.00 BACKGROUND

2.01 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 Executive for consultation purposes, or by County Council, or Directors. Other possible items are identified from the Executive Work Programme and the Strategic Assessment of Risks & Challenges.

2.02 In identifying topics for future consideration, it is useful or a 'test of significance' to be applied. This can be achieved by asking a range of questions as follows:

1. Will the review contribute to the Council's priorities and/or objectives?
2. Are there issues of weak or poor performance?
3. How, where and why were the issues identified?
4. Do local communities think the issues are important and is there any evidence of this? Is there evidence of public dissatisfaction?
5. Is there new Government guidance or legislation?
6. Have inspections been carried out?
7. Is this area already the subject of an ongoing review?

3.00 CONSIDERATIONS

3.01 Overview & Scrutiny presents a unique opportunity for Members to determine the Forward Work Programme of the Committees 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.

4.00 RECOMMENDATIONS

4.01 That the Committee considers the draft Forward Work Programme attached as Appendix 1 and approve/amend as necessary.

5.00 FINANCIAL IMPLICATIONS

None as a result of this report.

6.00 ANTI POVERTY IMPACT

None as a result of this report.

7.00 ENVIRONMENTAL IMPACT

None as a result of this report.

8.00 EQUALITIES IMPACT

None as a result of this report.

9.00 PERSONNEL IMPLICATIONS

None as a result of this report.

10.00 CONSULTATION REQUIRED

N/A

11.00 CONSULTATION UNDERTAKEN

Publication of this report constitutes consultation.

12.00 APPENDICES

Appendix 1 – Forward Work Programme

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS**

None.

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Corporate Resources Overview & Scrutiny Committee
FORWARD WORK PROGRAMME 2012/13

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	SUBJECT	O&S FOCUS	REPORT FROM
21 st – 28 th January 2013	Tuesday 22nd January PM Housing (GF and HRA) Thursday 24th January AM Environment Friday 25th January AM Lifelong Learning Monday 28th January AM Social & Healthcare Monday 28th January PM Corporate Resources (for central and Corporate Services budgets) Thursday 31st January AM Corporate Resources capital and 'mop up' meeting		CE/HF/MEM
Thursday 14 th February 2013 10.00	Revenue Budget Monitoring 2012/13 Month 8 Annual Improvement Report 2012 by the Auditor General for Wales Flintshire manager Programme Workforce as a Flintshire Futures workstream	Monitoring and development Monitoring and development	HF CE/PPPM HofHR&OD
February/ March Date to be determined following agreement	Appraisals Workshop	The head of HR & OD has suggested that it might be more effective to consider this issue, which the committee has previously identified, at a workshop rather than at a formal meeting	HofHR&OD MEM
Thursday 14 th March 2013 10.00	Q3 performance reporting Revenue Budget Monitoring 2012/13 Month 9 Capital Programme 2012/13 Month 9	Monitoring and development Monitoring and development	MEM HF Hof ICT&CS

Corporate Resources Overview & Scrutiny Committee
FORWARD WORK PROGRAMME 2012/13

	Procurement as a Flintshire Futures workstream		
Thursday 18 th April 2013 10.00	Revenue Budget Monitoring 2012/13 Month 10 Customer Services as a Flintshire Futures workstream	Monitoring and development Monitoring and development	HF
Thursday 16 th May 2012	Revenue Budget Monitoring 2012/13 Month 11 Physiotherapy pilot progress report		

Corporate Resources Overview & Scrutiny Committee
FORWARD WORK PROGRAMME 2012/13

Items to be scheduled as they become available
Asset Strategy, the Compact, Procurement, Flintshire Futures.

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