

Public Document Pack

Gareth Owens LL.B Barrister/Bargyfreithiwr
Chief Officer (Governance)
Prif Swyddog (Llywodraethu)



To: Cllr Carolyn Thomas (Chair)

CS/NG

Councillors: Marion Bateman, Clive Carver,
Paul Cunningham, Peter Curtis, Ian Dunbar,
Andy Dunbobbin, Robin Guest, Ron Hampson,
Joe Johnson, Richard Jones, Richard Lloyd,
David Roney, Paul Shotton and Arnold Woolley

3 October 2014

Tracy Waters 01352 702331
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Dear Sir / Madam

A meeting of the **CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE** will be held in the **DELYN COMMITTEE ROOM, COUNTY HALL, MOLD CH7 6NA** on **THURSDAY, 9TH OCTOBER, 2014** at **10.00 AM** to consider the following items.

Yours faithfully

Democracy & Governance Manager

AGENDA

- 1 **APOLOGIES**
- 2 **DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)**
- 3 **MINUTES** (Pages 1 - 12)
To confirm as a correct record the minutes of the meeting held on 11 September 2014.
- 4 **BUDGET CONSULTATION PROCESS**
A verbal update will be provided.

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

5 **REVENUE BUDGET MONITORING 2014/15 (MONTH 4) AND CAPITAL PROGRAMME MONITORING 2014/15 (MONTH 4)** (Pages 13 - 64)

Report of Corporate Finance Manager enclosed.

6 **FORWARD WORK PROGRAMME** (Pages 65 - 70)

Report of Member Engagement Manager enclosed.

CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE **11 SEPTEMBER 2014**

Minutes of the meeting of the Corporate Resources Overview and Scrutiny Committee of the Flintshire County Council held at County Hall, Mold on Thursday, 11 September 2014

PRESENT: Councillor Carolyn Thomas (Chair)

Councillors: Clive Carver, Paul Cunningham, Peter Curtis, Ian Dunbar, Andy Dunbobbin, Robin Guest, Joe Johnson, Richard Jones, Richard Lloyd, David Roney and Paul Shotton

SUBSTITUTIONS:

Councillors: Haydn Bateman for Marion Bateman and Mike Peers for Arnold Woolley

ALSO PRESENT:

Chief Officer (Organisational Change), Head of ICT and Customer Services, Finance Manager, Accountant,

CONTRIBUTORS:

Leader and Cabinet Member for Finance, Cabinet Member for Corporate Management, Chief Executive, Chief Officer (Governance), Chief Officer (People and Resources), Chief Officer (Organisational Change), Corporate Finance Manager, Team Manager Advice & Homeless Services, Customer Services Team Leader,
For minute number 25 - Mr. Paul Goodlad from Wales Audit Office

IN ATTENDANCE:

Member Engagement Manager and Committee Officer

21. DECLARATIONS OF INTEREST

No declarations of interest were made.

22. MINUTES

The minutes of the meeting of the Committee held on the 30th of July 2014 had been circulated with the agenda for the meeting.

Matters Arising

Minute 15

Councillor Paul Shotton thanked the Officers for the update on the Flintshire Connects footfall, and was pleased with the Connah's Quay figures. The Chief Executive indicated that this data would be included in future Access to Council Services reports.

Councillor Clive Carver reiterated concerns about Officers working from home not being readily contactable, citing specific examples. The Chief Executive stressed that his comments at the previous meeting had related to the incidence of systemic failures rather than a particular occasion. The Chair indicated that this should be an item for the Environment Overview & Scrutiny Committee to which she would refer it.

Councillor Mike Peers asked for information on the carrying out of appraisals, which the Chief Officer (People and Resources) undertook to provide.

Councillor Paul Shotton explained that he had asked a question on whether the move to Individual Elector Registration would increase public engagement; he was not saying that it would. It was agreed that the minute be amended accordingly. Councillor Carver raised an issue on the Individual Elector registration letter. The Chief Officer (Governance) explained that electors now needed to make an annual request for their details to be excised from the commercially available version of the register. The Chief Executive indicated that a full update on progress with the new form of canvass would be made on completion later in the autumn.

Councillor Peers asked whether the iPad training had been undertaken. The Chairman and some Members of the Committee confirmed that it had and the Chair undertook to send Councillor Peers the email which had been recently circulated listing progress.

Councillor Robin Guest commented that it seemed unusual that his wife had completed the individual registration form online, but had received confirmation by post. The Chief Officer (Governance) responded that this was a security provision.

Minute 17

The Chair commented that repairs and maintenance in schools would be the subject of a report to the Lifelong Learning Committee at the December meeting.

RESOLVED:

That subject to the amendment, the minutes be approved as a correct record and signed by the Chair.

23. ADDITIONAL ITEM

The Chair indicated that under Section 100 (B4(b) of the Local Government Act 1972 (as amended) she had requested that an urgent item be included at the meeting, to enable the Leader and Chief Executive to give a verbal update on the Budget Consultation Process.

24. BUDGET CONSULTATION PROCESS

The Chief Executive thanked the Chair for the opportunity to bring this issue to Members, and reported that the provisional local government settlement from the Wales Government was due to be published on the 8th October 2014. He explained the process which went from publication of provisional settlement through consultation to final settlement. This was normally in mid to late December.

He went on to explain that the Group Leaders had been briefed on the fundamental business planning review process which was being undertaken and commented on difficulties in planning longer term when the Welsh Government was only providing one year settlements. He went on to say that indicative reductions of between 1.5% and 4.5% in the Revenue Support Grant were being anticipated. Until the publication of the provisional settlement, the extent of the reduction would not be known. All services were currently approaching this on a 'worst case' scenario.

Initially discussions would take place with the Leadership and Cabinet before wider consultation was instituted.

The Leader and Chief Executive commented on the 'Big Budget Conversation' which had provided information to Flintshire residents on the scale of the project and the budget cuts required; 550 responses had been received to date. He commented on options for Town and Community Councils which could include the sharing of responsibilities.

The Leader of the Council said that discussions with Cabinet and Senior Officers on the budget were paramount. He expressed his pride at being able to support the budget for 2014/15 which had set out internal efficiencies before frontline services but said that this could not continue in the future. The funding proposals from Welsh Government were awaited with the worst expectation being 4.5% or £18m, meaning a total of £31m over two years.

Councillor Guest referred to the Big Budget Conversation and asked whether Members would receive a report on the outcome. The Chief Executive confirmed that the results of the survey would be shared with members and published.

In response to a question from Councillor Guest, the Leader of the Council said that it was hoped that the views expressed in the questionnaire would be shared as a background document during the consultation exercise. He added that there had been some suggestions had been made of where savings could be made.

The Chief Executive said that it had been important to inform residents of the challenges that the Council was facing and that it was also good practice to provide information on the outcome of the survey. He commented

on the challenging times ahead which could include consideration of alternative models such as increased charges.

Councillor Clive Carver asked how it could be ensured that the responses received on social media were valid and not from a small number of residents making repeated responses. The Chief Executive said that users had been encouraged to indicate whether they lived in Flintshire but reminded the Committee that the comments received as part of the research did not form a binding decision. The primary aim of the survey was to provide residents with information about the challenging times ahead and to seek their comments on how they felt the cuts should be achieved.

The Chair emphasised the need for the dates of Member consultation meetings to be published as soon as possible.

In referring to the significant budget cuts facing the authority, Councillor Mike Peers asked whether the future protection of front line services was in doubt. The Leader of the Council responded that it was important to continue to protect these services but reminded Members that the Council would have to deliver fewer services due to lower funding provision and he could therefore not confirm that frontline services would be protected in the future.

Councillor Richard Jones asked how the results from the survey/consultation exercise would create a criteria to assist the leadership in making the difficult decisions that the Council faced and how they would use the suggestions put forward. The Leader of the Council said that there would be a need to have these discussions at the second stage of consultation and added that Members, as part of the democratic debate, would need to decide how to use the consultation responses. He welcomed the option to discuss Councillor Jones' views on the criteria and referred to the unprecedented financial challenge. He added that Members would need to make difficult choices based on priorities and that a suite of options in excess of £18m was required to present to Members to allow those choices to be made.

The Chief Executive said that significant cuts internally could not continue and that the consultation exercise was a way of providing residents with the information on the challenges ahead and seeking their opinions. He reminded Members of the difficult decisions that they would have to make and added that all service areas would need to consider how to make savings. In response to a query from the Chair, he confirmed that workshops would be held for Members prior to the formal Overview & Scrutiny budget meetings but that dates for these had not yet been set.

Councillor Paul Shotton said that it was important to raise public awareness of the seriousness of the situation. Councillor Peter Curtis welcomed the opportunity for the public to be able to put forward their views and said that due to the potential budget cuts, it was impossible to confirm that front line services would not be affected. The Cabinet Member for Corporate Management, Councillor Mullin, agreed that the views of residents through public engagement were important.

RESOLVED:

That the update be received and that Members be informed of the budget consultation workshop dates as soon as possible.

25. IMPROVEMENT PLAN 2014-15 AUDIT – CERTIFICATE OF COMPLIANCE

The Chief Executive introduced the report to advise Members of the positive Certificate of Compliance from the Auditor General for Wales in respect of the audit of the 2014-15 Improvement Plan. An Executive response was also included.

