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To: Cllr Clive Carver (Chairman)

Councillors: Marion Bateman, Paul Cunningham, Peter Curtis, Andy Dunbobbin, Robin Guest, Ron Hampson, Ray Hughes, Richard Jones, Brian Lloyd, Vicky Perfect, Paul Shotton, Ian Smith, Nigel Steele-Mortimer and Arnold Woolley

3 March 2017

Dear Councillor

You are invited to attend a meeting of the Corporate Resources Overview & Scrutiny Committee which will be held at 10.00 am on Thursday, 9th March, 2017 in the Delyn Committee Room, County Hall, Mold CH7 6NA to consider the following items

A G E N D A

1 APOLOGIES

Purpose: To receive any apologies.

2 DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)

Purpose: To receive any Declarations and advise Members accordingly.

3 MINUTES (Pages 3 - 26)

Purpose: To confirm as a correct record the minutes of the budget meetings held on 28 September 2016, 30 November 2016 and 20 January 2017, and the meeting held on 9 February 2017.

4 NORTH WALES POLICE - CYBER CRIME PRESENTATION

Purpose: To receive a presentation from Sergeant Peter Jones of the North Wales Cyber Crime Unit.

5 CUSTOMER SERVICE STRATEGY (Pages 27 - 44)

Report of Democratic Services Manager - Cabinet Member for Corporate Management

Purpose: To enable the Corporate Resources Overview & Scrutiny Committee to consider and comment on the Customer Services Strategy prior to its consideration by Cabinet.

6 **COUNCIL'S WELL-BEING OBJECTIVES** (Pages 45 - 50)

Report of Chief Executive - Leader of the Council and Cabinet Member for Finance

Purpose: To consider the Council's proposed Well-being Objectives prior to their approval by Cabinet.

7 **QUARTER 3 IMPROVEMENT PLAN 2016/17 MONITORING REPORT**
(Pages 51 - 78)

Report of Chief Executive and Chief Officer (Governance) - Cabinet Member for Corporate Management

Purpose: To enable Members to fulfil their scrutiny role in relation to performance monitoring.

8 **WALES AUDIT OFFICE REPORT ON FINANCIAL RESILIENCE: SAVINGS PLANNING: COUNCIL RESPONSE** (Pages 79 - 98)

Report of Chief Executive - Leader of the Council and Cabinet Member for Finance

Purpose: To receive and endorse the findings of the Wales Audit Office report.

9 **REVENUE BUDGET MONITORING 2016/17 (MONTH 10)** (Pages 99 - 136)

Report of Corporate Finance Manager - Leader of the Council and Cabinet Member for Finance

Purpose: This regular monthly report provides the latest revenue budget monitoring position for 2016/17 for the Council Fund and Housing Revenue Account. The position is based on actual income and expenditure as at Month 10, and projects forward to year-end.

Yours sincerely



Robert Robins
Democratic Services Manager

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE **28 SEPTEMBER 2016**

Minutes of the meeting of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held at County Hall, Mold on Wednesday, 28 September 2016

PRESENT: Councillor Clive Carver (Chair)

Councillors: Marion Bateman, Andy Dunbobbin, Richard Jones, Paul Shotton, Nigel Steele-Mortimer and Arnold Woolley

ALSO PRESENT (as all Members had been invited to attend)

Councillors: Bernie Attridge, Haydn Bateman, David Cox, Adele Davies-Cooke, Chris Bithell, Ian Dunbar, Christine Jones, Kevin Jones, Mike Lowe, Dave Mackie, Billy Mullin and David Wisinger

Education & Youth Overview & Scrutiny Committee Co-optees: Mr David Hytch and Reverend John Thelwell

APOLOGIES: Councillors Derek Butler and Ron Hampson. Education & Youth Overview & Scrutiny Committee Co-opted Members: Janine Beggan and Bernard Stuart

CONTRIBUTORS:

Councillor Aaron Shotton, Leader and Cabinet Member for Finance, Chief Executive, Corporate Finance Manager, Chief Officer (Organisational Change), Chief Officer (Streetscene and Transportation), Chief Officer (Governance) and Finance Manager (Corporate Accounting and Systems)

IN ATTENDANCE:

Member Engagement Manager and Overview & Scrutiny Facilitator

43. DECLARATIONS OF INTEREST

No declarations of interest were made.

44. COUNCIL FUND REVENUE BUDGET 2017/18 STAGE ONE

The Chair welcomed Members and the contributors to the meeting.

The Chief Executive outlined the purpose of the meeting, which was to enable all Members and Co-opted members to comments on Stage 1 of the Budget for 2017/18 report, based on the Portfolio Business Plans, which was approved by Cabinet at its meeting on Tuesday 20th September, 2016. All of the Overview & Scrutiny Committees received presentations during the summer and were supportive of the efficiency and charging proposals overall.

The Corporate Finance Manager outlined the financial forecast for the 2017/18 financial year, which was the third and final year of the current Medium Term Financial Strategy (MTFS). The original forecast had been updated and reported to the Corporate Resources Overview & Scrutiny

Committee in July 2016, as outlined within the report. The forecast was under continuous review and would be updated for reporting in October/November following:-

- announcement of the Provisional Local Government Settlement (which was due for publication on 19th October, 2016)
- all cost pressures built into the MTFs having been reassessed and re-profiled; and
- the assessment of the impacts of national interest rate trends, investment market developments and inflation having been completed.

The Corporate Finance Manager continued to outline the portfolio business plans and corporate financial stewardship options as outlined within the report. He also advised that work was underway on developing a corporate income policy covering all current and potential fees and charges and the levels at which they were set. The outcome of this work would be reported by December, 2016.

The Chief Executive reported that the Council was actively involved in national discussions over the Welsh Government (WG) Budget for 2017/18 including the Local Government Settlement, both as part of the Welsh Government Association and as an individual council. The key issues under debate were detailed within the report.

Councillor Aaron Shotton advised that if the council was to receive a flat line financial settlement this would reduce the remaining budget gap by £2.8M. The service portfolio efficiencies of £5.9M, following this meeting would be presented to County Council on 15th November, 2016. In the meantime, an update on national discussions would be provided to Group Leaders as soon as possible.

Councillor Paul Shotton commented on the difference in financial settlements for councils across Wales and encouraged all Members of the council to lobby Assembly Members across all political parties to ensure fairer budget settlements in the future.

Councillor Kevin Jones referred to the introduction of the Rural Stabilisation Grant (RSG) announced by the WG during the setting of the 2016/17 budget, which he said, had not benefited the council. He also commented on the national discussions around local retention of Non Domestic Rate Relief (NNDR) growth by the collecting authority and the benefits this could have.

Councillor Aaron Shotton responded that the RSG had assisted those councils that had received a larger cut in their financial settlement. The Chief Executive explained that Flintshire, whilst having large rural areas did not fit into the rural categorisation as determined by the WG.

Councillor Clive Carver commented on the Financial Forecast 2017/18 – 2018/19 as outlined within section 1.04 of the report. He asked why the

Council Tax increase for 2018/19 was lower than forecast for 2017/18 if the figures were based on a 3% annual increase. The Finance Manager (Corporate Accounting and Systems) explained that the lower Council Tax increase forecast for 2018/19 was based on an assumption of higher growth.

Councillor Arnold Woolley commented on the first recommendation outlined within the report and suggested that the word 'recommends' be amended to 'recognised'. He did not think the Committee should be recommending the service portfolio efficiencies due to the uncertainties around the financial settlement from WG. Councillor Aaron Shotton agreed that there were uncertainties but explained that £5.9M budget efficiencies would need to be found regardless of the outcome of the financial settlement.

Councillor Richard Jones supported the suggestion from Councillor Woolley. He did not agree that the Committee should be recommending the service portfolio efficiencies because he did not feel enough information on how the proposals would affect services and service users had been provided. He also commented on the case being put forward that, Flintshire was a low funded council, as were a small number of other council's across Wales. Whilst he recognised that this was the case, he did not feel that this would be supported by WG as he did not feel that very much had changed over the last 12 months of lobbying the WG.

Councillor Aaron Shotton responded that he wanted to stand up for all residents of Flintshire and that it was not fair or justified that Flintshire was a low funded council in comparison to council's in Wales with similar population figures. Changing the current funding formula would be a long and complex process but there was hope that the WG would recognise that the formula was broken.

In response to the comments from Councillor Richard Jones around the need for further information, the Chief Executive explained that a great deal of work had been undertaken with service users and staff to ensure that the service portfolio efficiencies had minimal impact.

In response to comments made by Councillor Richard Jones on the scrutiny process, Councillor Bernie Attridge advised that the Environment Overview & Scrutiny Committee had carefully considered and scrutinised the service portfolio efficiencies before recommending them to the Corporate Resources Overview & Scrutiny Committee meeting. Councillor Chris Bithell and Councillor Christine Jones supported these comments and spoke of the consideration given at both the Education & Youth and Social & Health Care Overview & Scrutiny Committee's to the proposed efficiencies.

A number of Members spoke in support of continued lobbying of WG in order to receive a fairer financial settlement in the future. Councillor Kevin Jones supported presenting the service portfolio efficiencies to County Council on 15th November, 2016 to avoid delaying the ability for efficiencies to be made within the 2017/18 financial year. Councillor Chris Bithell spoke in support of reviewing the current funding formula given the similar costs for

each council for services, such as, residential care, transport costs and teacher salaries. Councillor Christine Jones also spoke in support on continued lobbying of WG and advised of the successful lobbying last year which had resulted in changes to the Intermediate Care Fund (ICF).

Councillor Dave Mackie commented on the national lobbying carried out last year and the decision of the WG at the time to introduce the RDG. He asked why when WG had additional funding, they had not decided to listen to the arguments put forward by the Council and whether there were any lessons to be learnt by this. Councillor Shotton responded that the ICF had increased last year following lobbying from collective councils across Wales and that the overall reduction in funding had not been as severe as had been anticipated, which he felt had been as a result of the lobbying done by the council.

The Chief Executive suggested that Members contact officers prior to the County Council meeting on 15th November, if any additional information on the service portfolio efficiencies was required.

The Chair thanked the Leader, Chief Executive and Officers for responding to the questions raised by Members and advised that the recommendations outlined within the report had been approved by Cabinet.

RESOLVED:

- (a) That the service portfolio efficiency proposals listed in the appendices for adoption by Council as stage one of setting the Council Fund Revenue Budget for 2017/18 be noted; and
- (b) That the ongoing work on reviewing corporate funding options, and the national activity around the funding formula and Local Government Settlement be noted.

45. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE

There were no members of the public and one member of the press in attendance.

(The meeting started at 10.00 am and ended at 11.40 am)

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Chair

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE
30 NOVEMBER 2016

Minutes of the meeting of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held at County Hall, Mold on Wednesday, 30 November 2016

PRESENT:

Councillors: Marion Bateman, Paul Cunningham, Peter Curtis, Andy Dunbobbin, Robin Guest, Ron Hampson, Ray Hughes, Richard Jones, Brian Lloyd, Vicky Perfect, Paul Shotton and Nigel Steele-Mortimer

ALSO PRESENT (as all Members had been invited to attend)

Councillors: Haydn Bateman, Chris Bithell, Helen Brown, Derek Butler, David Cox, Veronica Gay, Dennis Hutchinson, Christine Jones, Kevin Jones, Dave Mackie, Nancy Matthews, Billy Mullin, Mike Peers, Neville Phillips and Gareth Roberts
Education & Youth Overview & Scrutiny Committee Co-optees: Mr David Hytch and Mrs. Rebecca Stark

SUBSTITUTION: Councillor Ian Dunbar for Councillor Ian Smith

APOLOGIES: Councillors: Clive Carver, Arnold Woolley, Cindy Hinds, Mike Reece and David Wisinger. Education & Youth Overview & Scrutiny Committee Co-opted Member: Bernard Stuart

CONTRIBUTORS:

Councillor Aaron Shotton, Leader and Cabinet Member for Finance, Chief Executive, Chief Officer (Organisational Change), Chief Officer (Planning and Environment), Chief Officer (Streetscene and Transportation), Chief Officer (Governance), Corporate Finance Manager, Finance Manager (Corporate Accounting and Systems), Finance Manager (Education & Youth)

IN ATTENDANCE:

Democratic Services Manager and Overview & Scrutiny Facilitator

61. DECLARATIONS OF INTEREST

No declarations of interest were made.

62. 2017/18 COUNCIL FUND BUDGET – STAGE 2

The Chair welcomed Members and the contributors to the meeting.

The Chief Executive outlined the purpose of the meeting, which was to:-

- Present, in detail the Corporate Financial Stewardship Proposals (Part 2 of the Strategy) to the Committee;
- Provide the Committee with the opportunity to review, scrutinise and comments on the proposals to be reported back to Cabinet on 6 December, 2016; and

- Set out the further work to be done to conclude the budget proposals for 2017/18.

The Chief Executive, Finance Manager (Corporate Accounting and Systems) and Finance Manger (Technical Accountancy) provided a detailed presentation on the following areas:-

- The Forecast 'Budget Gap' 2017/18
- Where we left off in November
- Corporate Financial Stewardship Proposals
- Apprentice Tax Levy
- Central Loans and Investment Account
- Summary of Overall Budget Position
- Corporate Financial Stewardship – Ongoing work
- Final Stages of 2017/18 Budget Setting

Members thanked the Finance Manager (Technical Accountancy) for the detailed and clear presentation of the proposed changes to the Central Loans and Investment Account.

A summary of the observations made by Members is attached at Appendix 1 of the minutes.

Budget 2017/18 Proposals – Potential public impacts and impact mitigation

The Chief Executive advised that the Council Fund Budget 2017/18 Stage 1 proposals had been approved at County Council on 15th November, 2016. A copy of the business planning efficiencies for each portfolio had been circulated to Members prior to the start of the meeting.

Planning and Environment Portfolio

Councillor Richard Jones raised concerns that the numbers next to each specific proposal differed from the original document provided to Members and therefore it was difficult to undertaken an audit trail of the previously proposed budget efficiencies to see if they were being met. He referred to the proposed self-financing of Public Protection Services and the proposed increase in Planning and Application fees and asked why the efficiencies had been reduced from the initial proposals. The Chief Officer (Planning and Environment) explained that the additional income from increases in Planning and Application fees and the proposed self-financing of Public Protection Services were part of a three year efficiency programme, and therefore, the additional income shown for 2017/18 did not show the overall total figure.

Streetscene and Transportation Portfolio

Councillor Richard Jones commented on the heading 'In-house Service Productivity Improvement' and asked why this heading had been amended since the efficiencies were presented to Overview & Scrutiny and also why the proposed efficiencies had reduced by £600,000. The Chief Executive explained that the initial

efficiency proposal included looking at all aspects of the service with one of the options being to out-source the service. Since then a decision to keep the service in-house had been taken. Councillor Kevin Jones (Cabinet Member for Waste Strategy, Public Protection and Leisure) explained that Streetscene had achieved over 30% efficiency savings whilst increasing the level of service.

The Chairman suggested that if Councillor Richard Jones had a number of questions he could provide them in writing to the Chief Executive who would provide a written response.

RESOLVED:

That the Corporate Financial Stewardship proposals, as set out as part of Stage 2 of the Council Fund Budget for 2017/18 be accepted and that this be reported to the Cabinet and the County Council at the meetings to be held on Tuesday, 6th December, 2016.

63. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE

There were no members of the public and one member of the press in attendance.

(The meeting started at 10.00 am and ended at 12.25 pm)

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Chair

**Corporate Resources Overview & Scrutiny Committee meeting –
30th November, 2016**

**Summary of observations on the reduction of cost pressures through
corporate financial stewardship**

- **Council Tax Base Increase**

The Committee noted the change in forecast to the tax base.

- **Independent Living Fund (ILF)**

The Committee noted the change, following confirmation that the specific grant will continue at the same level for a further year.

- **Transition to Adulthood**

The Committee noted the change.

A comment was made that this proposal had not been presented to the relevant Overview & Scrutiny Committee for consideration. It was explained that each year an assessment was made of the future pressures on Adult Social Services budgets and following the review a reduction in the previous estimate has been identified. This is on-going work and therefore would not need to be considered by the Overview & Scrutiny Committee.

