

Public Document Pack

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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

10 May 2013

Tracy Waters 01352 702331
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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, 16TH MAY, 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 18th April 2013.
- 4 **REVENUE BUDGET MONITORING 2012/13 MONTH 11** (Pages 11 - 60)
Report of Head of Finance enclosed.

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

- 5 **MANAGEMENT AND LEADERSHIP DEVELOPMENT PROGRAMME**
(Pages 61 - 66)
Report of Head of Human Resources and Organisational Development enclosed.
- 6 **FORWARD WORK PROGRAMME** (Pages 67 - 72)
Report of Member Engagement Manager enclosed.

Agenda Item 3

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

18 APRIL 2013

Minutes of the meeting of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held at Delyn Committee Room, County Hall, Mold CH7 6NA on Thursday, 18 April 2013

PRESENT: Councillor Richard Jones (Chairman)

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

APOLOGIES:

Councillor: Ian Dunbar
Chief Executive and Head of Finance

CONTRIBUTORS:

Leader of the Council, Cabinet Member for Corporate Management, Head of ICT and Customer Services and Acting Overview & Scrutiny Manager

Revenues Manager for minute number 92

Corporate Finance Manager, Director of Lifelong Learning, Finance Manager and Head of Culture and Leisure for minute number 93

Head of Human Resources and Organisational Development for minute number 94

IN ATTENDANCE:

Housing and Learning Overview & Scrutiny Facilitator and Committee Officer

89. DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)

No declarations of interest were made.

90. MINUTES

The minutes of the meeting of the Committee held on 14 March 2013 had been circulated to Members with the agenda.

Matters arising

Councillor M. Bateman explained that she had met with the Head of Finance about the overspend of £0.044m in relation to additional superannuation costs and that the issue was being considered.

Councillor C.S. Carver referred to the penultimate paragraph on Councillors travelling by taxi and provided an update for Members explaining that the costs had increased when the company had been asked to provide an invoice for the journeys made. The taxi company had since indicated that they were no longer able to provide transport for the Member. Councillor Carver raised concern about areas where the Council may be being overcharged for services but praised the work of the Committee to raise awareness of the issue.

Accuracy

Councillor P.G. Heesom referred to the last paragraph on page 3 and in explaining that he had said that the Medium Term Financial Plan was not an adequate strategy for dealing with the financial and economic planning for the future, he suggested that the words 'but he believed it was not an adequate tool kit to deal with the economic future and that a Base Budget Review was required' be added after the words 'essential part of the framework'.

RESOLVED:

- (a) That the words 'but he believed it was not an adequate tool kit to deal with the economic future and that a Base Budget Review was required' be added after the words 'essential part of the framework' in the last paragraph on page 3; and
- (b) That subject to the suggested amendment, the minutes be approved as a correct record and signed by the Chairman.

91. CUSTOMER SERVICES AS A FLINTSHIRE FUTURES WORKSTREAM

The Head of ICT and Customer Services introduced a report to provide an update on the Customer Services Workstream within the Flintshire Futures Programme.

He detailed the background to the report which provided information on the progress made on the various projects within the Customer Services Workstream. It was reported that although improving the customer experience was the primary goal, planning was also taking place to make efficiencies by encouraging use of self service digital access and challenging processes to ensure that the Council standardised, simplified and automated where possible. The Head of ICT and Customer Services explained that the focus of the work to date was about improving customer access to services and information which included providing choice in terms of how, when and where services were available and improving face to face and telephone access. The Flintshire Connects centre, which had been well received, opened in Holywell in November 2012 and facilities in Flint, Connah's Quay and Buckley were also planned. Invest to Save funding of £700,000 had been secured from Welsh Government and Job Centre Plus had confirmed that they would be operating permanently from the Flint Connects Centre with discussions on-going with other partners for all three facilities.

The Head of ICT and Customer Services provided details of the Contact Centre which was located at Alltami Depot and said that in addition to Streetscene, contact centre facilities had recently been implemented for Housing Repairs and Revenues & Benefits; consultation was ongoing for Leisure Services to be included in the future. Another project within the Customer Services Workstream was Channel Shift which the Head of ICT and Customer Services detailed and he advised that a new website was being developed and a new Flintshire "App" for mobile devices would be launched in July 2013. New standards and targets would be identified to incorporate the new access channels particularly digital self service which did not currently feature in customer care standards and the Customer Engagement Project Team had recently been

established and an exercise was underway to identify all consultation and engagement activities across the Council.

The Leader of the Council spoke of the Invest to Save funding which had been secured allowing the acceleration of the Buckley connects centre which was welcomed. He sought assurance that there was also a savings element to the benefits of Customer Engagement and that good practice of how to communicate effectively with community groups should be taken forward.

Councillor C.S. Carver praised the work of the staff at the contact centre but asked that the automated message be updated as it only related to queries about waste collections or snow. He also sought a fuller explanation of what Channel Shift meant.

The Cabinet Member for Corporate Management thanked the Head of ICT and Customer Services for the report and gave thanks for the way the Council was keeping pace with technology. He said that there were indications that the connects centre was well used but queried whether it was promoted adequately.

Councillor P.G. Heesom commended the work of the staff at the Connects facility at Holywell and the support given to it by Members and Councillor P.J. Curtis in particular. Councillor P. Shotton asked whether customer services staff were able to undertake training and development opportunities and he welcomed the proposed new facilities at Connah's Quay, Flint and Buckley. Councillor R. Lloyd queried whether any progress had been made on the use of Saltney Library as an interim Connects facility. In response to the questions raised the Head of ICT and Customer Services advised that an internal customer service training programme was undertaken by all customer service staff and the opportunity to study a National Vocational Qualification (NVQ) was undertaken with an external provider. Work was ongoing to identify other options for an interim contact centre in Saltney as it was not felt that the library was suitable in its current form. Councillor R.G. Hampson queried whether the amalgamation of the Housing Repairs service into the contact centre was a good idea and in response the Head of ICT and Customer Services said that it was important to have a common approach when delivering services which included the use of common training, technology and systems for all customer services contact centres; he added that its location was irrelevant.

Councillor Curtis welcomed the introduction of the Flintshire Connects facility in Holywell which he said had been an outstanding success. He spoke of the polite and helpful employees and said that he hoped the facility would continue to develop and that centres in other areas were provided at the earliest opportunity.

The Leader of the Council spoke of the increase in footfall in town centres due to the location of the Flintshire Connects facilities and spoke of the opportunity for community events to encourage residents to visit towns in Flintshire. On the issue of Channel Shift, he said that this was about additional choice for residents and encouraging them to use digital self service facilities alongside the current options in place.

RESOLVED:

That the report be noted.

92. FAIR DEBT POLICY

The Revenues Manager introduced a report to seek input from the Committee on the draft Fair Debt Policy prior to its consideration by Cabinet.

He detailed the background to the report and explained that the development of a Corporate Debt Policy, which had been considered by the Committee in November 2012, established standard procedures for the collection of debt. The introduction of a Fair Debt Policy was separate to this and was a customer focused policy to assist those in financial difficulty owing single and multiple debts to the Council. He added that the development of the policy was a more streamlined approach and for customers it was a positive way forward.

The Cabinet Member for Corporate Management thanked the officer for the report. He explained that it was still the responsibility of the individual to pay their debt but the introduction of the policy would ensure that the Council continued to fulfil its responsibility to maximise the collection of council tax, rents, corporate debt and housing benefit overpayments.

Councillor P. Shotton said that it was an important policy and Councillor P.J. Curtis spoke of the work of the Citizen's Advice Bureau and the assistance that this policy would provide for them. Councillor C.S. Carver asked whether there was a complaints procedure in place as this was not referenced in the report. The Revenues Manager said that he could include reference to a complaints procedure in the report and spoke of those customers who were struggling to pay compared to those who refused to pay.

The Leader of the Council spoke of credit unions and the Welfare Reform Bill and said that the policy was about ensuring that those in difficulty did not make things worse and included signposts of where they could go for assistance. He asked whether there would be a financial benefit to the Council if they did not have to engage multiple bailiffs to recover debts of customers. The Revenues Manager responded that there would not be a reduction in costs to the Council but it would ensure that the customer did not accumulate costs of multiple bailiff visits for each separate debt to the Council.

The Cabinet Member for Corporate Management spoke of the work of the Revenues and Benefits section and the work that they had undertaken to identify those who were struggling with making payments to the Council and the increasing difficulty that they would face following the introduction of the Welfare Reform Bill. Councillor P.G. Heesom spoke of the need to act sensibly about debt and the need to monitor the situation going forward.

The Chairman felt that the Fair Debt Policy and the Corporate Debt Policy covered a number of similar issues and asked whether they could be collated into one document at a later date. The Revenues Manager responded that the policies were reviewed every twelve months and this was an issue which could be considered in the future.

RESOLVED:

That the report be received.

93. REVENUE BUDGET MONITORING 2012/13 MONTH 10

The Corporate Finance Manager introduced a report to provide Members with the Revenue Budget Monitoring 2012/13 (Month 10) information for the Council Fund and Housing Revenue Account (HRA) which was being submitted to Cabinet on 23 April 2013.

