

Public Document Pack

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Head of Legal and Democratic Services
Pennaeth Gwasanaethau Cyfreithiol a Democraataidd



To: Cllr Tim Newhouse (Chairman)

CS/NG

Councillors: Haydn Bateman, Marion Bateman,
Clive Carver, Peter Curtis, Ian Dunbar,
Andy Dunbobbin, Ron Hampson, Ray Hughes,
Richard Jones, Richard Lloyd, Mike Lowe,
Paul Shotton, Ian Smith and Arnold Woolley

5 December 2013

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Dear Sir / Madam

A meeting of the **CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE** will be held in the **DELYN COMMITTEE ROOM, COUNTY HALL, MOLD CH7 6NA** on **THURSDAY, 12TH DECEMBER, 2013** at **10.15 AM** to consider the following items.

****Members will note the start time of the meeting is 15 minutes later than normal. This is for a short informal meeting at 10am to receive a briefing on declarations of interest from the Monitoring Officer/Deputy Monitoring Officer.****

Yours faithfully

Democracy & Governance Manager

AGENDA

- 1 **APOLOGIES**
- 2 **DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)**

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

3 **MINUTES** (Pages 1 - 10)

To confirm as a correct record the minutes of the meeting held on 14 November 2013.

4 **MEDIUMTERM FINANCIAL PLAN 2014/15 - 2018/19** (Pages 11 - 38)

Report of Head of Finance enclosed.

5 **REVENUE BUDGET MONITORING 2013/14 (MONTH 6)** (Pages 39 - 104)

Report of Head of Finance enclosed.

6 **WORKFORCE INFORMATION QUARTER 2 JULY - SEPTEMBER 2013**
(Pages 105 - 114)

Report of Head of Human Resources and Organisational Development enclosed.

7 **FORWARD WORK PROGRAMME** (Pages 115 - 120)

Report of Member Engagement Manager enclosed.

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE **14 NOVEMBER 2013**

Minutes of the meeting of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held at County Hall, Mold on Thursday, 14 November 2013

PRESENT: Councillor Tim Newhouse (Chairman)

Councillors: Haydn Bateman, Clive Carver, Peter Curtis, Andy Dunbobbin, Richard Lloyd, Mike Lowe, Ian Smith and Arnold Woolley

SUBSTITUTES: Councillors: Alex Aldridge (for Paul Shotton), Robin Guest (for Richard Jones), Joe Johnson (for Ron Hampson) and Mike Reece (for Ian Dunbar)

APOLOGIES: Councillors: Marion Bateman and Ray Hughes, the Leader of the Council and Cabinet Member for Finance, Chief Executive and Head of Finance

ALSO PRESENT: Councillors: Ron Hampson and Kevin Jones

CONTRIBUTORS: Cabinet Member for Corporate Management, Head of ICT & Customer Services, Corporate Finance Manager, Policy & Performance Manager

Mr. Alan Morris of Wales Audit Office (for minute number 45)
Revenues & Benefits Manager (for minute number 48)
Head of Human Resources & Organisational Development (for minute number 48)

IN ATTENDANCE: Member Engagement Manager and Committee Officer

43. DECLARATIONS OF INTEREST

No declarations of interest were made.

44. MINUTES

The minutes of the meeting of the Committee held on 10 October 2013 had been circulated to Members with the agenda.

Matters Arising

Minutes No. 37: Revenue Budget Monitoring 2013/14 (Month 4) - In response to a query from Councillor Haydn Bateman, the Corporate Finance Manager confirmed that the drop in income projections for five-a-side pitches was £15K for the full 12 months.

RESOLVED:

That the minutes be approved as a correct record and signed by the Chairman.

45. WALES AUDIT OFFICE IMPROVEMENT ASSESSMENT LETTER AND THE COUNCIL'S RESPONSE AND REGULATORY PLAN

The Policy & Performance Manager introduced the report on the proposed Regulatory Programme for Performance Audit of the Wales Audit Office (WAO) for April 2013 to March 2014 together with the Improvement Assessment Letter September 2013 from the Auditor General for Wales and Cabinet response. It was noted that the Regulatory Plan had previously been submitted to the Committee and was included with the report to provide context.

In providing an overview of the key points in the Improvement Assessment Letter, Mr. Alan Morris of WAO welcomed the Council's new and improved approach to the Improvement Plan and outlined areas where WAO felt that this did not fully comply with Welsh Government (WG) guidance. He also welcomed the Council's commitment to improve on the pace of some key issues and further Member involvement in the development of the Annual Governance Statement. A national report was due to be published on the outcome of the all-Wales Improvement Study on Scrutiny arrangements to which Flintshire had contributed and reference was also made to the Care & Social Services Inspectorate Wales (CSSIW) visit which had identified many areas of good practice on safeguarding arrangements in Flintshire together with a limited number of areas for improvement. Mr. Morris confirmed that there were no new proposals for improvement and recognised that progress was being made on recommendations previously made. He said that this was a very positive Letter and acknowledged the value in the Cabinet response.

The Policy & Performance Manager confirmed that the Cabinet response had addressed all the points raised by WAO together with some additional issues. Work had been undertaken on the Improvement Plan to simplify the document and monitoring was now in place with clearly set targets which meant that this issue was now resolved. In response to comments on developing the pace of the Medium Term Financial Plan (MTFP), she stressed that this was a national issue and not isolated in local context. In summary she said that this was an overall positive report with an equally positive response in terms of improvement.

Councillor Alex Aldridge asked about changes to levels of expectations in local government in view of future significant challenges, and involvement from WAO on the Commission on Public Service Governance and Delivery. He went on to speak of the role of regulators as critical friends to meet the challenges ahead and the potential for changes in aspirations arising from any reduction in the number of Councils in Wales.

Whilst Mr. Morris recognised the challenges faced by all local authorities, the requirements of the Local Government Measure meant that there were statutory requirements placed on WAO in respect of regulation which meant that prioritisation of additional work was more limited. Difficult decisions would need to be taken to reduce standards in some services to channel resources at key priorities. Councils would need to put in place sound arrangements to demonstrate clear evidence on these decisions. The Auditor General for Wales had given evidence to the Commission, which was available for circulation, and the final outcome was awaited, however Mr. Morris felt that scale was not a factor as some smaller authorities had proved to be efficient and well run. Whilst progress had been made on collaboration, he felt that more could be done and work by WAO would ensure that firm arrangements were in place prior to any decision on collaboration. WAO colleagues were also looking closely at financial management arrangements with closer working between financial and performance audits. Representations were being made to WG to allow more flexibility so that WAO resources could be targeted on specific areas of need within Councils.

Councillor Robin Guest pointed out that the Cabinet response made no mention of the WAO comments on the lack of Member involvement in the Corporate Governance Working Group on the Annual Governance Statement. The Policy & Performance Manager explained the technical nature of the officer working group and said that as part of various agreed improvements to the process, the Audit Committee now had a greater degree of involvement and that findings from the working group would be shared with the Audit Committee. Mr. Morris said that WAO welcomed this change and would monitor as part of routine work.

In response to further queries, Mr. Morris acknowledged that the setting of Improvement Objectives was a complex arrangement involving a range of factors, further challenged by the current financial climate, however further progress was needed. On Improvement arrangements, he welcomed the pace of progress made this year on a number of issues and said that WAO would continue to monitor the development of arrangements and progress on achieving targets whilst recognising that the MTFP was a major challenge for all Councils. When asked about the impact of budget cuts on WAO, Mr. Morris stated that resources were being carefully targeted within the statutory framework.

The Head of ICT & Customer Services said that significant improvements had been made to the approach to Improvement Plan monitoring as demonstrated in the report later on the agenda. In response to WAO comments on financial planning, exemplified by the recent Local Government Settlement and budget gap, he outlined the different workstreams within the MTFP reported to Cabinet in October 2013 which set out the strategy to progress through challenges ahead and said that Member workshops with further detail on programmes were scheduled for December 2013.

RESOLVED:

- (a) That the proposed Regulatory Programme for Performance Audit of the Wales Audit Office for the period April 2013 to March 2014 be noted; and
- (b) That the Council's Improvement Assessment Letter received from the Auditor General for Wales and the Cabinet response be noted.

46. REVENUE BUDGET MONITORING 2013/14 MONTH 5

The Corporate Finance Manager introduced a report to provide Members with Revenue Budget Monitoring 2013/14 (Month 5) information for the Council Fund and Housing Revenue Account (HRA) due for submission to Cabinet on 19 November 2013.

It was reported that the projected year end position, as estimated at Month 5, was a net underspend of £1.074m on the Council Fund and a projected net underspend of £0.014m on the HRA. For the Council Fund, a projected positive variation of expenditure was reported. In Community Services, additional costs for out of county placements and locality teams were offset by additional funding in disability services. Explanation on movements from Month 4 were appended to the report and the Programme of Efficiencies indicated that 83.7% of the anticipated efficiencies were on target to be achieved by the end of the financial year. An update was given on non-standard inflation and the position on pay inflation remained unchanged from Month 4.

Councillor Robin Guest queried the increase in the projected one-off underspend for Extra Care on Llys Jasmine and said that this would need to be rectified on completion of the project. The Corporate Finance Manager agreed to provide a separate response.

Following queries raised by Councillor Haydn Bateman on new risks, the Corporate Finance Manager explained that the potential costs relating to the former chemical plant in Sandycroft covered a six month period and were therefore relevant to this report. The projected costs for Social Services for Children were in response to the increasing number of referrals which was a national issue and work was being undertaken locally to look at ways of reducing these costs. The Corporate Finance Manager agreed to respond separately to requests for information on potential risks in Waste Services and the overspend on materials in Repairs and Maintenance.

RESOLVED:

That the report be noted.

47. IMPROVEMENT PLAN MONITORING REPORT

The Policy & Performance Manager introduced a report to note and consider elements of the 2013/14 Mid Year Improvement Plan Monitoring Report relevant to the Committee, covering April to September 2013, and to invite comment on the new approach to performance reporting.

This was the first time that the report had been submitted to the Committee and included more detail than that reported to the last Cabinet meeting on Red, Amber, Green (RAG) risk status on progress and levels of confidence in undertaking activities. In response to comments made by the Wales Audit Office, Improvement Plan monitoring now included more specific detail on baseline and target information for each activity. The new format included a risk assessment matrix for risks identified, for example a Red RAG status was allocated to the Welfare Reform sub-priority due to the degree of uncertainty at this stage and would change over time.

The Head of ICT & Customer Services commented that the Red RAG status for Achieving Efficiency Targets reflected that a significant amount of work was ongoing.

RESOLVED:

That the 2013/14 Mid Year Improvement Plan Monitoring Report be noted.

48. MID YEAR SERVICE PERFORMANCE REPORT

The Committee was requested to note and consider the 2013/14 Mid Year Service Performance Report covering April to September 2013 and to comment on the new approach to performance reporting.

The relevant officers each gave a short presentation on performance in their respective areas, outlining work which had been undertaken to improve performance and areas where improvement was needed, as outlined within the report.

Finance

Councillor Clive Carver referred to the downturn in the percentage of undisputed invoices paid within 30 days and asked if a single point of contact was available for suppliers to pursue these queries with the Council. The Corporate Finance Manager explained that the relevant authorising officer was the first point of contact for such enquiries and that the AP/AR Control Team was responsible for co-ordinating responses across the Council. The Head of ICT & Customer Services said that the introduction of the P2P procurement system would help to improve performance, to be further aided by plans to centralise invoice processing with a central point of contact. He added that due to the current inconsistent use of dispute codes on invoices, the figure shown in the report may not reflect the true position.

Members stressed the importance of timely payment of invoices, particularly to smaller businesses.

Councillor Peter Curtis commented on the level of long-term sickness absence in Finance and said it would be helpful to show changes in sickness absence levels. On employee turnover, he asked whether the temporary appointments made to address the backlog of work in the Clwyd Pension Fund would become permanent to ensure that there was no repeat. The Corporate Finance Manager agreed to provide a separate response on this. Members agreed with the suggestion made by the Head of ICT & Customer Services that future reports by Heads of Service include detail on sickness absence trends.

Human Resources & Organisational Design

In referring to the forthcoming changes in the organisation and reduced budgets, Councillor Alex Aldridge said that individuals who opted for redundancy should not be re-employed in a different role. He also sought assurances that individuals in detriment as a result of Single Status would be given opportunities to be redeployed in other roles.

The Head of Human Resources & Organisational Change acknowledged the need to balance significant projects with cost implications and said that improved terms and conditions for the workforce under Single Status would benefit those delivering services. There was planned investment to support individuals at the stage when outcomes were made available and results were due to be circulated during the first week of December 2013 followed by Trade Union ballots. Under the workforce programme, work was being carried out to identify areas of potential reduction and entitlements for Early Voluntary Retirement (EVR) to ensure that this was affordable and to provide incentive for individuals.

In response to a comment from the Chairman, it was noted that the Local Government Pension rules did not prohibit a former employee from returning to work, however there was a need to set out clear expectations against this within the policy in order to achieve real savings.

The Cabinet Member for Corporate Management referred to the overwhelming support for the Single Status Agreement from Members at the recent County Council meeting, together with support from Trade Unions. He was confident that the approach taken was the right one and added that the Hay Group was supporting the Council in the process.

Councillor Arnold Woolley asked if there were any concerns over the long-term planning and viability of the Pension scheme resulting from the forthcoming structural changes. It was reported by the Corporate Finance Manager that a three year valuation was to be undertaken of the Pension arrangements taking account of the impact of Single Status and a reduced workforce. In the interim, an assumption of £900K of additional Pension

contributions had been incorporated in the Medium Term Financial Plan with a reduced long-term deficit.

Councillor Peter Curtis commented that a former employee may be entitled to return to work under Equal Opportunities rules and that this could create discontent amongst the workforce. The Head of Human Resources & Organisational Development explained that careful consideration would be taken on retaining or releasing necessary skills/experience prior to any decision on approval of redundancy requests.

Councillor Robin Guest said it was important not to lose the required levels of expertise in the workforce in favour of recruiting untrained replacements. The Head of Human Resources & Organisational Development gave assurance that appropriate transitional arrangements were being considered to avoid any undue risk. In response to comments on appraisals, she said that the next performance report would include how the whole of the Council was progressing with appraisals mid year.

Following a query from the Chair, the Head of Human Resources & Organisational Design said that requests for voluntary redundancy would need to be properly assessed prior to exploring alternative measures needed to achieve the required level of savings.

In response to a query from Councillor Woolley, the Head of Human Resources & Organisational Design confirmed that a balanced view was being taken of reduced workforce and efficiencies and that a significant piece of work related to the operating model for the Council including senior management structure which would inform decisions on EVR and voluntary redundancy applications and approvals. Following concerns raised by Councillor Woolley on a long-standing issue with appraisals, she stated that progress had been made and the inclusion of this issue within performance reports reinforced accountability of Heads of Service.

The Cabinet Member for Waste Strategy, Public Protection & Leisure, who was seated in the public gallery, acknowledged the future reductions in the Council. He said that flexibility was needed to ensure that levels of expertise were protected, particularly in smaller teams, and that options such as a phased approach or sharing expertise in a joint arrangement could be beneficial.

ICT & Customer Services

Councillor Peter Curtis welcomed the introduction of electronic devices for Members which it was reported would be rolled out to Cabinet Members, Committee Chairs and Group Leaders before all Council Members.

Councillor Clive Carver requested that his appreciation be passed on to the ICT officer on the Service Desk who had helped to resolve a problem with Citrix. The Head of ICT & Customer Services explained that a jointly-procured system had been implemented by the Service Desk and whilst the rate of

responses to faults was on target, there was further progress to be made on answering the large volume of calls. In response to a query on reporting faults, he advised that a self-service facility had been introduced on the Council's Infonet which included responses to frequently asked questions.

Following queries raised by Councillor Andy Dunbobbin, the Head of ICT & Customer Services explained that the main aim of Learning in Digital Wales was to ensure consistent standards of bandwidth and infrastructure in every school in Flintshire and that the rollout programme focussed on where services were needed rather than areas of deprivation. He explained that although open source ICT offerings had been previously explored, Microsoft Office was required to integrate to back office systems.

Councillor Richard Lloyd asked if agendas could be made available in Members' pigeonholes for collection where possible to avoid the need for posting. The Member Engagement Manager agreed that this frustration was shared by officers in collating the reports.

Legal & Democratic Services

The Member Engagement Manager drew Members' attention to the salient features of the Legal & Democratic Services report. Acknowledging concerns expressed by Members earlier in the meeting with regard to the holding of appraisals, he commented that in Legal & Democratic Services, all employees had received an appraisal in the current year.

RESOLVED:

- (a) That having considered the 2013/14 Mid Year Service Performance Reports, the comments of the Committee are fed back to the Policy, Performance & Partnerships Team, which is responsible for the overview and monitoring of improvement targets, for inclusion in the report to Cabinet; and
- (b) That future performance reports from Heads of Service include detail on sickness absence trends.