- **Flint Extra Care Scheme**

The Committee noted the change.

A comment was made that this proposal had not been presented to the relevant Overview & Scrutiny Committee for consideration. It was explained that the opening of the new facility was now set to be in early 2018, therefore the financial pressure for the 2017/18 budget had reduced.

- **Schools Investment**

The Committee noted the change.

A comment was made that this proposal had not been presented to the relevant Overview & Scrutiny Committee for consideration. It was explained that there would be an uplift of 1.34% to schools budgets. The £400,000 identified within the report was lower than first set out in the budget forecast, and therefore was not a reduction in schools budgets.

- **Apprenticeship Tax Levy**

The Committee noted the change.

A number of questions were raised around the need for a prudent approach when using reserves. Members were assured that the Section 151 Officer and Deputy Section 151 Officers took a prudent approach the using reserves and there were many principles that were followed which included, the use of contingency reserves and base level reserves. A judgement would be taken when the time came.

- **Central Loans and Investment Account (CLIA)**

The Committee spoke in support of the work undertaken in reviewing the Council's Minimum Revenue Provision (MRP) Policy and thanked the Officers for the detailed and informative presentation.

A number of questions were raised around the greater provision required for some years in the 50 year planning period and the impact this could have on the future Council to make necessary decisions. It was explained that the variations were considered reasonable in scale and therefore affordable.

Members were assured that a prudent and sustainable outcome was proposed and that when considering future central loans and investments, all re-payment methods be considered.

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CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE
20 JANUARY 2017

Minutes of the meeting of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held at County Hall, Mold on Friday, 20 January 2017

PRESENT: Councillor Clive Carver (Chairman)

Councillors: Marion Bateman, Paul Cunningham, Andy Dunbobbin, Robin Guest, Ron Hampson, Brian Lloyd, Paul Shotton and Arnold Woolley

ALSO PRESENT (as all Members had been invited to attend)

Councillors: Chris Bithell, Derek Butler, Adele Davies-Cooke, Ian Dunbar, Dennis Hutchinson, Christine Jones, Mike Lowe, Billy Mullin, Mike Peers, Neville Phillips and Gareth Roberts

Education & Youth Overview & Scrutiny Committee Co-optee: Mr David Hytch

APOLOGIES: Councillors: Ray Hughes, Ian Smith, Nigel Steele-Mortimer, Vicky Perfect, Helen Brown, Kevin Jones and Nancy Matthews

CONTRIBUTORS:

Councillor Aaron Shotton, Leader and Cabinet Member for Finance, Chief Executive, Chief Officer (Organisational Change), Chief Officer (Governance), Corporate Finance Manager and Senior Manager (Technical Accountancy)

IN ATTENDANCE:

Democratic Services Manager and Overview & Scrutiny Facilitator

78. DECLARATIONS OF INTEREST

The Chairman declared a personal interest in agenda item 3 – Council Fund Budget Report 2017/18 – Part 3 Closing Strategy.

79. COUNCIL FUND BUDGET REPORT 2017/18 – PART 3 CLOSING STRATEGY

The Chair welcomed Members and the contributors to the meeting.

The Chief Executive introduced the Council Fund Budget 2017/18 – Part 3 Closing Strategy report which provided an update on the remaining amount to be found to achieve a balanced budget.

The annual Council Fund budget for 2017/18 had been developed in two stages:

- Stage One: which covered Part 1 of the Medium Term Financial Strategy (MTFS) – service reform based on the service portfolio business plans; and
- Stage Two: which covered Parts 2 and 3 of the Medium Term Financial Strategy (MTFS) – corporate financial stewardship and working with Welsh Government

Stage One proposals were approved by Council on 15 November, 2016 and were closed and being implemented. Stage Two proposals on corporate financial

stewardship were approved by Council on 6 December, 2016 and were also closed and being implemented.

The Chief Executive explained that the Final Local Government Settlement was received on 21 December, 2016 and had been largely unchanged in overall cash terms from the Provisional Settlement. The remaining budget gap was £2m and the limited options available to close the gap, which were set out in full in the report, were:

- Domiciliary Care – Charging Levels
- Local Taxation
- School Investment
- Use of Reserves and Balances

On Domiciliary Care, a Welsh Government (WG) announcement had recently been made on raising the charging cap from the current amount of £60 per week to £70 per week from 1st April 2017. For Flintshire, that would generate an additional income of £0.238m in 2017/18. In addition, WG had announced that as part of the Settlement, an additional £10m to support the rising costs of domiciliary care across Wales would be provided. Based on an assumed formula distribution the Council would receive additional funds in the region of £0.430m.

The North Wales Fire and Rescue Authority had approved an increase in its levy which for Flintshire, when taking regional population changes into account, would result in an annual increase of 4.52% (£0.317m). This was not included in the current budget estimate. An option was to add the levy increase to the planned Council Tax increase which would raise it from 3.00% to 3.55%.

The Corporate Finance Manager explained that there was the option to utilise reserves to assist in closing the budget gap but that would only provide a one year solution. As part of the approved Corporate Financial Stewardship options an amount of £0.699m had already been earmarked to meet the first year costs of the new UK Government Apprentice Tax Levy. A decision on what was considered to be a prudent use of reserves needed to take into account both the future sustainability of the budget and the impact on the reserve levels which remained for future years.

The outstanding risks and issues as were detailed in the report were:

- Single Environment Grant
- Transportation Costs
- Household Recycling Centres
- Car Park Income – County Hall
- Impact of the Outturn 2016/17

The Chief Executive explained that final budget proposals would be considered by Cabinet on 14th February prior to consideration by County Council later that day.

The questions and comments raised by Members have been recorded and are available for reference.

The Committee confirmed that no new options should be proposed and that there should be no reduction in the proposed uplift for the overall schools budget.

RESOLVED:

- (a) That the details and the implications of the Welsh Local Government Final Settlement be noted; and
- (b) That the comments made by the Committee, as shown in Appendix 1 of the minutes, be feedback to Cabinet to consider.

80. DEVELOPMENT OF THE 2017/18 TO 2019/20 CAPITAL PROGRAMME

The Chief Officer (Organisational Change) and Senior Manager (Technical Accountancy) introduced the developing Capital Programme for the period 2017/18 – 2019/20.

A detailed presentation was given, which covered the following areas:-

- 3 Part Council Fund Capital Programme
- Table 1 – Estimated Available Funding
- Table 2 – Proposed Allocations
- Table 3 – Proposed Investment
- Table 4 – Summary (Generally Funded Capital Programme)
- Dealing with any Shortfall in Funding
- Table 6 – Specifically Funded Schemes
- Table 7 – Summary Capital Programme

The questions and comments raised by Members were shown at Appendix 1 of the minutes.

RESOLVED

- (a) That the Committee supports the allocations and schemes in Table 2 of the report for Statutory/Regulatory and Retained Assets section of the Council Fund Capital Programme 2017/18 – 2019/20;
- (b) That the Committee supports the schemes in Table 3 of the report for the Investment section of the Council Fund Capital Programme;
- (c) That the Committee noted that the shortfall of funding of schemes in 2018/19 and 2016/20 at this point in the approval process is flexible. Options including a combination of future capital receipts, alternative grants, prudential borrowing or phasing schemes over several years will be considered during 2017/18, and included in future capital programme reports;
- (d) That the Committee noted the development of a longer term Capital Strategy and Asset Management Plan;

- (e) That the comments made by the Committee, as shown in Appendix 1 of the minutes, be feedback to Cabinet to consider before the final Capital Programme 2017/18 – 2019/20 report is considered by Council; and
- (f) That the Committee recommend to Cabinet that it support the proposed 'red' route as part of the consultation on the Welsh Government A494/A55 improvement plan.

81. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE

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

(The meeting started at 10.00 am and ended at 12.28 pm)

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Chair

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE
20 JANUARY 2017

AGENDA ITEM 3 - COUNCIL FUND BUDGET REPORT 2017/18 – PART 3 CLOSING STRATEGY

Question/Comment	Response
Unclear within the report what the remaining budget gap is.	Following notification of the Final Local Government Settlement on 21 December, 2016, the remaining budget gap had stood at £2m. Following the announcement from Welsh Government (WG) on raising the care charging cap and the additional social care investment, and then accounting for an increase of 4% on the North Wales Fire and Rescue Authority levy, the final remaining budget gap now stood at around £1.6m.
Have the financial risks to the possible reduction in the Single Environment Grant and the maintenance of local public and schools bus services been included within the 2017/18 budget?	These have not yet been included in the budget as they are under negotiation. The risks to local services have been set out in previous reports.
No mention within the report of the £40,000 funding for play schemes.	It is recommended that this be funded through the Contingency budget.
Further information requested around the Apprenticeship Tax Levy.	<p>Welsh Government (WG) has had its UK funding of £90m used for further education to train apprentices withdrawn. The Apprenticeship Tax Levy should bring in around £90m to £120m to Wales. Therefore, the additional new funding for use for apprenticeship schemes will be limited.</p> <p>The Council would continue to lobby on the Apprenticeship Tax Levy to protect and grow our successful apprentice and trainee schemes.</p>
The footnotes at the bottom of Table 2 within the Cabinet report states that the precise estimates would not be subject to any material change. When comparing the 2016/17 revenue budget and the budget workforce efficiencies, only half of which	The proposed efficiencies were precise estimates. There should be no variances of note during 2017/18.

have been achieved, surely the estimates for 2017/18 will also change over the course of the year.	
Concern raised around the North Wales Fire and Rescue Authority increasing its levy by 4% at a time when Local Authorities were being encouraged to increase council tax by around 3%?	Noted.
Under the outstanding risks and issues, why is there an efficiency target for the Household Recycling Centres as funding had been secured for the configuration of the sites.	The efficiency target is the revised forecast taking into account the newly adopted strategy of the Council to divert waste from landfill.
Think it would be useful for Members to receive what the Final Local Government Settlement is per head of population in comparison to Newport Council.	This would be circulated to Members. Newport as a comparator has a similar population to Flintshire. However, Newport is a more centralised urban county with a much different service configuration e.g. a single Household Recycling Centre and a smaller number of secondary schools.
Is it possible to separate the different elements of the Council Tax bill?	The bills have to follow the statutory template. Agreed that supporting information to separate out the amounts collected for the North Wales Fire and Rescue Authority, North Wales Police and Town and Community Councils would be valuable.
Welcome the proposals to increase school budgets.	Noted.
The Committee confirmed that no new options should be proposed and that there should be no reduction in the proposed uplift for the overall schools budget.	Noted.

AGENDA ITEM 4 - DEVELOPMENT OF THE 2017/18 TO 2019/20 CAPITAL PROGRAMME

Question/Comment	Response
Why is the special inspection for Flintshire bridge being funded through the capital programme and not the revenue budget?	Inspection work would usually be funded through the revenue budget. Due to the scale and cost of this inspection it will be funded through the capital programme.

<p>If the bridge was classified as a trunk road the funding to maintain and repair the bridge would be received from the Welsh Government.</p> <p>Concern that if during the inspection maintenance work is identified the cost could rise significantly.</p>	<p>Given that the bridge is a strategic route it perhaps should be funded through the Welsh Government as part of the trunk road network. A public consultation was about to open on improvements to the A494 and its connectivity to the A55. It was important that the Council took a full part in the consultation process on whether the proposed 'red' route or 'blue' route was to be the preferred option.</p> <p>If further maintenance works were required this would need to be met through capital receipts and/or funding re-directed as appropriate.</p>
<p>Could further information on the Home Improvement Loans be provided?</p>	<p>The Home Improvement Loan scheme offers financial support to owners of private properties. The Council receives the loan value back following the sale of the property (as a charge on the property).</p>
<p>Are redundant/vacant properties being sold to avoid unnecessary maintenance costs to the Council?</p>	<p>As part of the Council's Capital Strategy assets are sold or building demolished for redevelopment.</p>
<p>Welcome the proposed £1m for toilet upgrades in both primary and secondary schools, but the backlog of works is estimated to be in the region of £1.5m. How will the remaining gap be met?</p>	<p>Estyn has increased their attention on school toilets to support better learning environments for pupils. A backlog would remain following the £1m investment but upgrades through the 21st Century School Investment Programme would assist in addressing the backlog.</p>
<p>Welcome the proposed investment for school extension and remodelling. How prioritise which school receives the investment first.</p>	<p>There was a rolling programme within Band A (the first phase of school projects) of the 21st Century School Investment Programme. The proposed investment at Castell Alun High School would remove the need for mobile classrooms on site. The classrooms currently at Glan Aber Primary School, Bagillt do not meet minimum size requirements and some classes are having to be taught in other spaces such as the school hall.</p>
<p>Could some savings be found through the tendering process for the proposed investment for school extension and remodelling?</p>	<p>The final costs may come down. The proposed investment at Castell Alun High School was a 4 year project..</p>

<p>With regard to the proposed Extra Care provision in Holywell, hope this is not at the expense of Llys Gwenffrwd which needs to be retained.</p>	<p>The proposed Extra Care provision in Holywell will not replace Llys Gwenffrwd which is a residential care home. The Council Strategy clearly demonstrates the need for additional bed spaces at Llys Gwenffrwd to meet growing demand. A business case is being developed for investment in the home.</p>
<p>As the IT network equipment would no longer be supported by the manufacturer during 2017/18 is it possible for the Council to look at using a different manufacturer?</p>	<p>There have been a number of IT failures recently which have been as a result of the Council using the ICT infrastructure to its limit. In order to comply with the PSN accreditation and in order to ensure the day to day running of the Council is it important that the network equipment is replaced.</p>
<p>Has any thought been given to introducing Cloud computing and further new technologies?</p>	<p>This is being considered as part of the Council's Digital Strategy.</p>

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE
9 FEBRUARY 2017

Minutes of the meeting of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held in the Delyn Committee Room, County Hall, Mold on Thursday, 9 February 2017

PRESENT: Councillor Arnold Woolley (Vice-Chairman in the Chair)

Councillors: Marion Bateman, Paul Cunningham, Peter Curtis, Andy Dunbobbin, Robin Guest, Ron Hampson, Ray Hughes, Richard Jones, Brian Lloyd, Vicky Perfect, Paul Shotton, Ian Smith and Nigel Steele-Mortimer

APOLOGY: Councillor Clive Carver

CONTRIBUTORS: Councillor Aaron Shotton, Leader of the Council & Cabinet Member for Finance; Councillor Billy Mullin, Cabinet Member for Corporate Management; and Chief Executive

Business Information & Compliance Advisor (for minute number 82)
Finance Manager - Strategy Accounting & Systems and Finance Manager - Technical Accountancy (for minute number 84)

IN ATTENDANCE: Democratic Services Manager and Committee Officer

78. COMMENTS FROM THE CHAIRMAN

The Chairman drew Members' attention to the Welsh Government White Paper on Local Government reform which was currently out for consultation. The Chief Executive said that it was intended to schedule the item for the County Council meeting on 1 March 2017 to enable debate within the consultation period.

79. DECLARATIONS OF INTEREST

There were no declarations of interest.

80. MINUTES

The minutes of the meetings held on 8 December 2016 and 12 January 2017 were received.

Matters Arising - 8 December 2016

Minute number 68 - Revenue Budget Monitoring Month 7 - the requested information on costs relating to historic child abuse settlements was being sought and would be shared with the Committee.

Matters Arising - 12 January 2017

Minute number 74 - Workforce Information Quarter 2 - the Democratic Services Manager agreed to pursue a response to Councillor Richard Jones' query on whether there was any reason for the difference between teacher age profiles in schools.

Minute number 76 - Forward Work Programme - the update on the BT broadband programme would be scheduled following the elections, as the Regional Director was unavailable for the March 2017 meeting.

RESOLVED:

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

81. CORPORATE SAFEGUARDING

The Chief Executive presented the report on work being undertaken to ensure that the Council met its safeguarding responsibilities and sought comments on the draft Corporate Safeguarding Policy.