Mr. Paul Goodlad from Wales Audit Officer (WAO) provided a detailed presentation to the Committee, with the main features being as follows:-

- Context and Background
- Summary
- The Council has addressed the key areas of concern highlighted in the September 2013 Improvement Assessment Letter from WAO
- Improvement Objectives and sub-priorities within the Plan are (with a few exceptions) generally clear and robust
- Achievement measures do not always clearly reflect planning achievements/outcomes
- A few inconsistencies between aspirations to improve and the targets set for 2014-15
- In the few cases, the 'bigger impact' expected from the Plan is not apparent
- A minority of targets set for 2014-15 do not appear to be challenging
- In the significant majority of cases, the Council should be able to clearly demonstrate achievement of each improvement objective and sub-priority
- Gaining access to, and awareness of, the Improvement Plan and its key messages may be challenging for some stakeholders
- Proposals for Improvement

The Chair requested that the presentation be sent electronically to Members.

The Chief Executive felt that some of the comments were valid such as clearer explanation in some sections of the Plan. However, he also disagreed with some of the comments such as on the opportunities to raise awareness of the plan being reduced because of the decision to stop the door-step delivery of the *Your Community, Your Council* newsletter. He explained other ways that residents could access the document either on the website, by email or in libraries.

Councillor Richard Jones welcomed the points raised but felt that the feedback should be considered by a Task and Finish Group made up of Members from the Committee. He felt that it was important to understand

what was being undertaken by neighbouring authorities on their plans and to replicate any good practices.

Councillor Mike Peers referred to the issue of street-lighting highlighted in the presentation and agreed that the target should be three days if the fault was the responsibility of the Council and that this should be clearly identified in the achievement measure. Councillor Richard Lloyd felt that street-lights should be inspected more regularly to allow faults to be identified and that the three day target should only apply once the problem had been discovered.

The Cabinet Member for Corporate Management, Councillor Billy Mullin, thanked Mr. Goodlad for the presentation. He also referred to the issue of the Council's newsletter and reminded the Committee that residents could also access the Council's website at the new Connect Centres.

Councillor Clive Carver suggested that the plan should be called a "Challenge Plan" rather than an Improvement Plan. Councillor Andy Dunbobbin suggested that a text only file, rather than a PDF, could be made available to those wanting to access the document to reduce the download time.

Councillor Robin Guest felt that this Committee should look at all aspects of the Improvement Plan not just those relevant to this Committee. Each Committee currently considered the document for the service areas in the remit of that Committee and put their comments forward for Council determination. This meant that this Committee did not have the opportunity to consider the comments made before the Council decision was taken.

Following the earlier comments on street-lighting, Mr. Goodlad explained that the information had been included to identify the flat target rather than to undertake a debate on the particular target. He added that improvement could be measured in two ways which were to provide more services for the same money or the same services for less money.

The Chief Executive agreed that the term 'Improvement Plan' was dated which he felt was a national issue. He said that it was important to keep the rigour of target setting in proportion and not allow it to distract from ongoing work. Public interest was high in individual services but generally for corporate issues such as the Improvement Plan, it was low.

The Chair sought nominations for the Task and Finish Group and the Chair, Councillors Richard Jones and Robin Guest put their names forward. The Chief Executive supported the proposal and offered to draft a suggested Terms of Reference for the Group with the Cabinet Member for Corporate Management.

RESOLVED:

- (a) That the presentation be received;

- (b) That the report and the Council's Executive response be noted; and
- (c) That Councillors Carolyn Thomas, Richard Jones and Robin Guest form a Task and Finish Group to consider the feedback from the Wales Audit Office on the Improvement Plan.

26. **IMPROVEMENT PLAN MONITORING REPORT**

The Chief Executive introduced a report for the Committee to consider elements of the 2014/15 Improvement Plan Monitoring report relevant to the Committee for the period April to July 2014.

Representatives from each of the service areas gave a short presentation on the Improvement Plan progress, outlining the progress status, how the achievements would be measured and the actions/arrangements in place to control the risk. They also answered questions, as shown below, on each of the service areas which were:-

- Welfare Reform
- Organisational Change
- Financial Strategy
- Procurement Strategy
- Asset Strategy
- Access to Council Services
- People Change & Development

Welfare Reform

Councillor Ian Dunbar welcomed the work of the Welfare Reform Team and, in referring to householders with disabilities, commented on there not being any smaller adapted properties available for them to move into. He queried whether it would be more cost effective to allow them to stay in their current property rather than them having to move. The Team Manager Advice & Homeless Service spoke of a common sense approach but referred to the spare room subsidy which would result in tenants losing benefits if they had too many bedrooms in their property. The Welfare Team would ensure that the tenants were receiving all the benefits they were entitled to including access to Discretionary Housing Payments (DHP), which could be paid for as long as it was deemed necessary. He also referred to a recent Private Members Bill that the spare room subsidy should only apply if alternative properties were available, which had been discussed in Parliament.

In praising the work of the Welfare Reform Team, Councillor Paul Shotton asked whether Flintshire County Council had received any of the funding from the extra DHP monies made available specifically for Wales. The Team Manager advised that Flintshire had not received any of the funding specifically for rural locations but had been successful in its application for £50,000 from the Welsh Government's 'Additional DHP Fund' which would contribute to the Welfare Reform Team and the development of Advice Gateway Service.

Organisational Change

Councillor Robin Guest queried the quarter 1 outturn which was reported as being 'under review'. The Chief Executive responded that as there were many ongoing service reviews, it was impossible to set a meaningful target at this point.

Financial Strategy

Councillor Mike Peers queried whether it would be possible to produce a four year sustainable plan, as reported, due the current financial climate. The Chief Executive responded that in the absence of indicative figures it was difficult to plan with any certainty. He added that requests had been put forward for three to four year budget proposals from Welsh Government (WG) rather than the current annualised information.

Councillor Richard Jones sought clarification on the entry for the 2014/15 target on page 40 and in response, the Corporate Finance Manager explained that it had been confirmed for 2014/15 that 100% of resources were in place. Following a further query from Councillor Jones, the Chief Officer (People and Resources) explained that the 'Red/Amber/Green' (RAG) status for this year was green but that the Outcome Performance Predictive RAG should not be reported as such. Councillor Jones felt that the risks to be managed were not well written in the document and that they should be reviewed.

Procurement Strategy

In providing an overview, the Chief Officer (Governance) paid tribute to the work carried out by the Head of ICT and Customer Services and his procurement team.

Councillor Richard Jones referred to the Welsh Procurement Consortium and raised concern for local businesses which he felt would be overlooked when choosing suppliers for goods or services. He felt that Flintshire County Council should be mindful of the weighting that local companies had to make them more competitive against other larger companies. The Chief Executive explained that this was a concern on the issue of scale across procuring councils and offered to follow up with more information on how contracts were being segmented to allow smaller contractors to benefit.

Councillor Mike Peers referred to the merger of Flintshire and Denbighshire Council's procurement teams and queried whether this would have to be disbanded if a voluntary reorganisation between Flintshire and Wrexham Councils took place. The Chief Executive responded that there was no intention to change existing service mergers, and the Leader of the Council said that there was no need or requirement to disband pre-existing mergers if reorganisation occurred.

Asset Strategy

Councillor Ian Dunbar asked whether phases three and four of County Hall would be sold if the programme to close them was completed. The Chief Officer (Organisational Change) that it was intended that the phases would be 'mothballed' but that selling of the building could be challenging due to the high running costs. He added that there currently no plans to vacate phases one and two.

In referring to Connah's Quay offices and the opening of the Connects Centre, Councillor Paul Shotton asked whether the old offices would be demolished. The Chief Officer (Organisational Change) said that the quality of the asset was poor which could result in the building being demolished but the wider regeneration approach would be considered.

Access to Council Services

Councillor Paul Cunningham queried whether the staff in the Connects Office in Flint were trained to deal with police issues and asked for details of the number of customers who had attended the office. The Customer Services Team Leader responded that the staff received basic training on police issues but also advised the customers that police surgeries were held on a Friday at the offices. Councillor Mike Peers queried whether Flintshire County Council were reimbursed for police queries dealt with by staff when the police were not in attendance. The Customer Services Team Leader did not have details of the customer numbers for individual offices or on possible reimbursements but would be able to provide the information following the meeting.

Councillor Robin Guest raised concern at the target of 84% which had been reported for complaints responded to within 10 working days as the current outturn was 75.31%. He felt that it implied that officers were sure that there would be an increase in performance for the remainder of the year and that if this was not the case, then the predictive outturn should be reported as amber not green. The Customer Services Team Leader referred to a number of initiatives which were in place and the mandatory training undertaken by employees and she added that officers were hopeful that the target could be achieved. Councillor Guest felt that the target was speculative and that the outcome should be reconsidered.

In response to a query from Councillor Richard Jones about computer training for vulnerable adults, the Customer Services Team Leader spoke of an initiative called 'Get Online' which could be accessed through the Flintshire County Council website. The training which was carried out in conjunction with Flintshire Local Voluntary Council was being rolled out and promoted across the county. She indicated that she could provide information on the initiative to Members.

In welcoming the opening of the Flintshire Connects Offices, Councillor Paul Shotton asked whether customers completed a satisfaction form based

on their experience of the service. The Customer Services Team Leader said that there were plans to put a form in place.

Councillor Clive Carver said that it was pleasing to see that the current outturn exceeded the target for the take up of the Flintshire app but queried why figures relating to the Council's website were not available. The Customer Services Team Leader explained that this was as a result of the forthcoming move to a new website.

People Change & Development

In response to a request from the Chair on Single Status appeals, the Chief Officer (People and Resources) said that appeals and maintenance claims had been reviewed and letters would be sent out to the employees from the following Monday, 15th September 2014. Further work was still required on some of the appeals.

Councillor Mike Peers asked about the drop in sessions and queried whether they had proved to be cost effective against potential equal pay claims. The Chief Officer (People and Resources) explained that the process was continuing and to date, 3,800 employees had signed the form. This figure would include a number who had potential equal pay claims and a clearer view of the figures would be known within the next few weeks.