49. FORWARD WORK PROGRAMME

The Member Engagement Manager introduced a report to enable the Committee to consider the Forward Work Programme. Following consultation with Overview & Scrutiny Chairs, all Members had recently been notified of changes to the budget consultation process in light of the scale of challenge in the budget year. It was confirmed that Member workshops on the budget process were to be scheduled for 12, 16 and 18 December, using slots previously allocated to budget meetings. Briefing sessions with Overview & Scrutiny Chairs and Group Leaders would also be arranged to consider budget implications.

The Member Engagement Manager also advised that the regular updates on Finance as a Flintshire Futures workstream would be taken off the Forward Work Programme as this issue had reached a conclusion.

RESOLVED:

That the Forward Work Programme be amended accordingly.

50. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE

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

(The meeting started at 10.00am and ended at 12.20pm)

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Chairman

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FLINTSHIRE COUNTY COUNCIL

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

DATE: **THURSDAY, 12 DECEMBER 2013**

REPORT BY: **HEAD OF FINANCE**

SUBJECT: **MEDIUM TERM FINANCIAL PLAN 2014/15 - 2018/19**

1.00 PURPOSE OF REPORT

1.01 To provide members with an update on the Medium Term Financial Plan (MTFP) 2014/15 – 2018/19.

2.00 BACKGROUND

2.01 Updates to the MTFP have been reported to Members on an ongoing basis within the budget reports for 2012/13 and 2013/14. A report to Cabinet in June this year set out the plans to publish two revisions to the MTFP within 2013/14.

2.02 The first revision, which included the most accurate forecasts possible as at 31st May 2013, was reported to Cabinet in June and to Corporate Resources Overview and Scrutiny Committee in July, and was positively supported by both.

2.03 An updated Medium Term Financial Plan (MTFP) 2014/15 – 2018/19 as at 30th September 2013 was reported to Cabinet in October and is attached as Appendix A.

3.00 CONSIDERATIONS

3.01 The second revision of the MTFP attached as Appendix A outlined the financial position on the best known information at the time which set out the position as at 30th September 2013 with:-

- (i) Updated forecasts on funding over the five years taking account of the latest national intelligence but noting that the draft Welsh Government (WG) Budget and the provisional local government settlement were not due to be announced until 8th and 16th October respectively.
- (ii) Updated forecasts on inflationary impacts and the investment needed to support council priorities.

- (iii) A projected revenue “gap” over the five year period to 2018/19 of £47.8m, with £16.5m of this in 2014/15.
- (iv) An outline of the Organisational Change and Re-Design Plan to further modernise the organisation and secure major efficiencies in costs and overheads through four Strategic Change Programmes.
- (v) Financial Quantum targets for the five year strategy period and in detail for the first two financial years, 2014/15 and 2015/16.

Local Government Provisional Settlement 2014/15

- 3.02 The Provisional Local Government Settlement for 2014/15 was announced by Welsh Government on 16th October 2013 and details were reported to Cabinet on 19th November.
- 3.03 Although the Settlement was broadly in line with the assumptions contained within the MTFP as at 30th September there were some direct impacts for the 2014/15 budget which had the effect of reducing the projected budget gap from £16.5m to £16.1m.

Organisational Change and Re-Design Plan & Budget Strategy

- 3.04 As detailed above, the second revision of the Medium Term Financial Plan 2014/15 to 2018/19 set out an outline of the Organisational Change and Re-Design Plan to further modernise the organisation and secure major efficiencies in costs and overheads through the four Strategic Change Programmes of:
 - (i) Corporate Efficiency
 - (ii) Functional Efficiency
 - (iii) Organisational Design – Structure and Operating Model
 - (iv) Organisational Design – Workforce
- 3.05 The overall strategy for 2014/15 is to seek to maximise internal cost reductions as much as possible, in order to enable time for more detailed and thoughtful consideration to be given to longer term planning and service choices from 2015/16 onwards.
- 3.06 The organisational plan falls broadly into two areas. Firstly, identifying areas for Value for Money review through Corporate (greater reduction of procurement spend, internal systems and practice etc) and Functional Efficiencies. Secondly, through sensitive and carefully planned workforce changes and review of the operating model.
- 3.07 Current planning assumptions are that the budget gap will be met broadly from value for money and workforce in equal parts, accepting that workforce changes are likely to take longer to implement and are only likely to be effective for a part year in 2014/15.

- 3.08 Work to review and update the financial assumptions for 2014/15 as set out in the detailed MTFP document is ongoing seeking all opportunities to reduce pressures or increase efficiencies, including those identified in previous years. As at the November Cabinet report, this work had reduced the budget gap of £16.1m following the settlement to £15.5m.
- 3.09 Budget Workshops have been arranged for all members on the 16th and 18th December to discuss the budget strategy, approach for 2014/15 and future years and the current position.
- 3.10 Full details of all the budget proposals will be available in January 2014 through overview and scrutiny committees leading to the budget debate in mid February which will set the budget for 2014/15.

4.00 RECOMMENDATIONS

4.01 Members are asked to note:-

- i) The MTFP as at 30th September 2013
- ii) The Organisational Change and Re-Design Plan & Budget Strategy
- iii) The approach to sharing the budget strategy and proposals with members over the coming three months

5.00 FINANCIAL IMPLICATIONS

5.01 As detailed in the report.

6.00 ANTI POVERTY IMPACT

6.01 None.

7.00 ENVIRONMENTAL IMPACT

7.01 None.

8.00 EQUALITIES IMPACT

8.01 Detailed budget proposals will be subject to an Equality Impact Assessment.

9.00 PERSONNEL IMPLICATIONS

9.01 None.

10.00 CONSULTATION REQUIRED

10.01 None.

11.00 CONSULTATION UNDERTAKEN

11.01 None.

12.00 APPENDICES

12.01 2ND Revision of MTFP as at 30th September 2013.

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

Contact Officer: Gary Ferguson
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Flintshire County Council

**Medium Term
Financial Plan**

(Council Fund)

2014/15 - 2018/19

**Revision as at
30th September 2013**

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1. Context

Setting the Medium Term Financial Plan

This is the second of two revisions of the published Medium Term Financial Plan (MTFP) within 2013-14.

The first revision was reported to Cabinet in June and Corporate Resources Overview & Scrutiny in July, where it was positively supported.

At that stage, the projected revenue 'gap' to be bridged by organisational change, efficiencies and choices between services was reported as £8.5m for 2014/15 rising to £28.5m over the 5 year period to 2018/19. This took into account the most accurate forecasts possible as at 31st May 2013 on the national fiscal position, inflationary trends and investment needed to support the priorities of the Council.

This second revision sets out the position as at 30th September with:

- Updated forecasts on funding over the five years taking account of the latest national intelligence but noting that the draft Welsh Government (WG) Budget and the provisional local government settlement are not due to be announced until 10th and 16th October respectively
- Updated forecasts on inflationary impacts and the investment needed to support council priorities.
- A projected revenue "gap" over the five year period to 2018/19 of £47.6m with £16.5m of this in 2014/15.
- Details of the Council's Organisational Change and Re-Design Plan to further modernise the organisation and secure major efficiencies in costs and overheads through four Strategic Change Programmes:
 - **Corporate Efficiency**
 - **Functional Efficiency**
 - **Organisational Design – Structure and Operating Models:**
 - **Organisational Design – Workforce**
- The target amounts to be met from each programme over the period.
- The forecast position for 2014/15 as the budget year ahead for which a balanced budget must be set at the Council meeting in February 2014.

Further revisions to the forecasts within the MTFP and for 2014/15 specifically will be reported on an ongoing basis over the coming months through to February as part of the budget process and ongoing, thereafter, as an essential part of integrated organisational and financial planning.

The Council Fund Budget

The 2013/14 total budget for delivering council fund services is £293m. The money to finance this spending (as for all councils) comes from two main sources. The majority of funding (80%) comes from Welsh Government through the revenue support grant/non domestic rates pool and numerous specific grants (many of which fund core services), with the remainder (20%) being raised locally from Council Tax. This means that Council services are heavily reliant on external funding. In a period of national fiscal constraint where such funding is under extreme pressure, the national funding position sets the context for us.

The National (UK & Wales) Funding Context

A recap on what we said in May

The 2013/14 Council Fund budget report in March this year set the scene of significant annual reductions in public sector financing at a national UK and a Welsh level. It was forecast that this would be the scenario for the remainder of the decade as a consequence of UK Government Fiscal Policy and an economy in recovery but with limited signs of growth.

This position was amplified in the MTFP revision in May. We were fully aware that the indicative allocations we had for 2014/15 could no longer be relied upon for financial planning. The Minister for Local Government and Government Business had set this out in a letter on 23rd May stating that those figures had been overtaken by events and that Authorities needed to engage immediately in decisive and short term financial and service planning so as to align public services quickly to the lower levels of resources available in the future.

The May update was based on "Scenario 3" as set out by the WLGA. Scenario 1 had assumed that WG maintained the regional 'top slicing' of grant to support collaborative working and took £10.2m from the settlement. Scenario 2 had included the first, and assumed that local government took an 'equal share' of the £81m reduction in total funding which was to be cut from the Welsh budget as a consequence of the Chancellors budget statement in March. Scenario 3 included the first and further assumed that local government and all non-NHS programme budgets took the full 'brunt' of the reductions.

We were aware that a fourth scenario could be a greater reduction in funding available to Wales combined with a transfer away from local government and other sectors to support the National Health Service.

In addition, we highlighted that discussion was turning to the possibility of reductions on the scale of those experienced in England over the previous Comprehensive Spending Review (CSR) period which had been an average reduction of 4% per annum.

Worsening Prospects

Since the May update, the prospects for the levels of funding to be available to local government in 2014/15 and 2015/16 have worsened considerably.

This revision to the MTFP is based on a year on year cash reduction of 4% in both 2014/15 and 2015/16 and an assumed "cash flat" position for the following years of the plan. This is in line with advice from WLGA on the best intelligence available. **However, it is important to be clear that this is not a known position and it could change in either direction.**

It is anticipated that the provisional local government settlement will be announced on 16th October, following the WG draft budget being announced on 8th October.

Until we receive the provisional settlement, we will not know what our funding for 2014/15 will be. It is also hoped that this will also include an indication for 2015/16.

However, even then, it is highly unlikely that we will have all of the details of specific grants which provide £35m of revenue funding to support council services each year.

Notification has already been received of an in year cut to the Sustainable Waste Management Grant of £0.150m with indications that the reduction in 2014/15 and beyond could be double this figure.

Supporting People grant is also similarly under pressure with potential reductions of up to 10% anticipated from April 2014 which would equate to a reduction of £0.680m.

A further significant funding pressure is the funding of the Council Tax Reduction Scheme (CTRS) where WG may not be able to sustain funding of the scheme in full and may look to local government to share in the cost (potentially £15m) of the "top up" provided last year for the scheme to be set at 100% for eligible claimants.

What has happened since the last update?

The Chancellors 2013 Spending Review was announced on 26 June. For 2014/15 there were no new announcements, however, it was confirmed that the previously announced cuts to the WG budget made in the 2013 budget and the 2012 Autumn Statement would continue. For 2015/16, the UK government is continuing with the planned spending reductions of £11.5bn. The implications are that the Wales budget for 2015/16 is set at just over £15bn (£13.6bn revenue and £1.4bn capital). The Wales budget will reduce by 2% in real terms, being £280m lower in real terms than previous plans for 2014/15 and £1.7bn lower than in 2010/11.

Welsh Government is therefore considering its budget and the allocation to departments and to WG priorities within the context of reducing resources being made available to it from UK Treasury.

Ongoing dialogue – over the summer, WLGA met with the Finance Minister for a briefing on the WG budget. Correspondence has been exchanged between the Minister and the 22 Leaders of Welsh Councils. The letter from Leaders in July set out the need for a reassessment of what is affordable, deliverable and sustainable in the harsh financial environment at both national and local levels and suggested key areas for working together through; dehypothecation of grants, joined up approaches around health and social services budgets, flexibility on education funding and early indications of settlements for 2014/15 and 2015/16.

The newly established **Finance Sub Group** of the Partnership Council for Wales comprising of Ministers and WG Officials and WLGA Members and Officials met on 8 July. The WLGA presented a Funding Outlook Position Paper which had been prepared with input from LG finance representatives setting out, through the example of an average sized Welsh Council “Council Cymru,” the implications for services and budgets of the financial situation being faced. Whilst a mythical council, “Council Cymru’s” budget and the impacts are very close to those of Flintshire as a medium sized council. The paper then went on to set out how WG and Welsh Local Government need to work together to protect local services.

Mid September position - having acknowledged that we will not have a clear position until mid October, speculation continues as discussion takes place within Welsh Government. There has been discussion that the WLGA’s most pessimistic exemplification of cuts (at 4%) could potentially be the most optimistic outcome and that reductions to funding could be greater. On school improvement there has been some consideration of alternative methods of funding the service at a regional level.

Institute of Fiscal Studies Research – Future Pressures on Welsh Public Services

Some recent research undertaken by the Institute of Fiscal Studies (IFS), funded by Wales Public Services 2025, was announced in late September which looked into the prospects for the Welsh Government budget under various scenarios as far as 2025/26.

The research advised that the UK Government's deficit reduction plan means the Welsh Government faces at least four more years of budget cuts on top of those already delivered over the three years since 2010/11 which would mean up to and including 2017/18.

The research went on to advise that:-

- the level of cuts to be implemented by the Welsh Government over the next four years is likely to remain uncertain until after the next UK general election.
- these newer cuts come on top of cuts of just over 9% (£1.5 billion, when measured on a like for like basis) already delivered since 2010/11.
- overall the Welsh Government is likely to have between 14% to 17% less to spend in 2017/18 than it had in 2010/11, which would revert spending back to that seen around 2004/05.

Beyond 2017/18 there is even greater uncertainty and the research also considers a number of plausible scenarios and sets out the possible national 'trade-offs' between spending choices for different public services.

Distribution - alongside the speculation about the amount of funding to be available, there is ongoing discussion between WG and Local Government through the Distribution Sub Group (DSG) on the distribution of the quantum, taking account of data changes principally around census statistics and council tax support. This discussion is continuing and will include consideration of "funding floors" to seek to protect councils who would be at risk of significant shifts in distribution.

It is also unclear at this stage whether funding allocations will be provided for 2014/15 only or whether any indicative amounts will be shared to assist with financial planning for future years.

Achieving Local Priorities

The 2013/14 Improvement Plan sets out four shared priorities with our partners at a County level, and the eight priorities for the Council itself. All of our priorities remain important, but in any one year a number of them will stand out for special attention. Setting priorities helps us the Council concentrate attention and resources on the things that matter most. We call these our Improvement Priorities. Our eight Flintshire County Council priorities are:

- Housing
- Environment
- Living Well
- Poverty
- Economy and Enterprise
- Skills and Learning
- Safe Communities
- Modern and Efficient Council

Not all priorities necessarily need extra resources; some inevitably do. The priorities should guide investment choices as the Council balances the resources it has at its disposal with the 'competing' demands of its services and the communities they support.

Resources are in place to deliver the priorities for 2013/14. Some of these resources are met from within the base budget but there was specific and positive investment in the 2013/14 budget as detailed in the budget report in March.

Over the five year life of the Council, the full set of priorities will adapt and the annual set of priorities selected for special attention will change according to need and circumstances. Priorities will need to be constantly reviewed in conjunction with the overall financial position and investment decisions made with consideration given to the revenue and capital resources available. The financial impacts of additional investment in specific new priorities from 2014/15 will be included in future revisions to the MTFP as policy decisions are taken over the coming months. For planning purposes, the forecast also includes an annual amount of £1.6m for investment in change and new priorities which would provide resource for one-off or time limited investment required to bring about the change, against which around £0.534m is committed to support invest-to-save in organisational reform (Flintshire Futures) for 2014/15 and 2015/16.

The Improvement Priority *Modern and Efficient Council* illustrates on-going programmes to modernise the organisation, making best use of our existing resources, seeking to bring in additional funding and generating efficiencies. This supports the protection of investment in local services.

2. Medium Term Financial Strategy, Medium Term Financial Plan and the Annual Budget Process

The role of the MTFS and MTFP

The Medium Term Financial Strategy (MTFS) and the Medium Term Financial Plan (MTFP) are critical aspects to the Council's overall governance arrangements.

The Medium Term Financial Strategy provides a framework for the financial principles through which revenue and capital resources will be forecast, organised and managed to deliver the Council's vision and strategic objectives.

The Medium Term Financial Plan forecasts funding levels and resource requirements over the medium term, identifies the gap between the two and enable specific actions to be identified to balance the budget and manage resources.

The MTFP and the Annual Budget Process

The MTFP looks at the position over five years, currently 2014/15 to 2018/19. Whilst developing plans for the medium term, there is also a need to plan in detail to set a balanced budget for the forthcoming financial year 2014/15.