The Corporate Safeguarding Panel had carried out an assessment against the recommendations of the Wales Audit Office 2015 report 'Review of Corporate Safeguarding Arrangements in Welsh Councils' to strengthen the Council's robust safeguarding arrangements already in place. Key actions from the work programme developed by the Panel were shared together with a number of specific performance indicators to measure implementation of the policy. The Chief Executive highlighted the importance of the workforce and elected Members accepting shared safeguarding responsibilities.

On the changes in behaviour which could indicate potential abuse, Councillor Marion Bateman stressed the importance of considering all behavioural factors rather than taking each in isolation. The Chief Executive agreed and said that those listed in Appendix 2 of the policy were intended as a guide to alert actions on potential issues.

In welcoming the refresh of the Council's safeguarding arrangements, Councillor Paul Shotton asked whether a reminder should be issued to reinforce individual responsibilities set out in the Code of Conduct. The Chief Executive said that corporate safeguarding was part of the Member induction programme and that training was targeted at those employee groups who were most likely to come into contact with individuals at risk.

Councillor Robin Guest sought assurance that the draft policy did not replicate any other policy/guidance already in place. The Chief Executive said that this was a general policy for all employees, in addition to the various specialised practices for individuals working directly with children or vulnerable people, but would check that there was no conflict with any other Council policy. On the suggested performance indicators, he explained that referral rates

would be used for baseline figures and would be monitored as part of annual reporting. On a further point, he agreed that Appendices 3 and 4 would be extended to reflect safeguarding against access to child pornography through reading material as well as electronically.

The Chairman drew attention to the examples of good practice listed in Appendix 4 of the policy.

RESOLVED:

- (a) That the Committee is assured that work is being undertaken to improve corporate arrangements for safeguarding children and adults;
- (b) That the draft Corporate Safeguarding Policy be noted; and
- (c) That annual reports be received on work carried out to improve corporate safeguarding arrangements and the effectiveness of relevant policies.

82. WORKFORCE INFORMATION REPORT - QUARTER 3 2016/17

The Chief Executive presented the quarterly update report on workforce information which focussed on organisational performance and trends.

A slight improvement in attendance during Quarter 3 was reported in comparison to the same period for 2015/16 with outcomes for the year projected to show an overall improvement. As reported at the previous meeting, there was a reduction in agency worker spend in Quarter 3, mainly due to the recruitment of a number of agency workers to permanent posts in Streetscene. On equality and diversity workforce monitoring, it was explained that the classification of 'other' was aligned with the official Census definition.

Councillor Billy Mullin thanked the Senior Manager of Human Resources & Organisational Development and her team for the improvements made to the reports. This was echoed by the Chairman.

Councillor Paul Shotton welcomed the positive position on agency worker spend, which had been explained previously. The Chief Executive spoke about shared concerns with other councils regionally on the reliance on agencies for engaging temporary social care workers.

RESOLVED:

That the Workforce Information report for Quarter 3 be approved.

83. WELSH LANGUAGE STANDARDS

The Chief Executive presented the report on the outcome of negotiations with the Welsh Language Commissioner for a new set of Welsh Language Standards for the Council.

The Chief Executive said that the challenge in applying a uniform approach to all Welsh councils was recognised, particularly for cross-border counties such as Flintshire. He wished to put on record his appreciation to the Welsh Language Commissioner and her team in engaging positively with the Council to achieve a set of Standards acceptable to both parties. A pragmatic approach had been taken to resolving concerns on specific Standards with examples cited on committee agenda papers and signage. Positive dialogue with the Commissioner had led to recognition on the major risks involved on costs and capacity if no amendments had been made to the original Standards. The cost of implementing the Standards was being managed by a budget pressure.

Councillor Billy Mullin welcomed the outcomes and the Commissioner's positive approach to implementation in Flintshire.

The Chairman said that the report demonstrated the benefits of constructive negotiations.

Councillor Robin Guest thanked the Chief Executive and Policy Advisor (Equality & Cohesion) for their work and made the point that 'implementation date' would have been better wording on the Compliance Notice.

In response to remarks by Councillor Paul Shotton, the Chief Executive said that the cost of implementing the negotiated Standards was £35K. If the Commissioner had insisted on all committee reports being translated, the cost could have been in the region of £350K. He explained the approach to translation services required at partnership meetings based on scale of need. In addition to the Standards, work was underway on the development of a Welsh Language Promotion Strategy to be brought to the Committee around September 2017.

RESOLVED:

- (a) That the successful outcome for Flintshire County Council on negotiated Standards within the final Compliance Notice be endorsed;
- (b) That the Welsh Language Standards be fully supported; and
- (c) To receive a further report on the Welsh Language Promotion Strategy, which is a requirement of the Standards and will raise the profile and strengthen the Welsh language in Flintshire.

84. REVENUE BUDGET MONITORING 2016/17 (MONTH 9)

The Finance Manager - Strategy Accounting & Systems and Finance Manager - Technical Accountancy presented a report on the revenue budget monitoring position for the Council Fund and Housing Revenue Account (HRA) and the Capital Programme as at Month 9, prior to consideration by Cabinet.

Revenue Budget Monitoring

On the Council Fund, there had been a £1.011m reduction in the operating deficit to £0.799m, mainly due to the recovery of costs for joint care packages in Social Services. The change in Minimum Revenue Provision (MRP) accounting policy had eliminated the in-year operating deficit and meant that net spend was projected to be £2.087m less than budgeted, leaving projected contingency reserves of £5.279m. The projected position of each portfolio was tabled in the report, with explanation given on significant budget movements in Streetscene & Transportation and Social Services, and the realignment of budgets. It was projected that 89% of programmed efficiencies would be achieved. The areas of risk summarised in the report included a number which had reduced in-year.

On the HRA, in-year expenditure was projected to be £0.037m above budget leaving a closing balance of £1.061m.

The Chief Executive spoke about the positive outcome of negotiations on the Continuing Health Care fund but reminded Members that contingency reserves were one of the available sources used to balance the budget. On the risk areas, he advised that a confidential report would be considered by Cabinet on the proposed disposal of the orphaned industrial site at Sandycroft.

Councillor Robin Guest asked about the grant funding received to upgrade recycling centres in Mold and Buckley, and was informed that this would be reflected in a later report due to the timing of that announcement. In response to comments on the implications if the MRP accounting policy had not been changed, the Chief Executive said that the review - led by the Finance Manager (Technical Accountancy) - had recommended changes in agreement with the Treasury Management advisors. Whilst this provided a degree of flexibility, there would still be an operating deficit.

Councillor Aaron Shotton referred to forthcoming consideration of the 2017/18 budget and said that the position would have been even more challenging without the change in MRP policy.

Councillor Paul Shotton acknowledged the work of the officer team on the MRP policy and the positive negotiations on Continuing Health Care funding which he hoped would continue. In response to comments, the Chief Executive explained that the agreement reached with the Health Board provided a better balance of funding. He said that whilst the domiciliary and residential care market in Flintshire was currently stable, this remained an area of risk.

Capital Programme

A breakdown of changes to the programme indicated an increase of £0.573m during the quarter, mainly due to additional grant funding from Welsh Government. A summary of capital expenditure against the budget showed a projected outturn of £30.463m on the Council Fund, reflecting an underspend of £1.046m. The position on the HRA was for a projected outturn of £29.671m

with the £0.150m overspend to be funded by increased revenue contributions to the capital budget. Attention was drawn to a summary of rollover amounts into 2017/18 and details of funding of approved schemes in 2016/17 which indicated the availability of £3.873m.

RESOLVED:

- (a) That the Committee approves the Revenue Budget Monitoring 2016/17 (Month 9) and confirms that there are no specific issues to be brought to the attention of the Cabinet; and
- (b) That the Committee approves the Capital Programme monitoring 2016/17 (Month 9) and confirms that there are no specific issues to be brought to the attention of the Cabinet.

85. FORWARD WORK PROGRAMME

The following actions were agreed:

- The meeting scheduled for 6 April 2017 to be cancelled.
- Members were reminded of the item on cyber crime at the next meeting on 9 March 2017 and were asked to submit any questions in advance.
- The Forward Work Programme to be removed from the March 2017 meeting as this was the final meeting before the election.
- The Customer Services Strategy to remain on the agenda for March 2017.

RESOLVED:

- (a) That the Forward Work Programme be approved with amendments; and
- (b) That the Democratic Services Manager, in consultation with the Chair, be authorised to vary the Forward Work Programme between meetings, should this be necessary.

86. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE

There was one member of the press in attendance.

(The meeting started at 10am and ended at 11am)

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Chairman



CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday, 9 March 2017
Report Subject	Customer Service Strategy
Cabinet Member	Cabinet Member for Corporate Management
Report Author	Democratic Services Manager
Type of Report	Strategic

EXECUTIVE SUMMARY

The purpose of this report is to submit, for the Committee's consideration the attached report of the Chief Officer (Community & Enterprise) on the Customer Services Strategy. The Corporate Resources Overview & Scrutiny Committee is being consulted on the strategy prior to its consideration by Cabinet on 14th March 2017, and Members of the Community & Enterprise Overview & Scrutiny Committee have been invited to attend and participate in this item.

RECOMMENDATIONS

1	The Committee is invited to consider and comment on the attached Customer Services Strategy and the covering report to Cabinet.
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REPORT DETAILS

1.00	PURPOSE OF THE REPORT
1.01	The purpose of this report is to submit, for the committee's consideration the attached report of the Chief Officer (Community & Enterprise) on the Customer Services Strategy. The committee is being consulted on the strategy prior to its consideration by Cabinet on 14 th March 2017.

1.02	The report which is attached as appendix 1 is the report to Cabinet and appendix 2 is the Customer Services Strategy.
1.03	Members of the Community & Enterprise Overview & Scrutiny Committee have been informed that this item is to be considered by the Corporate Resources Overview & Scrutiny Committee before it is submitted to Cabinet. Community & Enterprise Overview & Scrutiny Committee Members have been invited to attend the meeting and participate in this item.

2.00	RESOURCE IMPLICATIONS
2.01	None from this covering report: please see appendix 1

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	None from this covering report: please see appendix 1

4.00	RISK MANAGEMENT
4.01	None from this covering report: please see appendix 1

5.00	APPENDICES
5.01	<ol style="list-style-type: none"> 1. Report of the Chief Officer (Community & Enterprise) to Cabinet, 14th March 2017 2. Customer Services Strategy

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>None from this covering report: please see appendix 1</p> <p>Contact Officer: Robert Robins, Democratic Services Manager Telephone: 01352 702320 E-mail: Robert.robins@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	None from this covering report: please see appendix 1

CABINET

Date of Meeting	Tuesday, 14 March 2017
Report Subject	Customer Services Strategy
Cabinet Member	Cabinet Member for Corporate Management
Report Author	Chief Officer (Community & Enterprise)
Type of Report	Strategic

EXECUTIVE SUMMARY

The proposed Customer Service Strategy (attached at appendix 1) is a replacement for the Customer Service Strategy 2010-13. This strategy proposes a strategic approach to transforming our customer interactions by delivering council services in the most modern and efficient way and embracing the potential of a digital shift.

The strategy is structured around the following three workstreams:

1. Face to face
2. Telephone
3. Digital

Each workstream lists high level outcomes to be achieved by the end of the strategy that will be supported by an annual action plan giving more details and precise timescales.

The strategy is closely aligned with the Digital Strategy and shares a Digital Customer workstream.

RECOMMENDATIONS

1	Cabinet adopts the Customer Service Strategy.
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REPORT DETAILS

1.00	EXPLAINING THE CUSTOMER SERVICE STRATEGY
1.01	<p>The purpose of the Customer Service Strategy is to set out a framework for how the Council will deliver modern and efficient face to face, telephone and digital services, with a commitment to providing excellent services to customers and value for money to the taxpayer.</p> <p>The Council's future service delivery must be focused on simplifying the way customers access services, understanding their journey with the council, giving customers control over the services they use, listening to and responding to feedback. Services which can be delivered digitally will be developed, allowing expensive resources to be focused on those services which cannot be delivered digitally to support the most vulnerable customers.</p>
1.02	<p>The proposed Customer Service Strategy complements the Customer Service Policy which describes what customers can expect when they contact the Council face to face, over the telephone or digitally. The implementation of this strategy will involve ongoing review of the customer service policy and changes will be made based on the needs of customers.</p> <p>The strategy is divided into the three workstreams which reflect the main customer access channels.</p>
1.03	<p>Face to face</p> <p>Face to face services will be in the main delivered through the five Flintshire Connects Centres in town centres across the county. There are a range of services available through the Connects Centres including Housing Solutions Triage, Blue Badge applications and benefit enquiries.</p> <p>The strategy recognises that face to face services are the most expensive customer channel. However, it is an important channel for a number of services where new or unexpected circumstances are presented, where human judgement is required and for our most vulnerable customers. The strategy aims to build on the successful development through Connects of services resolved at first point of contact and therefore removing duplication, multiple handling and further avoidable contact.</p> <p>A key outcome for the strategy is that face to face services are available across the county and delivered by highly skilled and knowledgeable staff to support the most vulnerable customers.</p>
1.04	<p>Telephone Contact</p> <p>The Council receives approximately 2.7 million calls per annum. There is the opportunity across the Council to develop contact centre working where calls are handled by dedicated and knowledgeable staff who can provide advice across a range of services and free up specialist officer time to focus on core business or priority cases.</p> <p>This approach enables the council to maximise efficient use of staff resources and manage peak customer demand effectively. The strategy</p>

	will aim to resolve customer enquiries effectively at first point of contact and reduce call numbers by making services available on line.
1.05	<p>Digital</p> <p>Evidence from other Councils shows that embracing digital services can save the Council money, improve accessibility of services for the majority of residents and free up resource to support the most vulnerable customers. Even where certain tasks are not able to be delivered digitally (e.g. pest control or bulky waste collections) in many cases it will still be possible to improve the service for customers through options for online booking, payments or the provision of enhanced levels of information.</p> <p>A large proportion of households are using technology and expect to be able to access services on line at a time and location that suits them. By enabling customers to carry out high volume, simple transactions on line, the council can free up staff resources to deal with cases more appropriately and sensitively managed face to face.</p> <p>A key outcome for the strategy is that customers are confident and able to access Council services at a time and location convenient to them and that services that can be offered digitally are available, user friendly and build confidence in digital as a customer channel.</p>

2.00	RESOURCE IMPLICATIONS
2.01	The digital workstream of this strategy will require capital investment to further develop suitable digital solutions and a 5 year cost estimate has been submitted as part of the capital programme. The cost/benefit of each change will be assessed prior to commencement and the decision whether or not to proceed taken based on available resource and priorities at the time.
2.02	Realising the ambition of the strategy will require some service transformation. It is expected that some level of project management or support will be required to facilitate any large scale change.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	<p>The proposed strategy has been prepared jointly by Customer Services with involvement from officers across all portfolios.</p> <p>The strategy was presented to Corporate Resources Overview and Scrutiny Committee on 9th March and comments reported to Cabinet.</p>

4.00	RISK MANAGEMENT
4.01	Implementing the strategy should help to increase the accessibility of services and to reduce inequality.
4.02	The strategy itself will be subjected to an Equality Impact Assessment.

	Changes to services (especially within the digital work stream) will need to be assessed for equalities and impact on future generations as part of the scoping exercise.
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5.00	APPENDICES
5.01	Appendix One – Customer Services Strategy

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None. Contact Officer: Katie Clubb, Customer Support Manager Telephone: 01352 703518 E-mail: katie.clubb@flintshire.gov.uk

7.00	GLOSSARY OF TERMS
7.01	Contact Centre –a team of employees using specialist telephony software that enables the Council to effectively manage call volumes and call waiting times to ensure resources are managed according to service demand. Flintshire Connects – five town centre offices across Flintshire which provide a face to face service for customers to access more than 30 Council services

Customer Service Strategy

Putting the customer at the heart of everything we do



2017 - 2022

Foreword

by Councillor Billy Mullin:

Cabinet member for corporate resources

I am very pleased to be able to bring you Flintshire County Council's Customer Service Strategy 2017-2022 which sets out how we are going to deliver and improve our services for customers across the county over the next five years.