On the issue of appraisals, Councillor Richard Jones felt that the Committee should consider the issue at a future meeting, particularly on core or transferable competencies. He suggested that there was a need to concentrate on measure REM3 and that the completion of employees appraisals should be included in the appraisal for all managers to ensure 100% completion. The Chief Officer (People and Resources) commented on the use of leadership competencies and explained that the new Chief Officer team would undertake their appraisals first followed by a programme of appraisals for employees across the Council.

Councillor Paul Shotton welcomed the introduction of the physiotherapy scheme to all employees. He queried the current outturn of 22 for employees undertaking supervisory and management training programmes developed with Coleg Cambria compared to the 2014/15 target of 115 to 120 employees. The Chief Officer (People and Resources) said that there were a number of programmes across the academic year and the target was expected to be met.

The Chair raised concern about areas within the Council which were not appropriately covered particularly between 12 and 2pm or on Friday afternoons and asked the Chief Officer (People and Resources) to raise the issue.

RESOLVED:

That the reports be received.

27. REVENUE BUDGET MONITORING 2014/15 (MONTH 3)

The Corporate Finance Manager introduced a report to provide Members with the latest Revenue Budget Monitoring 2014/15 (Month 3) for the Council Fund and Housing Revenue Account which was to be submitted to Cabinet on 16 September 2014.

The report reflected the work undertaken to rebase all staffing budgets to reflect the actual new costs arising from the new pay and grading structure following the implementation of the Single Status agreement. No pay variations were included within this report although this was deemed reasonable due to the fact that the relevant budgetary provision would be allocated to the actual costs being incurred in line with the affordability model used to estimate costs.

For the Council Fund, the projected net in year non pay expenditure was forecast to be £0.603m higher than budget and full details of the projected variances were summarised in appendix 1. The biggest variance was £0.514m which related to Domiciliary Care provision within the Localities Teams but had been slightly offset by the impact of the increase by Welsh Government in the level of the maximum charge cap from £50 per week to £55 per week. Section 3.05 detailed the efficiencies and it was currently projected that £8.444m of the £8.840m (96%) would be achieved.

An initial phase of Voluntary Redundancy Programme had identified a number of efficiencies and a second programme commenced on 1 September 2014 to run alongside the next phase of the Management Review.

Section 5 detailed the budget assumptions and risks and the projected balance on the contingency reserve was £2.338m and was summarised at appendix 3.

The HRA was projected to have an overall overspend of £0.038m and a projected closing balance at Month 3 of £1.127m which at 3.75% of total expenditure satisfied the prudent approach of ensuring a minimum level of 3%. Appendix 4 detailed the reasons for significant variances.

Councillor Robin Guest sought clarification on the significant variance for Social Services of £0.514 and suggested that the issue be referred to the Social and Health Care Overview & Scrutiny Committee for further consideration.

Councillor Mike Peers referred to the Section on Streetscene on page 91 and sought assurance that the posts which had been vacant for some time would be carefully considered.

In response to a question from Councillor Richard Jones, the Corporate Finance Manager said that any significant variances over £0.025m would be reported separately.

RESOLVED:

- (a) That the report be noted; and
- (b) That the Social and Health Care Overview & Scrutiny Committee be asked to consider the significant variances within Adult Social Care, particularly to £0.514m relating to Domiciliary Care provision.

28. FORWARD WORK PROGRAMME

The Chair introduced the report to consider the Forward Work Programme for the Committee.

Details were provided of the four items scheduled for the meeting on 9 October 2014. Councillor Clive Carver commented on recent problems he had experienced on not receiving responses to communications sent to officers. Councillor Robin Guest felt that the issue would be more appropriately considered by the Democratic Services Committee and Councillor Carver agreed to write to him with the details. It was also agreed, following an earlier suggestion by Councillor Richard Jones, that a report on appraisals be submitted to a future meeting of this Committee.

RESOLVED:

- (a) That the report be noted; and
- (b) That the Member Engagement Manager liaise with the Chair to include a report on appraisals on the Forward Work Programme for consideration at a future meeting of the Committee.

29. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE

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

(The meeting started at 10.00am and ended at 12.50 pm)

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Chair

FLINTSHIRE COUNTY COUNCIL

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

DATE: **THURSDAY, 9 OCTOBER 2014**

REPORT BY: **CORPORATE FINANCE MANAGER**

SUBJECT: **REVENUE BUDGET MONITORING 2014/15 (MONTH 4) AND CAPITAL PROGRAMME MONITORING 2014/15 (MONTH 4)**

1.00 PURPOSE OF REPORT

1.01 To provide Members with the Revenue Budget Monitoring 2014/15 (Month 4) report and the Capital Programme 2014/15 (Month 4) report.

2.00 BACKGROUND

2.01 Revenue Budget Monitoring 2014/15 (Month 4)

The Revenue Budget Monitoring 2014/15 (Month 4) report will be presented to Cabinet on 16th October 2014. A copy of the report is attached as Appendix A to this report.

2.02 Capital Programme 2014/15 (Month 4)

The Capital Programme 2014/15 (Month 4) report will be presented to Cabinet on 16th October 2014. A copy of the report is attached as Appendix B to this report.

3.00 RECOMMENDATIONS

3.01 Members are asked to note the report.

4.00 FINANCIAL IMPLICATIONS

4.01 As set out in the report.

5.00 ANTI POVERTY IMPACT

5.01 None.

6.00 ENVIRONMENTAL IMPACT

6.01 None.

7.00 EQUALITIES IMPACT

7.01 None.

8.00 PERSONNEL IMPLICATIONS

8.01 None.

9.00 CONSULTATION REQUIRED

9.01 None.

10.00 CONSULTATION UNDERTAKEN

10.01 None.

11.00 APPENDICES

11.01 Appendix A – Revenue Budget Monitoring 2014/15 (Month 4) report.
Appendix B – Capital Programme 2014/15 (Month 4).

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

**Contact Officer: Sara Dulson
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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **THURSDAY, 16 OCTOBER 2014**

REPORT BY: **CORPORATE FINANCE MANAGER**

SUBJECT: **REVENUE BUDGET MONITORING 2014/15 (MONTH 4)**

1.00 PURPOSE OF REPORT

1.01 To provide Members with the latest revenue budget monitoring information for 2014/15 for the Council Fund and Housing Revenue Account based on actual income and expenditure as at Month 4 and projected forward to year-end based on the most up to date information available.

1.02 INDEX OF CONTENTS

Section 2	Executive Summary
Section 3	Council Fund Latest In Year Forecast
Section 4	Inflation
Section 5	Monitoring Budget Assumptions & Risks
Section 6	Unearmarked Reserves
Section 7	Housing Revenue Account (HRA)
Appendix 1	Council Fund – Movement in Variances from Month 3
Appendix 2	Council Fund Variance Summary
Appendix 3	Efficiencies Summary
Appendix 4	Movements on Council Fund Unearmarked Reserves
Appendix 5	HRA Variance Summary

2.00 EXECUTIVE SUMMARY

The projected year end position, as estimated at Month 4 is as follows:

Council Fund

- Net in year non pay expenditure forecast to be £0.019m lower than budget. This does not include any potential effect of variances on pay (see paragraph 3.02)
- Projected contingency reserve balance at 31 March 2015 of £2.960m

Housing Revenue Account (HRA)

- Net in year expenditure forecast to be £0.038m less than budget.
- Projected closing balance as at 31 March 2015 of £1.203m

3.00 COUNCIL FUND LATEST IN YEAR FORECAST

3.01 The table below shows the projected position by portfolio which reflects the Council's new Operating Model which came into effect on 1 June 2014.

3.02 As reported in Month 3, following the implementation of the Single Status agreement in June 2014, extensive work has been undertaken to rebase all workforce budgets to reflect the actual new costs arising from the new pay and grading structure. Due to the continuation of the above significant piece of work no pay variations are included within this report. Given that the workforce budgetary provision will be allocated to the actual costs being incurred in line with the affordability model used to estimate costs, variations of any significance are not expected. It is anticipated that this rebasing work will be concluded in time for the next monitoring report.

3.03 The table below shows projected in year non pay expenditure to be £0.019m less than budget.

Portfolio	Revised Budget £m	Projected Outturn £m	In-Year Over/ (Under) spend	
			Month 3	Month 4
			£m	£m
Social Services	58.956	59.410	0.646	0.454
Community & Enterprise	14.117	13.828	(0.085)	(0.289)
Streetscene & Transportation	28.373	28.630	0.293	0.257
Planning & Environment	5.561	5.561	(0.033)	0.000
Education & Youth	96.533	96.374	(0.097)	(0.159)
People & Resources	5.010	5.041	0.015	0.031
Governance	8.448	8.681	0.169	0.233
Organisational Change	9.498	9.468	(0.006)	(0.030)
Chief Executive	3.380	3.414	0.010	0.034
Central & Corporate Finance	25.300	24.750	(0.309)	(0.550)
Total	255.176	255.157	0.603	(0.019)

The reasons for all movements from Month 3 are summarised in appendix 1 with the projected variances occurring for the year to date summarised within appendix 2.

Programme of Efficiencies

Corporate and Functional Efficiencies

- 3.04 The 2014/15 budget contains £8.8m of specific efficiencies comprising Corporate Value for Money (VFM) on Procurement and Back to Basics of £1.3m and specific Functional VFM efficiencies of £7.5m.
- 3.05 The table below summarises the latest position for the achievement of these efficiencies. The analysis shows that it is currently projected that £8.444m (96%) will be achieved resulting in a net underachievement of £0.396m. Details for the in year efficiencies currently projected to not be achieved in full are shown in appendix 3.