At this stage in the planning cycle, the Council is engaged in the two interrelated strands:

- Development of the MTFP – setting out the best available forecasts and plans to meet the budget gap over the medium term
- Planning to set the budget for 2014/15

Continuous Development

The MTFP is an ever evolving forecast of the Council's financial position, which is continually updated to take in and / or refine latest forecasts of funding, investment needs and the opportunities to be gained from efficiency or saving measures.

Revisions to the forecasts within the MTFP and for 2014/15 will be reported on an ongoing basis over the coming months through to February as part of the budget process and ongoing thereafter as an essential tool of integrated organisational and financial planning.

Integrating the MTFP into the Medium Term Financial Strategy

The revised MTFP will be one of the elements to be incorporated into a refresh of the Medium Term Financial Strategy for publication alongside the budget for 2014/15.

3. The Medium Term Financial Plan revision as at 30th September 2013

Headline Overview

At this stage, there is an estimated shortfall in funding of £16.5m for 2014/15 rising to £47.8m over the 5 year period 2014/15 to 2018/19. In reporting these figures it is important that the following are fully recognised:

- The forecast is based on the most recent information available and the key assumptions which are detailed in the paragraphs below.
- Welsh Government Funding is assumed to be at a cash reduction of 4% in both 2014/15 and 2015/16 and then 'cash flat'.
- Confirmation of funding available will not be known until the WG budget is set and the provisional settlement received in October.

How does this compare to the last published MTFP?

The first part of the update as at the end of May showed a projected budget gap of £8.5m in 2014/15 and £28.5m over 5 years. The difference in 2014/15 to the figures as at 30th September is mainly due to a reduction in the estimated level of funding from WG (£6.9m), a reduction in the level of inflation required (£1.1m) and the net effect of costs in relation to services due to demand and external influences (£2.2m).

What will change the headline overview?

- Ongoing revision to the forecasts and key assumptions
- Clarity about the level of Welsh Government Funding.
- Clarity from Welsh Government on future expectations around the protection of Schools, Social Care or other budget areas.
- Local policy decisions on areas where there will be an element of choice as to future investment and / or the level of investment. The two most significant are:-

Single Status and Equal Pay

The May revision of the Plan did not take account of the additional funding requirement for the implementation of Single Status. An Agreement is now reaching its final stages with a Council meeting to consider a preferred pay and grading model scheduled for the end of October.

A base budget allocation of £4.3m has previously been set aside for recurring costs together with a reserve to fund the initial and time-limited costs.

The estimated financial impact and timing of the preferred pay and grading model has now been included in the plan with an additional base budget requirement of £5.8m from 2016/17, rising to £7.3m by 2018/19 being incorporated.

It is also assumed that all one-off and time-limited costs associated with the proposed single status agreement are met from the Single Status/Equal Pay Reserve.

The implications of settling any liability for equal pay are also being assessed with a plan to meet these costs at least in part from the specific reserve. Welsh Government have been notified of the intention to seek a capitalisation direction should it be required to meet a proportion of these 'one off' costs.

School Funding Formula Review

A progress update on the Formula Funding Review was reported to members in September where approval was given to commence consultation on principles that underpin a proposed school funding formula for the 2014/15 financial year.

Options for any additional investment will need to be considered as part of the 2014/15 budget process.

Current Forecast – detailed information

A summary of the 'headline' figures with regard to the updated MTFP are attached as Appendix 1.

The table is presented in such a way as to detail the position at various stages, for example, an inflationary increase on the existing budget results in a projected budget gap of £8.732m, adding on the indicative amounts of previous year decisions increases the gap to £11.540m and so on.

Funding

National Funding

Aggregate External Finance (AEF)

Approximately 80% of the Council's revenue funding is derived from Revenue Support Grant (RSG) and the Council's distribution of the National Non Domestic Rates Pool (NNDR).

As detailed earlier in the report the outlook for the level of funding to be available to local government has worsened considerably in recent months and latest intelligence suggests that funding forecasts should be revised to assume a cash reduction of 4% in both 2014/15 and 2015/16 and an assumed 'cash flat' position for following years.

The impact of this for Flintshire is a reduction in estimated funding of £6.966m in 2014/15 and £14.661m in 2015/16 and beyond to that assumed in the May update.

Local Taxation (Council Tax)

The MTFP currently assumes a 3% increase in Band D Council Tax (for planning purposes only) and a 98.5% Collection Rate (plus 0.25% increase in Council Tax Base) which would derive income of £60.304m for 2014/15. The amount of council tax collected in the year to date provides additional assurance that the collection rate can be increased to this level. A policy decision on actual levels of council tax increase and the assumed collection rate will need to be considered as part of each year's budget setting process.

Specific Grants

The MTFP currently assumes grant levels remain the same as 2013/14 (£34.764m). The Council's current policy, set out in the MTFP, is that where a specific grant reduces the service area needs to reduce costs accordingly. It is recognised however, that increasingly, specific grants do fund some core services which require careful consideration if they are to be reduced or brought to an end. In addition, there are often costs to which the Council is committed and which take time to reduce or stop.

As detailed earlier the Council has had confirmation that its Sustainable Waste Management Grant will be reduced by £0.150m for 2013/14 with an additional £0.150m anticipated for 2014/15. Funding for this shortfall is included in the projections at this stage.

Latest intelligence on the Supporting People Grant suggest that there could be a potential reduction of £0.680m (10%) from April 2014 and consideration is currently being given as to how this can be addressed.

Outcome Agreement Grant

Within the grants figure is £1.4m which is linked to the achievement of outcomes under the Outcome Agreement which the Council has with Welsh Government.

A report to Cabinet in September provided an update on the new arrangements for the Outcome Agreement Grant from 2013/14 – 2015/16 and also endorsed the five strategic themes and outcomes to be used.

The arrangements and guidance for the new Outcome Agreement have not yet been finalised by Welsh Government although it is likely that 70% of the grant will be paid upon achievement of our selection of five strategic themes and outcomes within the Welsh Government's Programme for Government.

The detail regarding the remaining 30% is unclear but is likely to include some aspects of governance and performance (such as any intervention or statutory recommendations made by the Wales Audit Office).

The MTFP assumes that all outcomes are achieved and that the Council receives the full grant entitlement.

Investment in Services, Priorities and Improvements

Base Budget 2013/14

The approved total budget of £293.3m for 2013/14 is rolled forward and the starting point for the MTFP covering 2014/15 to 2018/19.

Inflation

Each year an assessment needs to be made on the inflationary increase required for service areas. The May update included an amount of £4m covering the effect of a 1% pay award for all workforce groups, standard price inflation at 2%, above standard inflation and income at 3%.

A detailed exercise has been carried out since May to target price inflationary increases to where there is a business need only, rather than a flat increase across all service areas. The effect of this is to reduce the inflation provision requirement for 2014/15 to £2.909m, a reduction of £1.118m. No adjustment has been made at this stage for future years.

The table below details the assumptions currently made and their basis:-

Inflation	Current %	Based on
Pay	1%	Latest public sector pay expectations
Price	2%	Targeted areas only
NSI Energy	8%	Energy Unit advice
NSI Fuel	11.2%	UK Fuel price tax escalator
NSI Food	5.8%	National reports
Fees and charges	3%	Based on historical increases

Inflation assumptions will be under continual review during the budget process and refined as appropriate.

The Projected Shortfall in 2014/15 taking account of inflation is £8.732m

Previous Year Decisions

Each year as the budget is set; some decisions (which are clearly set out) have implications for future years' budgets. The full year effect of previous year budget decisions is required to be adjusted to the base budget in order to 'follow through' the decisions made in budgetary terms. For 2014/15 the impact for all Service Areas is an increase in the budget requirement of £2.808m rising by a further £2.743m in 2015/16.

Included in the 2013/14 budget report was an indicative additional amount of £1.6m p.a. to support investment in organisational change programmes and priorities. This was reduced from the £2m included in the draft 2013/14 budget proposals due to the base budget changes made at the County Council budget meeting. Any changes subsequently deemed one-off would increase the allocation by the relevant amount.

Also included in the 2013/14 budget report was an indicative additional amount of £0.017m for 2014/15, rising to £0.916m in 2015/16 to support prudential borrowing expectations, primarily to support the School Modernisation Programme.

The Projected Shortfall in 2014/15 taking into account previous year service decisions is £11.540m

Demand / Externally Influenced Costs and Efficiencies

The first MTFP update included details of net additional budget requirement of £1.288m to either meet client demand or to take account of external factors such as potential reductions in grant funding.

The first update was completed prior to the finalisation of the final outturn for 2012/13 and the variances occurring have been reviewed and where appropriate included in the MTFP. Consideration of the in-year position at the first quarter has also been given and where relevant the MTFP has been adjusted.

The effect of the above, in conjunction with information received from departments has resulted in the inclusion of estimated pressures and investment costs of £4.784m on a recurring basis and £0.232m on a one-off basis. The most significant changes since May are detailed below:-

Costs

Leisure Services

A progress update on the Council's Leisure Strategy was reported to Cabinet in September. The report referred to the in-year projected overspend of £0.960m and approval was given for an allocation of £0.505m from the contingency reserve to address the in-year budget implications of the revised Leisure Centres business plan.

At this stage the full projected overspend has been included in the MTFP pending a further review of leisure services delivery as part of the Council's programme of organisational change.

Family Placement

An in-year pressure has been identified and reported in respect of the Family Placement service within Children's Services. This increase in cost has been influenced by the reductions in expenditure achieved within Out of County placements budgets for Children's Services and Inclusion within Lifelong Learning as more children are placed with families in County. The increased cost of £0.250m has been included in the MTFP on an ongoing basis.

Schools Demography

An early review of estimated pupil numbers in May indicated a potential efficiency of £0.255m in 2014/15 and £0.278m in 2015/16. However, latest estimates are higher than anticipated so the efficiency has now been removed.

Child Protection

An in-year pressure has been identified and reported in respect of the Professional Support service within Children's Services. This has arisen as a result of a marked increase in the demand for statutory child care support in Flintshire which has been mirrored across Wales and the wider UK.

A budget allocation approved by Cabinet of £0.250m has been transferred to this area in 2013/14 to deal with the additional demand and also built into the MTFP on an ongoing basis.

Local Government Pension Scheme Reform

The implications of changes being made to the LGPS from April 2014 are being assessed and an early potential pressure has been identified in relation to overtime.

From April 2014 all overtime payments will be a pensionable cost and subject to employer's contributions. Based on expenditure incurred in 2012/13 this would lead to an increase in costs of £0.516m.

At this stage, the full amount has been built into the MTFP although it is anticipated that this will be reduced when further modelling is undertaken in conjunction with planned changes in this area through the single status project and wider organisational change.

Council Tax Reduction Scheme (CTRS)

An initial assessment of additional costs of £0.300m was included in May to take account of caseload and the increased cost of support linked to the assumed council tax rise.

Since then, Welsh Government (WG) has announced that the additional funding that was made available to manage the shortfall in 2013/14 cannot be repeated in 2014/15 due to budgetary constraints and that it expects the shortfall to be shared between WG and Local Authorities.

This, together with the latest assessment of the current cost of the scheme, is now projected to mean an additional cost of £0.981m in 2014/15. It should be noted however that the position has yet to be agreed so this may be subject to further changes.

Further Investment/Growth

In the interest of prudence an additional amount of £1.5m was included in the May update, based on the fact that historically service pressures were likely to be identified as requiring further investment and/or growth. Now that a more detailed assessment of these pressures has been undertaken and where relevant included in the MTFP, the additional £1.5m has been removed.

The Projected Shortfall in 2014/15 taking into account the above adjustments is £16.556m

Section 4 details the Council's approach to dealing with the projected shortfall through its Organisational Change Strategy.

4. Organisational Change Strategy 2013-17 to Meet the Efficiency and Savings Targets

Building on our Current Position

As an organisation we have been running a progressive and incremental year on year programme for changing and modernising the Council to improve governance, improve services and become more efficient in a worsening financial climate. This programme, which has combined reducing corporate costs through *Flintshire Futures* and service operational costs through service review and efficiency programmes, has largely been successful. Despite the dramatic change in the financial climate the Council can be confident that it has a strong base on which to build. The Council should be guided in expanding and accelerating its efficiency and savings plans by the working principles of:-

- Planning for the long-term as a whole organisation
- Making decisions for local public services which can be sustained
- Being ambitious and positive about change to better the organisation
- Having a clear philosophy underpinned by social values
- Managing the transition from the current to the future with care

The Council must use the opportunity to inject pace into our existing change programmes such as channel shift, agile working and procurement, and raise our sights and ambitions for modernising and changing the organisation. We need to continue to work to the twin objectives of:-

- Maximising the financial efficiency of the organisation and prioritising our resources; and
- Modernising the organisation to be lean, productive, efficient, resilient and high performing.

A Single Coherent Organisational Strategy

The existing Flintshire Futures Programme with its four sub-programmes of (1) corporate change (2) service review led functional change (3) regional collaboration and (4) local collaboration has been successful to a point in changing and improving the organisation and in making sufficient and sustainable annual financial efficiencies. However, whilst the Programme has purpose and integrity, noting that it was never intended to be a sole solution to the financial challenge, the Programme is not of a scale to meet the changing financial challenge.

The organisation needs to adapt its current work, with urgency, into a single and coherent strategy for modernisation, change and prioritisation.

The recommended structure of the renewed programme is set out below. The programme is a five year one from 2013-14 to 2017-18 to include the year of transition for a newly elected Council from May, 2017.

Organisational Change Strategy

1. **Corporate Efficiency:** assets, customer, finance and procurement;
2. **Functional Efficiency:** value for money in all service and support functions;
3. **Organisational Design – Structure and Operating Models:** functional and structural design including service alignment and management structures, Council and service operating models, alternative delivery models;
4. **Organisational Design - Workforce:** workforce planning, phased workforce reduction, vacancy management, costs of employment;

The renewed strategy will need strong, positive and effective leadership and governance, programme management and investment capacity and capability.

Setting ‘Quantum’ Financial Targets to give certainty, purpose and pace

The guideline ‘quantum’ targets for the five year strategy period and the first two financial years are set out below.

Programme	5 Year	2014-15	2015-16
Corporate Efficiency	£5-10M	£2-3M	£2-3M
Functional Efficiency	£7-15M	£3-5M	£3-5M
Organisational Design: Structure and Operating Models	£3-5M	£1M	£1M
Organisational Design: Workforce	£25-30M	£5-10M	£10M
Totals	£40-60M	£11-19M	£16-19M

The Starting Positions of the Organisational Change Strategy Programmes

1. **Corporate Efficiency:** the four programmes that form the pre-existing Flintshire Futures Programme are sound, well designed and delivering programmes. The 'step change' needs to be made most clearly in procurement (greater reduction of procurement spend, internal systems and practice, and collaborative procurement) and assets (civic estate and key functions). The organisation has current efficiency targets and options for extending these programmes with more ambition set for 2014-15 onwards;
2. **Functional Efficiency:** the developing value for money model is an extension of the previous service review model. It is being applied in phases, with the first phase underway (e.g. learning disability, children's services, core corporate services, planning, public protection) and will 'import' all current activity into one model under one coherent change programme, accepting that the past experience of a large programme of many service reviews has been difficult to manage and has had mixed success;
3. **Organisational Design - Structure and Operating Models:** this is a new and challenging programme with no recent pre-history other than the organisational changes through service reviews, and 'design principles' applied in part, such as spans and layers of control. The scope of this programme is the operating model for the Council, the positioning and grouping of service functions, and the review of the senior management structure and future management capability required for a leaner and modernised organisation; and
4. **Organisational Design - Workforce:** this is similarly a new and challenging programme with no recent pre-history other than the organisational changes through service reviews, and 'design principles' applied in part such as spans and layers of control. This will be a major planned programme of phased workforce reduction to an affordable and sustainable workforce which has to dovetail with both 2 above and service prioritisation from 4 below.

The Council's Operating Model as a form of 'Social Business'

The Council should build its renewed organisational change programme around an operating model which is underpinned by guiding values and philosophy to guide us. It should be a model which is true to the organisation's beliefs and presents values-based plans in a way everyone can understand.

The operating model should be one which applies 'business' principles and methods to the Council as a public sector organisation, built around the following characteristics:

- having service ownership and direct delivery, collaboration or commissioning as a first preference, new alternative models as a second preference and private sector partnering or transfer as a third choice
- being clear over how we govern and hold services and people to account under this range of preferences
- protecting and developing the most important public services in communities
- being as modern and high performing as we can in customer services
- being as lean, efficient and cost effective as possible
- localism and local choice in priorities, outcomes and how we design services
- sharing ownership and responsibility with communities e.g. community assets
- planning in a sustainable way and being consistent in our planning
- being a value based and caring employer in partnership with the Trade Unions e.g. terms and conditions, our employment policy framework

Developing and agreeing the operating model or social business model is an adopted Improvement Priority. Structural options for total organisational design and senior management roles and capability will be derived from this.