The delivery of excellent customer services, tailored to the needs of Flintshire residents is of the utmost importance to the Council. The implementation of Contact Centre working to improve telephone call handling, the opening of Flintshire Connects Centres to provide access to services in town centres are just a couple of examples that show this Council's continued commitment to the development and improvement of customer service. However, more needs to be done. As technology develops and more homes benefit from broadband, the expectation of customers about when/how services are available will change. The demand to be available online and accessible 24/7 will increase as people choose to move away from more traditional contact channels.

This important strategy outlines the Council's plans for customer service and how this will be developed to ensure services are delivered in a fair, considerate and caring way that will ultimately make our customers feel respected and valued. I look forward to seeing this strategy being implemented over the next five years and the positive results this will have for all Flintshire residents.



Cabinet member for
corporate resources

Introduction

The public sector is striving to deliver excellent customer service at a time of significant change in the way services are delivered as a consequence of unprecedented financial challenges. Flintshire County Council is not unique and is committed to delivering modern and efficient services in the face of these challenges.



The purpose of the Customer Service Strategy is to set out a framework about how the Council will deliver modern and efficient **face to face**, **telephone** and **digital services**, with a commitment to providing excellent services to customers and value for money to the taxpayer.

The strategy explains how the Council will transform access to Council services and it outlines its ambition to embrace the opportunities that technologies offer. This means providing customers with access to digital services wherever possible to ensure that they can take advantage of all the benefits technology may offer them.

Future service delivery will be focused on simplifying the way customers access services, understanding customer journeys, giving the customer control over the services they use, listening to and responding to feedback. The Council will utilise digital channels as a way of delivering services in the most efficient way. Customers who are able to self-service through an online account will be able to do so, building on key principles within the Digital Flintshire Strategy to empower customers to access the services and information they need online.

Customers should have the best possible experience when they access Council services and in providing alternative customer access channels that meet both the demands and efficiencies required of the Council, there is no compromise in the Council's commitment to understanding customers and their needs.

This Strategy is supported by the Digital Flintshire Strategy which is fundamental in transforming customer access channels.

Customer Service: The Vision

The Customer Service Strategy sets out how the Council will embrace opportunities to review, assess and implement changes to the way customers can contact Flintshire County Council. The Council will deliver modern and efficient services enabling customers to access services flexibly through digital channels, freeing up resource to support the most vulnerable customers.

The Council want to improve and simplify access to services, providing customer focused services that meet customer expectations. The Council recognise that “one size fits all” is not an appropriate response to the public service offer in Flintshire. The vision in providing access to services is that regardless of the channel, services will be:

- Easily accessible
- Simple to use
- Streamlined
- Convenient
- Cost effective
- Reliable

Customers can access Council services in many ways, sometimes resulting in confusion and a poor customer experience. The Council will simplify the number of ways a customer can contact services, taking advantage of the rapid developments in technology wherever possible to provide digital access channels, ensuring the customer receives the right service first time.

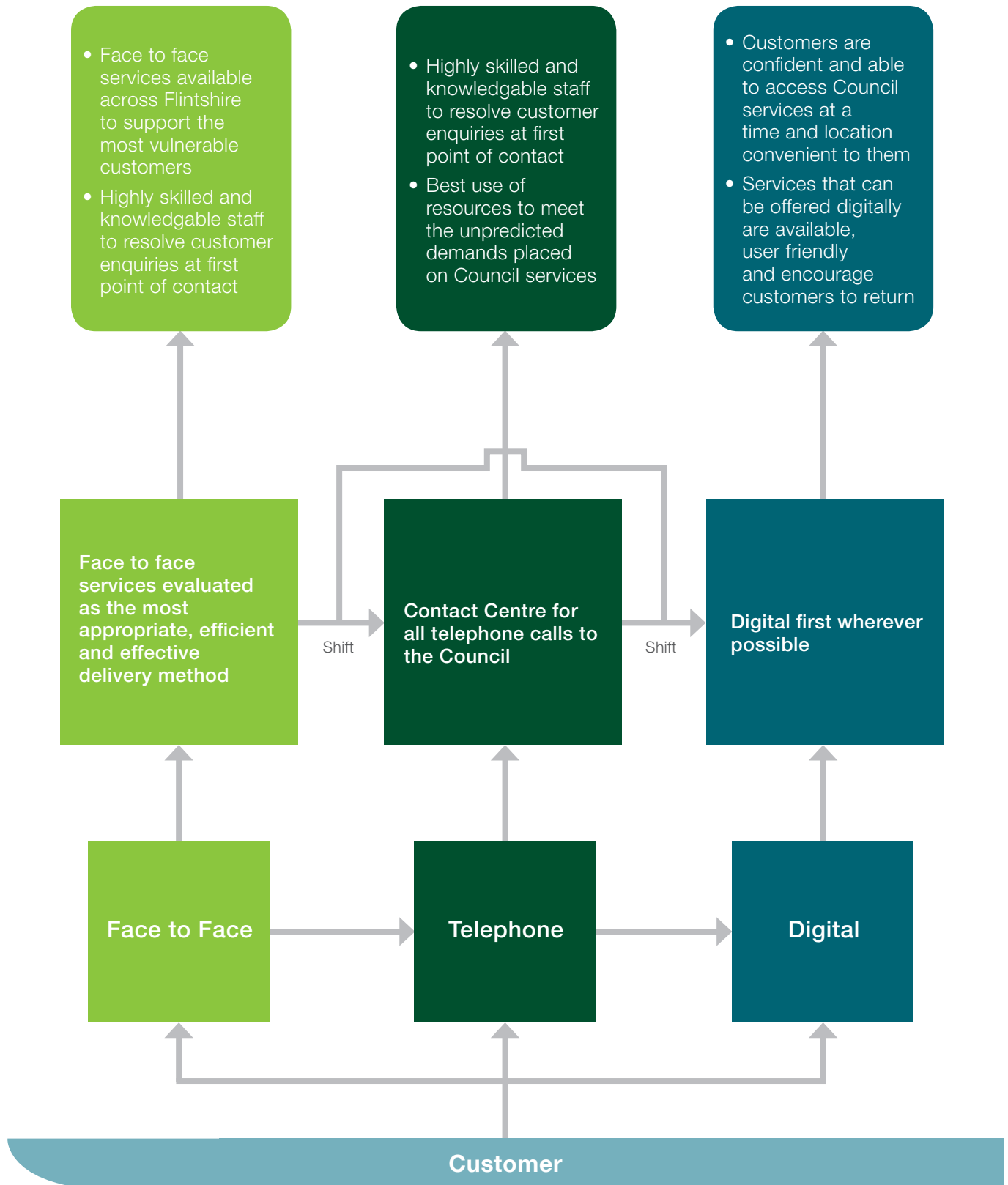
In asking those customers who are able to self-service through an online account to do so, the Council will work with local training providers, partners and the third sector to help those customers who are less confident in accessing digital services, or do not have access to technology. Services which can be delivered digitally will be, allowing expensive resources to be focused on the most vulnerable customers or for services where face to face delivery is the only realistic option.

Through all of the different access channels, the service a customer receives will be consistent regardless of whether this is through online self-service, telephone or face-to-face.



How the Vision will be achieved?

The customer experience when contacting Flintshire County Council will be a positive one and key to this is the review of three customer access workstreams which the Council will focus on to ensure we deliver our vision.



Delivering the Vision

Workstream 1 - Face to Face

“Supporting our most vulnerable customers to access services”

Our commitment is:

- To understand and respect the needs of vulnerable customers
- To deliver services in full where they cannot be delivered digitally or by telephone
- To provide excellent face-to-face services in town centre locations
- To support and assist customers to access digital services
- To measure the performance of staff against customer service standards



Key actions:

No.	Action
1	Review customer facing services to identify those services which cannot be delivered digitally or by telephone, and provide accessible services in town centre locations.
2	Where face to face contact is required strive to deliver these services in full at first point of contact removing duplication, multiple handling and further avoidable contact.
3	Provide modern technology in Flintshire Connects Centres and Libraries for those customers digitally excluded to embrace digital technology e.g. self-service computers and touch screen pods
4	Signposting customers to the most efficient method of contacting the Council in the future to save them time and money e.g. the Council's website.
5	Advice and support to customers to ensure they have the confidence to use digital technology as a way of contacting the Council and other private sector organisations thus realising the benefits of the digital age.
6	Review the necessity of “home visits” and the option to provide face to face conferring as an alternate channel for ease and convenience to both the Council and the customer.
7	Provide appropriate technology for staff that must complete home visits to allow them to complete their work in modern and efficient ways.
8	The Council will maintain its customer service standards as outlined in the Customer Service Policy: <ul style="list-style-type: none"> - We will greet customers within 5 minutes of their arrival at a council building / event; - We welcome customers to speak in English or Welsh and where there is no Welsh speaker available we will make alternative arrangements. - We will offer an appointment where this may be more appropriate, responsive or efficient; - We will make arrangements for customers who have specific requirements e.g. interpretation service, British Sign Language.

Outcome:

- Face to face services available across Flintshire to support the most vulnerable customers.
- Highly skilled and knowledgeable staff to resolve customer enquiries at first point of contact.

Workstream 2-Telephone

“A single contact for customers to access services”

Our commitment is:

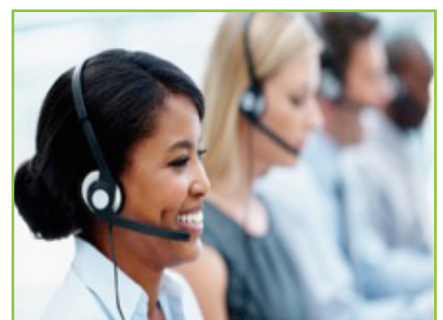
- To develop the Council's experience to date to maximise the efficient use of staff resources
- To manage peak customer demand effectively
- To provide a joined-up approach to service delivery through single call resolution
- To promote services e.g. providing customers with information for self-service or automated processes
- To explore partnerships with other public sector Contact Centres

Actions to support delivery:

No.	Action
1	Develop Contact Centre working to maximise the amount of enquiries that are resolved at first point of contact for those people who cannot self-serve. This will relieve the pressure on services and create efficiency and capacity.
2	Develop Contact Centre operations to maximise the efficient use of staff resources and manage peak customer demand effectively.
3	Explore partnerships with other public sector Contact Centres. This could provide efficiency in staffing levels and could provide joined up working across the public sector.
4	Telephone customers will be advised about alternative methods of contacting the Council which could save them time and money.
5	Provide a bilingual service when customers choose to contact the Council by telephone.
6	Reduction in multiple handling of calls leading to single call resolution i.e. a customer can deal with one call agent to resolve multiple service enquiries.
7	The Council will maintain its customer service standards as outlined in the Customer Service Policy: <ul style="list-style-type: none"> - We will answer telephone calls within 30 seconds; - We will deal with telephone calls in English or Welsh. Where there is no Welsh speaker available appropriate arrangements will be put in place to enable customers to deal with the Council in the Welsh language; - We will offer access to an alternative system (e.g. language translation services) if customers have additional requirements.

Outcome:

- Highly skilled and knowledgeable staff to resolve customer enquiries at first point of contact.
- Best use of resources to meet the unpredicted demands placed on Council services.



Workstream 3-Digital

“Empowering customers to access the services and information they need online”

Our commitment is:

- To continue to move transactional services to more effective digital channels by maximising self service
- To provide services and information online to customers in a user-friendly way
- To ensure customers have the digital skills to access services and information online
- To delivering accessible, inclusive services, supporting customers to adopt digital services
- To provide choice of contact method whilst balancing efficiency with service quality
- To ensure that customer needs and service efficiency are at the core of solutions development and implementation
- To deliver secure digital solutions so that customers trust the Council to protect their information

Actions to support delivery:

No.	Action
1	Continued development of the Customer Relationship Management database to enable single view of the customer.
2	Development of customer self-service facilities on the Council's website.
3	Effective signposting to information and online resources on the Council's website.
4	Working with services across the Council to ensure a “Digital First” approach.
5	Continue to move transactional services to more effective and efficient digital channels by maximising self-service.
6	Working with local training providers, partners and the third sector to identify and deliver effective customer training to ensure take up of digital services and support digital inclusion.
7	Identify further opportunities for use of social media to support service delivery.
8	The Council will maintain its customer service standards as outlined in the Customer Service Policy: <ul style="list-style-type: none"> - We will acknowledge correspondence (e.g. e-mails, website enquiries and Tweets) within 24 hours (Monday – Friday); - We will respond to digital correspondence as quickly as possible; - We will guarantee a response within 10 working days; - We will respond in the language and format of the original communication.

Outcome:

- Customers are confident and able to access Council services at a time and location convenient to them.
- Services that can be offered digitally are available, user friendly and encourage customers to return.

Guiding Principles

- The way information and services are made available will allow customers to always be in control through their channel of choice.
- Customer feedback will be used to help the Council know what customers think it is doing well, identify customers who are not happy with services to stop recurring problems and help to increase overall customer satisfaction.
- Customers will find it easy to give feedback on services and the Council will listen to what customers say to make improvements.
- By developing digital services the Council will seek to provide a single customer account where everything for a customer is available and recorded in one place. Customers will be able to see every contact they have had with the Council and how services have responded, they will also be able to see services that may be of interest to them and request new services.
- The Council will maximise customer's ability to pay for services electronically.
- The introduction of email sign-ups will allow customers to decide when and on what subjects they would like to receive information from the Council. The customer will be in control of their choices and services will then send out to them information or advice that relate to these. This means the Council can be proactive in responding to the subjects customers are interested in ensuring they get timely and relevant information for them.
- As the Council change the way services are delivered, it will ask customers to test them and customer feedback will help to make improvements so that services are modern and efficient.

How will we deliver the strategy?

Governance Arrangements

The delivery of the strategy is the collective responsibility of the Council from Elected Members and the Chief Officer Team.

Customer Support Services is responsible for reviewing the three workstreams within the strategy and this work will be overseen by the Customer Service Strategy Review Group. The Group will report to the Customer Service Programme Board who will oversee and ensure the effective delivery of the Customer Service Strategy. The benefit of this approach is that the Board provides the mechanism to resolve any resource, capacity and prioritisation issues which could occur across the range of priorities and actions to be delivered.

- The Customer Service Strategy will be included in the Improvement Plan for the Council and the Board will report on progress through the appropriate channels.
- Business Cases for resources to deliver actions which support the delivery of the strategy will be considered by the Board.

Outcome

The Council will know it has been successful in placing the customer at the heart of our Customer Service Strategy when the customer:

- Finds it easy to access services and information
- Gets the service they need first time
- Is offered complementary services without having to work it out for themselves
- Can access services and view their contact history in one place at a time that suits them
- Is satisfied or very satisfied with the service/information they receive

Conclusion

Delivering the vision in this strategy will transform the way customers access Council services, they will have choice, control and access to services through different channels including a simple and easy to use website.

Customers will receive regular updates on services which interest them with information pointing to where they can see more. Council services will be working closely with IT to increase access and support to services and will have partnerships in place to help customers access services digitally. Success is excellent customer service and services which are fit for purpose and able to evolve as customers' needs change.

How success will be measured:

1. A reduction in the volume of face to face contact at public receptions and Flintshire Connects Centres for services where alternative access is deemed appropriate.
2. A reduction in the number of customers being assisted to access services online.
3. A reduction in telephone contact across the Council.
4. An increase in website usage.
5. The extension of online live chat to support customers as they access services online.
6. Offering single customer accounts online to promote digital take-up.
7. Maximising opportunities for customers to pay for Council services electronically.
8. Implementation of email sign-ups to reduce avoidable contact and place the customer in control of their choices.
9. An increase in customer satisfaction when contacting the Council for information or advice.

The Council's Customer Service Policy is attached in Appendix 1; this policy outlines the Council's commitment to the customer and level of service they can expect to receive. The Policy will be continually reviewed in line with the implementation of the Customer Service Strategy.

digitalflintshire@flintshire.gov.uk

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CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Thursday 9 March 2017
Report Subject	Council's Well-being Objectives
Cabinet Member	Leader of the Council
Report Author	Chief Executive
Type of Report	Strategic

EXECUTIVE SUMMARY

The Well-being of Future Generations (Wales) Act 2015 requires named statutory bodies to set and publish Well-being Objectives.