Status of Efficiency	Value of Budgeted Efficiency £m	Value of Projected Efficiency £m	(Under) Over Achievement £m
Already Achieved	1.643	1.643	0.000
Expected to be Achieved in Full	5.211	5.211	0.000
Achievable in Part	1.936	1.590	(0.346)
Not Achievable	0.050	0.000	(0.050)
Total	8.840	8.444	(0.396)

- 3.06 It should be noted that a significant efficiency is included within the Functional VFM targets for the administrative support across the organisation. This is subject to further review and though currently assumed as achievable remains an additional risk.

Workforce Efficiencies

- 3.07 The 2014/15 budget also contains £3.1m of Workforce Efficiencies. As previously reported an initial Voluntary Redundancy Programme has now identified a number of efficiencies as part of its first phase and a second Voluntary Redundancy programme, which commenced on 1st September, is running alongside the next phase of the Management Review.
- 3.08 The table below details the efficiencies achieved to date against each phase of the Workforce Programme:

Workforce Phase	Efficiency Achieved (%)
Management Phase 1 (Tier 1 & 2)	79
Management Phase 2	25
Workforce Scale Review	41
Cost of Employment	Allocated to Portfolios

4.00 INFLATION

- 4.01 Included within the 2014/15 budget are provisions for pay (£1.316m), targeted price inflation (£0.590m), non standard inflation (£0.670m) and income (£0.151m).
- 4.02 The amounts for non standard inflation (Fuel, Energy and Food) will be held centrally and allocated out to portfolio areas only where a funding need is evidenced. It is currently assumed that all of the allocation will be required.

5.00 MONITORING BUDGET ASSUMPTIONS AND RISKS**Former Euticals Site**

- 5.01 As referred to in previous monitoring reports, tenders are due for the full decommissioning, decontamination and clearance of the former chemical site in Sandycroft (Euticals Ltd). The cost of this work will be significant due to the work involved in the removal of lower risk chemicals which remain. The tender will comprise of a variety of estimates from contractors with specialist experience of decommissioning chemical sites and it is likely that figures could be volatile due to the nature of the task and the risks involved. It is likely that this will fall beyond the in year budget management capability of the Council, and officers have again approached Welsh Government to fund the costs as part of its national contingency support for emergency situations. The monthly costs are in the region of £30k; this funding needs to be continued to ensure the ongoing security and maintenance of the site regardless of the position moving forward.

Winter Maintenance

- 5.02 Winter Maintenance is currently projected to outturn to budget. However, there is always a risk of adverse weather which could result in higher than expected activity which may increase the financial cost.

Council Tax

- 5.03 The efficiency reported on Revenues and Benefits may be subject to change due to the volatility of the Council Tax Reduction Scheme based on external factors such as seasonal trends and the local employment market. The Council Tax Collection Fund can reduce due to exemptions and discounts etc. which may fluctuate during the year; however the planned single person discount review is expected to increase levels in the last quarter of this financial year.

Potential legal claim

- 5.04 A claim is being pursued against the Council based on the actions of one of its employees. This is being handled by a specialist external expert due to its complexity. This could result in a potential claim against the Council, though as yet no proceedings have been issued. Further updates on this will be included in future monitoring reports.

Schools ICT Infrastructure

- 5.05 A balance of £0.220m was brought forward from 2013/14 for investment in Schools ICT infrastructure. The estimated cost of investment required is £0.500m and this has been ring-fenced within the budget. No commitment has

yet been made as to the options for providing School ICT therefore the amount may be subject to change.

6.00 UNEARMARKED RESERVES

- 6.01 The 2013/14 final outturn reported to Cabinet on 15 July 2014 showed unearmarked reserves at 31 March 2014 (above the base level of £5.834m) of £5.328m.
- 6.02 This position reflected a contribution of £0.745m made from reserves as part of an accounting adjustment for termination benefits arising from the workforce efficiencies for the Senior Management Phase 1 programme. As budget provision was made within the 2014/15 budget for this, this has now been transferred back into reserves in the current financial year.
- 6.03 Section 6.05 of the 2014/15 budget report outlined the investment strategy required to fund one off costs and transitional funding for efficiencies that could not be found in full in 2014/15. This identified a potential £3.7m available to fund these from the contingency reserve as well as utilising the Single Status/Equal Pay Reserve.
- 6.04 Currently it is estimated that £2.5m will be required from the Contingency Reserve to fund the one off costs in 2014/15.
- 6.05 The Month 2 Monitoring report to Cabinet on 15th July also advised members of an allocation of £0.696 from the contingency reserve to fund investment costs approved under delegated powers.
- 6.06 Taking into account all of the above and the current projected outturn at month 4, the projected balance on the contingency reserve at 31 March 2015 is £2.960m. This is summarised in Appendix 4.

7.00 HOUSING REVENUE ACCOUNT

- 7.01 On 18th February 2014 the Council approved a Housing Revenue Account (HRA) budget for 2014/15 of £29.886m. The budget provided for a closing balance of £0.956m, which at 3.2% of total expenditure satisfies the prudent approach of ensuring a minimum level of 3%.
- 7.02 The 2013/14 final outturn reported to Cabinet on 15th July 2014 showed a closing balance at the end of 2013/14 of £1.662m (subject to audit).
- 7.03 The position at Month 4 is reporting an overall projected underspend of £0.038m and a projected closing balance at Month 4 of £1.203m, which at 4% of total expenditure satisfies the prudent approach of ensuring a minimum level of 3%.
- 7.04 Appendix 5 details the reasons for significant variances
- 7.05 The HRA Garden Service is currently being reviewed and contracts amended meaning there will be additional costs for carrying out the service and reduced

income from tenants.

8.00 RECOMMENDATIONS

Members are recommended to :-

- a) Note the overall report.
- b) Note the projected Council Fund contingency sum as at 31st March 2015 (paragraph 6.06)
- 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 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 3 – Appendix 1
Council Fund – Non pay variances – Appendix 2
Council Fund – Efficiencies not fully achieved – Appendix 3
Council Fund – Movements on unearmarked reserves – Appendix 4
Housing Revenue Account Variances – Appendix 5

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985

BACKGROUND DOCUMENTS

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**COUNCIL FUND - REVENUE BUDGET 2014/15
FLINTSHIRE COUNTY COUNCIL**

**Budget Monitoring (Month 4)
Summary of Movement from Month 3**

	£m	£m
Month 3		
Portfolios	0.912	
Central and Corporate Finance	(0.309)	
Variance as per Cabinet Report		0.603
Month 4		
Portfolios	0.531	
Central and Corporate Finance	(0.550)	
Variance as per Directorate Returns		(0.019)
Change Requiring Explanation		(0.622)
<u>Social Services</u>		
Services For Adults		
• Localities (Locality Teams) - Domiciliary Care (+£0.159m) further increase in projected overspend due to increased demand, Residential Services (-£0.510m) -including additional property income (-£0.128m), reduced projection for residential care payments (-£0.382m). Other minor variances of +£0.067m.	(0.284)	
• Disability Services (Resource and Regulated Services) - Supported Living reduction due to movements of clients between in-house and independent sector provision	(0.052)	
• Disability Services (Vulnerable Adults and Disability Service) - a review of transition client costs has taken place. Due to the timing of transition clients entering this service full costs were not known until recently. The actual care costs are more than originally anticipated.	0.110	
• Mental Health Services (Residential & Domiciliary) - the reduction of underspend reflects the changes in package costs	0.083	
• Other minor changes of less than £0.025m for Services for Adults	0.021	
Subtotal: Services For Adults		(0.122)
Development & Resources		
• Good Health - WG grant income of -£0.063m not reflected at Month 3 plus other minor movements	(0.057)	
• Other minor changes of less than £0.025m	(0.006)	
Subtotal: Development & Resources		(0.063)
Services For Children		
• Other minor changes of less than £0.025m	(0.007)	
Subtotal: Services For Children		(0.007)
Total: Social Services		(0.192)

Community & Enterprise

Customer & Housing Services	
• Other minor changes of less than £0.025m	0.003
Subtotal: Revenues & Benefits	<u>0.003</u>
Supporting Services	
• Other minor changes of less than £0.025m	(0.019)
Subtotal: Revenues & Benefits	<u>(0.019)</u>
Regeneration	
• Other minor changes of less than £0.025m	(0.006)
Subtotal: Revenues & Benefits	<u>(0.006)</u>
Revenues & Benefits	
• Further increase on the anticipated surplus on the Council Tax Collection Fund	(0.156)
Subtotal: Revenues & Benefits	<u>(0.156)</u>
Customer Services	
• Transfer of postage budget and expenditure to Governance portfolio	(0.025)
• Other minor changes of less than £0.025m	(0.001)
Subtotal: Customer Services	<u>(0.026)</u>
Total: Community & Enterprise	<u><u>(0.204)</u></u>

Streetscene & Transportation Portfolio**Waste Services**

• Waste Services - increased due to additional costs of overtime and use of agency staff to cover vacancies	0.039	
• Other minor changes of less than £0.025m	(0.004)	
Subtotal: Waste Services		0.035

Transportation & Streetworks/Highways Services

• Highways Policy - increased income projections	(0.013)	
• Streetworks - increased income projections	(0.010)	
• Cemeteries / Environment crime - re-profiled commitments	(0.016)	
• Reducing contracts with Bus Operators providing subsidised services	(0.019)	
• Other minor changes of less than £0.025m	0.004	
Subtotal: Transportation & Streetworks/Highways Services		(0.054)

School Transport

• School Transport - re-profiled commitments	(0.017)	
• Other minor changes of less than £0.025m	0.000	
Subtotal: Transport		(0.017)