Organisational Re-design and Transition

The organisation needs to design a new structural model which has the positive characteristics of:-

1. being lean with optimal management cost overheads
2. having optimal layers and spans of control
3. having effective collective and individual strategic and operational professional leadership and management
4. having sufficient capacity to support and lead (1) external roles such as collaboration and partnerships and national representative positions and (2) internal change programmes and projects

5. improving the capability and performance of the lower tiers of management and supervision through role clarity, maximum delegation and effective supervision and mentoring
6. senior management being less operational
7. positive cultural change in working practices both professional and organisational
8. keeping and developing our best talent
9. having the best people in the right roles
10. having competitive pay and conditions to attract and retain talent

Work is underway on options for a new organisational combination of 'business' or service unit', for early review, with a reduced senior management structure and a smaller co-located senior management team. The organisational structure will need to be built around services with agreed operating models plotted on a range from direct provision, to collaboration/integration with public sector partners, to commissioning models, to alternative ownership models e.g. trading companies and 'mutuals', to private sector partnering.

The organisational structural model will need to be flexible to allow the organisation to adjust to new service operating models i.e the Council is not over-structured based on a traditional local direct delivery model nor is so lean that it has insufficient capacity to strategically plan its changing future.

Change will not happen in one single and short movement and there will need to be a planned transition rather where we move from the current structural model to the new.

Big Picture Planning for Big Service Configuration Decisions

This strategy will provoke discussions and options on operating models and service choices early on. If 2014-15 needs to be a year of big organisational structural and workforce change then 2015-16 will need to be year of pre-planned big decisions on service scale and locality provision.

Capacity and Capability

The Council has limited capacity (resources and expertise) and capability (skill, experience and confidence) to plan and manage change and a difficult transition.

Parts of the change strategy will need expert and independent advice and capacity. The Invest to Save Funds can be used for this purpose.

Throughout this period knowledge sharing, comparison and joint working with other comparable Welsh and English authorities is to run alongside our local work.

Planning for 2014-15 and 2015-16

The planning for the next two years is being phased alongside the annual budget planning and setting timetables and further reports on the organisational change strategy will be published for consultation, agreement, planning and implementation. Detailed plans for all four programmes, noting that two (organisational design) are new with limited pre-history, will need to be in place for confident budget planning for the new financial year.

Financial Projection 2014/15 - 2018/19

	2014/15	2015/16	2016/17	2017/18	2018/19
	£m	£m	£m	£m	£m
Funding					
Aggregate External funding (AEF) RSG/NDR	192.455	184.760	184.760	184.760	184.760
Council Tax	60.304	62.269	64.297	66.391	68.555
SSA / Budget Requirement	252.759	247.029	249.057	251.151	253.315
Other Grant Funding (Specific and OAG)	34.764	34.764	34.764	34.764	34.764
Use of Contingency Reserve					
Total Funding	287.523	281.793	283.821	285.915	288.079
Expenditure					
Base Budget Rolled Forward	293.346	304.079	311.744	323.003	331.061
Inflation (Pay/Price/NSI and Income)	2.909	4.128	4.237	4.352	4.473
Shortfall after roll forward budget plus inflation	- 8.732	- 26.414	- 32.160	- 41.440	- 47.455
Previous Years Budget Decisions (Services)	2.808	2.743	0.252	0.029	-
Revised Shortfall	- 11.540	- 29.157	- 32.412	- 41.469	- 47.455
New Pressures Recurring	4.784	0.528	6.579	3.486	0.158
New Pressures One Off	0.232	0.266	0.191	0.191	0.191
Revised Shortfall	- 16.556	- 29.951	- 39.182	- 45.146	- 47.804
Total Expenditure	304.079	311.744	323.003	331.061	335.883
Funding Shortfall / (Available)	- 16.556	- 29.951	- 39.182	- 45.146	- 47.804

FLINTSHIRE COUNTY COUNCIL

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

DATE: **THURSDAY, 12 DECEMBER 2013**

REPORT BY: **HEAD OF FINANCE**

SUBJECT: **REVENUE BUDGET MONITORING 2013/14 (MONTH 6) & CAPITAL PROGRAMME 2013/14 (MONTH 6)**

1.00 PURPOSE OF REPORT

1.01 To provide Members with the Revenue Budget Monitoring 2013/14 (Month 6) report and the Capital Programme 2013/14 (Month 6) report.

2.00 BACKGROUND

2.01 Revenue Budget Monitoring 2013/14 (Month 6)

The Revenue Budget Monitoring 2013/14 (Month 6) report will be presented to Cabinet on 17th December 2013. A copy of the report is attached as Appendix A to this report.

2.02 Capital Programme 2013/14 (Month 6)

The Capital Programme 2013/14 (Month 6) report will be presented to Cabinet on 17th December 2013. A copy of the report is attached as Appendix B to this report.

3.00 RECOMMENDATIONS

3.01 Members are asked to note the reports.

4.00 FINANCIAL IMPLICATIONS

4.01 As set out in the reports.

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 2013/4 (Month 6) report.
Appendix B – Capital Programme 2013/14 (Month 6) report.

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

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Appendix A

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **TUESDAY, 17 DECEMBER 2013**

REPORT BY: **HEAD OF FINANCE**

SUBJECT: **REVENUE BUDGET MONITORING 2013/14 (MONTH 6)**

1.00 **PURPOSE OF REPORT**

1.01 To provide Members with the most up to date revenue budget monitoring information (Month 6) for the Council Fund and the Housing Revenue Account in 2013/14.

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2.00 **EXECUTIVE SUMMARY**

2.01 The projected year end position, as estimated at Month 6, is as follows:

Council Fund

- Net in year expenditure forecast to be £1.012m less than budget. (A decrease of £0.062m on the £1.074m reported at Month 5)
- Projected contingency reserve balance at 31 March 2014 of £3.653m

Housing Revenue Account (HRA)

- Net in year expenditure forecast to under spend the budget by £0.062m, (£0.014m under spend reported at Month 5)
- Projected HRA balances at 31 March 2014 of £1.495m

The detail relating to the HRA is set out in Section 7.00 of this report.

3.00 COUNCIL FUND LATEST IN YEAR FORECAST

3.01 The table below shows a projected positive variation of expenditure against budget of £1.012m

TOTAL EXPENDITURE AND INCOME	Original Budget	Revised Budget	In-Year Over / (Under) spend	
			Month 5	Month 6
	£m	£m	£m	£m
<u>DIRECTORATES (Service Groups)</u>				
Services for Adults	45.642	44.328	(0.759)	(0.630)
Services for Children	11.906	12.159	0.472	0.546
Housing Services	1.800	1.803	(0.295)	(0.293)
Development & Resources	1.688	1.656	(0.023)	(0.057)
TOTAL : COMMUNITY SERVICES	61.036	59.946	(0.605)	(0.434)
Assets and Transportation	6.015	6.088	0.002	0.003
Planning	1.708	1.717	(0.005)	(0.018)
Public Protection	3.455	3.459	(0.028)	(0.008)
Regeneration	0.715	0.704	(0.019)	0.006
Streetscene	19.320	19.210	0.343	0.336
Management, Support & Performance	1.088	1.094	(0.072)	(0.066)
TOTAL : ENVIRONMENT	32.301	32.272	0.221	0.253
Culture & Leisure	6.876	6.386	0.367	0.388
Inclusion Services	14.058	13.254	(0.027)	(0.030)
Primary School Services	43.374	43.383	(0.025)	(0.045)
Secondary School Services	36.638	37.468	0.002	0.000
Development & Resources	12.118	12.319	(0.208)	(0.216)
TOTAL : LIFELONG LEARNING	113.064	112.810	0.109	0.097
Chief Executive	2.356	2.334	(0.049)	(0.051)
Finance	14.265	14.285	(0.463)	(0.517)
HR & OD	2.427	2.464	(0.004)	(0.030)
ICT & Customer Services	4.922	5.046	(0.004)	(0.013)
Legal & Democratic Services	3.145	3.156	(0.002)	(0.035)
TOTAL : CORPORATE SERVICES	27.115	27.285	(0.522)	(0.646)
TOTAL DIRECTORATES	233.516	232.313	(0.797)	(0.730)
Central and Corporate Finance	26.236	27.439	(0.277)	(0.282)
Total	259.752	259.752	(1.074)	(1.012)

3.02 The original budget column reflects the budget approved by Council on the 1st March 2013. The revised budget column reflects in-year virements which have been approved in compliance with Financial Procedure Rules.

3.03 It can be seen from the table in 3.01 that there is an overall reduction of £0.062m in the projected positive variance as reported in Month 5. The major areas of change are in Community Services, mainly in Adults Services (£0.129m) relating to increases in care packages (offset by decreases in employee costs) and Children's Services (£0.074m) relating to additional placements Out of County, offset by changes in care packages. The movements are summarised in Appendix 1 with the detailed reasons for all variances summarised within Appendices 2 to 8.

3.04 Programme of Efficiencies

The 2013/14 budget contains £5.331m of specific efficiencies and the table below summarises the current state of these items. This analysis indicates that it is currently projected that £4.506m (84.5%) will be achieved, resulting in a net underachievement of £0.825m. This is practically at our previously agreed efficiency target level of 85% as detailed in the Improvement Plan. This is an improvement on the position reported at Month 5 (83.7%) due to efficiencies within ICT being achieved in full.

Status of Efficiency	Value of Budgeted Efficiency £m	Value of Projected Efficiency £m	(Under) Over Achievement £m
Already achieved	1.973	1.973	0.000
Expected to be achieved in full	2.237	2.237	0.000
Achievable in part	0.631	0.296	(0.335)
Not achievable	0.490	0.000	(0.490)
Total	5.331	4.506	(0.825)

3.05 Appendix 9 provides further details of the assumptions behind the efficiency projections, and where relevant the actions required to address items not currently expected to be achieved in full. It is important to note that the impact of this analysis has already been included in the overall Month 6 projected outturn position.

3.06 Initiatives commenced in the current year to reduce future expenditure levels e.g. the 'Back to Basics' programme have also been included in the overall Month 6 outturn position.

4.00 INFLATION

4.01 **Pay Inflation** of £0.734m has now been included within service budgets to reflect the national pay award agreed earlier this year.

- 4.02 **Non Standard price inflation** – amounts of £0.255m (energy for Street Lighting), £0.197m (energy), £0.187m (fuel) and £0.141m (food costs) were included in the budget and held centrally. The Service budgets which incur the costs affected by non standard inflation are monitored closely and funds released on a full assessment of evidenced need. In period 6, £0.141m for food costs were allocated. The current projected outturn assumes that all the amounts are required in full. The nature of the costs subject to non standard price inflation is that they are incurred primarily over the Winter months therefore it is too early to project any variations to budget at this stage.

5.00 MONITORING BUDGET ASSUMPTIONS AND NEW RISKS

- 5.01 Former chemical plant in Sandycroft (Euticals Ltd), along with its strategic partners the Council has intervened in relation to this site and is in discussion with the Welsh Government about solutions, roles and responsibilities. Indicative costs for six months are reflected within the current projected outturn position, but costs may increase if the current situation extends beyond six months. An update on this position is expected in early December.
- 5.02 The original budget for Children's Out of County Placements was set at a lower level in 2013/14 based on an anticipated lower caseload. As reported in previous monitoring reports, the position now indicates that expenditure will exceed budget. This area is under review and consideration is needed to establish the impact on the budget for future years due to the demand led nature of the Service.
- 5.03 As we now approach the winter months, there will be further focus on monitoring the impact of any severe weather on the Winter Maintenance reserve which will be reported in future monitoring reports.

6.00 UNEARMARKED RESERVES

- 6.01 The 2012/13 final outturn reported to Cabinet on 16 July showed unearmarked reserves at 31 March 2013 (above the base level of £5.564m) of £3.409m after taking into account a commitment in 2013/14 for use of £0.297 to meet one-off/time limited costs. In July, Cabinet allocated £0.250m to the Winter Maintenance reserve, bringing the level in the reserve to £3.159m.
- 6.02 After taking account of an allocation of £0.518m for recovery costs following the March 2013 severe weather, and bringing in the impact of the projected in year budget position the current projected level of the contingency reserve at the end of March 2014 is an amount of £3.745m.

7.00 HOUSING REVENUE ACCOUNT

- 7.01 On 19 February 2013, the Council approved a Housing Revenue Account (HRA) budget for 2013/14 of £28.259m. The budget provided for a closing balance of £0.903m, which at 3.2% of total expenditure satisfies the prudent approach of ensuring a minimum level of 3%.

- 7.02 The 2012/13 final outturn reported to Cabinet on 16 July 2013 showed a closing balance at the end of 2012/13 of £1.931m (subject to audit) which was £0.861m more than when the 2013/14 budget was set. This had the effect of increasing the opening balance for 2013/14 by the same amount.
- 7.03 For 2013/14 there is an overall projected under spend of £0.062m and a projected closing balance at month 6 of £1.495m, which at 5.2% of total expenditure satisfied the prudent approach of ensuring a minimum level of 3%.
- 7.04 Appendix 7 details the reasons for significant variances occurring to date and the actions planned to deal with them.

8.00 RECOMMENDATIONS

8.01 Members are recommended to:

- a) Note the overall report.
- b) Note the projected Council Fund contingency sum as at 31st March 2014 (paragraph 6.02).
- c) Note the projected final level of balances on the Housing Revenue Account (paragraph 7.03).

9.00 FINANCIAL IMPLICATIONS

9.01 The financial implications are as set out in Sections 3.00 - 7.00 of the report.

10.00 ANTI-POVERTY IMPACT

10.01 None.

11.00 ENVIRONMENTAL IMPACT

11.01 None.

12.00 EQUALITIES IMPACT

12.01 None.

13.00 PERSONNEL IMPLICATIONS

13.01 None.

14.00 CONSULTATION REQUIRED

14.01 None.

15.00 CONSULTATION UNDERTAKEN

15.01 None.

16.00 APPENDICES

Council Fund - Movement in Variances from Month 5 - Appendix 1
Council Fund Significant Variances - Appendices 2 - 6
Council Fund - Movements on unearmarked reserves - Appendix 7
Housing Revenue Account Variances - Appendix 8
Council Fund - Achievement of Efficiencies - Appendix 9

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

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**COUNCIL FUND - REVENUE BUDGET 2013/14
FLINTSHIRE COUNTY COUNCIL**

**Budget Monitoring (Month 6)
Summary of Movement from Month 5**

	£m	£m
Month 5		
Service Directorates	(0.797)	
Central and Corporate Finance	(0.277)	
Variance as per Cabinet Report		(1.074)
Month 6		
Service Directorates	(0.730)	
Central and Corporate Finance	(0.282)	
Variance as per Directorate Returns		(1.012)
Change Requiring Explanation		0.062
<u>Community Services</u>	£m	
Services For Adults		
• Locality Teams (Localities) - decrease in employee costs (£0.031m) as vacant posts are not being filled and a decrease in purchased domiciliary care (£0.017m) this is offset by additional residential packages (£0.024). The balance (0.004m) is made up of a number of small movements.	(0.028)	
• Resource and Regulated Service (Disability Service) - additional costs for the Day Opportunities Service (£0.040m), Independant Sector Supported Living costs (£0.018m) and an increase in PDSI homecare packages (£0.016m).	0.075	
• Residential and Domiciliary Service (Mental Health and Substance Misuse Service) - the underspend decreased from month 5 (£0.052m) due to a budget virement (£0.031m) to the Voluntary Sector Team (Mental Health & Substance Misuse) and an increase in current care packages (£0.021m).	0.052	
• Other minor changes of less than £0.025m for Services for Adults	0.030	
Development & Resources		
• Business Services Income (Development & Resources) - increase in charging policy income.	(0.027)	
• Other minor changes of less than £0.025m	0.007	
Services For Childrens		
• Out of County Pooled Budget (Children's Services) - additional placements (£0.080m) offset by a change in care packages (£0.020m) and a placement ending (£0.021m).	0.039	
• Other minor changes of less than £0.025m	0.035	
Total: Community Services		0.171
<u>Environment</u>		
• Minor variances of less than £0.025m.	0.032	
		0.032
<u>Lifelong Learning</u>		
<u>Culture & Leisure</u>		
• Leisure Services - other minor variances.	(0.002)	
• Libraries, Culture & Heritage - other minor variances.	0.023	
<u>Inclusion Service</u>		
Out of County - the projected underspend on Out of County has increased since month 5 by £0.005m. A reduction of £0.047m relates to a placement ending at Bryn Tirion. This has been mostly offset by a review of the		
• apportionment of costs between Community Services and Lifelong Learning (£0.025m) and other minor variances. One post 16 placement has also been extended (£0.027m). This additional cost has been offset by minor savings on other placements.	(0.005)	
• Other Minor Variances	0.002	

Primary School Services

- Primary School Services - the projected underspend on Primary School Services has increased since month 5. This relates to a review of supplies and services expenditure across the service. (0.020)

Secondary School Services

- Minor Variances (0.002)

Development & Resources

- Minor Variances (0.008)