The Act requires that public bodies make sure that when making decisions they take into account the impact they could have on current and future generations. The Council is setting its Well-being Objectives as part of forward improvement planning.

RECOMMENDATIONS

1	To consider the draft set of Well-being Objectives prior to approval by Cabinet.
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REPORT DETAILS

1.00	EXPLAINING THE WELL-BEING OBJECTIVES
1.01	Well-being objectives of public bodies are to be set and published within one year after the Well-being of Future Generations (Wales) Act began in April 2016. They are to be reviewed on an annual basis.
1.02	The Well-being objectives should support both the seven national well-being goals (see Appendix 1) and the priorities and ambitions of the Council. The Improvement planning process is how the Council will implement its objectives and manage its success in making an impact.

1.03	The draft set of well-being objectives are set out in Appendix 2. They align well with the priorities of the Improvement Plan and future strategic objectives.
1.04	This draft set of well-being objectives are to be considered by this committee prior to Cabinet. Feedback will be provided for the Cabinet meeting on 14 March.

2.00	RESOURCE IMPLICATIONS
2.01	None specifically.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	Consultation with Chief Officers and portfolio management teams has taken place.

4.00	RISK MANAGEMENT
4.01	The objectives will be risk assessed and monitored as part of our performance management arrangements.

5.00	APPENDICES
5.01	Appendix 1 – National Well-being Goals Appendix 2 – Draft set of Well-being Objectives

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Well-being of Future Generations (Wales) Act - Summary Contact Officer: Karen Armstrong, Corporate Business and Communications Executive Officer Telephone: 01352 702740 E-mail: karen.armstrong@flintshire.gov.uk

7.00	GLOSSARY OF TERMS
7.01	Well-being of Future Generations (Wales) Act 2015: the Act aims to improve the social, economic, environmental and cultural well-being of Wales. This short animation explains the intended impacts of the Act.

Appendix 1: National Well-being Goals

1. The seven well-being goals provide a shared vision for the public bodies listed in the Act to work towards. The Act makes it clear the listed public bodies must work to achieve all of the goals, not just one or two.

Well-Being Goal	Description of the Goal
A prosperous Wales	An innovative, productive and low carbon society which recognises the limits of the global environment and therefore uses resources efficiently and proportionately (including acting on climate change); and which develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work.
A resilient Wales	A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change).
A healthier Wales	A society in which people's physical and mental well-being is maximised and in which choices and behaviours that benefit future health are understood.
A more equal Wales	A society that enables people to fulfil their potential no matter what their background or circumstances (including their socio economic background and circumstances).
A Wales of cohesive communities	Attractive, viable, safe and well-connected communities.
A Wales of vibrant culture and thriving Welsh language	A society that promotes and protects culture, heritage and the Welsh language, and which encourages people to participate in the arts, and sports and recreation.
A globally responsible Wales	A nation which, when doing anything to improve the economic, social, environmental and cultural well-being of Wales, takes account of whether doing such a thing may make a positive contribution to global well-being.

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Appendix 2 – Draft set of Well-being Objectives

Wellbeing Objectives 2017

The Council together with its partners will support the health and well-being of both the current and future generations through the following strategic objectives.

AMBITIOUS COUNCIL

- Sustaining economic growth through local and regional business development, employment and skills strategies.
- Developing the transport infrastructure and employment sites, and transport services, widening access to employment and training sites.
- Creating a supply of diverse and quality training and employment opportunities.

ACHIEVING COUNCIL

- Providing high quality, accessible, responsive and cost effective public services.
- Providing joined-up services with public and third sector partners which support quality of life in communities and for individuals and families
- Continuing to be a high performing and innovative public sector organisation with social values.

CONNECTED COUNCIL

- Committing to resilient service models to sustain local public services.
- Supporting local communities to be resilient and self-supporting.
- Widening digital access to public services.

GREEN COUNCIL

- Reducing energy consumption and using and developing alternative/renewable energy production.
- Enhancing the natural environment and promoting access to open and green space.
- Maximising the recovery and recycling of household and business waste.

LEARNING COUNCIL

- Supporting children and younger people to achieve their potential.

- Supporting learners from 3 to 18 years of age to aspire to high levels of educational attainment and achievement.
- Providing high quality learning opportunities, and learning environments and for learners of all ages.

CARING COUNCIL

- Ensuring a supply of affordable and quality housing of all tenures.
- Making early interventions to support healthy and independent living.
- Sustaining a local market of high quality and affordable service provision for those who are highly dependent on care support.
- Protecting people from poverty by maximising their income and maximising their employability.
- Giving equal opportunity to all to fulfill their lives.
- Protecting people from the risk of any form of abuse.



CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday 9 th March, 2017
Report Subject	Quarter 3 Improvement Plan 2016/17 Monitoring Report
Cabinet Member	Cabinet Member for Corporate Resources
Report Author	Chief Executive Chief Officer (Governance)
Type of Report	Operational

EXECUTIVE SUMMARY

The Improvement Plan for 2016/17 was adopted by the Council on 14th June 2016.

This report presents the monitoring of progress for the third quarter of the Improvement Plan 2016/17 priorities 'Modern and Efficient Council' and 'Safe Communities' relevant to the Corporate Resources Overview & Scrutiny Committee.

Flintshire is a high performing Council as evidenced in previous Improvement Plan monitoring reports as well as in the Council's Annual Performance reports. This third quarter monitoring report for 2016/17 is another positive report with 95% of agreed actions being assessed as making good progress and 58% likely to achieve the desired outcome. In addition, 72% of the performance indicators met or exceeded target for the quarter. Risks are also being successfully managed with the majority being assessed as moderate (55%) or minor/insignificant (34%).

This report is an exception based report and therefore detail focuses on areas of under-performance.

RECOMMENDATIONS

1	That the Committee considers the Quarter 3 Improvement Plan Monitoring Reports, highlight and monitor poor performance and feedback details of any challenge to Cabinet.
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REPORT DETAILS

1.00	EXPLAINING THE IMPROVEMENT PLAN MONITORING REPORT
1.01	<p>The Improvement Plan monitoring reports give an explanation of the progress being made toward the delivery of the impacts set out in the 2016/17 Improvement Plan. The narrative is supported by performance indicators and / or milestones which evidence achievement. In addition, there is an assessment of the strategic risks and the level to which they are being controlled.</p>
1.02	<p>Monitoring our Activities</p> <p>Each of the sub-priorities have high level activities which are monitored over time. ‘Progress’ monitors progress against scheduled activity and has been categorised as follows: -</p> <ul style="list-style-type: none"> • RED: Limited Progress – delay in scheduled activity; not on track • AMBER: Satisfactory Progress – some delay in scheduled activity, but broadly on track • GREEN: Good Progress – activities completed on schedule, on track <p>A RAG (Red/Amber/Green) status is also given as an assessment of our level of confidence at this point in time in achieving the ‘outcome(s)’ for each sub-priority. Each outcome has been categorised as: -</p> <ul style="list-style-type: none"> • RED: Low – lower level of confidence in the achievement of the outcome(s) • AMBER: Medium – uncertain level of confidence in the achievement of the outcome(s) • GREEN: High – full confidence in the achievement of the outcome(s).
1.03	<p>In summary our overall progress against the high level activities is: -</p> <p>ACTIONS PROGRESS</p> <ul style="list-style-type: none"> • We are making good (green) progress in 54 (95%) actions. • We are making satisfactory (amber) progress in 3 (5%) actions. <p>ACTIONS OUTCOME</p> <ul style="list-style-type: none"> • We have a high (green) level of confidence in the achievement of 33 (58%) action outcomes. • We have a medium (amber) level of confidence in the achievement of 24 action outcomes (42%). • None of our actions have a low (red) level of confidence in achievement of outcomes.

1.04	<p>Monitoring our Performance</p> <p>Analysis of performance against the Improvement Plan performance indicators is undertaken using the RAG status. This is defined as follows: -</p> <ul style="list-style-type: none"> • RED equates to a position of under-performance against target • AMBER equates to a mid-position where improvement may have been made but performance has missed the target • GREEN equates to a position of positive performance against target.
1.05	<p>Analysis of current levels of quarterly performance shows the following: -</p> <ul style="list-style-type: none"> • 36 (75%) had achieved a green RAG status • 10 (21%) have an amber RAG status • 2 (4%) have a red RAG status
1.06	<p>Monitoring our Risks</p> <p>Analysis of the current risk levels of strategic risks identified in the Improvement Plan are as follows: -</p> <ul style="list-style-type: none"> • 8 (16%) are insignificant (green) • 9 (18%) are minor (yellow) • 28 (55%) are moderate (amber) • 6 (12%) are major (red) • There are no severe (black) risks.
1.07	<p>The one major (red) risk area identified for the Corporate Resources Overview & Scrutiny Committee is:-</p> <p>Priority: Modern and Efficient Council Risk: <i>The scale of the financial challenge</i></p> <p>The Final Local Government Settlement for 2017/18 has since been received and is more favourable than the figure projected within the forecast. The annual budget for 2017/18 has now been set. The risks remain high for future budget years.</p>
1.08	<p>Risk Trend</p> <p>The 51 strategic risks within the Improvement Plan have been successfully managed with the majority being assessed at the quarter 3 position as remaining the same as the initial assessment 31 (61%) or having reduced 19 (37%). There is one risk which has increased from yellow to an amber rating; but overall the trends show successful management of risks during the year.</p> <p><u>Increased Risk</u></p> <p>Priority: Modern and Efficient Council Risk: <i>The pace of procurement collaborations and our limited control over their development.</i></p>

	<p>The National Procurement Service (NPS) has increased the pace of procurement collaboration delivery with 30+ framework agreements in place and further projects identified.</p> <p>Actual benefits to the Council from the NPS framework agreement is varied, therefore further monitoring of benefits is required going forward. Meetings have been held with the National Procurement Service to develop an action plan to determine if tangible efficiencies can be obtained from collaborative framework agreements already delivered.</p>
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2.00	RESOURCE IMPLICATIONS
2.01	There are no specific resource implications for this report.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	The Improvement Priorities are monitored by the appropriate Overview and Scrutiny Committees according to the priority area of interest.
3.02	Chief Officers have contributed towards reporting of relevant information.

4.00	RISK MANAGEMENT
4.01	Progress against the risks identified in the Improvement Plan is included in the report at Appendix 1. Summary information for the risks assessed as major (red) is covered in paragraphs 1.07 and 1.08 above.

5.00	APPENDICES
5.01	Appendix 1 – Quarter 3 Improvement Plan Monitoring Report – Modern and Efficient Council
5.02	Appendix 2 – Quarter 3 Improvement Plan Monitoring Report – Safe Communities

6.00	LISE OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>None.</p> <p>Contact Officer: Robert Robins, Democratic Services Manager Telephone: 01352 702320 E-mail: robert.robins@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS																																													
7.01	Improvement Plan: the document which sets out the annual priorities of the Council. It is a requirement of the Local Government (Wales) Measure 2009 to set Improvement Objectives and publish an Improvement Plan.																																													
7.02	<p>Risks: These are assessed using the improved approach to risk management endorsed by Audit Committee in June 2015. The new approach, includes the use of a new and more sophisticated risk assessment matrix which provides greater opportunities to show changes over time.</p> <p>Risk Likelihood and Impact Matrix</p> <table border="1"> <tr> <td rowspan="4" style="writing-mode: vertical-rl; transform: rotate(180deg);">Impact Severity</td> <td>Catastrophic</td> <td>Y</td> <td>A</td> <td>R</td> <td>R</td> <td>B</td> <td>B</td> </tr> <tr> <td>Critical</td> <td>Y</td> <td>A</td> <td>A</td> <td>R</td> <td>R</td> <td>R</td> </tr> <tr> <td>Marginal</td> <td>G</td> <td>Y</td> <td>A</td> <td>A</td> <td>A</td> <td>R</td> </tr> <tr> <td>Negligible</td> <td>G</td> <td>G</td> <td>Y</td> <td>Y</td> <td>A</td> <td>A</td> </tr> <tr> <td></td> <td></td> <td>Unlikely (5%)</td> <td>Very Low (15%)</td> <td>Low (30%)</td> <td>Significant (50%)</td> <td>Very High (65%)</td> <td>Extremely High (80%)</td> </tr> <tr> <td></td> <td></td> <td colspan="6" style="text-align: center;">Likelihood & Percentage of risk happening</td> </tr> </table>	Impact Severity	Catastrophic	Y	A	R	R	B	B	Critical	Y	A	A	R	R	R	Marginal	G	Y	A	A	A	R	Negligible	G	G	Y	Y	A	A			Unlikely (5%)	Very Low (15%)	Low (30%)	Significant (50%)	Very High (65%)	Extremely High (80%)			Likelihood & Percentage of risk happening					
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7.03	The new approach to risk assessment was created in response to recommendations in the Corporate Assessment report from the Wales Audit Office and Internal Audit.																																													

8.00	CAMMS – An explanation of the report headings
	<p>Actions</p> <p><u>Action</u> – Each sub-priority have high level activities attached to them to help achieve the outcomes of the sub-priority.</p> <p><u>Lead Officer</u> – The person responsible for updating the data on the action.</p> <p><u>Status</u> – This will either be ‘In progress’ if the action has a start and finish date or ‘Ongoing’ if it is an action that is longer term than the reporting year.</p> <p><u>Start date</u> – When the action started (usually the start of the financial year).</p> <p><u>End date</u> – When the action is expected to be completed.</p> <p><u>% complete</u> - The % that the action is complete at the time of the report. This only applies to actions that are ‘in progress’. An action that is ‘ongoing’ will not produce a % complete due to the longer-term nature of the action.</p> <p><u>Progress RAG</u> – Shows if the action at this point in time is making limited progress (Red), satisfactory progress (Amber) or good progress (Green).</p> <p><u>Outcome RAG</u> – Shows the level of confidence in achieving the outcomes for each action.</p>

Measures (Key Performance Indicators - KPIs)

Pre. Year Period Actual – The period actual at the same point in the previous year. If the KPI is a new KPI for the year then this will show as 'no data'.

Period Actual – The data for this quarter.

Period Target – The target for this quarter as set at the beginning of the year.

Perf. RAG – This measures performance for the period against the target. It is automatically generated according to the data. Red = a position of under performance against target, Amber = a mid-position where improvement may have been made but performance has missed the target and Green = a position of positive performance against the target.

Perf. Indicator Trend – Trend arrows give an impression of the direction the performance is heading compared to the period of the previous year:

- A 'downward arrow' always indicates poorer performance regardless of whether a KPI figure means that less is better (e.g. the amount of days to deliver a grant or undertake a review) or if a KPI figure means that more is better (e.g. number of new jobs in Flintshire).
- Similarly an 'upward arrow' always indicates improved performance.

YTD Actual – The data for the year so far including previous quarters.

YTD Target – The target for the year so far including the targets of previous quarters.

Outcome RAG – The level of confidence of meeting the target by the end of the year. Low – lower level of confidence in the achievement of the target (Red), medium – uncertain level of confidence in the achievement of the target (Amber) and high-full confidence in the achievement of the target (Green).

Risks

Risk Title – Gives a description of the risk.

Lead Officer – The person responsible for managing the risk.

Supporting Officer – The person responsible for updating the risk.

Initial Risk Rating – The level of the risk at the start of the financial year (quarter 1). The risks are identified as follows; insignificant (green), minor (yellow), moderate (amber), major (red) and severe (black).

Current Risk Rating – The level of the risk at this quarter.

Trend Arrow – This shows if the risk has increased (upward arrow), decreased (downward arrow) or remained the same between the initial risk rating and the current risk rating (stable arrow).

Risk Status – This will either show as 'open' or 'closed'. If a risk is open then it is still a relevant risk, if the risk is closed then it is no longer a relevant risk; a new risk may be generated where a plan or strategy moves into a new phase.