For Council Fund there was a projected year end underspend of £1.305m, which was an increase of £0.449m on the position reported at Month 9. Appendix 1 showed a summary of the movements from Month 9 with the main change being in relation to Community Services (a positive movement of £0.431m).

The Corporate Finance Manager reminded Members that the projection did not take into account any additional costs associated with the extreme weather conditions at the end of March and that the impact of this would be reported in future monitoring reports.

The risks and assumptions associated with the projection were identified in paragraph 3.06 and an update on non standard inflation was shown in section 4. A request for carry forward for ICT & Customer Services was detailed in paragraph 3.07 and was being recommended to Cabinet.

Appendix 7 provided details on the movements on unearmarked reserves, which, after taking into account the current projection and previously committed amounts left a projected level of Contingency Reserves at 31 March 2013 of £0.894m.

The Corporate Finance Manager also advised of a projected underspend of £0.491m on the Housing Revenue Account which was an increase of £0.020m in the underspend reported at Month 9 and details of the variances were provided in appendix 8.

The Leader of the Council referred to the costs of the extreme weather conditions which were not reflected in this report but would impact on Month 11 Budget Monitoring and the Cabinet Member for Corporate Management spoke of the tremendous work undertaken by the employees from Streetscene during the bad weather.

The Head of Culture and Leisure commented on the overspend of £0.179m in Leisure Services which included increased employee costs, asset management/operating costs and reduction in income; details of how the overspend had occurred were provided in appendix 1. He explained that there was a need to stabilise employee costs and that a change in staff structure was being considered. On the issue of asset management he said that costs were being incurred to address the issues of keeping facilities open and 62% of the operating costs had to be met from income; this was a challenge as customers had less disposal income available to them to spend in the Leisure facilities.

Work was ongoing to overcome these challenges but a solution had not yet been identified.

In response to a question from Councillor G.H. Bateman, the Head of Culture and Leisure said that the Purchase to Pay (P2P) system had not been implemented in Leisure Services but that it was hoped it would be available in the next few months. Councillor Bateman also asked about the anticipated back pay for car park attendances and was advised that the question would be submitted to the Environment Directorate for a written response to be provided.

Councillor P.G. Heesom raised concern about the pressure of £0.383m for Facility Services (which included catering and cleaning services) and requested that a detailed report needed to be considered on the issue of catering in schools. He also queried the suspension of the Youth Service Review and raised concern, and requested an update report, about the shortfall of industrial unit rental income due to Gaz de France decommissioning the Shotton Power Station site. Councillor Heesom also asked for a breakdown of the amount of £1.500m approved in 2011/12 which was ringfenced for Investment in Change.

The Leader of the Council agreed that the issue of catering in schools needed addressing and assured Councillor Heesom that the Youth Service Review had not been suspended but that the report to Cabinet had been deferred. The Leisure budget was a concern and a risk and he queried whether the Alliance Business Plan had been challenged enough.

Councillor M. Bateman spoke of the all-weather pitch in Sychdyn and queried whether any funding was available to repair it. The Director of Lifelong Learning said that repair of the pitch was a pressure on the repairs and maintenance budget within Leisure and that external funding was being sought as Council funding was limited.

Councillor C.S. Carver requested a breakdown of the pressure of £0.383m in Facility Services. The Director of Lifelong Learning confirmed that this could be provided and explained that an allocation of £0.300m was included for 2013/14 to stabilise the position. The issue was also the focus of Lifelong Learning Overview & Scrutiny Committee and a meeting was to take place at one of the schools where some of the meals would be sampled. He confirmed that the Youth Service Review was ongoing. The Director also said that Flintshire had an exceptionally high level of sporting provision and the lowest level of funding in Wales; there was a high level of dependency on income and for many leisure was seen as a luxury. The Chairman said that increases in costs and reductions in income were not sustainable. The Leader of the Council spoke of the excellent work which was being undertaken to increase footfalls at Deeside Leisure Centre and the Jade Jones Pavilion at Flint. He queried what attempts had been made to market the facilities in a better way and asked whether a corporate approach was being taken about a call centre for Leisure Services. In response to a question from Councillor Carver about Leisure Centres being closed on bank holidays, the Leader of the Council spoke of ongoing Part 3 negotiations.

The Chairman suggested that a working group be established to consider the position of Leisure Services, in particular the income and costs element.

Councillor P.J. Curtis queried whether regular inspections were carried out at play areas as a slide had to be removed from a play area in Holywell as it was beyond repair. The Director of Lifelong Learning said that proactive inspections did take place but added that appropriate capital funding was needed to carry out any necessary repairs.

In response to earlier comments, the Head of Culture and Leisure said that it was envisaged that a customer contact centre would be introduced for Leisure Services. He added that marketing for leisure centres was undertaken by the Alliance Partnership and the Chairman indicated that a presentation from Alliance Leisure was to be made at the 11 July 2013 meeting of Lifelong Learning Overview & Scrutiny Committee.

Councillor R.G. Hampson raised concern at the lack of parking at Buckley Leisure Centre and said that the introduction of CCTV on the site would allow additional parking to be made available. The Head of Leisure and Culture explained that clarification was required on the School Modernisation Programme to ensure that any funding for CCTV at the Elfed High School was appropriate. The Director of Lifelong Learning confirmed that discussions on the issue of parking at the Leisure Centre were ongoing.

RESOLVED:

- (a) That the report be noted;
- (b) That the establishment of a Task and Finish Group to consider Leisure Service Finances be considered during the item on the Forward Work Programme;
- (c) That an update report about the shortfall of industrial unit rental income due to Gaz de France decommissioning the Shotton Power Station site be provided;
- (d) That a breakdown of the amount of £1.500m approved in 2011/12 which was ringfenced for Investment in Change (as shown in appendix 7 on Unearmarked Reserves) be provided;
- (e) That a written response be provided by the Environment Directorate about the anticipated back pay for car park attendances; and
- (f) That a breakdown of the pressure of £0.383m in Facility Services be provided.

94. WORKFORCE INFORMATION QUARTER 3 - OCTOBER - DECEMBER 2012

Prior to the introduction of the report, Councillor P.G. Heesom requested that the consideration of the report be deferred. Councillor A. Woolley asked that it not be deferred as he had significant concerns about some of the information within the report. Deferment was not supported by the Committee.

The Head of Human Resources and Organisational Development introduced a report to provide Members with an update for the third quarter 2012/13 on the following areas:-

- Establishment
- Headcount

- Agency
- Early Retirements (First and third quarter reports only)
- Turnover
- Diversity
- Absence

She confirmed that there had been an exchange of queries from Councillor Woolley and that discussions may need to take place with the Workforce Planning and Information Manager to address any ongoing concerns.

The Head of Human Resources and Organisational Development detailed the main changes to the report on establishment and explained that the actions taken would be monitored on a monthly basis. It was anticipated that the work undertaken would provide a more accurate position on vacancies despite ongoing organisational change. The number of agency placements were reported and there had been a decrease of 26% when compared to the same quarter in the previous financial year. Details of the early retirements for the period were reported and information on absence was also shown. The number of days lost through absence has increased slightly when comparing it to the same period in 2011/12 but the Head of Human Resources and Organisational Development explained that the submission of paperwork from the Directorates confirming that employees had returned to work usually led to this figure reducing in the forthcoming period. The figures were similar to those of the All Wales average (which compared local authorities) but the targets set by Flintshire County Council for 2012/13 were not being met and this had been reflected in the performance report submitted to Cabinet in March 2013 where a 'red' status was reported. The Head of Human Resources and Organisational Development explained that this was an area where improvement was required. For quarter four, the absence by service area would be reported and work was to commence to identify those absences recorded as 'other'.

The Chairman queried what had been the cause of the absence rate for quarter 3 which was the worst reported figure for two years. Councillor Woolley requested further information on the data behind the information reported as he was unable to calculate the number of employees who worked for the Council from the information provided in the Workforce Information appendices which had been made available for Councillors in Member Services. He also queried the figures reported in paragraph 3.01 and asked for an explanation of the calculations used. The Head of Human Resources and Organisational Development said that the information had been provided to Councillor Woolley but that she was happy to discuss the figures outside the meeting and that additional information could be provided for future reports.

The Cabinet Member felt that those with 100% attendance records should be recognised. Councillors Heesom and Hampson expressed concern about the absence figures, the lack of improvement and the importance of managing the issue. The Head of Human Resources and Organisational Development confirmed that work was ongoing with managers to ensure that they were aware of their responsibilities and added that policies were in place which could lead to dismissal if unacceptable levels of absence continued. Councillor Curtis queried whether consideration was given to how local businesses in the private sector dealt with sickness. The Head of Human Resources and Organisational

Development said that commitment would be given to looking at good practice within the private sector but that the important issue was to ensure that managers managed and followed the policy. In response to a query from the Chairman about seasonal variances for Agency workers, she said that she would provide detailed information in future reports for Overview and Scrutiny. She also responded to a question about the flexi system but reminded Members that not all staff were subject to it.

RESOLVED:

- (a) That the report be noted; and
- (b) That the Head of Human Resources and Organisational Development provide further information on the data behind the information reported

95. INFORMATION COMMISSIONER'S OFFICE DATA PROTECTION AUDIT

The Acting Overview and Scrutiny Manager introduced a report to inform the Committee of the audit being undertaken by the Information Commissioner's office (ICO).