Total: Streetscene & Transportation**(0.036)****Planning & Environment Portfolio****Planning**

• Planning Fee Income levels increased	(0.028)	
• Other minor changes of less than £0.025m	0.006	
Subtotal: Planning		(0.022)

Public Protection

• Pest Control & Dog Wardens - re-profiled commitments	0.014	
• Other minor changes of less than £0.025m	0.010	
Subtotal: Public Protection		0.024

Energy Services and Highways/Public Rights of Way

• Landfill Energy - electric / gas - reduced sales	0.027	
• Other minor changes of less than £0.025m	0.008	
Subtotal: Energy Services and Highways/Public Rights of Way		0.035

Management & Performance

• Other minor changes of less than £0.025m	(0.009)	
Subtotal: Management & Performance		(0.009)

Greenfield Valley Heritage Park

• Other minor changes of less than £0.025m	0.005	
Subtotal: Greenfield Valley Heritage Park		0.005

Total: Planning & Environment**0.033**

Education & Youth

Inclusion Services	
• Other minor changes of less than £0.025m	0.005
• Out of County - minor variances	(0.031)
Subtotal: Inclusion Services	(0.026)
Access (School Planning & Provision)	
• School Planning - minor variances	(0.016)
• Other minor changes of less than £0.025m	(0.002)
Subtotal: Access (School Planning & Provision)	(0.018)
21st Century Schools	
• Other minor changes of less than £0.025m	0.001
Subtotal: 21st Century Schools	0.001
Youth Services (minor variances of less than £0.025m)	
• Adult & Community Education - minor variances	0.002
• Youth Justice Service - minor variances	0.001
• Children Youth Partnership - minor variances	(0.003)
• Children & Young Peoples Partnership - minor variances	(0.001)
• Youth & Community Service - minor variances	(0.009)
Subtotal: Youth Services	(0.010)
Commissioning & Performance	
• Other minor changes of less than £0.025m	(0.006)
Subtotal: Commissioning & Performance	(0.006)
School Management & Information	
• Other minor changes of less than £0.025m	(0.003)
Subtotal: School Management & Information	(0.003)
Total: Education & Youth	(0.062)

People & Resources

HR & OD	
• Other minor changes of less than £0.025m	0.016
Subtotal: HR & OD	0.016
Corporate Finance	
• Other minor changes of less than £0.025m	0.000
Subtotal: Corporate Finance	0.000
Total: People & Resources	0.016

Governance

Minor variances of less than £0.025m	
• Legal Services	0.002
• Democratic Services	0.001
• Internal Audit	0.002
• Records Management	0.009
Total minor variances of less than £0.025m	0.014
Support Services	
• Transfer of postage budget and expenditure from Community & Enterprise portfolio	0.025
Subtotal: Support Services	0.025
Information Communication Technology	
• Increased demand on packaged software	0.025
Subtotal: Information Communication Technology	0.025
Total: Governance	0.064

Organisational Change

Minor variances of less than £0.025m	
• Public Libraries & Arts, Culture & Events	0.006
• Museums Service	(0.001)
• Community Assets	0.002
• Property Design & Consultancy	(0.002)
• Facilities	(0.013)
Total minor variances of less than £0.025m	(0.008)
Valuation & Estates	
• Property Asset & Development - reduced commitments in Specialist Services	(0.011)
• Other minor changes of less than £0.025m	(0.005)
Subtotal: Valuation & Estates	(0.016)
Total: Organisational Change	(0.024)

Chief Executive

• Other minor changes of less than £0.025m	0.024
Total: Chief Executive	0.024

Central & Corporate Finance

• Central Loans & Investments - Prudential Borrowing repayments interest charged, & uncertainty in year end forecasting	(0.300)
• Strike Deductions	(0.165)
• External Audit Fees - One off rebate in relation to historical Audit Fees	(0.072)
• Euticals - Unbudgeted costs in relation to former Euticals Ltd - Sandycroft site	0.286
• Other minor variances	0.01
Total: Central & Corporate Finance	(0.241)

Total Changes**(0.622)**

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Social Services					
Social Services for Adults - Locality Teams (Localities)	14.296	14.700	0.404	0.688	There is a major demand influenced pressure on the Domiciliary Care service within Localities teams. Key demand led influences include clients returning to the service following successful past reablement, the changing demographic profile, increased complexity of need and increasing numbers of people with dementia. The significant projected overspend is being offset by a projected underspend of £0.476m on residential care, which includes £0.399m increase in the level of property related income and £0.077m reduced expenditure on payments to providers.
Social Services for Adults - Resource and Regulated Services (Disability Services)	15.464	15.714	0.250	0.302	Learning Disabilities - The main influence on this projected overspend is a pressure of £0.179m on independent sector Supported Living, of which £0.110m relates to placement of two clients directly from college in a property with no additional budget provided from Transition. The remainder of the projected overspend relates to void charges due to empty spaces in properties. There is also a net projected overspend of £0.059m on Physical Disability & Sensory Impairment (PDSI) services which is made up of a projected overspend of £0.279m on direct payments, which is offset by a projected underspend of £0.220m on long term residential and nursing placements. An overspend of £0.012m is due to minor variances.

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Social Services for Adults - Transition and Disability Services (Disability Services)	0.635	0.702	0.067	0.075	The projected overspend is mainly due to the unbudgeted cost of the support arrangements provided by Penderels in respect of direct payments. This accounts for £0.065m of the total projected overspend of £0.067m.
Social Services for Adults - Vulnerable Adults and Disability Services (Disability Services)	2.275	2.197	(0.078)	(0.188)	The underspend is due to additional budget of £0.280m to meet the costs of clients from transition which, based on current placements isn't as yet fully utilised however this budget may still be needed to meet ongoing demand.
Social Services for Adults - Residential and Domiciliary Service (Mental Health & Substance Misuse Service)	0.835	0.655	(0.180)	(0.263)	This underspend is based on current care packages. An additional £0.156m budget has been added to this area in 2014/15 to reflect additional transition clients.
Social Services for Adults - Forensic Budget (Mental Health & Substance Misuse Service)	-0.310	0.180	(0.130)	(0.148)	Reflects current care packages for 2014/15.

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Social Services for Adults - Forensic Budget (Learning Disability)	0.507	0.564	0.057	0.054	Reflects current care packages for 2014/15.
Social Services for Adults - Other Services for Adults variances (aggregate)	10.985	10.987	0.002	(0.006)	Various minor variances.
Development & Resources	1.161	0.969	(0.192)	(0.129)	Impact of an increase by Welsh Government in the level of the maximum charge cap from £50 per week to £55 per week.
Social Services for Children	12.488	12.742	0.254	0.261	An overspend (£0.153m) is a result of an increase in the level of boarded out payments for Foster care placements within the service. Costs need to be made due to the demand of the service. (£0.142m) overspend due to increased direct payment for Children's Integrated Disability Services (CIDS) and cost of placements within the leaving care service. (£0.041m) underspend due to other minor variances.
Total Social Services	58.956	59.410	0.454	0.646	

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Community & Enterprise					
Customer & Housing Services	1.100	1.154	0.054	0.051	An overspend (£0.074m) is projected to occur due to a lower level of support recharge to the Council Fund from the HRA. (£0.020m) underspend due to other minor variances.
Supporting People	0.534	0.582	0.048	0.067	Projected overspend (£0.018m) against mileage costs. Projected overspend (£0.015m) on the Maintenance Contract due to insufficient budget to meet renewed contract. (£0.015m) overspend due to other minor variances.
Regeneration	0.548	0.557	0.009	0.015	Minor Variance
Revenues & Benefits	11.277	10.877	(0.400)	(0.244)	Underspend due to an anticipated surplus on the Council Tax Collection Fund (£0.246m). Projected underspend of £0.169m on the budgeted provision for the Council Tax Reduction Scheme based on current position. This underspend on this area is volatile and can be subject to change later in the year. £0.015m pressure due to minor variances.
Customer Services	0.658	0.658	0.000	0.026	No Variance
Total Community & Enterprise	14.117	13.828	(0.289)	(0.085)	

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Streetscene & Transportation					
Waste Services	19.096	19.374	0.278	0.243	There are a number of vacant posts within the Waste Service that are currently required to be covered by Agency or additional overtime to maintain service delivery (£0.099m). (£0.085m) overspend due to other variances. Knight Owl Security cost of Alarm / Security Provision at Alltami Depot (£0.044m). £0.050m minor variances.
Transportation & Streetworks/ Highways Services	3.225	3.232	0.007	0.061	Transportation underspend (£0.045m) Bus Subsidy payments to Bus Operators commitment reduced based on decreasing contract levels. Street Works overspend (£0.039m) Lower than anticipated levels of income for FPN's (based on improving standards of repair by utility companies) & road closures. Other (£0.013m).
School Transport	6.052	6.024	(0.028)	(0.011)	Minor Variance
Total Streetscene & Transportation	28.373	28.630	0.257	0.293	

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Planning & Environment Planning	1.317	1.220	(0.097)	(0.075)	Higher than expected levels of Planning Fee Income in the first quarter of 14/15, have contributed to the favourable variance. These levels will be closely monitored during the year.
Public Protection	2.593	2.614	0.021	(0.003)	Minor Variance
Energy Services and Highways/Public Rights of Way	0.727	0.804	0.077	0.042	The overspend is due to projected costs for external contractors / hired plant for Public Rights of Way Works (£0.037m) and Reduced level of income from Gas Engines (£0.044m). An underspend (£0.004m) is due to minor variances.
Management & Performance	0.640	0.639	(0.001)	0.008	Minor Variance
Greenfield Valley & Heritage Park	0.284	0.284	0.000	(0.005)	Minor Variance
Total Planning & Environment	5.561	5.561	0.000	(0.033)	