Quarter 3 Improvement Plan 2016/17 Progress Report

Modern and Efficient Council

Flintshire County Council



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Print Date: 28-Feb-2017

8 Modern and Efficient Council



Actions

ACTION	LEAD OFFICER	STATUS	START DATE	END DATE	COMPLETE %	PROGRESS RAG	OUTCOME RAG
8.1.1.1 Develop the Community and Social Sectors through developing and growing social enterprises in Flintshire, in turn supporting and creating new forms of local business	Ian Bancroft - Chief Officer - Organisational Change 1	In Progress	01-Apr-2016	31-Mar-2017	65.00%	 GREEN	 GREEN

ACTION PROGRESS COMMENTS:

An activity plan for 2017 has been developed with a key group of social enterprises that aims to provide leadership and further support to the sector. • The plan includes two specific contracts that will be targeted to the sector. • Business support and dragons den sessions for the sector. • A new business award in business week specific to the social enterprise sector. • The development of a community benefits policy for Flintshire. This is a three year plan which aims to be complete by 31st March 2018 and is currently 2/3rds of the way through and on target.

Last Updated: 17-Feb-2017



ACTION	LEAD OFFICER	STATUS	START DATE	END DATE	COMPLETE %	PROGRESS RAG	OUTCOME RAG
8.1.1.2 Encourage volunteers and active citizens	Ian Bancroft - Chief Officer - Organisational Change 1	In Progress	01-Apr-2016	31-Mar-2017	90.00%	 GREEN	 AMBER



ACTION PROGRESS COMMENTS:



Encouraging volunteers and active citizens is a longer-term programme. Initially there is the volunteering policy which has been shared with the Public Services Board (PSB). Work on volunteering is being developed jointly by public sector partners under the "community resilience" priority of the Board. Evaluation will take place at the end of the year on take up of the policy and use of volunteers by services. This will then complete work on this initial element of encouraging volunteers. The amber judgement on outcome reflects the longer-term nature of achieving this outcome.



Last Updated: 20-Jan-2017

ACTION	LEAD OFFICER	STATUS	START DATE	END DATE	COMPLETE %	PROGRESS RAG	OUTCOME RAG
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8.1.1.3 Ensure community benefit through our commissioning of goods and services and their impact	Arwel Staples - Strategic Procurement Manager	Completed	01-Apr-2016	31-Mar-2017	100.00%	 GREEN	 AMBER
<p>ACTION PROGRESS COMMENTS: A new set of Contract Procedure Rules (CPRs) has been approved by Council and will become operational on 1st November. As part of the new CPR there is a mandatory requirement to include community benefit considerations for all contracts above £1m. To ensure community benefits are agreed and included a new commissioning form has also been developed and, will be reviewed by the Corporate Procurement Unit prior to the commencement of each tendering exercise. Since the introduction of the new Contract Procedure Rules and use of the Commissioning Form, the inclusion of Community Benefits in individual tender projects is increasingly being adopted.</p> <p>Last Updated: 03-Feb-2017</p>							

ACTION	LEAD OFFICER	STATUS	START DATE	END DATE	COMPLETE %	PROGRESS RAG	OUTCOME RAG
8.1.1.4 Design and implement alternative delivery models (ADM's) to sustain important services to meet future need	Ian Bancroft - Chief Officer - Organisational Change 1	In Progress	01-Apr-2016	31-Mar-2017	75.00%	 GREEN	 GREEN
<p>ACTION PROGRESS COMMENTS: Leisure and Libraries, Facility Management and Social Care Work Opportunities have had their final implementation plans agreed at Cabinet in December 2016 with set up of each of the new delivery models planned for the first half of 2017</p> <p>Last Updated: 03-Jan-2017</p>							



ACTION	LEAD OFFICER	STATUS	START DATE	END DATE	COMPLETE %	PROGRESS RAG	OUTCOME RAG
8.1.1.5 Empower communities to run and manage facilities in their locality through Community Asset Transfers CAT's)	Ian Bancroft - Chief Officer - Organisational Change 1	In Progress	01-Apr-2016	31-Mar-2017	65.00%	 GREEN	 GREEN
<p>ACTION PROGRESS COMMENTS: Work continues on progressing a number of assets that have achieved "stage 2 sign off" of business planning through to stage 3 legal completion. A considerable amount of work has taken place in relation to Holywell Leisure Centre, the most complex asset transfer, including consultation with staff and revising and updating the business plan. This transfer is due to take place between December 2016 and March 2017. To complete work this year requires both final completion of a number of asset transfers and monitoring of all those completed last year. This is a three year plan which aims to be complete by 31st March 2018 and is currently 2/3rds of the way through and on target.</p> <p>Last Updated: 17-Feb-2017</p>							

ACTION	LEAD OFFICER	STATUS	START DATE	END DATE	COMPLETE %	PROGRESS RAG	OUTCOME RAG
8.1.1.6 Ensure our Armed Forces Community and their families are not disadvantaged when accessing Council Services	Karen Armstrong - Corporate Business and Communications Executive Officer	In Progress	01-Apr-2016	31-Mar-2018	50.00%	 AMBER	 AMBER

ACTION PROGRESS COMMENTS:

Flintshire has played an active role in preparing for regional funding (Covenant Fund 2016) that has been made available from the Ministry of Defence. This funding will support two 2 year co-ordinator positions working across six authorities, concentrating on website development and engagement with the Armed Forces community. The application was submitted at the end of October 2016 and notification of a successful grant will be known in February. The Council has also re-invigorated its steering group to refresh and implement actions within the Armed Forces Covenant Action Plan. A workshop is being planned with relevant stakeholders to contribute. The amber status reflects a level of uncertainty about delivering the full impact.

Last Updated: 20-Jan-2017



ACTION	LEAD OFFICER	STATUS	START DATE	END DATE	COMPLETE %	PROGRESS RAG	OUTCOME RAG
8.2.1.1 Develop and implement a three year financial plan that reflects anticipated funding, costs and efficiencies to support strategic decision making.	Gary Ferguson - Corporate Finance Manager	Completed	01-Apr-2016	31-Mar-2017	100.00%	 GREEN	 GREEN

ACTION PROGRESS COMMENTS:

The Medium Term Financial Strategy (MTFS) has been adopted by Cabinet, with Overview and Scrutiny Committee input, and regular updates are provided. The provisional Local Government settlement of Welsh Government is due mid-October. The amber outcome rating derives from uncertainty over the content of the settlement at this early stage. The provisional Local Government settlement was received on 19th October 2016 and was more favourable than was forecast within the MTFS. This was due to the funding being mainly flat lined to the 2016/17 level whilst the MTFS projection had assumed a cut of 1.5%. A stage 1 budget report was considered by Cabinet and Corporate Overview and Scrutiny Committee in September and a Stage 2 report which will include further Corporate Financial Stewardship options was considered by Cabinet in November 2016. Q3) Corporate financial stewardship efficiencies were approved by Council on 6th December 2016 with the final stage 3 report considered and approved by Cabinet on 14th February 2017.



Last Updated: 22-Feb-2017

ACTION	LEAD OFFICER	STATUS	START DATE	END DATE	COMPLETE %	PROGRESS RAG	OUTCOME RAG
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8.2.1.2 Implement the People Strategy to ensure the council has sufficient capability and capacity to operate effectively as a smaller organisation	Sharon Carney - Lead Business Partner	In Progress	01-Apr-2016	31-Mar-2017	90.00%	 GREEN	 GREEN
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ACTION PROGRESS COMMENTS:
 The updated People Strategy for 2016-19 was approved by Cabinet in November 2016. The strategy reflects organisational needs and aligns capacity to priorities. In the interim period of strategy revision, resources have been prioritised to meet dominant organizational needs including service reviews, efficiency led service model changes, the transition to Alternative Delivery Models, and workforce scale and cost reduction programmes.

Last Updated: 17-Feb-2017

ACTION	LEAD OFFICER	STATUS	START DATE	END DATE	COMPLETE %	PROGRESS RAG	OUTCOME RAG
8.2.1.3 Rationalise the Council's use of corporate accommodation	Lisa McLellan - Asset Manager	In Progress	01-Apr-2016	31-Mar-2018	70.00%	 GREEN	 GREEN



ACTION PROGRESS COMMENTS:
 The Council's corporate accommodation is being rationalised through reducing floor space and the costs of occupied office accommodation, and increasing the number/percentage of employees working in an agile way. Continued optimisation of space at both Flint Offices and Alltami progresses alongside phased County Hall rationalisation.

Last Updated: 08-Sep-2016

ACTION	LEAD OFFICER	STATUS	START DATE	END DATE	COMPLETE %	PROGRESS RAG	OUTCOME RAG
8.2.1.4 Optimise purchasing efficiencies through the use of regional and national procurement collaborations and through the increased use of electronic solutions	Arwel Staples - Strategic Procurement Manager	In Progress	01-Apr-2016	31-Mar-2017	60.00%	 AMBER	 AMBER

ACTION PROGRESS COMMENTS:
 50 officers of 150 nominated have been trained in new systems and processes. The £400k annual savings target from regional and national procurement collaborations is on track to be achieved. There is ongoing monitoring of efficiencies gained from the National Procurement Service as part of this programme. The amber rating for outcome reflects the longer term uncertainty around optimising regional and national efficiencies. Further meetings have taken place with the National Procurement Service (NPS) to discuss potential efficiencies through the use of national procurement collaborations. An NPS Action Plan has been developed to address the on going issue of lack of efficiencies arising from individual framework agreements.

Last Updated: 03-Feb-2017

ACTION	LEAD OFFICER	STATUS	START DATE	END DATE	COMPLETE %	PROGRESS RAG	OUTCOME RAG
8.2.1.5 Embrace digital channels as the default in service design where possible to provide access to online services at a time and location convenient to the customer.	Rebecca Jones - Customer Services Team Leader	In Progress	01-Apr-2016	31-Mar-2017	75.00%	 GREEN	 GREEN


ACTION PROGRESS COMMENTS:

The Council continues to make progress towards providing services online. A Customer Service Strategy has been developed which sets out how the Council will embrace opportunities to review, assess and implement change across face to face, telephone and digital services with a focus on providing accessible services. In quarter 3, the Council continued to see a rise in the number of online digital transactions with 7,895 customers choosing to complete their business online. There was no increase in website users in quarter 3 but the Christmas holiday period may explain the reason for this. Customer Support Services continue to work closely with ICT to prioritise digital development which is overseen by the Customer Review Group that reports to the Customer Programme Board.

Last Updated: 23-Jan-2017

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Performance Indicators

KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	YTD Actual	YTD Target	Outcome RAG
IP8.1.1.3M01 Percentage of contracts awarded in the financial year over £1m with community benefit clauses included in contract documents	No Data	100	N/A	N/A	N/A	100	N/A	 AMBER

Lead Officer: Arwel Staples - Strategic Procurement Manager
Reporting Officer: Arwel Staples - Strategic Procurement Manager
Aspirational Target:
Progress Comment: Since the introduction of the new Contract Procedure Rules (CPR's) and Commissioning Form in November 2016, all projects above £1m should include Community Benefit clauses.

However, there is still a requirement for officers to comply with the new CPR's hence the outcome RAG is being left as AMBER, with on going monitoring in place.

Last Updated: 03-Feb-2017

KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	YTD Actual	YTD Target	Outcome RAG
IP8.1.1.3M02 Percentage of contracts awarded in the financial year under £1m with community benefit clauses included in contract documents	No Data	50	N/A	N/A	N/A	50	N/A	 AMBER

Lead Officer: Arwel Staples - Strategic Procurement Manager
Reporting Officer: Arwel Staples - Strategic Procurement Manager
Aspirational Target:
Progress Comment: Since the introduction of the new Contract Procedure Rules (CPR's) and Commissioning Form in November 2016, all projects below £1m are being encouraged to include Community Benefit clauses where relevant.



However, there is still a requirement for officers to comply with the new CPR's hence the outcome RAG is being left as AMBER, with on going monitoring in place.


The inclusion of community benefits for contracts below £1m is not mandatory and can only be included depending on the type of contract and value. Each project is assessed on a case by case basis through the Commissioning Form review process to determine whether the delivery of community benefits is applicable.

Currently based on the Commissioning Forms received to date circa 50% of projects below £1m will be applicable to incorporate community benefit clauses.

Last Updated: 17-Feb-2017



KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	YTD Actual	YTD Target	Outcome RAG
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IP8.2.1.1M01 Amount of efficiency targets achieved.	10702000	9384000	10521000	 AMBER	↓	9384000	10521000	 AMBER
<p>Lead Officer: Gary Ferguson - Corporate Finance Manager Reporting Officer: Sara Dulson - Finance Manager Aspirational Target: Progress Comment: Month 9 budget monitoring indicates 89% of efficiencies will be achieved during 2016/17. The 89% refers to a current projection of £9,384M against the revised target of £10,521M.</p> <p>Last Updated: 16-Feb-2017</p>								



KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	YTD Actual	YTD Target	Outcome RAG
IP8.2.1.2M02 Increase percentage of staff that receive an annual appraisal	No Data	67.05	N/A	N/A	N/A	67.05	N/A	 AMBER

Lead Officer: Sharon Carney - Lead Business Partner
Reporting Officer: Andrew Adams - Business Information and Compliance Adviser
Aspirational Target:
Progress Comment: There has been a significant increase in the number of appraisals completed and scheduled. Further work is ongoing to ensure appraisals take place in a timely manner and are recorded on iTrent. A further update is to be provided at the Chief Officer Team meeting in February.


Last Updated: 10-Jan-2017

KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	YTD Actual	YTD Target	Outcome RAG
IP8.2.1.2M04 (CHR/002) The number of working days per full time equivalent (FTE) local authority employee lost due to sickness absence.	2.82	2.83	2.33	 AMBER	↓	2.83	2.33	 GREEN


Lead Officer: Andrew Adams - Business Information and Compliance Adviser
Reporting Officer: -
Aspirational Target: 9.30
Progress Comment: Compared to the same quarter in 2015/16, there has been no change which has meant that the authority has not met the quarterly target of 2.33 (annual target of 9.30). Ongoing interventions continue to be made to further improve attendance.
 Last Updated: 16-Feb-2017

KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	YTD Actual	YTD Target	Outcome RAG
IP8.2.1.4M01 Achievement of efficiency savings achieved due to the use of National, Regional and Sectoral procurement frameworks	225000	163000	100000	 GREEN	↓	492000	300000	 GREEN

Lead Officer: Arwel Staples - Strategic Procurement Manager
Reporting Officer: Arwel Staples - Strategic Procurement Manager
Aspirational Target:
Progress Comment: The annual total efficiency savings target of £400k, has been surpassed by Q3, with already £492,000 savings having been achieved.
 Last Updated: 17-Feb-2017


KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	YTD Actual	YTD Target	Outcome RAG
IP8.2.1.4M02 Efficiencies achieved through the use of end to end electronic purchasing	No Data	No Data	N/A	N/A	N/A	No Data	N/A	 AMBER

Lead Officer: Arwel Staples - Strategic Procurement Manager
Reporting Officer: Arwel Staples - Strategic Procurement Manager
Aspirational Target:
Progress Comment: Value Wales which is part of Welsh Government has developed a new Benefits Realisation Toolkit to determine efficiencies achieved through the use of e-procurement. Due to resources issues in Value Wales to provide implementation training on the use of the new Toolkit, the Council are not able to utilise the toolkit to date to determine the efficiencies.
 Last Updated: 03-Feb-2017

KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	YTD Actual	YTD Target	Outcome RAG
IP8.2.1.5M01 Increase the number of transactional services online and via the Flintshire app	No Data	7895	N/A	N/A	N/A	19522	N/A	 GREEN

Lead Officer: Katie Clubb - Community Support Services Manager
Reporting Officer: Rebecca Jones - Customer Services Team Leader
Aspirational Target:
Progress Comment: The number of customer enquiries received via digital channels i.e. website e-forms, Mobile App and Live Chat continue to increase. The total online transaction in quarter 3 came to 7,895 and the number of customer choosing to contact the Council via its website remained static. Quarter 3 saw a rise in the number of people browsing the NEW Homes website with 957 users accessing the site and over 3,600 pages viewed.