She detailed the background to the report and explained that the report was for information. The Council had been approached and had agreed to a voluntary audit. It was reported that the ICO wanted to work within Community Services and to concentrate on one team within Children's Social Services and one team within Adult Social Services. The teams that the Council had chosen were the Family Placement Team and the North West Locality Team. Interviews with relevant staff were being conducted by the ICO.

RESOLVED:

That the report be noted.

96. FORWARD WORK PROGRAMME

The Housing and Learning Overview & Scrutiny Facilitator introduced a report to consider the Forward Work Programme of the Committee.

The Facilitator detailed the items for the next meeting scheduled for 16 May 2013 but explained that due to the large number of items listed, the Physiotherapy Pilot progress item would be included in the Quarter 4 performance report and the Workforce Information Quarter 4 report would be moved to the meeting on 13 June 2013. Following a request from the Head of ICT and Customer Services, the Chairman suggested that the report on Procurement as a Flintshire Futures Workstream scheduled for May 2013 be swapped with the Finance as a Flintshire Futures Workstream report scheduled for June 2013. The Facilitator detailed an amendment to the title of the Revenue Budget Monitoring report scheduled for June 2013 and said that an interim report for the Revenue Budget Monitoring for 2013/14 would be submitted to the meeting on 11 July 2013.

Councillor P.G. Heesom referred to his earlier request for a Base Budget Review to be undertaken and asked if a working group was to be established to consider its relationship to the Medium Term Financial Strategy. The Chairman said that he would take advice on the best way to pursue the issue.

The Acting Overview & Scrutiny Manager suggested that a report on a possible Task and Finish Group being established to consider Leisure Service Finances be submitted to the next meeting.

RESOLVED:

- (a) That the report be noted;
- (b) That the Forward Work Programme be amended to reflect the following:-
 - i. That the Physiotherapy Pilot progress item would be included in the Quarter 4 Performance report;
 - ii. That the Workforce Information Quarter 4 report be moved to the meeting on 13 June 2013;
 - iii. That the Procurement as a Flintshire Futures Workstream report scheduled for May 2013 be swapped with the Finance as a Flintshire Futures Workstream report scheduled for June 2013;
 - iv. an amendment to the title of the Revenue Budget Monitoring report scheduled for June 2013;
 - v. that an interim report for the Revenue Budget Monitoring for 2013/14 would be submitted to the meeting on 11 July 2013;
 - vi. that a report on a possible Task and Finish Group being established to consider Leisure Service Finances be submitted to the next meeting.
- (c) That the Chairman take advice on the best way to pursue the issue of a Base Budget Review and its relationship to the Medium Term Financial Strategy.

97. MEMBERS OF THE PRESS AND PUBLIC IN ATTENDANCE

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

(The meeting started at 10.00 am and ended at 1.00 pm)

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Chairman

FLINTSHIRE COUNTY COUNCIL

REPORT TO: CORPORATE RESOURCES OVERVIEW & SCRUTINY
COMMITTEE
DATE: THURSDAY, 16 MAY 2013
REPORT BY: HEAD OF FINANCE
SUBJECT: REVENUE BUDGET MONITORING 2012/13 MONTH
11

1.00 PURPOSE OF REPORT

1.01 To provide Members with the Revenue Budget Monitoring 2012/13 (Month 11) report.

2.00 BACKGROUND

2.01 The Revenue Budget Monitoring 2012/13 (Month 11) report will be presented to Cabinet on 21st May 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 Appendix A – Revenue Budget Monitoring 2012/13 (Month 11) report.

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

Contact Officer: Gary Ferguson
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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **TUESDAY, 21 MAY 2013**

REPORT BY: **HEAD OF FINANCE**

SUBJECT: **REVENUE BUDGET MONITORING 2012/13 (MONTH 11)**

1.00 PURPOSE OF REPORT

1.01 To provide members with the most up to date revenue budget monitoring information (Month 11) 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 3.15	Risks and Assumptions
Paragraphs 3.16 - 3.21	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 10
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 11 which is :

- Council Fund - Net underspend of £2.334m (£1.305m underspend at Month 10)
- Housing Revenue Account - Net underspend of £0.574m (£0.491m underspend at Month 10)

3.00 CONSIDERATIONS

3.01 The table below shows a projected in-year underspend of £2.334m :-

TOTAL EXPENDITURE AND INCOME	Original Budget	Revised Budget	In-Year Over / (Under) spend		Non Ring-fenced		Ring-fenced	
			Month 10	Month 11	Month 10	Month 11	Month 10	Month 11
	£m	£m	£m	£m	£m	£m	£m	£m
Directorates								
Community Services	58.437	58.477	(1.813)	(2.564)	(0.947)	(1.683)	(0.866)	(0.881)
Environment	31.794	32.764	(0.059)	(0.001)	(0.059)	(0.001)	-	-
Lifelong Learning	109.219	110.039	0.724	0.590	1.240	1.099	(0.516)	(0.509)
Corporate Services	17.469	17.651	0.180	(0.023)	0.180	(0.023)	-	-
Total Directorates	216.919	218.931	(0.968)	(1.998)	0.414	(0.608)	(1.382)	(1.390)
Central and Corporate Finance	25.759	23.747	(0.337)	(0.336)	(0.337)	(0.336)	-	-
Total	242.678	242.678	(1.305)	(2.334)	0.077	(0.944)	(1.382)	(1.390)

- 3.02 Members were informed in the Month 10 budget monitoring report presented to Cabinet on 23rd April 2013 that the projected outturn at Month 10 did not take into account any additional costs associated with the extreme weather conditions at the end of March 2013. The projection for Month 11 does now take account of such costs, however mitigation of the potential impacts on variances has been addressed by way of use of reserves, as detailed later in this report.
- 3.03 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.
- 3.04 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 10 are detailed in Appendix 1.
- 3.05 In line with the management commitment to reduce the projected in-year overspend there has been progressive improvement in the projected outturn position since a projected overspend of £1.053m was reported to Cabinet on 18th September 2012 within the Month 3 budget monitoring report.
- 3.06 The overall costs of the severe weather are estimated to be over £1 million. This estimate includes costs which were incurred during the operational period of the incident (2012/13) and other costs which relate to the recovery period, the majority of which will be charged to the accounts in 2013/14.
- 3.07 The estimated costs of the severe weather which will be incurred in 2012/13 are £0.629m. Most of these costs (£0.522m) are within the projected outturn for the Environment Directorate and relate to dealing with the operational

phase of the incident.

- 3.08 In recognition of the potential impact of the severe weather on the projected outturn on some Directorates for 2012/13 it is considered appropriate to make use of reserves to address this impact. An amount of £0.245m has previously been set aside in a Winter Maintenance reserve and this has been utilised to mitigate £0.245m of the impact of the severe weather on the Environment Directorate budget in 2012/13. Consideration will need to be given however as to the potential to reinstate an appropriate sum to the Winter Maintenance reserve when the final outturn for 2012/13 is known.
- 3.09 Due to the improved in-year position the remaining severe weather costs of £0.384m can be addressed by way of an allocation of budget from the contingency reserve. It is therefore recommended that the sum of £0.384m be allocated from the contingency reserve to fund the unforeseen impacts of the severe weather on affected service budgets.
- 3.10 Further significant estimated costs relating to the recovery phase are not reflected in the projection as they are expected to be incurred during 2013/14. The latest estimate of such costs is £0.621m.
- 3.11 As reported to Cabinet on 23rd April, the Council has been in contact with Welsh Government (WG) with a view to seeking financial assistance under their Emergency Financial Assistance Scheme (EFAS). The Council provided formal written notification to WG of the emergency incident on Friday 19th April - this being within one month of the start of the incident as required by the EFAS guidance notes for Local Authorities.
- 3.12 The WG will consider representations made by all authorities providing such formal notification in determining whether to activate special assistance under the EFAS. It is understood that both Denbighshire County Council and Wrexham County Borough Council have also formally advised WG of the impacts of the severe weather event on their authorities. We still await determination from WG as to whether or not they will activate support under the EFAS.
- 3.13 If WG decide to activate financial support under their EFAS, it should be noted that a threshold will apply which is equivalent to 0.2 % of the Council's annual budget requirement. This is because Authorities are expected to make reasonable provision in their budgets to deal with contingencies. Where the EFAS is activated all expenditure up to the value of this threshold will need to be funded by the Council. Expenditure above the threshold will be funded at 85 % of the value of qualifying expenditure above the threshold. The amount of this threshold for Flintshire in 2012/13 is £0.487m.
- 3.14 WG may also consider providing financial assistance in addition to that provided under EFAS arrangements to help meet recovery costs incurred in the event of a large scale emergency. Any such assistance would be discretionary and may be activated by WG to help meet recovery costs related to an emergency which has a major impact on communities, schools, roads,

housing, environment etc. in urban and rural areas.

RISKS / ASSUMPTIONS

- 3.15 The monthly budget monitoring reports submitted to Cabinet throughout the 2012/13 financial year have reflected details of risks and assumptions in respect of the projected outturn reported. As we are now nearing the end of the financial year this section has been removed due to the reduced risk of significant changes occurring. However, the final outturn will not be known until the accounts have been closed down and reported in July.