(0.012)**Corporate Services**

- Legal and Democratic Services - vacancy savings (£0.029m), minor variances (£0.004m) (0.033)
- HR and Organisational Development - vacancy savings (£0.011m), reduced Occupational Health expenditure (£0.014m), minor variances (£0.001m) (0.026)
- ICT and Customer Services - vacancy savings (£0.008m), registrars income (£0.005m), additional postage costs £0.014m, minor variances (£0.010m) (0.009)
- Finance - vacancy savings (£0.022m), additional surplus on Council Tax Collection Fund (£0.028m), reduced shortfall on CTRS (£0.004m) (0.054)
- Chief Executives Department - vacancy savings (£0.002m) (0.002)

(0.124)**Central & Corporate Finance**

- Other minor variances (0.005)

(0.005)**Total changes**

0.062

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2013/14 (Month 6)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Services for Adults Hospital Social Work (Intake and Reablement)	0.405	0.346	(0.059)	(0.067)	The underspend is due to a Hospital Social Worker covering in the Crisis Intervention Team. These costs (£0.038m) are recovered from Health. The balance (£0.008m) is due to a staff vacancy.	One-off.
Resources and Regulated Services (Intake and Reablement)	5.358	5.168	(0.190)	(0.209)	<p>Extra Care Projected underspend on Llys Jasmine (£0.224m) is due to an initial delay in opening the facility.</p> <p>In-house Domiciliary Care underspend (£0.080m) due to greater use of reablement and independent sector care providers.</p> <p>Client Transportation Service underspend (£0.046m) relates to staff vacancies.</p> <p>Day Services underspend (£0.038m) mostly due to vacancies (£0.026m). These underspends are offset by a projected overspend within In-house Residential Service (£0.198m) due to the need to ensure staff cover (£0.221m) and additional premises costs (£0.047m) and additional supplies and service (£0.048) offset by client (£0.070m) and Health (£0.048m) income.</p>	<p>Extra Care The underspend against is one-off and non recurring and has arisen due to the opening of the facility being part way through the current year.</p> <p>Client Transportation Service Underspend adjusted in budget rationalisation.</p> <p>Residential Service further work required to determine the most appropriate way to address the overspend.</p>

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2013/14 (Month 6)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Locality Teams (Localities)	13.882	13.940	0.058	0.086	<p><u>Older People Services</u></p> <ul style="list-style-type: none"> > Locality Teams are together expected to underspend (£0.164m) mostly due to vacant posts. > Purchased domiciliary costs are projected to overspend (£0.025) due to additional service user costs. > Purchased residential costs are projected to overspend (£0.133) due to additional service user costs. > Early Onset Dementia is projected to overspend (£0.076m) due to purchased domiciliary care costs. > The balance (£0.012m) is made up of a number of smaller variances. 	Keep under review.
Resource and Regulated Services (Disability Services)	15.242	15.143	(0.099)	(0.174)	<p>The movement in outturn results in a decrease in underspend of £0.075m that is mostly due to additional costs for the Day Opportunities Service (£0.040m), Independent Sector Supported Living costs (£0.018m) and an increase in PDSI homecare packages (£0.016m).</p> <p>As previously noted this service includes a budget to help offset the expected impact of a review of joint funded packages between FCC and Health. This remains unchanged from month 3.</p>	The underspend in relation to the negotiations with Health on jointly funded packages is based on current assumptions. These will be kept under review and adjusted if proven necessary.

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2013/14 (Month 6)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Transition and Disability Services (Disability Services)	0.658	0.722	0.064	0.074	This is mostly due to an overspend against staff pay costs (£0.055m), due to an under provision of budget.	Keep under review.
Disability Services (Disability Services)	1.942	2.012	0.070	0.062	The overspend is due to additional transition service user package costs.	Keep under review.

COMMUNITY SERVICES

Budget Monitoring 2013/14 (Month 6)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Administrative Support (Disability Services)	0.407	0.460	0.053	0.046	This is mostly due to an overspend against staff pay costs (£0.041m).	Keep under review.
Residential and Domiciliary Service (Mental Health & Substance Misuse Service)	0.703	0.506	(0.197)	(0.249)	This underspend is based on current care packages. The underspend decreased from month 5 (£0.052m) due to a budget virement (£0.031m) to the Voluntary Sector Team (Mental Health & Substance Misuse) and an increase in current care packages (£0.021m).	Keep under review.
Professional Support (Mental Health & Substance Misuse Service)	0.828	0.748	(0.080)	(0.072)	This is mostly (£0.047m) due to a one-off pay cost reduction following an agreed absence with no pay.	One-off.

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2013/14 (Month 6)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Forensic Budget (Mental Health & Substance Misuse Service)	0.305	0.158	(0.147)	(0.146)	Reflects current care packages for 2013/14.	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.
Forensic Budget (Learning Disability)	0.482	0.428	(0.054)	(0.056)	Reflects current care packages for 2013/14.	
Other Services for Adults variances (aggregate)	4.116	4.067	(0.049)	(0.054)	Various minor variances.	Continue to review but not expected to be recurrent.
Subtotal:	44.328	43.698	(0.630)	(0.759)		

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2013/14 (Month 6)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Development & Resources						
Business Systems (Development & Resources)	1.143	1.091	(0.052)	(0.058)	The underspend within this area is mostly due to vacant posts.	One off.
Vacancy Control	(0.100)	0.000	0.100	0.100		Realignment of vacant posts
Other Development & Resources variances (aggregate)	0.613	0.508	(0.105)	(0.065)	Various minor variances.	Continue to review but not expected to be recurrent.
Subtotal:	1.656	1.599	(0.057)	(0.023)		

COMMUNITY SERVICES

Budget Monitoring 2013/14 (Month 6)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Services for Children						
Family Placement (Children's Services)	1.977	2.310	0.333	0.331	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 been undertaken the outcome of which is being considered and will inform future planning and possible efficiencies.
Youth Offending Team (Children's Services)	0.308	0.257	(0.051)	(0.043)	The underspend within this area is mostly due to vacant posts.	One-off.
Out of County Pooled Budget (Children's Services)	3.178	3.426	0.248	0.209	Costs reflect existing placements up until March 2014. The increase in overspend (£0.039m) is due to additional placements (£0.080m) offset by a change in care packages (£0.020m) and a placement ending (£0.021m).	The focus of high cost placements is now a North Wales project and will continued to be reviewed.
Other Services for Children variances (aggregate)	6.696	6.712	0.016	(0.025)	Various minor variances.	Continue to review but not expected to be recurrent.
Subtotal:	12.159	12.705	0.546	0.472		

COMMUNITY SERVICES

APPENDIX 2

Budget Monitoring 2013/14 (Month 6)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance	Action Required
Housing Services						
Homelessness Accommodation (Housing Services)	0.360	0.147	(0.213)	(0.207)	Variance is due to improvements in the service where methods have been put in place to reduce the cost of temporary accommodation. Quay House project has been delayed until 2014/15.	Keep under review. Variance is due to improvements in the service where methods have been put in place to reduce the cost of temporary accommodation.
Accommodation Support Team (Housing Services)	1.213	1.158	(0.055)	(0.075)	Service undergoing restructure which is not yet in place.	Restructure to be implemented.
Other variances (aggregate)	0.230	0.205	(0.025)	(0.013)	Various minor variances.	Continue to review but not expected to be recurrent.
Subtotal:	1.803	1.510	(0.293)	(0.295)		
Total :	59.946	59.512	(0.434)	(0.605)		

ENVIRONMENT

APPENDIX 3

Budget Monitoring 2013/14 (Month 6)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Period 5 (£m)	Cause of Variance	Action Required
Assets & Transportation	6.088	6.091	0.003	0.002		
Industrial Units	(1.256)	(1.156)	0.100	0.095	Estimated net income shortfalls across the Industrial Estate portfolio which have increased at Period 6 by a further £5k.	Keep Unit rental income closely monitored throughout 2013/14.
Property Holdings	0.083	0.047	(0.036)	(0.036)	NNDR costs lower than anticipated	Review of site budgets necessary in line with asset management programme
Property Asset & Development	0.534	0.420	(0.114)	(0.117)	Net Vacancy Savings	
Highways Development Control & Regulatory Services	0.813	0.881	0.068	0.073	Lower than anticipated levels of income for Fixed Penalty Notices (based on improving standards of repair by utility companies) & road closures.	
Aggregate of other Variances	5.914	5.899	(0.015)	(0.013)		
Planning	1.717	1.699	(0.018)	(0.005)		
Public Protection	3.459	3.451	(0.008)	(0.028)		
Regeneration	0.704	0.710	0.006	(0.019)		

ENVIRONMENT

APPENDIX 3

Budget Monitoring 2013/14 (Month 6)

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Period 5 (£m)	Cause of Variance	Action Required
Streetscene	19.210	19.546	0.336	0.343		
Waste Disposal & Waste Collection	9.266	9.592	0.326	0.346	Plastic Recycling prices reduced by £100 per tonne between July and September resulting in an estimated income reduction of £50k. (Reduced from £70k at P5). Staff backfilling costs as a result of the on-going investigation within waste. Notification was given by WG in late July that the Sustainable Waste Management Grant (SWMG) was being reduced in-year by up to 10%. Subsequently, confirmation was received from WG in late August of a grant reduction in 2013/14 of £150k.	Consider potential impact on MTFP going forward Consider impact on MTFP going forward
Aggregate of other Variances	9.944	9.954	0.010	(0.003)		
Management Support & Performance	1.094	1.028	(0.066)	(0.072)		
Management Support & Performance	1.094	1.028	(0.066)	(0.072)	Net Vacancy Savings ahead of service review implementation and reduced commitments on supplies and services budgets.	
Total :	32.272	32.525	0.253	0.221		

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Culture & Leisure	6.386	6.774	0.388	0.367	<p>School Library Service (£0.100m saving) Following an agreement at DMT, to mitigate the Directorate overspend and to contribute towards the value for money programme, a number of measures will be taken to reduce expenditure in the School Library Service.</p> <p>Libraries, Culture & Heritage (£0.003m saving) Minor variances</p> <p>Leisure Services (£0.491m pressure) There are a number of pieces of work being completed to explore solutions to the remaining deficit. £0.023m relates to the final costs for Swim Flintshire. This programme ceased in August. £0.034m relates to employee costs. £0.301m relates to pressures on income across centres. £0.065m relates to pressures on premises budgets, £0.045m to security costs, £0.007m to credit/debit card fees and £0.016m to other minor variances.</p>	<p>Service Manager to place a hold on £0.100m of the Flintshire subsidy.</p> <p>As part of the Leisure Action Plan a number of solutions are being explored and implemented including cessation of Swim Flintshire, Leisure Service Review, Leisure Contact Centre and Asset Review.</p>
Inclusion Services	13.254	13.224	(0.030)	(0.027)	Inclusion Services (£0.030m saving) Minor Variances	
Primary School Services	43.383	43.338	(0.045)	(0.025)	Primary School Services (£0.045m saving) Minor Variances	Service Manager to review and reduce planned expenditure by £0.025m.

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Secondary School Services	37.468	37.468	0.000	0.002		
Development & Resources	12.319	12.103	(0.216)	(0.208)	Children, Youth & Community (£0.006m saving) Minor variances Schools ICT (£0.150m saving) In an effort to reduce the Directorate overspend and to contribute towards the value for money programme, DMT have made the decision to place a hold on all uncommitted expenditure in Schools ICT. Transport (£0.015m pressure) Minor Variances Service Units (£0.032m saving) Pressures of £0.057m on Pupil Support (Free School Meals) and £0.011m on Regional Capital One have been offset by estimated savings on Mobile Classrooms (£0.067m), Insurance (£0.035m) and other minor variances of £0.002m. Facilities Services (£0.044m saving) Minor Variances Minor Pressures £0.001m	Service Manager to place a hold £0.150m of the budget within Schools ICT. We are awaiting information from the Schools relating to Music remissions which will affect the estimated costs. The figures reported assume that the full food NSI budget of £0.141m is transferred to the facilities budget.
Total :	112.810	112.907	0.097	0.109		

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Chief Executive	2.334	2.283	(0.051)	(0.049)	£0.014m Corporate voluntary sector contribution to Dangerpoint (£0.050m) Vacancy savings (£0.015m) minor variances	
Finance	14.285	13.768	(0.517)	(0.463)	£0.129m net Vacancy savings following realignment of budget (£0.799m) net surplus on the Council Tax Collection Fund after meeting the £0.420m costs allocated in 2013/14 budget £0.411m CTRS shortfall in funding compared to estimated in year cost	Demand led service but subject to ongoing monitoring. Contributing to national discussion on CTRS funding for 2014/15.
Legal & Democratic Services	3.156	3.121	(0.035)	(0.002)	£0.021m net Vacancy savings including the use of Agency/Locums and recharges (£0.014m) minor variances	

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Human Resources & Organisational Development	2.464	2.434	(0.030)	(0.004)	(£0.030m) reduced DBS Check expenditure (£0.032m) Vacancy savings £0.027m loss of income from external organisations £0.005m minor variances	
ICT & Customer Services	5.046	5.033	(0.013)	(0.004)	(£0.044m) Vacancy savings (£0.027m) additional Registrars Income £0.060m postage costs (£0.002m) minor variances	Postage contract under review.
Total :	27.285	26.639	(0.646)	(0.522)		

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
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Finance	14.285	13.768	(0.517)	(0.463)	(£0.129m) net Vacancy savings following realignment of budget (£0.799m) net surplus on the Council Tax Collection Fund after meeting the £0.420m costs allocated in 2013/14 budget £0.411m CTRS shortfall in funding compared to estimated in year cost	Demand led service but subject to ongoing monitoring. Contributing to national discussion on CTRS funding for 2014/15.
Legal & Democratic Services	3.156	3.121	(0.035)	(0.002)	(£0.021m) net Vacancy savings including the use of Agency/Locums and recharges (£0.014m) minor variances	

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ICT & Customer Services	5.046	5.033	(0.013)	(0.004)	(£0.044m) Vacancy savings (£0.027m) additional Registrars Income £0.060m postage costs (£0.002m) minor variances	Postage contract under review.
Total :	27.285	26.639	(0.646)	(0.522)		

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Central Loans & Investment Account	15.283	15.041	(0.242)	(0.242)	Unsupported (Prudential Borrowing) - Funding for Local Government Borrowing Initiative (LGBI) transferred into settlement from 2013/14 (previously specific grant) -£0.415m which isn't needed to finance any new borrowing during 2013/14. The total of -£0.415m includes the £0.385m which was transferred into the settlement plus a residual £0.030m which wasn't utilised from the 2012/13 specific grant allocation of £0.192m.	
					Reduction in net external interest payable (-£0.047m), Reduction in interest receivable on temporary investments (£0.127m), increased cost of Minimum Revenue Provision (£0.088m) increased internal interest (-£0.015m), reduction in debt management costs (-£0.010m).	
Coroners	0.193	0.248	0.055	0.055	Due to a change in the lead authority for Coroners service provision (effective from May 2013), it has been brought to our attention that Wrexham CBC are continuing to process a significant number of invoices pertaining to financial year 2012/13 (currently value circa £0.110m) for which the Flintshire share is 50%, resulting in a current year budget pressure.	