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Education & Youth					
Primary & Early Years Education	44.154	44.154	0.000	0.000	No Variance
Secondary, 14 -19 & Continuing Education	36.757	36.767	0.010	0.010	Minor Variance
Inclusion Services	12.866	12.754	(0.112)	(0.086)	£0.110m relates to a projected saving on Out of County Placements. This is a volatile budget and one additional placement can make a significant change to projections. An underspend of £0.002m is due to minor variances.
Access (School Planning & Provision)	0.711	0.680	(0.031)	(0.013)	Minor Variance
21st Century Schools	0.082	0.083	0.001	0.000	Minor Variance
Youth Services	1.597	1.596	(0.001)	0.009	Minor Variance
Commissioning & Performance	-0.162	0.135	(0.027)	(0.021)	Minor Variance
School Management & Information	0.204	0.205	0.001	0.004	Minor Variance
North East Wales School Library Service	0.000	0.000	0.000	0.000	Minor Variance

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Total Education & Youth	96.533	96.374	(0.159)	(0.097)	

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
People & Resources					
HR&OD	2.307	2.333	0.026	0.010	Minor Variances
Corporate Finance	2.703	2.708	0.005	0.005	Minor Variances
Total People & Resources	5.010	5.041	0.031	0.015	
Governance					
Legal Services	0.792	0.905	0.113	0.111	£0.131m pressure due to Litigation around local land charges. Underspend due to other minor variances £0.018m.
Democratic Services	2.092	2.086	(0.006)	(0.007)	Minor Variances
Internal Audit	0.504	0.500	(0.004)	(0.006)	Minor Variances
Procurement	0.192	0.192	0.000	0.000	No Variance
Support Services	0.458	0.483	0.025	0.000	Minor Variances
Records Management	0.156	0.165	0.009	0.000	Minor Variances
ICT	4.254	4.350	0.096	0.071	Pressure of £0.040m due to Oracle Licence Management review. Overspend on Packaged Software due to increased demand on the service (£0.069m). £0.013m efficiency due to other minor variances.
Total Governance	8.448	8.681	0.233	0.169	

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Organisational Change					
Public Libraries & Arts, Culture & Events	1.891	1.881	(0.010)	(0.016)	Minor Variance
Museums Service	0.062	0.057	(0.005)	(0.004)	Minor Variance
County Archives	0.261	0.261	0.000	0.000	No Variance
Leisure Services	3.537	3.573	0.036	0.036	£0.023m relates to pressure caused by the delay between Single Status implementation and the implementation of the Leisure Services review. £0.011m relates to pay protection for two members of the team who have successfully been redeployed within the service as part of the review therefore avoiding exit costs. The remaining £0.002m relates to minor variances.
Community Assets	0.057	0.054	(0.003)	(0.005)	Minor Variance
Valuations & Estates	(0.718)	(0.801)	(0.083)	(0.067)	Agricultural Estates underspend £0.058m- Following a review of Grazing Licences, income increased substantially in year. Proposal for sale of Farms currently delayed - therefore Rental Income projections encompass a full schedule. Property Holdings underspend £0.033m - Rental income from new lease. An overspend of £0.008m relates to minor variances.
Property Design & Consultancy	3.054	3.086	0.032	0.034	Cost of utilities projected at 13/14 levels £0.032m.

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Engineering Services	(0.140)	(0.136)	0.004	0.004	Minor Variance
Facilities Services	1.494	1.493	(0.001)	0.012	Minor Variance
Total Organisational Change	9.498	9.468	(0.030)	(0.006)	

MONTH 4 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Major Variance
Chief Executives					
Chief Executives	3.380	3.414	0.034	0.010	Minor Variances
Total Chief Executives	3.380	3.414	0.034	0.010	
Central & Corporate Finance					
Central & Corporate Finance	25.300	24.750	(0.550)	(0.309)	Central Loans and investment £0.300m projected year end underspend, however this can be affected by many factors such as uncertainties regarding HRA subsidy reform, accounting practice regarding interest apportionment, impact of future investing programme and the level of future reserves and borrowing requirements. Strike deductions (£0.165m) is one off income. Corporate Windfall Income (£0.108m), this is in relation to additional Non Domestic Rate revaluations, which are one-off. (£0.301m) within the budget for Pension Fund Contribution, requires realignment to pay as part of Single Status Accounting to be undertaken later in the year. Underspend (£0.005m) due to minor variances. One off rebate of historical audit fees, (£0.072m). £0.401 - One off time limited costs in relation to former Euticals Ltd - Sandycroft site.
Total Central & Corporate Finance	25.300	24.750	(0.550)	(0.309)	
TOTAL	255.176	255.157	(0.019)	0.603	

EFFICIENCY NOT ACHIEVABLE			
Portfolio	Efficiency Description	Efficiency not achieved (£m)	Reason for efficiency not being achieved
Streetscene & Transportation	Streetscene - North Wales Trunk Road Association Financial benefit from involvement with the NE Wales Trunk Road Hub.	0.050	Ministerial announcement re: the future of the Trunk Road Management arrangements has stalled the project.
Total		0.050	

EFFICIENCY ACHIEVABLE IN PART			
Portfolio	Efficiency Description	Efficiency not achieved (£m)	Reason for efficiency not being achieved
Social Services	LD - Short Term Care - Rightsizing project worker staffing levels	0.013	Care Packages being reviewed ongoing, projected end date of reviews is April 2015.
Social Services	LD - Enhanced Community Residential Services - Rightsizing 4 supported living houses	0.023	ECRS Reviews being reviewed as part of the Rightsizing.
Social Services	Community Living - Transition	0.100	Currently projected to be a shortfall of circa £0.100m.
Streetscene & Transportation	Streetscene & Transportation - Highways Related Services - the ongoing diagnostic of the two service areas will make recommendations on synergies	0.140	Savings subject to completion of the Service Review by 1 January 2015.
Education & Youth	Inclusion Services -Securing early, local and effective intervention for vulnerable children and young people through increasing locality working and school autonomy	0.070	We anticipate that the £0.070m relating to delegation of the TA support budget to schools will be affected by the delay in implementation. Full year efficiency is expected to be achieved in 2015/16.
Total		0.346	

Movements on Council Fund Unearmarked Reserves

	£m	£m
Total Reserves as at 1 April 2014	11.161	
Less - Base Level (inclusive of reduction of £0.065m agreed as part of the 2014/15 budget)	(5.769)	
Total Reserves above base level		5.392
Less – estimate required from the amount approved as part of Investment strategy as per budget 2014/15 report		(2.500)
Add – Contribution from investment costs for termination benefits accounted for in 2013/14		0.745
Less - Amount approved under delegated powers reported in July 2014 monitoring report		(0.696)
Amount available for delegation to Cabinet		2.941
Add projected non pay underspend as at Month 4		0.019
Total projected Contingency Reserve as at 31st March 2015		2.960

HRA Major Variance Report - Period 4

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Variance Last Month (£m)	Cause of Variance
Rents	(27.713)	(27.669)	0.044	0.054	Garage income is lower than anticipated due to high void rates.
General Income	(0.734)	(0.651)	0.083	(0.012)	Garden Service has been reviewed and contract amended to take in to account issues experienced by tenants, therefore resulting in a reduced income of £95k.
Landlord Services	0.830	0.913	0.083	0.035	Garden service costs are expected to rise by £55k due to the service review. Repairs & Maintenance costs on general HRA buildings/lifts etc forecast at last years outturn being £38k more than budget.
Vacancy Savings	0.236	0.000	(0.236)	0.000	Vacancy savings due to posts not yet being filled. Once posts are recruited to this budget will be used to fund the post for the remainder of the year.
Other variances (aggregate)	26.216	26.204	(0.012)	(0.039)	
Total :	(1.165)	(1.203)	(0.038)	0.038	

FLINTSHIRE COUNTY COUNCIL**REPORT TO:** **CABINET****DATE:** **THURSDAY, 16 OCTOBER 2014****REPORT BY:** **CORPORATE FINANCE MANAGER****SUBJECT:** **CAPITAL PROGRAMME 2014/15 (MONTH 4)****1.00** **PURPOSE OF REPORT**

1.01 To provide Members with the Month 4 (End of July) capital programme information for 2014/15.

2.00 **BACKGROUND**

2.01 The Council approved a Housing Revenue Account (HRA) capital programme for 2014/15 of £12.106m and a Council Fund (CF) capital programme of £20.970m at its meeting of 18th February 2014.

3.00 **CONSIDERATIONS****3.01** **Programme – Changes since Budget approval**

3.01.1 The table below sets out how the programme has changed during 2014/15 to date. Detailed cumulative information relating to each programme area is provided in Appendix A, and summarised below -

REVISED PROGRAMME	Original Budget 2014/15 £m	Rollover from 2013/14 £m	Changes - This Period £m	Revised Budget 2014/15 £m
Chief Executives	0.015	0.007	0	0.022
People & Resources	0.075	0.086	(0.003)	0.158
Governance	0.795	0.935	0	1.730
Education & Youth	9.228	2.212	1.462	12.902
Social Care	0	0	0.642	0.642
Community & Enterprise	2.848	2.654	0.483	5.985
Planning & Environment	1.709	0.923	(0.930)	1.702
Transport & Streetscene	5.345	0.578	0.851	6.774
Organisational Change 1	0	0.038	0	0.038
Organisational Change 2	0.955	0.301	0.025	1.281
Council Fund Total	20.970	7.734	2.530	31.234
Housing Revenue Account	12.106	0	0.530	12.636
Programme Total	33.076	7.734	3.060	43.870

3.02 Rollover from 2013/14

- 3.02.1 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.
- 3.02.2 Revised rollover sums of £5.830m were agreed in year as part of the quarterly reports to Cabinet and of £1.904m as part of the outturn report to Cabinet on 15th July, 2014, giving a total rollover amount of £7.734m.
- 3.02.3 For Early Identified Rollover (EIR) into 2015/16 see Section 3.05.