3.16 **REQUEST FOR CARRY FORWARD - ENVIRONMENT**

Highways Network and Transportation - An additional Regional Transport Services Grant (RTSG) allocation of £0.050m was provided in March 2013 by Welsh Government to be offset against expenditure on bus services. The conditions attached to this additional funding require that it be used against bus services expenditure in 2012/13, thus creating an underspend of £0.050m in the Transportation Services budget. This has been recognised by TAITH, who will subsequently reduce the RTSG payable to the Council in 2013/14 by £0.050m. In order to meet this funding shortfall in 2013/14 it is requested to carry forward the underspend of £0.050m from 2012/13 into 2013/14. This approach is necessary to ensure that the Council is able to maximise the use of RTSG from WG.

3.17 **REQUEST FOR CARRY FORWARD - LIFELONG LEARNING**

Development and Resources - An underspend of £0.026m is anticipated on the Management & Administration account due to expenditure on the School Organisation review not progressing as quickly as expected. Expenditure is anticipated to increase significantly as the 21st Century Schools Capital Project gathers pace during 2013/14. It is therefore requested that £0.026m be carried forward for use during 2013/14.

3.18 **REQUEST FOR CARRY FORWARD - LIFELONG LEARNING**

Pupil / Student Transport - A total underspend of £0.381m is anticipated on student transport due a number of factors including procurement / contract savings and local bus service reallocation. A further element of the total projected underspend is due to there being 6 less school days during 2012/13 than had been budgeted for. There will be 12 more school days during 2013/14 which is 6 more than the average used to calculate the budget. The daily cost of student transport is approximately £0.030m, therefore it is requested that the sum of £0.180m be carried forward for use during 2013/14. Although the projected outturn for Lifelong Learning overall is an overspend of £0.662m, which would reduce to £0.482m if this c/f request wasn't approved, there will be a significant budget pressure in 2013/14 if this request to carry forward £0.180m of the Pupil / Student transport underspend in 2012/13 to 2013/14 isn't approved.

3.19 REQUEST FOR CARRY FORWARD - CORPORATE SERVICES

Finance - An underspend of £0.009m is anticipated in respect of additional audit days. This reflects the timing of the investigation work required. It is requested that the sum of £0.009m be carried forward to 2013/14 to achieve the 2012/13 audit plan in respect of audit days which have been completed in April 2013.

3.20 REQUEST FOR CARRY FORWARD - CORPORATE SERVICES

Legal Services - A total projected underspend of £0.229m is anticipated within Democratic Services due to a reduction in operational expenditure. It is requested that the sum of £0.080m from within this total underspend be carried forward to 2013/14 to fund the costs of setting up improved and increased electronic communications with Members.

3.21 REQUEST FOR CARRY FORWARD - CORPORATE SERVICES

A total net underspend of £0.123m is anticipated within the HR & OD operational budgets. This total net underspend is mainly influenced by underspends within the Occupational Health service (£0.131m) and Pay & Grading (£0.052m). It is requested that the sum of £0.085m from within the total net underspend of £0.123m be carried forward to 2013/14 to fund the transitional arrangements during implementation of the new HR & OD staffing structure. This is due to the need to retain a higher number of Employment Services assistants beyond the intended effective date of 1st June 2013 for implementation of the new HR & OD staffing structure. The reduced number of posts was based on re-engineered end to end business processes which were reliant on implementation of key modules on the iTrent system including Web recruitment and expenses payments in particular. The additional funding which would arise from approval of this carry forward request will enable a phased reduction in the number of posts within the new Employment Services team and help to manage the transition to the new structure more effectively.

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 being held centrally and at this stage is expected to be allocated in full.
- £0.300m in respect of Energy - most of this budget has previously been allocated to services and the remaining £0.060m is currently being reviewed and will be reported in future monitoring reports.
- £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 £1.514m.

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, 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 £0.574m and a projected closing balance at Month 11 of £1.429m, which at 5.2 % 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
 - b) Note the Council Fund contingency sum as at 31st March 2013 (paragraph 5.03)
 - c) Note the projected final level of balances on the Housing Revenue Account (paragraph 6.03)

- d) Approve the requests for carry forward of underspends to 2013/14 as detailed within paragraphs 3.15 to 3.20
- e) Approve the allocation of £0.384m from the contingency reserve to the service budgets which have been significantly affected by the impact of the severe weather in late March, as per paragraph 3.09

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 10 - 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**

Contact Officer: Sara Dulson
Telephone: (01352) 702287
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COUNCIL FUND - REVENUE BUDGET 2012/13
FLINTSHIRE COUNTY COUNCIL



Budget Monitoring (Month 11)
Summary of Movement from Month 10

	£m	£m
Month 10		
Out of County Ringfenced Budget	(1.318)	
Service Directorates	0.350	
Central and Corporate Finance	(0.337)	
Variance as per Executive Report		(1.305)
Month 11		
Out of County Ringfenced Budget	(1.287)	
Service Directorates	(0.711)	
Central and Corporate Finance	(0.336)	
Variance as per Directorate Returns		(2.334)
Change Requiring Explanation		(1.029)
<u>Community Services</u>		
<ul style="list-style-type: none"> • Professional Support (Children Services) - the main movements from month 10 are an increase in projected legal and court costs (£0.035m) together with an increase in agency staff costs within the Duty and Assessment Team (£0.035m). • Support Services (Mental Health Service) - the movement from month 10 is mainly due to an increase in the underspend against the Residential and Domiciliary Care Service due to one service user leaving the service unexpectedly (-£0.021m). The balance is made up of small variances across a number of services totalling -£0.010m. • Substance Misuse (Mental Health Service) - the movement from month 10 is mostly due to the Welsh Government allowing Substance Misuse Action Fund underspend to be allocated against existing spend (-£0.020m) together with one residential placement that was expected to occur did not (-£0.012m). These are offset by various small variances totalling £0.002m. • Resource and Regulated Service (Disability Service) - the movement from month 10 has changed the position from an underspend (-£0.092m) to an overspend (£0.031m). This is due to an increased overspend against in-house Supported Living due to a combination of small movements within 14 of the properties totalling £0.058m together with a reduction (£0.058m) in the cost of client packages within Independent Sector Purchased Care. The balance of £0.008m is made up of a number of smaller variances. • Business Services Income - Development & Resources, a year end review of the bad debt provision has determined that (£0.099m) can be reduced. • Vulnerable Adults and Disability Service (Disability Service) - the movement from month 10 is mostly due to an underspend (-£0.524m) being identified against transition following a review of individual placements. The balance (-£0.034m) is made up of a number of smaller variances within the Service. • Locality Teams (Localities) - the movement from month 10 is mostly due to an increase in the underspend on purchased residential care (-£0.122) and purchased domiciliary care (-£0.055m) offset by an increase in spend on minor adaptations (£0.032m). The balance (-£0.021m) is made up of a number of smaller variances. • Homelessness Ring-fenced Budget (Customer & Housing Services) - the movement from month 10 reflects current demand for the service. 	<p>0.076</p> <p>(0.031)</p> <p>(0.029)</p> <p>0.124</p> <p>(0.099)</p> <p>(0.555)</p> <p>(0.166)</p> <p>(0.046)</p>	

• Resources and Regulated Services (Intake and Reablement) - the movement from month 10 reflects the impact on this year of the transport contract re-tendering exercise (£0.031m), a further increase in the underspend for in-house domiciliary care (£0.033m) together with an increase in the underspend on the Mold Extra Care scheme (£0.050m) following a reduction in the expected in year spend offset by an increase in the overspend on staff pay (£0.011m) within Professional Support.	(0.100)
• Reablement Services (Intake and Reablement) - the movement from month 10 reflects an additional contribution to the NE Wales Community Equipment Service for additional equipment purchases to reflect increased activity.	0.036
• Other minor changes of less than £0.025m	0.039
	<hr/>
	(0.751)

Environment**Winter Maintenance**

- There was a sustained period of winter weather throughout January, including snow and sub zero temperatures continuing through February. However following the major snow event on the 22nd March, extensive costs in relation to salt provision, contractors, overtime and fuel have been incurred. 0.078

Agricultural Estates

- Following the appointment of the Land Agent, this has led to the successful follow up of outstanding rent arrears. This additional income and reprofiled expenditure commitments are reflected at period 11. (0.032)

Planning Control

- The costs associated with Planning appeals i.e specialist advice and legal fees have been offset by Planning fee income in excess of target at period 11. 0.036
- Other minor changes of less than £0.025m (0.024)

0.058
Lifelong Learning**Leisure Services**

- The projected outturn for Leisure Centres & Pools has increased by £0.100m since month 10. This relates to increased expenditure on repairs and maintenance and supplies and services. 0.100
- The estimated underspend on the Leisure Services repairs and maintenance has reduced by £0.023m. 0.023
- Efficiencies of £0.053m on Recreational Grounds and Amenities have been partially offset by a pressure of £0.038m on Play Development. (0.015)