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
Centrally Held Provisions	4.717	3.902	(0.815)	(0.811)	Net budget adjustments of £0.680m as approved in the Month 3 report (Community Services £1.185m, Leisure Management (-£0.505m) Surplus on recovery of FCC share of pension fund deficit - final year of three year strategy (-£0.128m), other minor variances (-£0.007m).	
Central Service Recharges	(1.931)	(1.620)	0.311	0.311	Shortfall of £0.311m of internal income recovered from trading accounts and the HRA.	
Former Euticals Ltd - Sandycroft site	0.000	0.400	0.400	0.400	Potential costs for six months at £0.060m per month plus some specific one-off costs relating to site related costs in view of the public protection risk.	
Other variances - aggregate	9.177	9.186	0.009	0.010		
Total :	27.439	27.157	(0.282)	(0.277)		

APPENDIX 7

Movements on Council Fund Unearmarked Reserves

	£m	£m
Total Reserves as at 1 April 2013 (Inclusive of total increase of £0.270m agreed as part of the 2013/14 budget)	9.540	
Less - Base Level (Inclusive of total increase of £0.270m agreed as part of the 2013/14 budget)	<u>(5.834)</u>	
Total Reserves above base level		3.706
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 approved by Cabinet on 16 th July for reinstatement of funding within the Winter Maintenance reserve following utilisation of funding during 2012/13 (late March severe weather event)		(0.250)
Amount available for delegation to Cabinet		<u>3.159</u>
Add projected underspend as at 31 st March 2014		1.012
Less - Estimate of severe weather recovery costs		(0.518)
Projected Level of Total Contingency Reserve as at 31st March 2014		3.653

HRA Major Variance Report - Period 6

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance	Action Required
HRA Subsidy	6,167	6,288	121	121	Capital Financing charges amended after budget rounds completed. Further amendments to Capital figures for inclusion in 2nd HRAS return. Under payment on 2012/13 of £31k calculated on Advance Final return.	Review timings of figures with Capital Financing team.
Rents	-26,946	-27,176	-230	-237	Bad Debt provision reviewed based on Q1 impact of "bedroom tax", resulting in a saving of £258k	Monitor impact of "Bedroom Tax" and review expected costs at H1
Repairs and Maintenance	8,393	8,669	276	328	£318k overspend on materials through Travis Perkins due to increased number of repairs and subcontractor materials are now purchased through Travis to gain bulk purchasing economies. A review is also underway to revise pricing downwards following an increased profit percentage reported in August 2013.	Housing Asset Team and Finance are working closely with Travis Perkins to try and mitigate some of the overspend in the second half of the financial year.
Finance & Support	2,656	2,453	-203	-197	Support Recharges reflected at 2012/13 actuals, saving £106k. Information on 2013/14 has been requested. Pension Fund Strain costs £80k lower than anticipated creating saving.	
Other variances (aggregate)	10,227	10,201	-26	-30		
Total :	497	435	-62	-14		

Month 6

Efficiency Description	Budgeted Efficiency (£m)	Current Position	Further information to support current position status or other relevant information
Fees & Charges (APPENDIX 7a)			
<i>Community Services</i>			
Residential Charging - Increased Income From Demand	0.100	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	It will not be known for sure until the end of the financial year if this efficiency has been met.
Mental Health Service Users	0.018	EFFICIENCY ALREADY ACHIEVED	
TOTAL	0.118		
Service Change (APPENDIX 7b)			
<i>Community Services</i>			
Reablement in the level of extra care	0.100	EFFICIENCY ALREADY ACHIEVED	
Preserved Rights - reduced activity levels	0.053	EFFICIENCY ALREADY ACHIEVED	
External Funding for Existing Post - Children's Services	0.043	EFFICIENCY ALREADY ACHIEVED	
Family Placement Team - revision of existing practices	0.040	EFFICIENCY ALREADY ACHIEVED	
Early Retirement - Non replacement of staff - CSA	0.015	EFFICIENCY ALREADY ACHIEVED	
General Office Administration Review	0.021	EFFICIENCY ALREADY ACHIEVED	
Housing Efficiency Savings	0.028	EFFICIENCY ALREADY ACHIEVED	
Homelessness - Timing of presentations	0.106	EFFICIENCY ALREADY ACHIEVED	

Month 6

Efficiency Description	Budgeted Efficiency (£m)	Current Position	Further information to support current position status or other relevant information
Youth Justice - Appropriate adult service	0.010	EFFICIENCY ALREADY ACHIEVED	
Legal Fees - Use of solicitors / barristers	0.010	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	Due to the unpredictable nature of Legal Fees it will not be known if this efficiency has been achieved until later in the financial year.
Children's Services - Transport costs efficiency	0.015	EFFICIENCY ALREADY ACHIEVED	
Children's Services - FAST team budget reduction	0.010	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	The FAST team is currently showing an overspend of £0.030.
Preventative foster care service - day care	0.005	EFFICIENCY ALREADY ACHIEVED	
TOTAL	0.456		
Procurement (APPENDIX 7c)			
Community Services			
PARIS - post implementation expenditure review	0.030	EFFICIENCY ALREADY ACHIEVED	
Housing Services - Supplies and Services	0.003	EFFICIENCY ALREADY ACHIEVED	
Social Care - Supplies and Services	0.075	EFFICIENCY ALREADY ACHIEVED	
Procurement Hub - regional procurement of high cost low volume placements	0.020	EFFICIENCY ALREADY ACHIEVED	
Children's Services - out of county placements - improved procurement practice	0.533	EFFICIENCY ALREADY ACHIEVED	As at month 3 this budget was showing an underspend of £(0.344). However due to change in service user circumstances this budget is now showing an overspend of £0.248

Month 6

Efficiency Description	Budgeted Efficiency (£m)	Current Position	Further information to support current position status or other relevant information
Transport Review - revised contracts	0.025	EFFICIENCY ALREADY ACHIEVED	
TOTAL	0.686		
Organisational Design (APPENDIX 7d)			
<i>Community Services</i>			
Review of Supported Living Service	0.350	EFFICIENCY ACHIEVABLE IN PART	The efficiency has been partly achieved in 2013/14 (£0.086m) and is expected to be fully achieved in 2014/15. It should be noted that the non-achievement of this efficiency is being offset with underspends elsewhere within the Directorate.
Service Review of Warden Service	0.018	EFFICIENCY ALREADY ACHIEVED	
Children's Services - Removal of one team manager post	0.040	EFFICIENCY ALREADY ACHIEVED	
Development and Resources - Rationalisation of Management Team	0.050	EFFICIENCY ALREADY ACHIEVED	
TOTAL	0.458		

Month 6

Efficiency Description	Budgeted Efficiency (£m)	Current Position	Further information to support current position status or other relevant information
Fees & Charges (APPENDIX 7a)			
<i>Environment</i>			
Agricultural Estate rentals	0.008	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	Agricultural Estates currently reporting a surplus income position.
Public Protection - increase to market rates	0.025	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	Fees for both Licensing and Bereavement Services were increased from 1st June 2013
Markets Service - increased lettable space	0.019	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	Markets currently reporting a surplus income position.
Traffic Regulation order Notices	0.013	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	Budget Reduction met from within Highways Policy Budget
Streetscene - leachate processing	0.075	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	It is anticipated that the new income target will be met in 2013/14
TOTAL	0.140		
Service Change (APPENDIX 7b)			
<i>Environment</i>			
Street Lighting - non-residential areas post midnight turn-off	0.050	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	The new Street Lighting policy has been adopted and this efficiency will be achieved in full
Highways Asset Management Plan (HAMIP) -rephrasing of full implementation	0.225	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	Previous approved pressure that was not required in 2013/14 and 2014/15 due to Local Government Borrowing Initiative (LGBI)

Month 6

Efficiency Description	Budgeted Efficiency (£m)	Current Position	Further information to support current position status or other relevant information
Public Conveniences - revisit of strategy	0.050	EFFICIENCY ACHIEVABLE IN PART	Tower Gardens, Holywell didn't close until 30th April 2013 and Cilcain and Caerwys have been further delayed with ongoing consultation necessary and under achievement on the efficiency by £21k is likely.
Streetscene - implementation of Part III agreement	0.300	EFFICIENCY NOT ACHIEVABLE	The achievement of this efficiency is dependant on the implementation of Single Status so is anticipated to be achieved in 2014/15. The 2013/14 shortfall is being met from the Single Status reserve.
Waste Services - vehicle savings from full roll out of Saturday collection	0.140	EFFICIENCY NOT ACHIEVABLE	The achievement of this efficiency is dependant on the implementation of Single Status so is anticipated to be achieved in 2014/15. The 2013/14 shortfall is being met from the Single Status reserve.
Business Development team - agile working	0.004	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	Budget Monitoring Position at Period 4 indicates achievement of this efficiency.
Staff travel - reduced mileage payments	0.003	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	Budget Monitoring Position at Period 4 indicates achievement of this efficiency.
Directorate Support & Performance - Supplies and Stationery - Streamline current processes	0.008	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	Budget Monitoring Position at Period 4 indicates achievement of this efficiency.
TOTAL	0.780		
Procurement (APPENDIX 7c)			
Environment			
Waste Services - Tender Transport arrangements for waste disposal	0.050	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	New Transport arrangements have been awarded as part of a tender process and are now in place.

Month 6

Efficiency Description	Budgeted Efficiency (£m)	Current Position	Further information to support current position status or other relevant information
Transportation Services - Review of subsidised Bus Service Contracts and re-tender	0.036	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	<i>Efficiency absorbed within service budget</i>
Reduction in use of consultants	0.013	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	<i>Efficiency absorbed within service budget</i>
Reduction in influencable spend	0.025	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	<i>Efficiency absorbed within service budget</i>
Streamline current processes within Directorate Support	0.020	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	<i>Efficiency absorbed within service budget</i>
TOTAL	0.144		
Organisational Design (APPENDIX 7d)			
<i>Environment</i>			
Review Management Recharge to the Communities First Programme	0.020	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	<i>It is anticipated that this will be achieved as part of the Communities First Grant Claim for 2013/14</i>
TOTAL	0.020		
Other Efficiencies (APPENDIX 7e)			
<i>Environment</i>			
Agricultural Estates - balance not required	0.025	EFFICIENCY ALREADY ACHIEVED	<i>Specific Directorate Balance in the Environment Balance Sheet</i>
Licensing / Health & Safety - balance not required	0.025	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	<i>Specific Directorate Balance in the Environment Balance Sheet</i>
TOTAL	0.050		

Month 6

Efficiency Description	Budgeted Efficiency (£m)	Current Position	Further information to support current position status or other relevant information
Fees & Charges (APPENDIX 7a)			
<i>Lifelong Learning</i>			
Library Service - Fines	0.001	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Library - Hire charges increase	0.001	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Leisure Services - increased charges	0.175	EFFICIENCY ACHIEVABLE IN PART	Tariffs were increased on the 1st January as agreed but as income targets are not expected to be met, the efficiency is also not likely to be fully achieved. Estimated amount achievable £0.164m.
Review of post 16 distance limit	0.030	EFFICIENCY ACHIEVABLE IN PART	The amendment to the proposal to continue to provide transport to Colleg Cambria means that only £0.010m of the efficiency can be achieved. Work is ongoing to confirm this. However, we do not anticipate a pressure on the Transport budget at this time.
TOTAL	0.207		
Service Change (APPENDIX 7b)			
<i>Lifelong Learning</i>			
Operational efficiencies	0.025	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	

Month 6

Efficiency Description	Budgeted Efficiency (£m)	Current Position	Further information to support current position status or other relevant information
Youth Service - reduction of senior area workers	0.032	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	The budget for area workers had previously been reduced. This efficiency created a budget flaw which has been addressed as part of the Youth Strategy by retaining part of the £0.050m below on a recurring basis. We do not anticipate a pressure on Youth S
Youth Service - term time only contracts	0.026	EFFICIENCY ACHIEVABLE IN PART	This change is being introduced as part of the Youth Strategy and has not yet been implemented though negotiations have started. At this stage it is anticipated that a saving of £0.007m will be made in this financial year.
Youth Service - Service reconfiguration	0.012	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Youth Service - Building costs savings	0.011	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Youth Service - Building rationalisation	0.005	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Youth Service - Holding back £50k (CC 1/3/13)	(0.050)	EFFICIENCY ALREADY ACHIEVED	This additional contribution is expected to be fully utilised.
Facilities - Management / Central Office - structure review	0.015	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Facilities - County Hall revised opening hours - reduced energy / overtime costs	0.025	EFFICIENCY NOT ACHIEVABLE	Although we do not expect a pressure on the Facilities budget this year, the decision to revise the County Hall opening hours has not yet been made.
LL ICT - Interim Service review - post reduction	0.025	EFFICIENCY NOT ACHIEVABLE	The Schools ICT Service Review has now been combined with the Corporate ICT Review. We do not anticipate a pressure on the schools ICT budget at this time.

Month 6

Efficiency Description	Budgeted Efficiency (£m)	Current Position	Further information to support current position status or other relevant information
Leisure Services - removal of swimming subsidy	0.023	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Directorate Management Team Restructure	0.043	EFFICIENCY ALREADY ACHIEVED	
TOTAL	0.192		
Procurement (APPENDIX 7c)			
<i>Lifelong Learning</i>			
Reduction of Postage within the Library Service	0.001	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Out of County - Improved procurement through framework agreements and monitoring of placements.	0.385	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
School Transport Service - Operational efficiencies	0.080	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
TOTAL	0.466		

Organisational Design (APPENDIX 7d)

<i>Lifelong Learning</i>			
Libraries - Flexible retirement	0.015	EFFICIENCY ALREADY ACHIEVED	
Libraries - Library Service Review	0.037	EFFICIENCY ALREADY ACHIEVED	
TOTAL	0.052		

Month 6

Efficiency Description	Budgeted Efficiency (£m)	Current Position	Further information to support current position status or other relevant information
Other Efficiencies (APPENDIX 7e)			
<i>Lifelong Learning</i>			
Demographic Change in Schools (pupil numbers)	0.132	EFFICIENCY ALREADY ACHIEVED	
TOTAL	0.132		

Efficiency Description	Code	Budgeted Efficiency (£m)	Current Position	Further information to support current position status or other relevant information
Fees & Charges (APPENDIX 7a)				
<i>FINANCE - Corporate Services</i>				
Revenues - increased number of Council Tax fines	FRR1119762	0.027	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
<i>ICT & CUSTOMER SERVICES - Corporate Services</i>				
Registrars - increased fees	MXS2159534	0.019	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Network Services - income from hosting PSBA equipment	MXC4219625	0.004	EFFICIENCY ALREADY ACHIEVED	
<i>LEGAL & DEMOCRATIC - Corporate Services</i>				
External Fees - conveyancing / S106 agreements	LLL1119635	0.015	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
TOTAL		0.065		
Service Change (APPENDIX 7b)				
<i>Chief Executive - Corporate Services</i>				
Corporate Commis - reduced workforce bulletins	CTC113743W	0.003	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
<i>HR & OD - Corporate Services</i>				
CRB checks - review of options	NEB111422J	0.035	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
<i>LEGAL & DEMOCRATIC - Corporate Services</i>				
Democratic Services - reduced paper usage	LDC112743W	0.010	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Members Allowances (Basic Allowance) - no inflationary increase	LDC31144B1	0.010	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Members Allowances - Special Responsibility Allowances - reduction of number allocated	LDC31144C3	0.070	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Members Allowances - NI contributions reduction linked to reduced number of Special Responsibility allowances	LDC31144C8	0.010	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
TOTAL		0.138		

Efficiency Description	Code	Budgeted Efficiency (£m)	Current Position	Further information to support current position status or other relevant information
Procurement (APPENDIX 7c)				
<i>Chief Executive - Corporate Services</i>				
Employee / Residents Consultations - reduction in number	CTC114423C	0.003	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Supplies and Services	Various	0.010	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Joint Working - costs reduction	CGE1114247	0.002	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Alterations / Improvements reductions - future agile working	CBP1111228	0.002	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Employee Safety Measures - reduced demand on budget	CXM1214568	0.010	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Conferences/Seminars/Lectures - reduced attendance	CBP1114411	0.001	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
ICT & CUSTOMER SERVICES - Corporate Services				
Training Budget - Procurement via new solutions	MXC4110921	0.001	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Reduced maintenance costs due to new security equipment	MXC4214352	0.025	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Networking Hardware - reduced procurement	MXC4214333	0.002	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
ICT Cabling - reduction enabled by IPT solution	MXC4214334	0.002	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Leasing - budget adjustment	MXC4214341	0.006	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Software Licensing - Microsoft licences procured through other agreements	MXC4234331	0.010	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Hardware Maintenance - letting of MFD contracts	MXC4234352	0.001	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	

Efficiency Description	Code	Budgeted Efficiency (£m)	Current Position	Further information to support current position status or other relevant information
Reduce influenceable spend by 3%	MXC300	0.004	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Reduced ICT Expenditure	MXC3114593	0.003	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Rationalisation of third party software costs	MXC3224353	0.013	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Avoidance of inflationary rises - software maintenance costs	MXC3224353	0.020	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Reduced licence costs - via renegotiation	MXC1164331	0.018	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Supplies and Services	Various	0.061	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Training budget reduction - build around training solutions	MXC2110921	0.001	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Alterations & Improvements - Datacentres	MXC2114351	0.004	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Other Consumables - reduction in expenditure	MXC2114363	0.001	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Hardware Maintenance - new technology with warranty	MXC2224352	0.015	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Listing Paper - More use of electronic means	MXC2114361	0.002	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Enterprise Servers - hardware	MXC22284333	0.003	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Services work and Consultancy	MXC22294237	0.004	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
<i>HR & OD - Corporate Services</i>				
Supplies & Services	Various	0.009	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
<i>FINANCE - Corporate Services</i>				
Supplies & Services	Various	0.012	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
TOTAL		0.245		

Month 6

Efficiency Description	Budgeted Efficiency (£m)	Current Position	Further information to support current position status or other relevant information
Service Change (APPENDIX 7b)			
<i>Central & Corporate Finance</i>			
Clwyd Theatr Gymru - agreed reduction to contribution	0.015	EFFICIENCY ALREADY ACHIEVED	
TOTAL	0.015		
Procurement (APPENDIX 7c)			
<i>Central & Corporate Finance</i>			
Flintshire Futures - E-procurement and improved processes	0.102	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Flintshire Futures - Internal Fleet Review	0.160	EFFICIENCY ALREADY ACHIEVED	
TOTAL	0.262		
Other Efficiencies (APPENDIX 7e)			
<i>Central & Corporate Finance</i>			
Reduced contingencies - one-off investment costs	0.240	EFFICIENCY ALREADY ACHIEVED	
Reduced contingencies - NDR	0.077	EFFICIENCY ALREADY ACHIEVED	
Reduction in Fire Levy due to formula changes	0.027	EFFICIENCY ALREADY ACHIEVED	

Month 6

Efficiency Description	Budgeted Efficiency (£m)	Current Position	Further information to support current position status or other relevant information
Flintshire Futures Assets Workstream - Facilities Management	0.060	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Flintshire Futures - Customer Workstream Contact Centre	0.100	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Flintshire Futures - Customer Workstream face to face customer contact	0.100	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
Flintshire Futures - Customer Workstream Channel Shift	0.100	EFFICIENCY EXPECTED TO BE ACHIEVED IN FULL	
TOTAL	0.704		

FLINTSHIRE COUNTY COUNCIL**REPORT TO:** **CABINET****DATE:** **TUESDAY, 17 DECEMBER 2013****REPORT BY:** **HEAD OF FINANCE****SUBJECT:** **CAPITAL PROGRAMME 2013/14 (MONTH 6)****1.00** **PURPOSE OF REPORT**

1.01 To provide Members with the Month 6 (End of September) capital programme information for 2013/14.

2.00 **BACKGROUND**

2.01 The Council approved a Housing Revenue Account (HRA) capital programme for 2013/14 of £10.992m at its meeting of 19th February 2013, and a Council Fund (CF) capital programme of £29.908m at its meeting of 1st March 2013.