Last Updated: 23-Jan-2017




KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	YTD Actual	YTD Target	Outcome RAG
IP8.2.1.5M02 Increase the take-up of online services	No Data	179457	N/A	N/A	N/A	551530	N/A	 GREEN

Lead Officer: Rebecca Jones - Customer Services Team Leader
Reporting Officer: Rebecca Jones - Customer Services Team Leader
Aspirational Target:
Progress Comment: There was a small reduction in the number of users to the Council's website during quarter 3. 179,457 users visited the website, with each user visiting on average 2.26 times during the quarter. Over 1.1 million web pages were viewed, meaning users viewed circa 6 pages during their visit to our website. Quarter 3 saw the launch of new online services to increase the availability of services digitally, these include e-form developments for a range of services from dog fouling enforcement, school uniform grants, social services apply for reablement assessment and more.




Last Updated: 17-Feb-2017

RISKS




Strategic Risk




RISK TITLE	LEAD OFFICER	SUPPORTING OFFICERS	INITIAL RISK RATING	CURRENT RISK RATING	TREND ARROW	RISK STATUS
The capacity and appetite of the community and social sectors.	Ian Bancroft - Chief Officer - Organisational Change 1	Dawn Holt - Alternative Delivery Models and Transforming Social Services Programme Manager				Open
<p>Potential Effect: No increase in the number and strength in community and social sectors which in turn will limit the capacity for communities to assist in community asset transfer and other programmes.</p> <p>Management Controls: Careful business planning and capacity development with community partners.</p> <p>Progress Comment: Quarter 3 - Building on the Community Asset Transfers from 2015/16 nine applications are now being progressed. In addition 3 ADM's have been agreed by Cabinet to be established in 2017 and a further 2 will be considered in January, see section 8.1.1.4.</p> <p>Last Updated: 17-Feb-2017</p>						

Page 6 of 7

RISK TITLE	LEAD OFFICER	SUPPORTING OFFICERS	INITIAL RISK RATING	CURRENT RISK RATING	TREND ARROW	RISK STATUS
The willingness of the workforce and Trade Unions to embrace change.	Ian Bancroft - Chief Officer - Organisational Change 1	Dawn Holt - Alternative Delivery Models and Transforming Social Services Programme Manager				Open
<p>Potential Effect: Organisational change objectives cannot be met.</p> <p>Management Controls: Careful service and business planning with inclusivity of Trade Union and workforce input.</p> <p>Progress Comment: Quarter 3 - Organisational change programmes are broadly within planned timescales, reflecting the willingness of the workforce and Trade Unions to embrace change. In particular 90% of Leisure and Libraries staff voted yes to the establishment of an employee led mutual in December 2016 showing their commitment and willingness to embrace change.</p> <p>Last Updated: 16-Feb-2017</p>						

RISK TITLE	LEAD OFFICER	SUPPORTING OFFICERS	INITIAL RISK RATING	CURRENT RISK RATING	TREND ARROW	RISK STATUS
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Market conditions which the new alternative delivery models face.	Ian Bancroft - Chief Officer - Organisational Change 1	Dawn Holt - Alternative Delivery Models and Transforming Social Services Programme Manager				Open
<p>Potential Effect: New Alternative Delivery Models will see a decrease in income and could be un-sustainable.</p> <p>Management Controls: Realistic business plans and an increased commercialism of new organisations (e.g leisure and libraries), underpinned by sufficient financial acumen.</p> <p>Progress Comment: Quarter 3 - More detailed work has been undertaken by ADM's in considering market conditions. This includes leisure and libraries benchmarking their service provision externally against other providers in the market. In facilities management, work has been undertaken with other leading market providers to understand the market conditions and a review of APSE comparative performance information has been completed. In social care a tender exercise has resulted in two acceptable tenders for the contract being considered.</p> <p>Last Updated: 20-Jan-2017</p>						

RISK TITLE	LEAD OFFICER	SUPPORTING OFFICERS	INITIAL RISK RATING	CURRENT RISK RATING	TREND ARROW	RISK STATUS
Limitations on public funding to subsidise alternative models.	Ian Bancroft - Chief Officer - Organisational Change 1	Dawn Holt - Alternative Delivery Models and Transforming Social Services Programme Manager				Open
<p>Potential Effect: Alternative Delivery Models become unsustainable as it cannot meet costs with reduced funding from the Council.</p> <p>Management Controls: Properly plan for reduced levels of council funding for each Alternative Delivery Model and contingency plans. An agreed funding model where the Council subsidises the ADM's over a limited period is built into the MTFS.</p> <p>Progress Comment: Quarter 3 - Completed business plans for each of the ADM's demonstrate there is currently enough public funding to support these models moving forward.</p> <p>Last Updated: 20-Jan-2017</p>						

RISK TITLE	LEAD OFFICER	SUPPORTING OFFICERS	INITIAL RISK RATING	CURRENT RISK RATING	TREND ARROW	RISK STATUS
Procurement regulations stifling our ability to develop local community and third sector markets	Arwel Staples - Strategic Procurement Manager					Open

Potential Effect: Unlikely increase in spend with Small and Medium Enterprises (SMEs) and third sector suppliers
Management Controls: Introduction of a new and improved corporate procurement strategy.
Progress Comment: A new corporate procurement strategy has been developed. The strategy has now been approved and one of the key outcomes is local supplier development, increased use of community benefits, and increased spend with Social Enterprises.
 A number of Training Workshops have been undertaken to promote the new Strategy.




Last Updated: 03-Feb-2017

RISK TITLE	LEAD OFFICER	SUPPORTING OFFICERS	INITIAL RISK RATING	CURRENT RISK RATING	TREND ARROW	RISK STATUS
Newly established Social Enterprises fail in their early stages of development	Ian Bancroft - Chief Officer - Organisational Change 1	Dawn Holt - Alternative Delivery Models and Transforming Social Services Programme Manager, Mike Dodd - Social Enterprise Development Lead Officer	Amber	Amber	↔	Open




Potential Effect: New social enterprises are not sustainable and go into liquidation
Management Controls: i) Business development to the sector supported by the Council.
 ii) Monitoring of performance of new Social Enterprise delivery.
 iii) New network of social enterprise taking responsibility for increasing strength of the sector.
Progress Comment: Quarter 3 - The Social Enterprise Sector working group has now agreed a plan of activity for 2017 that will provide additional support and leadership to the social enterprise sector. However as we have a number of new social enterprises and it can take social enterprises up to 5 years to become fully sustainable this risk rating remains amber. This means a priority will be placed on monitoring and evaluating progress of new social enterprises.

Last Updated: 17-Feb-2017

RISK TITLE	LEAD OFFICER	SUPPORTING OFFICERS	INITIAL RISK RATING	CURRENT RISK RATING	TREND ARROW	RISK STATUS
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Newly established Community Asset Transfers fail in their early stages of development	Neal Cockerton - Chief Officer - Organisational Change 2	Dawn Holt - Alternative Delivery Models and Transforming Social Services Programme Manager				Open
<p>Potential Effect: New social enterprises are not sustainable and go into liquidation Management Controls: Business development support for the sector; monitoring and management of performance of new Social Enterprise delivery; new network of social enterprises taking responsibility for self-help. Progress Comment: Business development work is on going. Monitoring of new Community Asset Transfers starts this year with reports received from Community groups and monitoring meetings arranged.</p> <p>The Social Enterprise Sector working group is now active and has a plan for 2017.</p> <p>Last Updated: 22-Dec-2016</p>						

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RISK TITLE	LEAD OFFICER	SUPPORTING OFFICERS	INITIAL RISK RATING	CURRENT RISK RATING	TREND ARROW	RISK STATUS
The scale of the financial challenge.	Gary Ferguson - Corporate Finance Manager	Sara Dulson - Finance Manager				Open
<p>Potential Effect: The Council does not have sufficient funding to meet it's priorities and obligations. Management Controls: i) The Council's Medium Term Financial Strategy and efficiency programme. ii) National negotiations on local government funding. Progress Comment: The Final Local Government Settlement for 2017/18 has since been received and is more favourable than the figure projected within the forecast. The annual budget for 2017/18 has now been set. The risks remain high for future budget years.</p> <p>Last Updated: 22-Feb-2017</p>						

RISK TITLE	LEAD OFFICER	SUPPORTING OFFICERS	INITIAL RISK RATING	CURRENT RISK RATING	TREND ARROW	RISK STATUS
The capacity and capability of the organisation to implement necessary changes.	Sharon Carney - Lead Business Partner					Open

Potential Effect: Organisational change objectives cannot be met.
Management Controls: Careful service and business planning with alignment of corporate resources supplemented with specialist external support where required.
Progress Comment: Organisational change programmes are broadly on time and on budget.

Last Updated: 29-Nov-2016

RISK TITLE	LEAD OFFICER	SUPPORTING OFFICERS	INITIAL RISK RATING	CURRENT RISK RATING	TREND ARROW	RISK STATUS
The pace of procurement collaborations and our limited control over their development.	Gareth Owens - Chief Officer - Governance	Arwel Staples - Strategic Procurement Manager	Yellow	Amber	↑	Open

Potential Effect: Procurement efficiencies will not be realised.
Management Controls: Monitoring and management of the National Procurement Service (NPS) work programme and its benefits.
Progress Comment: The National Procurement Service (NPS) has increased the pace of procurement collaboration delivery with 30+ framework agreements in place and further projects identified. The work programme delivery is being closely monitored.

However actual benefits to the Council from the NPS framework agreements is varied, therefore further monitoring of actual benefits is required going forward. Further meetings have been held with the National Procurement Service to develop an Action Plan to determine if tangible efficiencies can be obtained from collaborative framework agreements already delivered.

Last Updated: 03-Feb-2017

RISK TITLE	LEAD OFFICER	SUPPORTING OFFICERS	INITIAL RISK RATING	CURRENT RISK RATING	TREND ARROW	RISK STATUS
Public attitude to accessing services on-line.	Clare Budden - Chief Officer - Community and Enterprise	Rebecca Jones - Customer Services Team Leader	Yellow	Yellow	↔	Open

Potential Effect: Targeted efficiencies to be achieved through people switching to accessing services will not be met.
Management Controls: Connects will promote and assist with self-service for to enable a full digital shift.
Progress Comment: Q3) The number of people choosing to interact with the Council using digital channels remains consistent. Customer Services continue to monitor customer feedback around digital to ensure the services delivered digitally are fit for purpose. Help and support is offered to all customers at Flintshire Connects Centres to empower all people to access Council services using digital technology. A new Customer Service Strategy is being prepared which focuses on reviewing customer accessing channels providing digital access to service wherever possible. The Strategy is expected to be approved by the end of March 2017 for implementation 2017-2020 and will provide direction for the future.

Last Updated: 21-Feb-2017



Quarter 3 Improvement Plan 2016/17 Progress Report

Safe Communities



Flintshire County Council
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Print Date: 28-Feb-2017

5 Safe Communities

Actions



ACTION	LEAD OFFICER	STATUS	START DATE	END DATE	COMPLETE %	PROGRESS RAG	OUTCOME RAG
5.1.1.1 Develop a plan to deliver the key outcomes of the North Wales Safer Communities Board (NWSCB) Community Safety Plan.	Sian Jones - Public Protection Manager - Community	Completed	01-Apr-2016	31-Mar-2017	100.00%	 GREEN	 GREEN

ACTION PROGRESS COMMENTS:

This action is complete. The North Wales Safer Communities Board Plan for 2016/17 has been approved. The plans of the Public Services Board (PSB) are consistent with and support the regional plan.

Last Updated: 30-Nov-2016



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ACTION	LEAD OFFICER	STATUS	START DATE	END DATE	COMPLETE %	PROGRESS RAG	OUTCOME RAG
5.1.1.2 Contribute to the delivery of the North Wales Community Safety Plan priorities	Sian Jones - Public Protection Manager - Community	Completed	01-Apr-2016	31-Mar-2017	100.00%	 GREEN	 GREEN

ACTION PROGRESS COMMENTS:

The regional priorities have been embedded within the local 'People are Safe' delivery plan for 2016/17 under the guidance of the Public Services Board.

Last Updated: 16-Feb-2017

ACTION	LEAD OFFICER	STATUS	START DATE	END DATE	COMPLETE %	PROGRESS RAG	OUTCOME RAG
5.1.1.3 Reduce fear of crime by making use of the latest technologies including closed circuit television (CCTV)	Doug Dowling - CCTV and Campus Manager	In Progress	01-Apr-2016	31-Mar-2017	25.00%	 GREEN	 AMBER



ACTION PROGRESS COMMENTS:

The feasibility study is complete and the consultants report has been received. An executive summary has been issued to Cabinet for consideration. Consultation with Town & Community Councils and other Stakeholders has been postponed and re-scheduled for completion by the end of the 2016/17 financial year. Relocation of the CCTV control room has been postponed. Progress to Stage Two of the consultants brief includes preparation of detailed technical specifications, proposals, drawings and tender documentation for the upgrade of the CCTV control room equipment from analogue to state of the art digital technology and, the procurement of re-deployable cameras (where possible) to complement the

static CCTV camera scheme if agreed. Revised Service Level Agreements with Town & Community Councils are overdue.

Last Updated: 17-Feb-2017

Performance Indicators

KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	YTD Actual	YTD Target	Outcome RAG
IP5.1.1.2M01 The percentage of high risk repeat victims of domestic abuse referred to the Flintshire MARAC	13.5	25.6	28	 GREEN	↓	25.6	28	 GREEN

Lead Officer: Sian Jones - Public Protection Manager - Community



Reporting Officer: Jackie Goundrey - Domestic Abuse Co-ordinator

Aspirational Target:



Progress Comment: The aim of the Multi Agency Risk Assessment Conference (MARAC) is to reduce repeat victimisation to those individuals at serious risk of harm. Cases are discussed once unless there is a further incident, which would then require the case to be brought back to MARAC for further review.

The period actual indicates the percentage of repeat cases brought back to MARAC. The national baseline is 28%. Flintshire have seen a reduction in the number of cases being brought back to MARAC for review.

Last Updated: 20-Jan-2017

KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	YTD Actual	YTD Target	Outcome RAG
IP5.1.1.2M02 Achieving a waiting time of less than 20 days from referral to treatment (KPI 2)	85.38	88.07	80	 GREEN	↑	88.07	80	 GREEN

Lead Officer: Sian Jones - Public Protection Manager - Community
Reporting Officer: -
Aspirational Target:
Progress Comment: 88.07% of referrals have achieved the waiting time of less than 20 days showing an improvement against our local target of 80%, and above the level expected by Welsh Government.
 Last Updated: 20-Jan-2017

KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	YTD Actual	YTD Target	Outcome RAG
IP5.1.1.2M03 Achieving the Welsh Government target for the percentage of completed substance misuse treatments (80%)	80	84.34	80	 GREEN	↑	84.34	80	 GREEN

Lead Officer: Sian Jones - Public Protection Manager - Community
Reporting Officer: -
Aspirational Target: 80.00
Progress Comment: 84.34% of Substance Misuse Treatments were achieved during Quarter 3. This is above the local target of 80%, and above the level expected by the Welsh Government.
 Last Updated: 23-Feb-2017

RISKS

Strategic Risk

RISK TITLE	LEAD OFFICER	SUPPORTING OFFICERS	INITIAL RISK RATING	CURRENT RISK RATING	TREND ARROW	RISK STATUS
Lack of sustainable funding to deliver nationally determined community safety priorities.	Sian Jones - Public Protection Manager - Community		 Amber	 Yellow	↓	Open

Potential Effect: Unable to deliver services
Management Controls: Develop suitable exit strategies
Progress Comment: No issues to report. Funding levels for external grants in 2016/17 have all been confirmed.

Last Updated: 09-Jan-2017

RISK TITLE	LEAD OFFICER	SUPPORTING OFFICERS	INITIAL RISK RATING	CURRENT RISK RATING	TREND ARROW	RISK STATUS
Retention of experienced and skilled staff due to the short term grant funding regime.	Sian Jones - Public Protection Manager - Community		Amber	Amber	↔	Open

Potential Effect: Staff shortages may impact on service delivery.
Management Controls: Appropriate support has been put in place to enable the officers to undertake their work effectively.
Progress Comment: We have received confirmation of grant funding until 31st March 2017, however Welsh Government are unable to commit to funding levels beyond that date.