Development & Resources

- A saving of £0.100m against Cymorth/Flying Start relates to some corrections to accounting arrangements on the Childcare in Wales budget (£0.063m) and to vacancy savings made in the Children & Young People's Partnership Team (£0.037m). These savings have arisen at this stage because we've recharged an element of management and admin time to the Families First grant to utilise grant funding where there has been slippage on other projects. (0.100)
- There has been an increase in the projected expenditure for Youth & Community Services of £0.016m which relates to several minor variances. 0.016
- An underspend of £0.201m is expected on Student Transport. £0.125m of the underspend relates to procurement/contract savings and £0.076m relates to local bus service reallocation. A review of Student Transport budgets is ongoing to analyse which elements of the savings relate to specific contracts negotiated by the procurement unit so that budgets can be adjusted accordingly. (0.201)
- The increase of £0.085m on the Catering projection relates mostly to additional expenditure on staff uniforms £0.013m and new kitchen equipment which exceeded capital budgets £0.032m. The remainder relates to reduced income and to increased food costs which has been offset by slight improvements on Head Office, Cleaning and Security (£0.044). 0.041
- The reduction in the Management & Admin projection relates to lower costs than anticipated towards year end on Insurance claims. (0.036)
- Other Minor Variances 0.038

(0.134)

Corporate Services

• HR and Organisational Development - reduced pressure on CRB (£0.021m), reduced pressure external income (£0.021m), reduced pressure corporate training (£0.010m), Occupational Health efficiency (£0.131m), provision for HR Service Review transitional arrangements £0.085, minor variances £0.026m.	(0.072)
• Chief Executives Department - superannuation correction (£0.012m), employee safety measures underspend (£0.019m), other minor variances (£0.019m)	(0.050)
• Other Minor Variances	(0.081)
	<hr/>
	(0.203)

Central and Corporate

• Other Minor Variances	0.001
	<hr/>
	0.001

Total changes

(1.029)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Resources and Regulated Services (Intake and Reablement)	6.187	5.440	(0.747)	(0.647)	<p>Extra Care projected underspend on new scheme of £0.242m due to timeframe for completion; increased by £0.042k from month 10 due to delayed spend.</p> <p>In-house Domiciliary Care projected underspend of £0.378m due to reduced pay costs from changes to service delivery and greater use of reablement and independent sector care providers. The increase of £0.033m from month 10 is due to revised pay from actual costs. A projected underspend of £0.198m relates to work to be undertaken in 2013/14 to realign the budgets following the transport review and re-tendering; the increase of £0.031m from month 10 is due to the impact of the re-tendering exercise on 2012/13.</p> <p>Day Services is projected to underspend by £0.059m mostly due to vacancies within the Service. This is offset by a projected overspend within Professional Support of £0.148m, which has increased from month 10 by £0.011m, and which will be addressed as part of TSSA realignment. The balance of £0.018m is the net total of various smaller variances.</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.

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Reablement Service (Intake and Reablement)	0.370	0.300	(0.070)	(0.106)	Pay costs have reduced due to the use of Homecare staff, vacant post and part year appointments of £0.070m together with additional Health income of £0.029m. The reduction in the underspend of £0.036m from month 10 is due to additional contribution to the NE Wales Community Equipment Service of £0.060m for essential equipment purchases due to increased activity offset by a reduction in actual pay of £0.006m and a reduction in committed spend on other equipment of £0.019m. The balance of £0.007m is made up of a variety of small variances.	Keep under review pending completion of Transforming Social Services for Adults (TSSA) programme.

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Locality Teams (Localities)	16.489	16.263	(0.226)	(0.060)	<p><u>Physical Disability Services</u></p> <ul style="list-style-type: none"> > Purchased Home Care - projected overspend of £0.106m due to the impact of current care packages. > Purchased Residential Care - projected to underspend by £0.309m. > Minor Adaptations - projected overspend of £0.134m reflecting the continuing demand. <p><u>Older People Services</u></p> <ul style="list-style-type: none"> > Purchased Day Care - projected to underspend by £0.102m due to a change in emphasis in service delivery. > Reablement Service - projected to overspend by £0.071m due to changes in service delivery from TSSA. > Purchased Home Care - projected to overspend by £0.104m reflecting current care packages. > Purchased Residential Care- projected to underspend by £0.149m which reflects current care packages and is an increase of £0.123m to month 10 mainly due to reductions in net residential and nursing care costs of £0.071m and additional property income of £0.052m. 	<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> <p>A particular difficulty projecting outturns within this service this year is quantifying the impact of the changes in service delivery introduced with TSSA the impact of which is yet to stabilise.</p>
<u>Continued overleaf</u>						

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Locality Teams (Localities) <u>Continued from previous page</u>					<u>Older People Services - continued</u> > Intermediate Care Beds - projected to underspend by £0.037m due to reduced service provision of £0.028m and unbudgeted client contribution of £0.009m. > Professional Support - projected to underspend by £0.038m mostly due to staff vacancies. The net balance of £0.006m is made up of a number of smaller variances.	
Vulnerable Adults and Disability Services (Disability Services)	1.690	1.133	(0.557)	(0.014)	A significant exercise has been undertaken to confirm the actual placement of individuals within services which has identified savings due to in-house services being used instead of external placements, together with individuals with revised needs translating as a reduction on the financial impact, and also a number of individuals who have not yet engaged in a service.	Work is underway to identify any potential impact on 13/14. Revised arrangements are in place for the review of information regarding individuals with the Transition Team.

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Support Services (Mental Health)	1.931	1.783	(0.148)	(0.117)	<p>The projected underspend shown is the cumulative total of:</p> <ul style="list-style-type: none"> > Residential and Domiciliary Care Service: underspend of £0.132m, reflecting current care packages; the movement from month 10 is due to a service user leaving the service. > Intensive Support Team: underspend of £0.024m being mostly underspends on pay £0.032m due to temporary secondments and maternity leave offset by the cost of backdated business rates £0.013m which were charged following a reassessment. > Occupation and Employment: underspend of £0.021m mostly due to an underspend on pay £0.051m offset by an overspend on supplies and services £0.029m and is unchanged from month 10. > Professional Support: an overspend of £0.024m, this remains unchanged from month 10. <p>The balance of £0.005 is a net overspend made up of various small variances within the service.</p>	Keep under review due to the potential increase in client numbers.

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Ringfenced Budgets (Mental Health)	0.301	0.181	(0.120)	(0.119)	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. 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	0.592	0.126	0.118	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)	0.980	1.108	0.128	0.139	The overspend of £0.128m is mainly due to one-off redundancy related costs of £0.104m for two staff falling on the service following a restructure. As these redundancies are due to the cessation of grant funding (Joint Working Special Grant), and therefore not generating an ongoing efficiency, the costs are met within the Service. The reduction from month 10 is due to a reduction in pay costs of £0.006m and third party costs of £0.005m. The balance of £0.024m is mostly within third party costs.	Not recurring.

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Business Services - Income (Development & Resources)	(1.511)	(1.557)	(0.046)	0.042	The projected outturn reflects the expected charging policy income based on the information available when reviewed. There is an underspend of (£0.099m) resulting from a reduction in the value of the bad debt provision following the year end review.	
Business Systems (Development & Resources)	1.274	1.196	(0.078)	(0.076)	This service now includes the Financial Assessments Team, previously included within Commissioning, who are underspending (£0.045m) due to vacant posts. The balance of the underspend is mostly on pay due to vacant posts.	
Family Placement (Children's Services)	1.832	2.172	0.340	0.325	The 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.
Other Residential (Children Services)	0.526	0.461	(0.065)	(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)	0.115	0.067	(0.048)	(0.048)	The projected underspend is due to reduced activity within this area.	

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Youth Offending Team (Children Services)	0.361	0.315	(0.046)	(0.040)	The underspend shown is due to vacant posts within the service.	Not expected to reccur.
Professional Support (Children's Services)	5.374	5.610	0.236	0.160	<p>Professional Support is a complex are comprising of Fieldwork, Resources, Children's Integrated Disability Service (CIDS) and General.</p> <p><u>Fieldwork:</u> Overall Fieldwork is projecting an overspend of £0.348m which is an increase of £0.049m from month 10. The main contributors are</p> <ul style="list-style-type: none"> > Duty and Assessment Team £0.115m overspend due to agency costs offset by underspends within staff pay. Agency costs have increased by £0.035m from month 10 due to extended contracts. > Children and Young Adolescent Support Team (CYAST) overspend of £0.287m which is due to client payments £0.203m and staff pay £0.073m. > Family Intervention Team are underspending by £0.054m due to pay underspend of £0.091m offset by an overspend of £0.031m on transport. <p><u>Resources:</u> Overall Resources are projecting an underspend of £0.048m which is an increase of £0.007m from month 10. The main contributors are:</p>	<p>Keep under review. The Head of Service (Children) has instigated a review into the specifics around these two service users.</p> <p>Due to the overspend within Children Services spending is kept to a minimum where possible.</p>

continued
overleaf

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Professional Support (Children's Services) <u>continued from previous page</u>					<p>> Family Support Team underspend of £0.030m mostly due to pay £0.027m and transport costs £0.005m offset by other small variances.</p> <p>> N Wales Adoption Service underspend £0.019m due to lower than expected contribution payments £0.020m.</p> <p><u>CIDS:</u> Overall CIDS are projecting an overspend of £0.044m, a reduction of £0.008m from month 10.</p> <p>> Children's OT underspend of £0.009m mostly due to reduced equipment purchases of £0.008m.</p> <p>> Disabilities Team underspending £0.025m mostly due to pay £0.019m and transfer payments £0.010m offset by other smaller variances.</p> <p>> Direct Payments overspend of £0.078 due to increased use.</p> <p><u>General:</u> Overall projected underspend of £0.105m, a reduction of £0.042m on month 10 mostly due to legal and court costs of £0.035m. The main contribution of the underspend is a much reduced spend of the Children First budget £0.081m. The balance of £0.024m is made of a number of smaller variances.</p>	