3.00 **CONSIDERATIONS****3.01** **Programme – Changes since Month 4**

3.01.1 The table below sets out how the programme has changed since the Month 4 report to Cabinet on 15th October, 2013. Detailed cumulative information relating to each programme area is provided in Appendix A, and summarised below -

REVISED PROGRAMME	Original Budget 2013/14	Changes - Month 4	Changes - This Period	Rollover to 2014/15	Revised Budget
	£m	£m	£m	£m	£m
Corporate Services	1.613	0.900	(0.032)	0	2.481
Clwyd Theatr Cymru	0.025	0.035	0	0	0.060
Community Services	3.350	0.196	0.040	0	3.586
Environment	16.460	(1.122)	0.212	(0.689)	14.861
Lifelong Learning	8.460	3.862	1.047	(0.743)	12.626
Council Fund Total	29.908	3.871	1.267	(1.432)	33.614
Housing Revenue Account	10.992	1.134	0	0	12.126
Programme Total	40.900	5.005	1.267	(1.432)	45.740

3.01.2 The revised budget is that against which the programme is monitored.

3.02 Changes during this period

3.02.1 Changes during this period have resulted in a net increase in the programme reported at Month 4 of £1.267m (CF £1.267m, HRA £0.0m). A summary of the changes, showing major items, is in the table below -

CHANGES DURING THIS PERIOD		£m
Increases		
Education General ¹	WG Grant Funding	1.020
Other Aggregate Increases		0.385
		1.405
Decreases		
Other Aggregate Decreases		(0.138)
		(0.138)
Total		1.267
<p>¹ Learning in Digital Wales Grant</p>		

3.02.2 Reasons for changes in the programme total include:-

- An increase/decrease in grant funding from WG or other external funding providers;
- Funding profiles from external sources sometimes alter during the year, resulting in expenditure needing to be realigned to meet this scenario; or
- Within Corporate Services are centrally held provisions for urgent Health and Safety issues and to provide funding for Feasibility Studies for potential future capital spend. These funds are reallocated to relevant programme areas as they are requested and approved.

3.03 Capital Expenditure compared to Budget

3.03.1 Actual expenditure at the end of September (Month 6) across the whole of the programme is £13.196m. The breakdown of expenditure is analysed in the following table, along with the percentage spend against budget. This shows that 28.85% of the budget has been spent across the programme (CF 25.03% and HRA 39.44%).

3.03.2 The table also shows the projected outturn (spend as at the end of the financial year) of £43.490m. It can be seen that on the Council Fund there is a projected underspend (pre rollover approval) against budget of £2.250m and the projection for the HRA is to spend up to target.

EXPENDITURE	Revised Budget	Cumulative Expenditure Month 6	Percentage Spend v Budget	Projected Outturn	Variance Budget v Outturn (Under)/Over
	£m	£m	%	£m	£m
Corporate Services	2.481	0.092	3.71	1.983	(0.498)
Clwyd Theatr Cymru	0.060	0.033	55.00	0.060	0.000
Community Services	3.586	1.109	30.93	3.586	0.000
Environment	14.861	3.981	26.79	13.109	(1.752)
Lifelong Learning	12.626	3.199	25.34	12.626	0.000
Council Fund Total	33.614	8.414	25.03	31.364	(2.250)
Housing Revenue Account	12.126	4.782	39.44	12.126	0.000
Programme Total	45.740	13.196	28.85	43.490	(2.250)

3.03.3 The detail of the variances for individual programme areas is listed in Appendix B, which includes the reasons and the required remedial action, where those variances exceed 10% of the budget.

3.04 Rollover to 2014/15

3.04.1 Rollover occurs when schemes due to be completed in a given financial year are delayed, possibly due to procurement issues/weather or if funding from external sources is altered e.g. rephasing of Welsh Government (WG) grants and are therefore not completed until the following year.

3.04.2 Cabinet approved rollover of £1.432m into 2014/15 as part of the Month 4 report.

3.04.3 Additional Early Identified Rollover (EIR) into 2014/15 has also been identified and is included in the narrative in Appendix B.

3.04.4 £2.249m of rollover has been identified at this stage in the year which reflects reviewed spending plans across all programme areas; these committed amounts have been identified as now required to meet the cost of programme works in 2014/15 and is put forward for Member approval. The potential for further rollover is monitored closely on a monthly basis as an integral part of capital programme monitoring.

3.04.5 Information relating to each programme area is summarised below -

- Corporate Services £0.498m
- Environment £1.751m

3.05 Financing

3.05.1 The capital programme is financed as summarised below:-

FINANCING RESOURCES	General Financing¹	Specific Financing²	Total Financing
	£m	£m	£m
Latest Monitoring			
Council Fund	13.634	19.980	33.614
Housing Revenue Account	5.200	6.926	12.126
	18.834	26.906	45.740
Total Financing Resources	18.834	26.906	45.740

1 Supported Borrowing / General Capital Grant / Capital Receipts / MRA
 2 Grants & Contributions / CERA / Reserves / Prudential & Other Borrowing

3.05.2 Capital receipts generated from asset disposals form part of the Council Fund total financed from general (non-specific) financing resources. The continuing harsh economic climate is impacting on the ability to achieve the budgeted level of anticipated capital receipts, a situation that is likely to continue until the economy picks up at some future point. The capital receipts situation is being closely monitored as part of overall capital monitoring arrangements.

3.05.3 The latest projection for capital receipts in 2013/14 is £3.505m, a reduction of £0.157m on the target set to fund 2013/14 expenditure. Actual receipts received at Month 6 are £1.085m, with the largest amount of the receipts anticipated to be received in March 2014.

3.05.4 Council at the 1st March budget meeting agreed to hold back 20% of core programme funding in the light of the continuing uncertainty over the timing of receipts. Cabinet agreed on 15th October that the 20% should continue to be held back to keep the programme within the limits of anticipated receipts. The position at month 6 does not allow for any revision to this position. This will be closely monitored and will be reported on in future monitoring reports and will become part of the capital programme considerations for 2014/15.

3.05.5 The position regarding in year financing is summarised in the table below:-

IN YEAR FINANCING		
	£m	£m
Shortfall from 2012/13		3.028
Increases		
In year receipts shortfall	0.157	
New Pressures	0.195	0.352
Decreases		
20% Budget Holdback	(2.106)	
Funding from AD Waste Liquidation	(0.512)	(2.618)
Projected shortfall to 2014/15		0.762

3.05.6 The £0.512m funding from the AD Waste is the residual capital receipt available following the liquidation of the company. The Report to Cabinet of 19th November 2013 contains further details.

3.05.7 The projected shortfall will be addressed by carrying the balance forward to be dealt with in 2014/15.

3.05.8 The first call on any receipts received in year will be to address the brought forward shortfall.

3.05.9 The HRA capital resources are ring-fenced and used only for HRA purposes.

4.00 RECOMMENDATIONS

4.01 Cabinet is requested to:-

- Note and approve the report.
- Approve the continued holding back of 20% of the core programme.
- Approve the rollover adjustments in 3.04.5.

5.00 FINANCIAL IMPLICATIONS

5.01 As set out in sections 2 and 3 of the report.

6.00 ANTI POVERTY IMPACT

6.01 None.

7.00 ENVIRONMENTAL IMPACT

7.01 Many of the schemes in the programme are designed to improve the environment, infrastructure and assets of the Authority.

8.00 EQUALITIES IMPACT

8.01 None.

9.00 PERSONNEL IMPLICATIONS

9.01 None.

10.00 CONSULTATION REQUIRED

10.01 None.

11.00 CONSULTATION UNDERTAKEN

11.01 None.

12.00 APPENDICES

12.01 Appendix A : Capital Programme – Changes During 2013/14
Appendix B : Variances

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

Capital Programme Monitoring Papers 2013/14

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APPENDIX A

CAPITAL PROGRAMME - CHANGES DURING 2013/14

Original Budget 2013/14	Rollover from 2012/13	20% Holdback	Changes (Previous)	Changes (Current)	Rollover to 2014/15	Revised Budget 2013/14
£m	£m	£m	£m	£m	£m	£m
Council Fund :						
Corporate Services						
0.938	0.935	(0.188)	0	0	0	1.685
0.500	0.274	(0.100)	0	0	0	0.674
0.175	0.074	(0.035)	(0.060)	(0.032)	0	0.122
1.613	1.283	(0.323)	(0.060)	(0.032)	0.000	2.481
Theatre						
0.025	0.040	(0.005)	0	0	0	0.060
0.025	0.040	(0.005)	0.000	0.000	0.000	0.060
Community Services						
3.050	(0.038)	(0.550)	0.934	0.066	0	3.462
0.150	0	0	(0.150)	0	0	0
0.150	0	0	0	(0.026)	0	0.124
3.350	(0.038)	(0.550)	0.784	0.040	0.000	3.586

APPENDIX A (Cont.)

CAPITAL PROGRAMME - CHANGES DURING 2013/14

Original Budget 2013/14	Rollover from 2012/13	20% Holdback	Changes (Previous)	Changes (Current)	Rollover to 2014/15	Revised Budget 2013/14
£m	£m	£m	£m	£m	£m	£m
Environment						
Administrative Buildings	0.237	(0.302)	0	0.144	0	3.864
Sustainable Waste Management	0.000	0	0.118	0.045	0	0.717
Engineering	3.200	(0.040)	(3.000)	0	(0.348)	0.477
General Environmental Enhancement	0	0	0	0	0	0.002
Highways	3.860	(0.232)	0	(0.008)	0	4.208
Planning Grant Schemes	0.000	0	0.006	0	0	0.006
Ranger Services	0.236	0	0	(0.004)	0	0.239
Regeneration	3.679	(0.061)	(1.640)	0	(0.341)	2.159
Transportation	1.700	0	1.449	0.035	0	3.189
16.460	2.580	(0.635)	(3.067)	0.212	(0.689)	14.861

APPENDIX A (Cont.)

CAPITAL PROGRAMME - CHANGES DURING 2013/14

	Original Budget 2013/14	Rollover from 2012/13	20% Holdback	Changes (Previous)	Changes (Current)	Rollover to 2014/15	Revised Budget 2013/14
	£m	£m	£m	£m	£m	£m	£m
Lifelong Learning							
Leisure Centres	0	0	0	0.026	0	0	0.026
Swimming Pools	0	0.120	0	0	0	0	0.120
Community Centres	0	0.065	0	0	0	0	0.065
Recreation - Other	0	0.034	0	0	0	0	0.034
Play Areas	0	0	0	0.050	0.027	0	0.077
Education - General	3.580	0.403	(0.566)	(2.998)	1.015	0	1.434
Primary Schools	0.075	1.129	(0.015)	1.219	(0.063)	(0.036)	2.309
Schools Modernisation	4.745	0.138	0	1.109	0	(0.665)	5.327
Community Youth Clubs	0	0	0	0.093	0	0	0.093
Secondary Schools	0	0.718	0	0.627	0.068	(0.042)	1.371
Special Education	0	1.138	0	0.578	0	0	1.716
Minor Works, Furniture & Equipment	0.060	0	(0.012)	0	0	0	0.048
Schools - Additional Funding	0	0.006	0	0	0	0	0.006
	8.460	3.751	(0.593)	0.704	1.047	(0.743)	12.626

CAPITAL PROGRAMME - CHANGES DURING 2013/14

Original Budget 2013/14	Rollover from 2012/13	20% Holdback	Changes (Previous)	Changes (Current)	Rollover to 2014/15	Revised Budget 2013/14
£m	£m	£m	£m	£m	£m	£m
5.321	1.196	0	0	0	0	6.517
0.300	0.020	0	0	0	0	0.320
4.061	(0.132)	0	0	0	0	3.929
1.000	0	0	0	0	0	1.000
0.310	0.050	0	0	0	0	0.360
10.992	1.134	0.000	0.000	0.000	0.000	12.126

Housing Revenue Account :

Housing Revenue Account

Major Works

Accelerated Programmes

WHQS Improvements

Disabled Adaptations

Other Services

Totals :

Council Fund

Housing Revenue Account

Grand Total

29.908	7.616	(2.106)	(1.639)	1.267	(1.432)	33.614
10.992	1.134	0	0	0.000	0	12.126
40.900	8.750	(2.106)	(1.639)	1.267	(1.432)	45.740

CORPORATE SERVICES

Capital Budget Monitoring 2013/14 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required
Information Technology	1.685	0.088	1.387	(0.298)	(18)	0.000	Early Identified Rollover - Information Technology £0.100m EDRMS Implementation £0.057m Microsoft Enterprise Agreement £0.141m	Request approval to move funding of £0.298m into 2014/15
Flintshire Connects	0.674	0.004	0.474	(0.200)	(30)	0.000	Early Identified Rollover - Buckley Connects £0.200m	Request approval to move funding of £0.200m into 2014/15
Corporate Finance	0.122		0.122	0.000	0	0.000		
total	2.481	0.092	1.983	(0.498)	(20)	0.000		
Clwyd Theatr Cymru	0.060	0.033	0.060	0.000	0	0.000		
Total	0.060	0.033	0.060	0.000	0	0.000		

Variance = Budget v Projected Outturn

COMMUNITY SERVICES

Capital Budget Monitoring 2013/14 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required
Private Sector Renewal/Improvement	3.462	1.113	3.462	0.000	0	0.000		
Depot (Housing)	0.000	0.002	0.000	0.000		0.000		
Children's Services	0.000	(0.006)	0.000	0.000		0.000		
Travellers' Sites	0.124		0.124	0.000	0	(0.046)		
Total	3.586	1.109	3.586	0.000	0	(0.046)		

Variance = Budget v Projected Outturn

ENVIRONMENT

Capital Budget Monitoring 2013/14 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr		Cause of Variance	Action Required
						£m	%		
Administrative Buildings	3.864	0.989	3.955	0.091	2	0.008		Movement due to Salix payments currently held in balance sheet	Transfer Salix balance to fund Energy overspend
Sustainable Waste Management	0.717	0.256	0.666	(0.051)	(7)	(0.050)		Sandycroft Household Recycling Centre delayed in 2013/14 due to Review of the Council's Waste Collection Policy	Cabinet to consider revised Strategy in February 2014
Engineering	0.477	0.072	0.265	(0.212)	(44)	(0.348)		Early Identified Rollover - Funds allocated to the Mold Flood Alleviation Scheme, which is currently at an advanced stage of design	Request approval to move funding of £0.203m into 2014/15
General Environmental Enhancement	0.002	0.004	0.004	0.002	100	0.002			
Highways	4.208	1.735	4.205	(0.003)	(0)	0.000			
Planning Grant Schemes	0.006	0.007	0.007	0.001	17	0.001			
Ranger Services	0.239		0.150	(0.089)	(37)	(0.007)		Early Identified Rollover - Wepre Park Development, which is substantially funded by HLF monies, is due to start in the final quarter of 2013/14, with the majority of expenditure reprofiled to 14/15	Request approval to move funding of £0.089m into 2014/15
Regeneration	2.159	0.242	0.668	(1.491)	(69)	(0.341)		Early Identified Rollover - ERDF Grant for Town Centre Regeneration. Current works delayed into 2014/15 Report taken to Cabinet 15/10/13 refers	Request approval to move funding of £1.459m into 2014/15
Transportation	3.189	0.676	3.189	0.000	0	0.000			
Industrial Units	0.000			0.000		(0.005)			
Total	14.861	3.981	13.109	(1.752)	(12)	(0.740)			

Variance = Budget v Projected Outturn

LIFELONG LEARNING

Capital Budget Monitoring 2013/14 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required
Leisure Centres	0.026	0.004	0.026	0.000	0	0.000		
Swimming Pools	0.120	0.082	0.120	0.000	0	0.000		
Community Centres	0.065	0.036	0.065	0.000	0	0.000		
Recreation - Other	0.034		0.034	0.000	0	0.000		
Play Areas	0.077	0.054	0.077	0.000	0	0.000		
Education - General	1.434	0.201	1.434	0.000	0	(0.005)		
Primary Schools	2.309	0.557	2.309	0.000	0	(0.036)		

Variance = Budget v Projected Outturn

LIFELONG LEARNING (Cont.)