3.03 Changes during this period

- 3.03.1 Changes during this period have resulted in a net increase in the programme total of £3.060m (CF £2.530m, HRA £0.530m). A summary of the changes, showing major items, is shown in the table below -

CHANGES DURING THIS PERIOD		£m
<u>COUNCIL FUND</u>		
Increases		
Local Transport Grant - New WG grant in 14/15		1.443
School Modernisation - Funding schedule confirmed inc. prudential borrowing		0.762
Partnerships & Performance - Intermediate Care Fund - New WG grant in 14/15		0.642
Private Sector Renewal/Improvement - Confirmation of 14/15 grant allocation		0.628
Flying Start - Confirmation of grant funding in 14/15		0.569
Highways - B/fwd unspent LGBI funding from 13/14		0.300
Other Aggregate Increases		0.310
		4.654
Decreases		
Transportation - Reduction in Regional Development Plan grant funding		(0.985)
Engineering - Grant funding removed pending further scheme information		(0.950)
Delay in traveller site refurbishment - Grant funding will be received in 15/16		(0.150)
Other Aggregate Decreases		(0.039)
		(2.124)
Total		2.530
 <u>HRA</u>		£m
Increases		
Confirmation of 14/15 WG grant funding for energy efficiency schemes		0.530
		0.530
Decreases		
		0.000
Total		0.530

3.03.2 Reasons for changes in the programme total include:-

- An increase/decrease in grant funding from WG or other external funding providers. This is the case for all of the above with the exception of School Modernisation, Highways and Travellers sites. At this point in the year, the first monitoring report since the budget was approved; the bulk of the changes would be expected to be related to changes in grant funding as amounts for the year are confirmed by providers.
- Funding profiles from external sources sometimes alter during the year, resulting in expenditure needing to be realigned to meet this scenario. This is the case with the traveller site refurbishment.
- An increase/decrease in the level of prudential borrowing identified. This is the case with Highways and School Modernisation.
- 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.

3.04 Capital Expenditure compared to Budget

3.04.1 Actual expenditure at the end of July (Month 4) across the whole of the programme is £7.088m. The breakdown of expenditure is analysed in the following table, along with the percentage spend against budget. This shows that 16.16% of the budget has been spent across the programme (CF 14.45% and HRA 20.38%).

EXPENDITURE	Revised Budget	Cumulative Expenditure Month 4	Percentage Spend v Budget	Projected Outturn	Variance Budget v Outturn (Under)/Over
	£m	£m	%	£m	£m
Chief Executives	0.022	0	0.00	0.022	0
People & Resources	0.158	0	0.00	0.158	0
Governance	1.730	0.333	19.25	1.730	0
Education & Youth	12.902	1.923	14.91	12.876	(0.026)
Social Care	0.642	0.021	3.27	0.642	0
Community & Enterprise	5.985	1.395	23.31	6.149	0.164
Planning & Environment	1.702	0.190	11.16	1.350	(0.352)
Transport & Streetscene	6.774	0.355	5.24	6.774	0
Organisational Change 1	0.038	0.016	42.11	0.038	0
Organisational Change 2	1.281	0.279	21.78	1.381	0.100
Council Fund Total	31.234	4.513	14.45	31.120	(0.114)
Housing Revenue Account	12.636	2.575	20.38	12.628	(0.008)
Programme Total	43.870	7.088	16.16	43.748	(0.122)

3.04.2 The table also shows the projected outturn (spend as at the end of the financial year) of £43.748m. It can be seen that on the Council Fund there is a projected underspend against budget of £0.114m and for the HRA a projected underspend of £0.008m.

3.04.3 Details of the variances for individual programme areas are listed in Appendix B, which includes the reasons, and the required remedial action, where those variances exceed 10% of the budget. In addition, where Early Identified Rollover (EIR) into 2015/16 has been identified, this is also included in the narrative.

3.05 Rollover into 2015/16

3.05.1 As at Month 4 EIR of £0.276m has been identified 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 2015/16.

3.05.2 Information relating to each programme area is contained in Appendix B and summarised in the table below –

ROLLOVER INTO 2015/16		
	Month 4 £m	Total £m
Education & Youth	0.026	0.026
Planning & Environment	0.250	0.250
Council Fund	0.276	0.276
Housing Revenue Account	0	0

3.06 Financing

3.06.1 The capital programme is financed as summarised below:-

FINANCING RESOURCES	General Financing¹	Specific Financing²	Total Financing
	£m	£m	£m
Latest Monitoring			
Council Fund	13.099	18.135	31.234
Housing Revenue Account	5.525	7.111	12.636
	18.624	25.246	43.870
Total Financing Resources	18.624	25.246	43.870

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

3.06.2 That element of the Council Fund total financed from general (non-specific) financing resources, relies in part on the generation of capital receipts from asset disposals. 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.

3.06.3 The position regarding 2014/15 capital receipts is summarised below:-

FUNDING SHORTFALL OF APPROVED SCHEMES		
	£m	£m
Shortfall from 2013/14		1.578
Increases		
In year receipts shortfall		
New Pressures	0.030	0.030
Decreases		
In year receipts surplus	(0.762)	
Unallocated Headroom	(0.003)	(0.765)
Projected shortfall to 2015/16		0.843

The original estimate for in year capital receipts was £1.250m, of which £0.488m was to be used to finance capital expenditure in 2014/15 and £0.762m to address the projected shortfall in capital receipts from 2013/14.

The latest reviewed position assumes receipts at the budgeted level of £1.250m, with the largest amount of the receipts anticipated to be received in March 2015. There are no receipts received as at Month 4.

The outturn shortfall in 2013/14 was £1.578m, which, together with some minor adjustments and the assumed level of capital receipts, currently indicates a total shortfall in 2014/15 of £0.843m.

3.06.4 The situation regarding disposals remains fluid in this economic climate and hence it is difficult to predict with certainty when disposals will be effected. It is therefore suggested that the Council continues to monitor the disposals programme closely and brings further updates to Cabinet in future capital monitoring reports.

3.06.5 The first call on any excess receipts (above the budgeted figure of £1.250m) received in the current year will be to address the brought forward shortfall.

3.06.6 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 rollover adjustments in 3.05.2.

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 2014/15
Appendix B : Variances

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

Capital Programme Monitoring Papers 2014/15.

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APPENDIX A

CAPITAL PROGRAMME - CHANGES DURING 2014/15

	Original Budget 2014/15	Rollover from 2013/14	Changes (Current)	Revised Budget 2014/15
	£m	£m	£m	£m
Council Fund :				
Chief Executives				
Clwyd Theatr Cymru	0.015	0.007	0	0.022
	0.015	0.007	0.000	0.022
People & Resources				
Corporate Finance	0.075	0.086	(0.003)	0.158
	0.075	0.086	(0.003)	0.158
Governance				
Information Technology	0.795	0.935	0	1.730
	0.795	0.935	0.000	1.730
Education & Youth				
Education - General	2.081	0	(1.801)	0.280
Primary Schools	0.040	0.278	1.572	1.890
Schools Modernisation	7.062	0.665	1.367	9.094
Secondary Schools	0	0.314	0.381	0.695
Special Education	0	0.955	(0.057)	0.898
Minor Works, Furn & Equip	0.045	0	0	0.045
	9.228	2.212	1.462	12.902
Social Care				
Partnerships & Performance	0	0	0.642	0.642
	0.000	0.000	0.642	0.642
Community & Enterprise				
Private Sector Renewal/Improvement	2.311	0.469	0.628	3.408
Travellers' Sites	0.150	0	(0.150)	0
Flintshire Connects	0.250	0.507	0.041	0.798
Town Centre Regeneration	0.137	1.676	(0.036)	1.777
Community Centres	0	0.002	0	0.002
	2.848	2.654	0.483	5.985
Planning & Environment				
Ranger Services	0.135	0.239	0.020	0.394
Energy Services	0.200	0	0	0.200
Engineering	1.065	0.591	(0.950)	0.706
Townscape Heritage Initiatives	0.309	0.093	0	0.402
	1.709	0.923	(0.930)	1.702

CAPITAL PROGRAMME - CHANGES DURING 2014/15

	Original Budget 2014/15	Rollover from 2013/14	Changes (Current)	Revised Budget 2014/15
	£m	£m	£m	£m
Transport & Streetscene				
Sustainable Waste Management	0	0.569	0.090	0.659
Highways	3.645	0.009	0.303	3.957
Local Transport Grant	0	0	1.443	1.443
Transportation	1.700	0	(0.985)	0.715
	5.345	0.578	0.851	6.774
Organisational Change 1				
Leisure Centres	0	0.029	0	0.029
Recreation - Other	0	0.008	0	0.008
Play Areas	0	0.001	0	0.001
	0.000	0.038	0.000	0.038
Organisational Change 2				
Administrative Buildings	0.955	0.301	0.025	1.281
	0.955	0.301	0.025	1.281
Housing Revenue Account :				
Housing Revenue Account				
Major Works	6.328	0	(3.414)	2.914
Accelerated Programmes	0.300	0	0.928	1.228
WHQS Improvements	4.000	0	3.494	7.494
Disabled Adaptations	1.000	0	0	1.000
Other Services	0.478	0	(0.478)	0
	12.106	0.000	0.530	12.636
Totals :				
Council Fund	20.970	7.734	2.530	31.234
Housing Revenue Account	12.106	0	0.530	12.636
Grand Total	33.076	7.734	3.060	43.870