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Out of County Pooled Budget (Children's Services)	3.711	2.933	(0.778)	(0.802)	Costs reflect existing placements up until March 2013. This reflects known reductions in payments to providers following re-negotiation of contracts. The movement since month 9 reflect one placement ended (£0.013m) and other changes reflecting changed outturn projections that cancel each other out.	<p>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.</p> <p>The impact of these changes on the Children Services Fostering and Leaving Care budgets has not yet been quantified. Further details are awaited.</p>
Ring-fenced Budget (Housing Services)	0.377	0.268	(0.109)	(0.063)	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	0.378	(0.110)	(0.099)	Review of expected spend undertaken and revised in line with trend.	
Housing Support Services (Housing Services)	0.193	0.144	(0.049)	(0.060)	Salaries reviewed to take into account breaks in employment and posts not being filled in 2012/13.	

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Resident Wardens (Housing Services)	1.236	1.099	(0.137)	(0.126)	Budget based on restructure. Salaries carry vacancies for the new structure yet to be implemented.	Restructure approval required.
Other variances (aggregate)	16.087	16.027	(0.060)	(0.155)	Various minor variances.	Continue to review but not expected to be recurrent.
Total :	58.477	55.913	(2.564)	(1.813)		

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Budget Monitoring 2012/13 (Month 11)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Period 10 (£m)	Cause of Variance	Action Required
Agricultural Estates	(0.158)	(0.190)	(0.032)	(0.002)	Following the appointment of the Land Agent, this has led to the successful follow up of outstanding rent arrears. This additional income and refiled expenditure commitments are reflected at period 11.	
Industrial Units	(1.479)	(1.388)	0.091	0.069	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. At period 11, there were additional NNDR charges following a rating assessment of Industrial Unit property.	Keep Unit rental income closely monitored throughout the year
Property Holdings	0.090	0.052	(0.038)	(0.036)	Budget provision at the former Ty'r Binwydden site has been utilised to finance additional R&M at Custom House CP, dilapidation works at Glanrafon and legal fees for the Bailey Hill site.	Review of site budgets necessary in line with asset management programme
Property Asset & Development	0.530	0.448	(0.082)	(0.058)	Net Vacancy Savings. At period 11, £20k professional fees received from National Grid in relation to the sale of Site C.	

Budget Monitoring 2012/13 (Month 11)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Period 10 (£m)	Cause of Variance	Action Required
Car Parks	0.025	0.084	0.059	0.049	Car Park income shortfalls at Holywell and Mold are partially offset by a reduced maintenance programme. The figures also include anticipated back pay for Car Park Attendants regarding overtime payable at an enhanced rate for Saturday working. At period 11, additional NNDR costs have been incurred for Mold following a new rating assessment.	
Winter Maintenance	1.276	1.354	0.078	0.000	There was a sustained period of winter weather through January, including snow, together with sub zero temperatures continuing through February. However, following the major snow event on the 22nd March, extensive costs in relation to salt provision, contractors, overtime and fuel have been incurred. This is likely to result in total winter maintenance costs of £1.599m, however this has now been mitigated by the use of reserves. The total salt usage is expected to be 13,000 tonnes, with 3,270 used since the 22nd March. In addition the projected repair bill for the clear up and impact on the road network into 2013/14 for pothole repairs, patching, tree clearance and fencing repairs is still to be evaluated	The Council is currently compiling a bid to Welsh Government for assistance under the Emergency Financial Assistance Scheme (EFAS).
Highways Maintenance	2.712	2.782	0.070	0.054	Increasing cost associated with attending flooding events following substantial rainfall throughout the financial year.	

Budget Monitoring 2012/13 (Month 11)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Period 10 (£m)	Cause of Variance	Action Required
Waste Disposal & Waste Collection	9.118	9.368	0.250	0.242	<p>Delivery of the new Streetscene Service resulted in unexpected additional operational costs which have been mitigated by increased recycling levels, which not only reduce landfill and tipping charges but increases the level of recycling income received.</p> <p>One off Agency and staff backfilling costs as a result of the on-going investigation within Waste have been incurred and in addition, the energy generation from Gas at the landfill sites has been affected by problems with the performance of the Gas Engines at both landfill sites. This has resulted in a £145k shortfall against the income target.</p> <p>Work to realign budgets across the service is on-going and will be in place for 2013/14 onwards.</p>	Keep tonnage levels closely monitored to establish if further savings can be achieved to further mitigate the costs.
Fleet Services	(0.026)	(0.059)	(0.033)	(0.036)	Outturn based on actual recharges to date projected to financial year end with these charges also reflected in all Environment client budgets.	
Planning Control	0.367	0.403	0.036	0.061	The costs associated with Planning appeals i.e. specialist advice and legal fees have been offset by Planning fee income in excess of target at period 11.	
Service Development & Support	0.236	0.216	(0.020)	(0.020)	Part time salary savings	

Budget Monitoring 2012/13 (Month 11)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Period 10 (£m)	Cause of Variance	Action Required
Management Support & Performance	1.164	1.048	(0.116)	(0.118)	Vacancy Savings relating to 5 posts (2 x Sc4, Sc6, SO1 & M6) ahead of Service Review implementation offset by the cost of Modern Apprentices from September 2012.	Provision will be made within Service budgets for the Modern Apprentice costs in 2013/14.
Public Protection	3.543	3.315	(0.228)	(0.229)	Net Vacancy Savings totalling £230k ahead of the Service Review being implemented, offset by income shortfalls in Pollution Control.	
Markets	(0.099)	(0.085)	0.014	0.018	Rental income shortfalls from outdoor pitches & car boot events due to poor weather conditions.	
Other variances (aggregate)	15.465	15.415	(0.050)	(0.053)	A number of variances of no more than £0.042m individually.	
Total :	32.764	32.763	(0.001)	(0.059)		

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Out of County	2.659	2.150	(0.509)	(0.516)	Following a request from the Out of County Management Board, several high cost placements have reduced with the continued involvement of Commercial and Clinical Solutions.	
Libraries, Culture and Heritage	2.853	2.834	(0.019)	(0.032)	There has been an in year adjustment to the book fund to address the Directorate budget overspend.	
Leisure Services	4.204	5.182	0.978	0.871	<p>Leisure (pressure of £0.978m) 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>The following pressures have been identified during 2012/13:</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
					<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	77.957	77.957	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	10.423	10.485	0.062	0.044	<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 (pressure of £0.151m) Following an agreement at DMT, 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 £0.90m 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>Schools Related (£0.101m) Music Services are forecasting an overspend of £0.113m based on current levels of income and expenditure. Minor other schools relating savings equate to £0.013m.</p> <p>ICT Unit/Strategy Performance and Improvement Unit The Directorate has reduced IT and Systems related expenditure on a one-off basis by £0.034m to assist in reducing the Directorate overspend.</p>	<p>Work is currently being undertaken to re-draft SLAs.</p> <p>The Music Services project group has produced a report proposing an 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	11.943	12.021	0.078	0.357	<p>Service Units (pressure of £0.052m) A pressure of £0.220m is currently anticipated on pupil benefits (free school meals and remissions) because of changes in the economic climate. A saving of £0.114m has been made on the Mobile Classroom budget. Minor reductions in other projected expenditure equating to £0.054m have also been made.</p> <p>Cymorth/Flying Start - efficiency of £0.100m A saving of £0.100m against Cymorth/Flying Start relates to some corrections to accounting arrangements on the Childcare in Wales budget (£0.063m) and to vacancy savings made in the Children & Young People's Partnership Team (£0.037m). These savings have arisen at this stage because we've recharged an element of management and admin time to the Families First grant to utilise grant funding where there has been slippage on other projects.</p> <p>Student Transport - efficiency of £0.201m An efficiency of £0.201m is anticipated on Student Transport. £0.125m of the underspend relates to procurement/contract savings and £0.076m relates to local bus service reallocation. A review of Student Transport budgets is ongoing to analyse which elements of the savings relate to specific contracts negotiated by the procurement unit so that budgets can be adjusted accordingly.</p>	Both elements of the budget are being carefully monitored and pressure bids have been submitted as part of the 2013/14 budget process.