Capital Budget Monitoring 2013/14 - Month 6

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required
Schools Modernisation	5.327	1.223	5.327	0.000	0	(0.665)		
Community Youth Clubs	0.093	0.090	0.093	0.000	0	0.000		
Secondary Schools	1.371	0.513	1.371	0.000	0	(0.042)		
Special Education	1.716	0.411	1.716	0.000	0	0.000		
Minor Works, Furn & Equip	0.048	0.028	0.048	0.000	0	0.000		
Schools - Additional Funding	0.006	0.000	0.006	0.000	0	0.000		
Total	12.626	3.199	12.626	0.000	0	(0.748)		

Variance = Budget v Projected Outturn

HOUSING REVENUE ACCOUNT
Capital Budget Monitoring 2013/14 - Month 6

Programme Area	Total Budget	Actual Exp.	Projected Outturn	Variance (Under)/Over	Variance %age	Variance Prev Qtr	Cause of Variance	Action Required
	£m	£m	£m	£m	%	£m		
Major Works	6.517	1.473	6.517	0.000	0	(0.217)		
Accelerated Programmes	0.320	0.036	0.320	0.000	0	(0.025)		
WHQS Improvements	3.929	2.758	3.929	0.000	0	0.000		
Disabled Adaptations	1.000	0.302	1.000	0.000	0	0.000		
Other Services	0.360	0.213	0.360	0.000	0	0.000		
Total	12.126	4.782	12.126	0.000	0	(0.242)		

Variance = Budget v Projected Outturn

FLINTSHIRE COUNTY COUNCIL

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

DATE: **THURSDAY, 12 DECEMBER 2013**

REPORT BY: **HEAD OF HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT**

SUBJECT: **WORKFORCE INFORMATION QUARTER 2 JULY - SEPTEMBER 2013**

1.00 PURPOSE OF REPORT

1.01 To provide Members with an update for the second quarter 2013/14. This report provides details of the following:

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

2.00 BACKGROUND

2.01 The format of the detailed Workforce Information report was approved by Scrutiny on 9 March 2009 and agreed by Corporate Management Team on 26 March 2009.

2.02 This report now includes additional details on agency workers, including number of placements, level of spend and the savings which have been achieved through the Matrix contract and information on Early Retirements, the latter being reported bi-annually (first and third quarter reports).

2.03 The format of this accompanying report has been adapted to provide commentary on changes and trends that have occurred during the quarter on an exceptional basis.

3.00 CONSIDERATIONS

Establishment

3.01 As stated in quarter 1, due to a hold on the deletion of vacant positions whilst the data was being imported to the Pay Modeller for Single Status, a data cleanse exercise was carried out in August to reduce vacancies. However,

due to ongoing Service Reviews throughout the Authority, the net effect in the reduction of vacancies is only 51. As part of the Service Review process, any vacancies remaining within the old service will be removed accordingly.

Headcount

- 3.02 The headcount report figures continue to reflect the removal of relief and school supply workers. The headcount figure in quarter 2 is 7,309 compared to the comparative figure of 8,977 last year.

Agency

- 3.03 The statistics below provide a breakdown of spend and net savings per month during the second quarter.

Month	Spend £	Net Savings £	Net Savings %
July	£286,323.04	£24,711.56	8.63%
August	£206,613.43	£18,371.66	8.89%
September	£378,571.24	£32,027.66	8.46%

- 3.04 Snapshot figures taken from Matrix on 30th September indicate 156 placements were active, a greatly reduced figure when compared to the same date in the previous financial year.

Year	2012	2013
July	192	197
August	224	179
September	235	156

- 3.06 The Agency net savings for the second quarter for the financial year 2013/14 are £57,688.23, compared to £80,210.23 savings for the same quarter in the financial year 2011/12. This is due to an overall reduction in the volume of agency workers used.

Early Retirements

- 3.07 Not reported this quarter.

Turnover

- 3.08 The turnover report figure continues to reflect the removal of relief and school supply workers. The turnover figure in quarter 2 is 9.04% compared to the comparative figure of 11.45% last year.

Diversity

- 3.09 Further to the statement made in quarter 1, the increase in the quality and quantity of data continues to be identified in this quarter with the comparison from quarter 2 last year.

Absence

- 3.10 The number of days lost due to absence in quarter 2 has increased from the comparative quarter 2 last year. As summarised in quarter 1, this is predominantly due to the significant increase in stress/depression related absences.

Average FTE Days Lost							
	All Wales Avg Whole Year 2010/11	2011/12 Actual FCC	All Wales Avg Whole Year 2011/12	2012/13 Actual FCC	All Wales Avg Whole Year 2013/14	2013/14 Actual FCC	2013/14 Target FCC
Qtr 1		2.27		2.52		2.53	2.25
Qtr 2		2.17		2.13		2.15	1.95
Qtr 3		2.89		3.18			2.45
Qtr 4		3.21		3.26			2.95
Whole Year	10.34	10.54	10.90	11.10		4.68	9.60

- 3.11 An additional absence report is included that shows the breakdown of absence reasons by long and short term periods. This report has been extended to show the breakdown by Directorate.

This report aligns to the breakdown developed as part of our benchmarking work across Wales. This means that each service area can now compare its long and short term absence at each level of the Organisation, throughout Wales.

There is a continued programme of attendance management reporting and action planning across each Directorate. Absences reporting, containing trigger reports, produced on a monthly basis are issued to managers. With the support of the HR team focus is made on frequent, short term absences, long term absences and return to work interviews, with employees, to understand any underlying issues affecting attendance at work.

Where necessary, capability measures are taken to address poor attendance. This includes first stage disciplinary through to dismissal.

The review of the Attendance Management Strategy has been completed and focused work is being undertaken between HR / Occupational Health and Directorate Management Teams to implement early interventions to reduce levels of sickness absence, e.g. Environment and Community Services. The Physiotherapy pilot in Streetscene is being evaluated.

100% Attendance – Flintshire

- 3.12 When looking at the 2nd quarter 2013/14 data, 81% of all employees have had 100% attendance. This represents an increase of 1% when compared to the same quarter last year.

100 % Attendance				
	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Actual
Quarter 1	78	77	75	75
Quarter 2	78	84	80	81
Quarter 3	65	75	67	
Quarter 4	69	67	70	
Whole Year	40	42	41	

100% Attendance by Directorate

- 3.13 When looking at each Directorate, the rate for Community Services and Environment compared to the same quarter last year has increased by 4% and 2% respectively, while Corporate Services has decreased by 1%.

	2012/13					2013/14				
	Q1	Q2	Q3	Q4	Whole Year	Q1	Q2	Q3	Q4	Whole Year
Community Services	69	71	63	65	30	76	75			
Corporate Services	81	83	74	76	45	82	82			
Environment	76	74	66	68	37	76	76			
Lifelong Learning	78	79	72	71	44	77	79			
Schools	76	85	65	70	44	73	85			

Community Services

- 3.14 The Community Services Directorate is pleased to report a further improvement in attendance across the Directorate during Quarter 2. There has been a significant improvement again in attendance rates in Adult Social Services and in Housing which is very encouraging. However there has been an increase in the number of absences in Children's Social Services and in Development & Resources. The Heads of Service responsible for these areas continue to work with their managers to bring about improvements through the application of the Attendance Management policy.

Long term absence continues to have the greatest impact on attendance rates across all services and although managers have been working hard to keep absences to a minimum, clearly there remains more work to be done to ensure that there is a greater focus on the importance of managing attendance. A Return to Work pathway has been developed and piloted in Community Services to assist managers to facilitate a timely return to work. This pathway involves early intervention by managers to identify alternative work opportunities where employees are temporarily unable to return to their substantive role for health reasons. These supportive measures have already had a positive impact with employees returning to work much sooner thereby improving absence rates at the start of this financial year. Heads of Service have set service targets to focus performance in this area and to identify areas which require further support and management intervention.

The Directorate recognises the need to maintain its focus on managing attendance as overall absence rates continue to remain above the corporate target. An Attendance Management working group has been developed across the Directorate, meeting on a monthly basis to look at hot spots and to review individual cases to ensure that they are being appropriately managed. The focus continues via the monthly Workforce Bulletin where health promotion tips are provided and absence levels are highlighted to the workforce. During Quarter 2, 13 formal Capability Stage 1 meetings were held with employees whose absence was of concern and a further four formal Capability Stage 2 meetings were held which resulted in one dismissal.

Average FTE Days Lost by Service

	2012/2013				2013/2014	
	Qtr 2	Qtr 3	Qtr 4	Whole Year	Qtr 1	Qtr 2
Development and Resources	2.31	2.84	2.35	11.24	1.21	2.59
Housing Services	3.14	4.02	3.06	13.25	2.47	1.96
Social Services for Adults	4.34	5.56	6.35	20.92	4.00	3.20
Social Services for Children	3.24	3.98	5.11	14.91	2.97	3.98
Senior Management and Support	0.19	0.41	0.00	1.02	0.26	0.00
Community Services	3.75	4.78	5.16	17.57	3.33	2.99

Corporate Services

- 3.15 Actions within specific areas across Corporate Services have resulted in an overall reduction in FTE days lost and percentage absence rate which is encouraging. Additional support has been provided to managers in handling situations on a targeted approach where staff hit 'trigger points' which will contribute to further reductions going forward.

That said, some service areas have scope to improve further and we have targeted these areas for action. Changes to the categorisation of reason for absence has helped identify trends and patterns across Corporate Services, again to enable targeted action for tackling long term sickness absence which provides the main challenge.

Average FTE Days Lost by Service

	2012/2013				2013/2014	
	Qtr 2	Qtr 3	Qtr 4	Whole Year	Qtr 1	Qtr 2
Chief Executive's Dept	4.16	2.44	2.71	11.25	3.87	4.50
Clwyd Theatr Cymru	0.08	0.80	0.95	2.51	0.53	0.20
Finance	1.42	1.62	6.01	10.75	1.56	1.35
HR & OD	1.61	2.26	2.71	7.29	6.30	2.78
ICT & Customer Services	0.95	1.17	1.06	3.97	0.98	0.49
Legal and Democratic Services	2.8	2.45	1.04	10.8	2.01	1.09
Corporate Services	1.52	1.65	1.75	6.44	2.83	1.42

Environment

- 3.16 Managing attendance remains a priority for the Directorate and is a standing item on the agenda of each of the service area Senior Management Team (SMT) meetings. Four of the six service areas are currently achieving attendance levels which are better than annual forecast target of 9.6 FTE days lost and we are optimistic about maintaining this level.

The Workforce Information Report is showing a marginal improvement for the Directorate from Qtr 1 to Qtr 2. A higher level of improvement was anticipated due to the number of management interventions and on further analysis this can be attributed to the late submission of paperwork. Timely returns would have resulted in an improved position for the Directorate, and this should bear out in the Qtr 3 report.

Due to the occupational groups and nature of the work undertaken, Streetscene continues to look for alternative interventions in order to achieve improvements in attendance. Return to Work interviews are now conducted by both the Team Leader and the Supervisor, with the presence of the senior officer visibly raising the profile and importance of attendance management. This is a new initiative and early indications are that this is a positive intervention. A cross functional group also meet on a weekly basis to review ongoing absences and agree a strategy for resolution which in some cases has led to employees being dealt with through the formal attendance management procedure.

Average FTE Days Lost by Service

	2012/2013				2013/2014	
	Qtr 2	Qtr 3	Qtr 4	Whole Year	Qtr 1	Qtr 2
Assets and Trans	1.60	2.50	2.23	8.35	2.28	1.93
Mgt, Supp and Perf	1.37	1.26	4.37	8.92	0.74	1.40
Planning Services	0.91	2.97	4.02	10.27	3.25	1.61
Public Protection	1.36	1.83	1.30	6.83	1.79	1.30
Regeneration Division	1.60	2.38	4.90	13.44	3.46	0.78
Streetscene Services	3.33	4.39	4.34	15.61	3.69	4.30
Senior Management and Support	1.33	0.00	0.00	2.67	0.00	0.00
Environment	2.42	3.40	3.55	12.34	3.07	3.04

Lifelong Learning

- 3.17 For Lifelong Learning we have identified an overall slight increase in absence in from 3.94% in quarter 1 to 4.80% in quarter 2. Whilst Schools have seen a drop from quarter 1 4.69% to 3.09% in quarter 2. Support for attendance management issues continues to be provided by HR, working with Managers. The Directorate continues to apply the formal procedures to support the management of attendance including long term absence via formal Capability Hearings. This has included during quarter 2, two Capability Stage 1 Hearings and one Capability Stage 2 Hearing, resulting in dismissal on grounds of ill health. In addition 2 further employees with long term attendance management issues have resigned. This should continue to impact on the performance levels of the Directorate in quarter 3.

Average FTE Days Lost by Service

	2012/2013				2013/2014	
	Qtr 2	Qtr 3	Qtr 4	Whole Year	Qtr 1	Qtr 2
Culture and Leisure	2.00	2.39	2.34	8.30	1.93	2.78
Resources and Dev	2.95	3.34	3.90	13.77	3.27	3.58
Lib, Culture and Heritage	3.00	3.40	2.98	10.99	0.69	1.42
School Services	1.55	3.54	3.44	10.86	2.49	1.69
Senior Management and Support	0.00	0.00	0.00	7.14	0.00	0.57
Lifelong Learning	2.37	3.11	3.13	11.12	2.25	2.51

4.00 RECOMMENDATIONS

4.01 Members note Workforce Information Report for quarter two for 2013/14.

5.00 FINANCIAL IMPLICATIONS

5.01 Increased accuracy of reporting of the employed workforce and agency workers will allow the Council to better understand and therefore both plan and manage the largest single cost of service delivery.

6.00 ANTI POVERTY IMPACT

6.01 None.

7.00 ENVIRONMENTAL IMPACT

7.01 None.

8.00 EQUALITIES IMPACT

8.01 This increased reporting and monitoring within this area will result in more informed analysis of the impact our policies and procedures have across these groups.

9.00 PERSONNEL IMPLICATIONS

9.01 None.

10.00 CONSULTATION REQUIRED

10.01 None.

11.00 CONSULTATION UNDERTAKEN

11.01 Already undertaken with Corporate Management Team and Equalities Unit.

12.00 APPENDICES

12.01 Available in Members' Services and on the Website.

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS

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FLINTSHIRE COUNTY COUNCIL

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

DATE: **12TH DECEMBER 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

None as a result of this report.

6.00 ANTI POVERTY IMPACT

None as a result of this report.

7.00 ENVIRONMENTAL IMPACT

None as a result of this report.

8.00 EQUALITIES IMPACT

None as a result of this report.

9.00 PERSONNEL IMPLICATIONS

None as a result of this report.

10.00 CONSULTATION REQUIRED

N/A

11.00 CONSULTATION UNDERTAKEN

Publication of this report constitutes consultation.

12.00 APPENDICES

Appendix 1 – Forward Work Programme

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

None.

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

DATE	SUBJECT	O&S FOCUS	REPORT FROM
Date to be notified in January 2014	Budget meetings		
Thursday 16 th January 2014 10.00	Revenue Budget Monitoring 2013/14 Month 7 Council Tax Reduction Scheme Approval of a Council Tax Reduction Scheme within prescribed requirements and local discretions for 2014/15 WAO Improvement Assessment Letter To receive the Improvement Assessment Letter from the Auditor General for Wales and note the Council's Response Feedback from Improvement and Performance Plans Forward Work Programme	Monitoring Consultation Information Consultation Development and confirmation	HF HF CE MEM MEM
Thursday 13 th February 2014 10.00	Revenue Budget Monitoring 2013/14 Month 8 Assets as an Organisational Change strategy workstream (6 monthly update, as per the resolution of the committee on 17/1/13) Workforce Information Quarter 3 October - December 2013 To provide Members with an update for the third quarter 2013/14 Forward Work Programme	Monitoring Monitoring and development Monitoring Development and confirmation	HF HAT HHROD MEM

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

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Thursday 13 th March 2014 10.00	Revenue Budget Monitoring 2013/14 Month 9 Procurement as a Flintshire Futures workstream (6 monthly update, as per the resolution of the committee on 17/1/13) Forward Work Programme	Monitoring Monitoring and development Development and confirmation	
Thursday 10 th April 2014 10.00	Revenue Budget Monitoring 2013/14 Month 10 Forward Work Programme	Monitoring	
Thursday 8 th May 2014 10.00	Revenue Budget Monitoring 2013/14 Month 11 Forward Work Programme	Monitoring	
Thursday 12 th June 2014 10.00	Revenue Budget Monitoring 2013/14 Month 12	Monitoring	

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

Key: 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, PPPM = Policy, Performance & Partnerships Manager

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