CHIEF EXECUTIVES

Capital Budget Monitoring 2014/15 - Month 4

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/Over £m	Variance		Cause of Variance	Action Required
					%age %	Prev Qtr £m		
Clwyd Theatr Cymru	0.022	0.000	0.022	0.000	0	0		
Total	0.022	0.000	0.022	0.000	0	0.000		

PEOPLE & RESOURCES

Capital Budget Monitoring 2014/15 - Month 4

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/Over £m	Variance		Cause of Variance	Action Required
					%age %	Prev Qtr £m		
Corporate Finance	0.158	0.000	0.158	0.000	0	0		
Total	0.158	0.000	0.158	0.000	0	0.000		

Variance = Budget v Projected Outturn

GOVERNANCE

Capital Budget Monitoring 2014/15 - Month 4

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		
Information Technology	1.730	0.333	1.730	0.000	0	0		
Total	1.730	0.333	1.730	0.000	0	0.000		

Variance = Budget v Projected Outturn

EDUCATION & YOUTH

Capital Budget Monitoring 2014/15 - Month 4

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
Education - General	0.280	(0.000)	0.280	0.000	0	0		
Primary Schools	1.890	0.410	1.877	(0.013)	(1)	0	Early Identified Rollover - Various retentions	Request approval to move funding of £0.013m to 2015/16
Schools Modernisation	9.094	1.356	9.094	0.000	0	0		
Community Youth Clubs	0.000	(0.003)	0.000	0.000		0		
Secondary Schools	0.695	0.054	0.682	(0.013)	(2)	0	Early Identified Rollover - Various retentions	Request approval to move funding of £0.013m to 2015/16
Special Education	0.898	0.082	0.898	0.000	0	0		
Minor Works, Furn & Equip	0.045	0.023	0.045	0.000	0	0		
Total	12.902	1.923	12.876	(0.026)	(0)	0.000		

Variance = Budget v Projected Outturn

SOCIAL CARE

Capital Budget Monitoring 2014/15 - Month 4

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance		Cause of Variance	Action Required
					%age %	Prev Qtr £m		
Partnerships & Performance	0.642	0.021	0.642	0.000	0	0		
Total	0.642	0.021	0.642	0.000	0	0.000		

Variance = Budget v Projected Outturn

COMMUNITY & ENTERPRISE

Capital Budget Monitoring 2014/15 - Month 4

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	3.408	0.536	3.572	0.164	5	0	Overall programme will be fully committed	Additional grant funding will be received to address overspend
Travellers' Sites	0	(0.003)	0	0.000		0	Credit relates to retention accrual not yet due	Balance will clear when invoice is paid
Flintshire Connects	0.798	0.235	0.798	0.000	0	0		
Town Centre Regeneration	1.777	0.627	1.777	0.000	0	0		
Community Centres	0.002	0	0.002	0.000	0	0		
Total	5.985	1.395	6.149	0.164	3	0.000		

Variance = Budget v Projected Outturn

PLANNING & ENVIRONMENT

Capital Budget Monitoring 2014/15 - Month 4

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
Ranger Services	0.394	0.000	0.259	(0.135)	(34)	0	Early Identified Rollover - The 'Request to Tender' is due to be issued imminently with the bulk of expenditure in the second half of 2014/15	Request approval to move funding of £0.135m to 2015/16
Energy Services	0.200	0.040	0.200	0.000	0	0		
Engineering	0.706	0.148	0.604	(0.102)	(14)	0	Majority of land drainage schemes have been delayed due to re-directing funds to the Mold FAS which is currently awaiting planning permission to progress	Expenditure will be monitored during the year to determine whether full spend will be achieved or to identify rollover to 2015/16
Townscape Heritage Initiatives	0.402	0.002	0.287	(0.115)	(29)	0	Early Identified Rollover - ERDF schemes delayed into 2015/16	Request approval to move funding of £0.115m to 2015/16
Total	1.702	0.190	1.350	(0.352)	(21)	0.000		

Variance = Budget v Projected Outturn

TRANSPORT & STREETSCENE

Capital Budget Monitoring 2014/15 - Month 4

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
Sustainable Waste Management	0.659	0.002	0.659	0.000	0	0		
Highways	3.957	0.281	3.957	0.000	0	0	Contractual difficulties have delayd works on A548 Granant. This scheme has the potential to exceed the estimated £85k budget, negotiation being held with the contactor	£85k ring fenced budget - Legal Advice currently being undertaken
Local Transport Grant	1.443	0.089	1.443	0.000	0	0		
Transportation	0.715	(0.016)	0.715	0.000	0	0		
Total	6.774	0.355	6.774	0.000	0	0.000		

Variance = Budget v Projected Outturn

ORGANISATIONAL CHANGE 1

Capital Budget Monitoring 2014/15 - Month 4

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/Over £m	Variance		Cause of Variance	Action Required
					%age	%		
Leisure Centres	0.029	(0.001)	0.029	0.000	0	0		
Recreation - Other	0.008	0	0.008	0.000	0	0		
Play Areas	0.001	0.017	0.001	0.000	0	0		
Total	0.038	0.016	0.038	0.000	0	0.000		

ORGANISATIONAL CHANGE 2

Capital Budget Monitoring 2014/15 - Month 4

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/Over £m	Variance		Cause of Variance	Action Required
					%age	%		
Administrative Buildings	1.281	0.279	1.381	0.100	8	0	Alltami Depot projected overspend due to security gates and CCTV installation	Prudential borrowing on the scheme will be increased to fund the overspend
Total	1.281	0.279	1.381	0.100	8	0.000		

Variance = Budget v Projected Outturn

HOUSING REVENUE ACCOUNT

Capital Budget Monitoring 2014/15 - Month 4

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
Major Works	2.914	0.356	2.816	(0.098)	(3)	0	Projected underspend relates to budget held back in anticipation of emergency works that will need to be completed as a result of winter weather	Continuous rigorous monitoring will ensure full expenditure by year end
Accelerated Programmes	1.228	0.029	1.086	(0.142)	(12)	0	Further survey works on Welfare Reform related schemes will be carried out in the financial year	Work will be completed in the last two quarters of 2014/15
WHQS Improvements	7.494	2.099	7.740	0.246	3	0	Existing Projected Outturn will be addressed by a review of anticipated works in the existing programme	Review will be completed by end of quarter 3 of 2014/15
Disabled Adaptations	1.000	0.091	0.986	(0.014)	(1)	0		
Other Services	0	0	0	0.000		0		
Total	12.636	2.575	12.628	(0.008)	(0)	0.000		

Variance = Budget v Projected Outturn

FLINTSHIRE COUNTY COUNCIL

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

DATE: **THURSDAY 9 OCTOBER 2014**

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 Chief Officers. 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 2014/15

DATE	SUBJECT	O&S FOCUS	REPORT FROM
Thursday 13 th November 2014 10.00	Verbal Update on Budget consultation from Leader and Chief Executive		
	Q2 Performance Reporting	Monitoring	Robert Robins
	Agile & Flexible working - feedback	Information presentation	David Barnes and Helen Grant
	Revenue Budget Monitoring 2014/15 (Month 5)	Monitoring	Sue Ridings
	Forward Work Programme	Approval and development	Robert Robins
Thursday 11 th December 2014 10.00	Verbal Update on Budget consultation from Leader and Chief Executive		
	Revenue Budget Monitoring 2014/15 (Month 6)	Monitoring	Sue Ridings
	Forward Work Programme	Approval and development	Robert Robins
December/January	Budget consultation meetings	Consultation	
Slots identified in the schedule of meetings, actual dates of meetings to be determined.			
Thursday 15 th January 2015 10.00	Revenue Budget Monitoring 2014/15 (Month 7)	Monitoring	Sue Ridings
	Forward Work Programme	Approval and development	Robert Robins

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FORWARD WORK PROGRAMME 2014/15

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Thursday 12 th February 2015 10.00	Revenue Budget Monitoring 2014/15 (Month 8)	Monitoring	Sue Ridings
	Appraisals	Monitoring	Helen Stappleton
	Forward Work Programme	Approval and development	Robert Robins
Thursday 12 th March 2015 10.00	Improvement Plan Monitoring Update 2014/15 Q3	Monitoring	Robert Robins
	Revenue Budget Monitoring 2014/15 (Month 9)	Monitoring	Sue Ridings
	Forward Work Programme	Approval and development	Robert Robins
Thursday 16 th April 2015 10.00	Q3 Performance Reporting	Monitoring	Robert Robins
	Revenue Budget Monitoring 2014/15 (Month 10)	Approval and development	Sue Ridings
	Forward Work Programme		Robert Robins
Thursday 14 th May 2015 10.00	Revenue Budget Monitoring 2014/15 (Month 11)	Monitoring	Sue Ridings
	Forward Work Programme	Approval and development	Robert Robins
Thursday 11 th June 2015 10.00	YE Performance Reporting	Monitoring	Robert Robins
	Revenue Budget Monitoring 2014/15 (Month 13)	Monitoring	Sue Ridings
	Forward Work Programme	Approval and development	Robert Robins
Thursday 9 th July 2015 10.00	Revenue Budget Monitoring 2014/15 (Out turn)	Monitoring	Sue Ridings
	Forward Work Programme	Approval and development	Robert Robins

Corporate Resources Overview & Scrutiny Committee
FORWARD WORK PROGRAMME 2014/15

Items to be scheduled	Health and Well-being update	Information	Helen Stappelton
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