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
					<p>Facility Services - pressure of £0.425m 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 £0.021m.</p> <p>Management & General Admin - efficiencies of £0.077m The majority of the projected underspend on Management & General Admin relates to the insurance claims budget as claims have been lower than anticipated towards year end. The remainder relates to minor variances.</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>
Total :	110.039	110.629	0.590	0.724		

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Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Chief Executive	2.346	2.287	(0.059)	(0.009)	(£0.016m) vacancy savings. £0.014m pressure relating to a voluntary sector contribution towards Dangerpoint. (£0.012m) salaries superannuation corrections. (£0.019m) employee safety measures underspend. (£0.026m) other minor variances.	

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Finance	4.351	4.610	0.259	0.305	<p>£0.028m pressure relating to the Royal Mail price increases of 39% in April 2012.</p> <p>£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.</p> <p>£0.035m pressure relating to a benefits system software upgrade.</p> <p>£0.042m pressure relating to additional audit days.</p> <p>£0.048m pressure on reallocations due to income budgets no longer being achievable.</p> <p>(£0.112m) additional income for Council Tax Reduction Scheme Transition Grant.</p> <p>(£0.084m) vacancy savings relating to the Corporate Finance Review.</p> <p>£0.033m other minor variances.</p>	<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> <p>Request to carry forward previously agreed pressure of additional audit days £9k.</p>

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Legal & Democratic Services	3.341	3.175	(0.166)	(0.145)	<p>£0.005m pressure translation of Constitution.</p> <p>(£0.118m) Members Special Responsibility Allowances.</p> <p>£0.062m Salary changes.</p> <p>£0.020m Legal Advice Jillings.</p> <p>(£0.066m) Legal Fees charged.</p> <p>(£0.069m) other minor variances.</p>	<p>Request to carry forward Case File & Jaws b/fwd from 11/12 (£22k).</p> <p>Request to carry forward underspend for Community Review Consultation (£10k).</p> <p>Request to carry forward £80k for setting up improved and increased electronic communications with Members.</p>

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Human Resources & Organisational Development	2.199	2.161	(0.038)	0.034	<p>£0.030m pressure CRB checks. £0.004m pressure Corporate Training. £0.025m loss of income from external organisations. (£0.131m) Occupational Health underspend. £0.085m provision for HR Service Review transition in 13/14. (£0.076m) Vacancy Savings. £0.025m other minor variances.</p> <p>Risk of pressures will arise if funding is not made available for OD, iTrent implementation and Single Status project team costs.</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> <p>Request to carry forward £85k to manage the risk and minimise the impact of the implementation of the HR Service Review in 2013/14.</p>

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
ICT & Customer Services	5.414	5.395	(0.019)	(0.005)	<p>£0.006m pressure relating to the final Design & Print costs.</p> <p>£0.015m pressure in relation to the Print Rationalisation Project.</p> <p>(£0.067m) vacancy savings relating to ongoing service reviews.</p> <p>£0.068m pressure relating to internal admin support recharges.</p> <p>(£0.014m) efficiency in relation to additional registrars income.</p> <p>(£0.027m) other minor variances.</p> <p>The risk of a pressure may arise if funding is not made available for the Holywell Flinshire Connects operational costs.</p>	<p>Request to carry forward: £46k for Event and Log Management (project delay). £16k for Egress Switch Secure Email (project delay). £46k for remaining 20% of Civica EDRMS contract as milestones have yet to be achieved. £359k for PSBA (project delay to ensure benefits from advances in broadband technologies are maximised). £11k for the Capita One Project (this is a regional project fund to support a regional service not FCC budget).</p>
Total :	17.651	17.628	(0.023)	0.180		

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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	2.351	(0.014)	(0.008)	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	Keep under review
					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.

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
					<p>The base budget provides for additional windfall income of £0.152m. The amount received to date suggests that we there will be a shortfall of £0.100m against this sum. One of the reasons for this is the levels of successful appeals against NDR valuations has reduced sharply in the current year with a consequent impact on the retrospective rebates of NDR in respect of Council properties.</p> <p>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.</p> <p>A decrease in other miscellaneous Expenditure of £0.016m.</p>	
Corporate - other	2.751	2.517	(0.234)	(0.275)	<p>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.</p> <p>A small surplus of £0.046m from the phased funding strategy to address the Council's share of the Clwyd Pension Fund deficit following the 2010 actuarial valuation.</p>	<p>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.</p>
					<p>An underspend of £0.240m resulting from salary budget efficiencies previously achieved following historic service reviews</p>	

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
					<p>A reduced surplus of £0.015m on the rebates recovered from use of the Matrix framework for procurement of agency employees.</p> <p>An underspend of £0.021m resulting from salary budget provision for incremental pay awards for Directors and second tier officers which will not now be utilised this year.</p> <p>An increase of £0.025m in Carbon reduction commitment costs.</p> <p>Other minor variances amounting to a net underspend of £0.016m.</p>	
Central Loans & Investment Account	14.200	13.869	(0.331)	(0.331)	<p>Increased interest received on temporary investments £0.060m, increased internal interest received on prudential borrowing £0.025m, increase in other internal interest £0.005m</p> <p>Reduction in interest payable on variable rate market loans and internal interest payable £0.176m, reduction in Minimum Revenue provision (MRP) £0.013m, reduction in prudential borrowing costs £0.052m</p>	
Central Service Recharges	(2.054)	(1.776)	0.278	0.278	<p>Shortfall of £0.192m of internal income recovered from trading accounts and the HRA, plus £0.086m impact of review of internal recharges from Service Level Agreements.</p>	Support Service basis and allocations are currently being reviewed as part of the Finance Workstream of Flintshire Futures.
Central Service Coroners	0.187	0.163	(0.024)		<p>Reduced recharge from WCBC due to a lower number of post mortems being carried out.</p>	

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Other variances - aggregate	6.298	6.287	(0.011)	(0.001)		
Total :	23.747	23.411	(0.336)	(0.337)		

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
<u>2011/12 approvals</u>		
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)	<u>(0.973)</u>	
		(2.473)
<u>2012/13 approvals</u>		
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)	(0.361)	
Less - Impact of provision for MMI scheme of arrangement - as approved by Cabinet on 19 th February	<u>(0.770)</u>	
		(1.131)
Add Projected underspend as at 31 st March 2013		<u>2.334</u>
Amount available for delegation to Cabinet		2.195
Less - Amount approved by Council on 1 st March for funding of one-off costs in the 2013/14 budget proposals		(0.297)
Less - Amount recommended to mitigate impacts of late March severe weather		(0.384)
Projected Level of Total Contingency Reserve as at 31st March 2013		1.514

HRA Budget Monitoring 2012/13 (Month 11)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Finance and Support	2,506	2,287	-219	-245	Support recharges revised downwards to reflect 2011/12 costs. Vacancy savings.	Work is ongoing to progress accuracy and timeliness of the HRA support recharges.
Repairs and Maintenance	8,778	8,472	-306	-149	Materials revised downwards due to lower than anticipated spend through the cold weather. The projection for transport costs have been reduced following a more update picture of actual costs in ledger.	
Other variances (aggregate)	-10,282	-10,332	-50	-97		
Total :	1,002	427	-574	-490		

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FLINTSHIRE COUNTY COUNCIL

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

DATE: **16TH MAY 2013**

REPORT BY: **HEAD OF HUMAN RESOURCES & ORGANISATION DEVELOPMENT**

SUBJECT: **MANAGEMENT & LEADERSHIP DEVELOPMENT PROGRAMMES**

1.00 PURPOSE OF REPORT

- 1.01 To provide an overview of Flintshire County Council's current Management Development framework delivered in partnership with Deeside College.
- 1.02 To highlight the success of the programme.
- 1.03 To gain Member commitment for further development.

2.00 BACKGROUND

- 2.01 Flintshire County Council's Corporate Training Unit designed and delivered the Council's first Management Development programme in partnership with Deeside College in 2010.
- 2.02 The initial 'training needs analysis' for management development began with the identification of the required management skills, knowledge and behaviours for Flintshire managers (contained within our own Competency Framework and as defined within our People Strategy).
- 2.03 These findings were mapped across into National Management Standards with our colleagues from Deeside College. Corporate Training then identified National Management qualifications that could be delivered by Deeside College that were tailored to the needs of the organisation.
- 2.04 The above approach had two distinct advantages. Firstly, delegates become more marketable as they gain recognised qualifications; secondly the initial mapping process meant Flintshire County Council had developed its own Management "Apprentice Framework" which allowed funding to be sourced from the Welsh Government via Deeside College.

- 2.05 The outcome of this work was the availability of the first Flintshire County Council Management Development Framework - the method adopted by the Corporate Training Unit on behalf of the Council has been described by colleagues in Further Education as “sector leading.” Corporate Training has been asked to share this methodology with other public organisations who wish to replicate the approach.
- 2.06 The request to share our methodology and good practice is now extending to larger Private Sector organisations within the area and Corporate Training has recently been approached by a large Private Sector organisation to demonstrate the approach we have taken.
- 2.07 Since the design of the framework in 2010, Corporate Training has been able to offer a range of Flintshire focused training and development to managers, and those aspiring to be managers, across the organisation.
- 2.08 The programmes currently on offer are as follows:

<u>Title</u>	<u>Qualifications</u>	<u>Target Audience</u>	<u>Level of qualification</u>
Management Development Programme	ILM 5 and NVQ in Management	Senior managers (third tier or high level fourth tier)	Level 5 equates to first year of a degree
Transitional Team Leader	ILM 4	Those who have completed the Team Leader programme and wish to prepare for their next career move in management	Level 4 equates to Diploma
Team Leader Programme	ILM3 and NVQ 3 in management	Those currently managing teams and those wanting to progress from Supervisor	Level 3 equates to Advanced qualification (A level)
Supervisor Development Programme	ILM 2 and NVQ 2 in management	Those new to management or those aspiring to be managers	Level 2 equates to General standard qualifications (GCSE)

The table above demonstrates a clear pathway for managers’ learning and development that is not only relevant to their current role but provides opportunities to prepare for their next career move. The design of an ‘Aspiring Leader’ development programme is near

completion, which, if adopted, will enable delegates who complete Level 5 to develop further to senior leadership level.

- 2.09 All programmes include the assessment and development of Essential Skills - Literacy and Numeracy which ensures that Flintshire County Council is contributing to the National Agenda to improve the literacy levels across the County.
- 2.10 Feedback from delegates attending these programmes has been overwhelmingly positive. Delegates on the level 5 programme have found particular value in networking and in the quality of the guest speakers and the involvement of CMT as "internal experts". Evaluation has demonstrated the transfer of learning back in the workplace for many delegates.
- 2.11 Corporate Training work closely with the Equalities Officer to ensure one unit of the NVQ was based on Equalities. This unit was then made compulsory for Flintshire employees. This development contributed to Flintshire's recent success at the Stonewall Awards where the Council received an award for 'Most Improved Employer' for 2012.
- 2.12 In 2012, Corporate Training extended the offer of Management Development to teaching employees in our Primary Schools which proved to be a great success. The intention is to extend the offer to Secondary Schools for the 2013 intake.

3.00 CONSIDERATIONS

- 3.01 The number of employees who have attended the programmes since the launch in 2010 are as follows;

2010 / 2011 - 100
2011/2012 - 123
2012/2013 - 154
- 3.02 To purchase these development programmes would have cost the organisation an estimated £1,000,000.
- 3.03 Since the launch of the framework in 2010, there have been changes in the availability of funding streams via Welsh Government. In the early part of 2011, funding ceased for Level 4 / 5 programmes.
- 3.04 In the spirit of the partnership, Deeside College have continued to deliver the level 4 and 5 programmes and have absorbed the cost on behalf of the Council. This position may not be sustainable in the longer term and consequently, the Council will need to explore alternative options for funding these programmes.

- 3.05 In 2013, Flintshire County Council revised its own Behavioural Competency Framework. This means that the content of all programmes will need to be revised to ensure the learning continues to be relevant and is fully aligned to the behaviours we expect our employees and managers to demonstrate in the future.
- 3.06 In addition, the ILM standards have been amended for the next academic year 2013 / 2014 and consequently, there is a need to review their relevance to ensure the programmes continue to be appropriate for Flintshire County Council employees.
- 3.07 As mentioned in 2.08, Corporate Training has developed a level 7 “Aspiring Leaders” programme that addresses the issue of progression for managers who have completed the level 5 programme. Programmes at level 7 (which equates to a Master Degree) do not attract Welsh Government funding.
- 3.08 Corporate Training has negotiated an agreement with Deeside College that the “Aspiring Leaders” programme could be delivered in part at Deeside College with an additional two day ‘off site’ residential element.
- 3.09 Flintshire County Council would be expected to meet the costs of the residential element only. This would amount to £658 per delegate.

4.00 RECOMMENDATIONS

- 4.01 That Corporate Training complete a review of all programmes to ensure content is relevant and current in line with our new Behavioural Competency Framework and the new qualification standards.
- 4.02 That Corporate Training explore other qualifications at Level 5 that would attract funding and would therefore remove the reliance on Deeside College to provide this programme at their own cost.
- 4.03 That the Management Development programmes are promoted across the organisation to ensure all employees have the opportunity to take up the learning and development available to ensure that they have the skills and expertise to undertake their roles competently.
- 4.04 That Corporate Training explore further the option of offering the ‘Aspiring Leaders’ programme at level 7 for those managers wishing to progress from Level 5 at a cost of £658 per delegate.

5.00 FINANCIAL IMPLICATIONS

- 5.01 A saving of £1,000,000 (had the organisation had to fund all learning and development to date);

5.02 If the Council supported the introduction of the 'Aspiring Leaders' programme, the cost would amount to £658 per delegate with each cohort having 20 delegates.

6.00 ANTI POVERTY IMPACT

6.01 Improving Literacy and Numeracy has a positive impact on poverty.

7.00 ENVIRONMENTAL IMPACT

7.01 None

8.00 EQUALITIES IMPACT

8.01 The inclusion of Equality units within the NVQ framework has improved management awareness and commitment to equality issues across the organisation.

9.00 PERSONNEL IMPLICATIONS

9.01 None

10.00 CONSULTATION REQUIRED

10.01 Further consultation is required to explore the introduction of an 'Aspiring Leaders' programme with the Corporate Management Team.

10.02 Further developments / changes in the delivery of the Management Development framework will be subject to full consultation with Deeside College as our partners.

11.00 CONSULTATION UNDERTAKEN

11.01 Not applicable for this report.

12.00 APPENDICES

None

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

None

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FLINTSHIRE COUNTY COUNCIL

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

DATE: **THURSDAY 16 MAY 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 Cabinet for consultation purposes, or by County Council, or Directors. Other possible items are identified from the Cabinet 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

5.01 None as a result of this report.

6.00 ANTI POVERTY IMPACT

6.01 None as a result of this report.

7.00 ENVIRONMENTAL IMPACT

7.01 None as a result of this report.

8.00 EQUALITIES IMPACT

8.01 None as a result of this report.

9.00 PERSONNEL IMPLICATIONS

9.01 None as a result of this report.

10.00 CONSULTATION REQUIRED

10.01 N/A

11.00 CONSULTATION UNDERTAKEN

11.01 Publication of this report constitutes consultation.

12.00 APPENDICES

12.01 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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DATE	SUBJECT	O&S FOCUS	REPORT FROM
Thursday 13 th June 2013	Q4 performance Reporting	Monitoring and development	MEM
	Annual Improvement Report 2012 by the Auditor General for Wales	Information and discussion	CE
	Revenue Budget Monitoring 2013/14 Month 12	Monitoring	HF
	Workforce Information Q4	Monitoring and development	H of HR & OD
	Welfare Reform Update	Information and discussion	HF
	Procurement as a Flintshire Futures workstream	Monitoring and development	H of HR & OD
	Finance as a Flintshire Futures workstream	Monitoring and Development	HF
	Discretionary Housing Payments Update	Monitoring and Development	HF
	Review of Leisure Services Budgets	Development and confirmation	MEM
	Forward Work Programme	Development and confirmation	MEM
Thursday 11 th July 2103	Revenue Budget Monitoring 2012/13 (final out turn)	Monitoring	HF
	Revenue Budget Monitoring 2013/14 (Interim position)	Monitoring	HF
	Medium Term Financial Plan	Information and discussion	HF
	Assets as a Flintshire Futures workstream (6 monthly update, as per the resolution of the committee on 17/1/13)	Monitoring and development	HAT
	Forward Work Programme	Development and confirmation	MEM

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FORWARD WORK PROGRAMME 2012/13

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September 2013	Workforce as a Flintshire Futures workstream (6 monthly update, as per the resolution of the committee on 17/1/13)	Monitoring and development	H of HR & OD
	Revenue Budget Monitoring 2013/14 Month 3	Monitoring	HF
	Q1 Performance Reporting	Monitoring and development	MEM
	Forward Work Programme	Development and confirmation	MEM
October 2013	Customer Services as a Flintshire Futures workstream (6 monthly update, as per the resolution of the committee on 17/1/13)	Monitoring and development	H of ICT&CS
	Revenue Budget Monitoring 2013/14 Month 4	Monitoring	HF
	Forward Work Programme	Development and confirmation	MEM
November 2013	Revenue Budget Monitoring 2013/14 Month 5	Monitoring	HF
	Procurement as a Flintshire Futures workstream (6 monthly update, as per the resolution of the committee on 17/1/13)	Monitoring and development	H of ICT&CS
	Forward Work Programme	Development and confirmation	MEM
December 2013	Revenue Budget Monitoring 2013/14 Month 6	Monitoring	HF
	Q2 Performance reporting	Monitoring and development	MEM
	Finance as a Flintshire Futures workstream (6 monthly update, as per the resolution of the committee on 17/1/13)	Monitoring and development	HF
	Forward Work Programme	Development and confirmation	MEM

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

January 2014	Revenue Budget Monitoring 2013/14 Month 7	Monitoring	HF
	Assets as a Flintshire Futures workstream (6 monthly update, as per the resolution of the committee on 17/1/13)	Monitoring and development	HAT
	Forward Work Programme	Development and confirmation	MEM

Legend: CE = Chief Executive; HF = Head of Finance; H of HR&OD = Head of Human Resources & Organisational Development; H of ICT&CS = Head of ICT & Customer Service; H of L&DS = Head of Legal & Democratic Services; HAT = Head of Assets & Transportation; MEM = Member Engagement Manager

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