Last Updated: 09-Jan-2017

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CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Thursday 9 March 2017
Report Subject	Wales Audit Office report on Financial Resilience: Savings Planning: Council Response
Cabinet Member	Leader of the Council and Cabinet Member for Finance
Report Author	Chief Executive
Type of Report	Strategic

EXECUTIVE SUMMARY

Cabinet received a report last month from the Wales Audit Office's (WAO) recently published report for Flintshire entitled "Financial Resilience: Savings Planning".

The scope of the review intended to answer the following: *"Do the council's financial savings planning arrangements support financial resilience?"*

The main conclusion of the review was:

"The Council has a sound financial planning framework and it continues to strengthen its financial planning to better support future financial resilience."

To further strengthen these arrangements the WAO have identified one proposal for improvement which is:

"Strengthen financial planning arrangements by ensuring that all savings proposals are sufficiently developed before the start of the financial year in which they are to be implemented."

This report provides the Council's response to this proposal for improvement.

RECOMMENDATIONS

1	To note the Council's response to the proposal for improvement of the WAO report on the Council's arrangements for financial savings planning.
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REPORT DETAILS

1.00	EXPLAINING THE FINANCIAL RESILIENCE REPORT
1.01	<p>During 2015-16 the Wales Audit Office undertook work at all councils to assess the adequacy of their financial planning, control and governance arrangements. Local reports were issued and a national summary report published in August 2016.</p> <p>The national summary report concluded that “strategic planning arrangements are improving but councils have difficulty in developing and delivering the savings and changes to services at the pace required to ensure future financial resilience”.</p> <p>The local review in 2015-16 concluded that <i>“the Council continued to improve its financial planning and control arrangements and strengthen its ability to respond to the ongoing financial challenges.”</i></p>
1.02	<p>A follow-up review of financial resilience was undertaken between June and September last year focusing on work to identify, plan for and deliver savings. This review is being undertaken at all 22 councils.</p> <p>The scope of the review is the Council’s arrangements for financial savings planning which, in the current funding climate and the reduced settlements for local government is critical to financial resilience.</p> <p>The full report is attached as Appendix 1.</p>
1.03	<p>The conclusion of this recent review is: <i>“the Council has a sound financial planning framework and it continues to strengthen its financial planning to better support future financial resilience”</i>.</p>
1.04	<p>The supporting conclusions of the review include:</p> <p>Savings achievement 2015-16: The Council has reported achievement of 83% of its planned 2015-16 savings in year and can demonstrate that individual savings have been delivered.</p> <p>Financial planning arrangements: The Council has an effective corporate framework for financial planning and plans to lengthen the term of the MTFS to five years to address the current lack of indicative plans for future years.</p> <p>Savings Plan 2016-17: The Council forecasts that it will achieve 90% of its 2016-17 revised planned savings but some of its savings proposals are not sufficiently well developed when the budget is approved.</p>
1.05	<p>WAO identified one proposal for improvement which is:</p> <p><i>“Strengthen financial planning arrangements by ensuring that all savings proposals are sufficiently developed before the start of the financial year in which they are to be implemented.”</i></p>

1.06	The Council's response to this proposal for improvement is attached to this report as Appendix 2.
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2.00	RESOURCE IMPLICATIONS
2.01	There are no specific resource implications regarding this report; as the report is a view of the Council's general arrangements to support financial resource planning.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	Wales Audit Office sought views from Chief Officers and finance colleagues to inform their review.

4.00	RISK MANAGEMENT
4.01	The Council consistently reviews risks in relation to financial planning and the resilience of its plans. The Medium Term Financial Strategy and in-year business plans are monitored monthly.

5.00	APPENDICES
5.01	Appendix 1 – Financial Resilience: Savings Planning – Flintshire County Council: January 2017 Appendix 2 – Council Executive response.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Wales Audit Office: Financial Resilience Assessment (March 2016) Contact Officer: Karen Armstrong, Corporate Business and Communications Executive Officer Telephone: 01352 702740 E-mail: karen.armstrong@flintshire.gov.uk

7.00	GLOSSARY OF TERMS
7.01	Wales Audit Office (WAO) Works to support the Auditor General as the public sector watchdog for Wales. They aim to ensure that the people of Wales know whether public money is being managed wisely and that public bodies in Wales understand how to improve outcomes.

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WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Archwilydd Cyffredinol Cymru
Auditor General for Wales

Financial Resilience: Savings Planning – **Flintshire County Council**

Audit year: 2016-17

Date issued: January 2017

Document reference: 671A2016

This document has been prepared as part of work performed in accordance with statutory functions.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000.

The section 45 code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales and the Wales Audit Office are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to the Wales Audit Office at info.officer@audit.wales.

The team who delivered the work comprised Charlotte Owen and Jeremy Evans, under the direction of Alan Morris.

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The Council has a sound financial planning framework and it continues to strengthen its financial planning to better support future financial resilience.

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Summary report

Summary

- 1 Good financial management is essential for the effective stewardship of public money and the continual delivery of efficient public services. The current financial climate and the reduced settlements for local government mean that good financial planning, with well-considered savings plans, is critical to financial resilience.
- 2 This review focuses on answering the following question: **Do the council's financial savings planning arrangements support financial resilience?**
- 3 Good financial planning:
 - helps councils take the right decisions for the short, medium and long term;
 - helps councils deliver services to meet statutory obligations and the needs of local communities;
 - is essential for good corporate governance;
 - is about managing performance and achieving strategic objectives as much as it is about managing money;
 - underpins service quality and improvement;
 - is the basis of accountability to stakeholders for the stewardship and use of resources; and
 - is a key management discipline.
- 4 Financial planning for the medium to long term involves understanding future demand, assessing the impact of probable changes, reviewing the gaps between funding needs and possible income and, where necessary, developing appropriate savings strategies.
- 5 A council's strategic priorities and its financial health should be the basis for deciding what is practicable. Well-considered and detailed long-term financial strategies and Medium-Term Financial Plans can ensure the delivery of strategic priorities by enabling appropriate financial choices. Conversely, short-term annual budget planning encourages an incremental and process-driven approach that is too inflexible in a period of rapid external change.
- 6 Councils cannot accurately forecast the proportion of their income that relies on the Welsh Government beyond the current settlement. However, they can use information to anticipate changing circumstances, set priorities, make choices and manage service delivery. They can calculate how much they would need to deliver services (at current or future prices) and review alternative income and spending scenarios to identify gaps and prepare for the future by investigating different approaches.

- 7 During 2015-16 the Wales Audit Office undertook work at all councils to assess the adequacy of their financial planning, control and governance arrangements. Local reports were issued and a national summary report published in August 2016. The national summary report concluded that **strategic planning arrangements are improving but councils have difficulty in developing and delivering the savings and changes to services at the pace required to ensure future financial resilience.**
- 8 In this assessment, undertaken during the period June to September 2016, we have focused on work to identify, plan for and deliver savings. We examined the extent to which Flintshire County Council (the Council) achieved its 2015-16 savings plans, the work it has done to ensure financial resilience during the 2016-17 financial planning period and the robustness of its 2016-17 savings plans.
- 9 We sampled three savings proposals for 2016-17 and looked at the underlying assumptions and whether there are adequate mechanisms to ensure they can be delivered in the planned timescale.
- 10 We followed up our 2015-16 work to determine what the Council did as a consequence of what it learnt and how it has responded to our proposals for improvement in relation to financial planning if we made any.
- 11 In this report we have described some key characteristics of effective financial planning – **What good looks like**. Auditors have used these and other factors to reach a balanced view on the effectiveness of a council's financial planning arrangements and to evaluate the ability of a council to deliver its Medium-Term Financial Plan (MTFP) and planned savings.
- 12 In our 2015-16 review we concluded that **the Council continued to improve its financial planning and control arrangements and strengthen its ability to respond to the ongoing financial challenges.**
- 13 In this review we concluded that **the Council has a sound financial planning framework and it continues to strengthen its financial planning to better support future financial resilience.**

Proposals for improvement

Exhibit 1: Proposals for improvement

- 14 It would be unusual if we did not find things that can be improved and, where we do, the Auditor General can take a variety of steps. In this case a proposal for improvement has been made and we would expect the Council to do something about it.

Proposals for improvement

- P1 Strengthen financial planning arrangements by:
- ensuring that all savings proposals are sufficiently developed before the start of the financial year in which they are to be implemented.

Detailed report

The Council has a sound financial planning framework and it continues to strengthen its financial planning to better support future financial resilience

Context

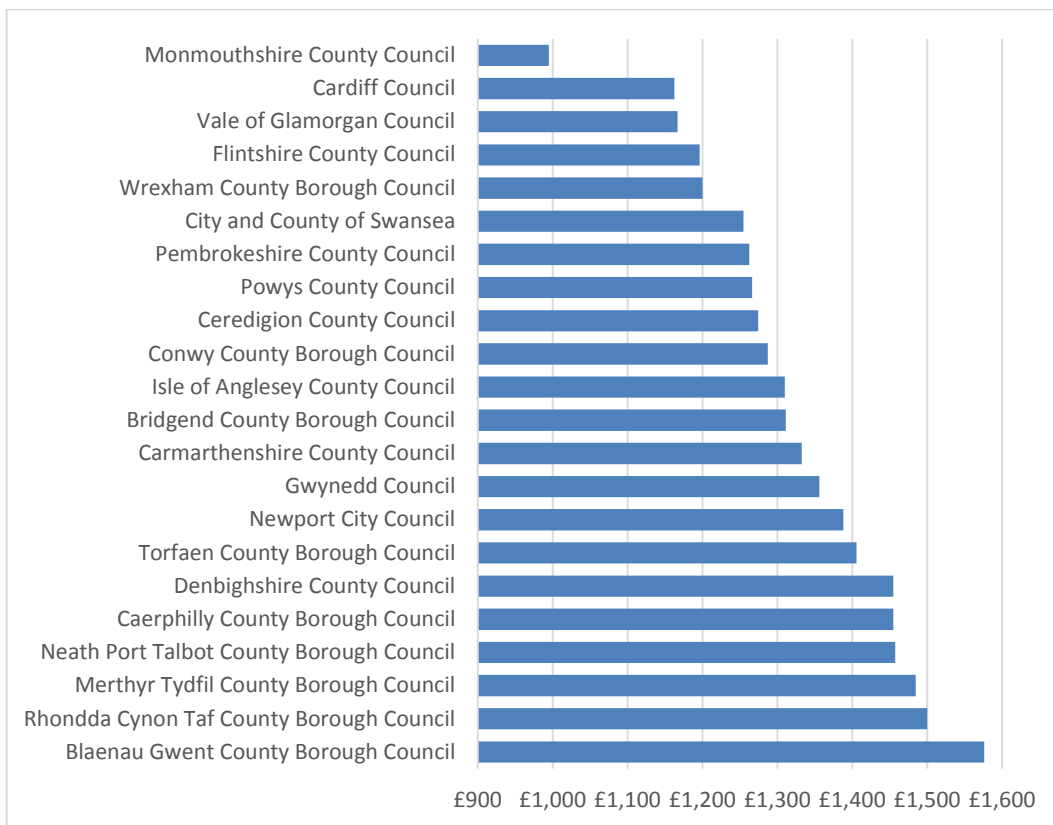
- 15 Since 2010, the UK government has reduced spending on public services as part of its plan to reduce the deficit. With cuts to its budget, the Welsh Government has had to make difficult choices as to how to allocate those funding cuts across devolved public services. As a result, the amount of core funding made available by the Welsh Government to local councils has reduced each year. So far, most local councils have managed to reduce expenditure and balance budgets, but the scale of annual reductions is likely to continue. Our analysis shows that between 2013-14 and 2016-17, there is a real-terms reduction of £483 million (10.9%) in this core funding¹.
- 16 The impact of the decision to leave the European Union may represent a threat to local councils and the wider public sector in Wales. In the immediate aftermath of the decision there was reaction across financial markets resulting in volatility in, for example, share prices, currency exchange rates, oil prices and bond yields, and the UK continues to face a great deal of uncertainty on top of significant questions regarding future economic and trading relationships with Europe. The Welsh Local Government Association (WLGA) has expressed concerns over the implications of the European Union referendum outcome, calling it a 'seismic change in UK public policy'² especially as local councils are the largest employer in Wales and the deliverer of many important public services.

¹ Comparing core funding (Aggregate External Finance (AEF)) across the period 2013-14 to 2016-17 is complicated for two main reasons. Firstly, the Welsh Government has incorporated into core funding grants that were previously provided separately. While this 'de-hypothecation' of grants results in an increase in core funding, it is not necessarily a net increase in funding. The net value of grants incorporated into core funding since 2013-14 is around £76 million in real terms (adjusted for inflation).

² Welsh Local Government Association, **Councils voice concern over service impacts of EU referendum**, 24 June 2016

- 17 Whilst the overall Welsh Government funding has reduced, councils have been expected to protect schools and social care from the bulk of the pressures. Social care in particular has struggled even with this protection as for example demographic changes have led to increased demand. However, this does mean that other services have borne the majority of the cuts and have seen reductions in budgets of 30% or more in real terms.
- 18 The Council received £185 million in support from Welsh Government in 2016-17. This represents £1,196 per person in the county, below the average for Wales and a real-terms reduction of 10.1%³ per head since 2013-14.

Exhibit 2: Welsh Government support in 2016-17



Source: Stats Wales (www.statswales.gov.wales)

³ The percentage reduction per head figure varies from the 2013-14 core funding reduction due to population variation over the same period.

Savings achievement 2015-16

The Council has reported achievement of 83% of its planned 2015-16 savings in year and can demonstrate that individual savings have been delivered

What good looks like

19 Councils that have a good track record of delivering the majority of planned in-year savings should have well developed savings and delivery plans in place which are underpinned by robust monitoring processes. These councils do not have to continually bridge the gap year on year, by identifying alternative savings, using unplanned one-off funding from earmarked reserves, general reserves, contingency funds or fortuitous unplanned income received during the year.

What we found

- 20 In our 2015-16 review the Council reported that it achieved 87% of its planned savings in 2014-15 in year.
- 21 In our 2016-17 review we found that achievement of planned savings reduced slightly in 2015-16 to 83%. Our findings are detailed below.
- 22 The Council delivered a net underspend of nearly £1.5 million on its 2015-16 budget and reported that it achieved 83% of its planned savings. Despite some service overspends, there was a collective net underspend on service and corporate budgets and the Council's income was higher than expected.
- 23 The Council's planned budget strategy for 2015-16 included the use of £1 million from an earmarked reserve set up to help balance budgets. In year, the Council also used £1.86 million from its Contingency Reserve; it later transferred the £1.5 million year end budget surplus back to the Reserve, resulting in net use of £371,000.
- 24 The £2.2 million savings under achievement was offset by budget underspends. The Council classifies its savings according to type, for example collaboration, income generation, structural review and service efficiency.
- 25 Savings plans are embedded in the base budget and form part of the budget monitoring process. In 2015-16, the Council established Programme Boards to monitor portfolio budgets and savings. Boards meet regularly and provide senior officers and Members with the opportunity to review performance and provide challenge. Regular budget monitoring reports to Cabinet provide an update on forecast savings achievement and detail variances against target.
- 26 The Council has strengthened its approach to budget planning and savings by adopting rolling three-year business plans. These require portfolios to identify savings for a three year period. The Council expects to extend this to cover a five year period, following council elections in May 2017.

Financial planning arrangements

The Council has an effective corporate framework for financial planning and plans to lengthen the term of the MTFs to five years to address the current lack of indicative plans for future years

What good looks like

- 27 The MTFP is a key component of an effective, integrated corporate planning framework. Good medium-term financial planning and annual budgeting should reflect the council's strategic objectives and priorities for the year, and over the longer term. MTFPs typically span a three-to-five year period and should identify how resources will be allocated to both the delivery of services and the council's priorities. The impact on citizens and other stakeholders should also be considered.
- 28 Good MTFPs include consideration of key financial risks together with their mitigation. Councils have to make assumptions around inflation, income levels, demographics, future demand for services and the costs of delivering services, and these need to be based on reasonable predictions. The council should also use financial modelling to assess the likely impacts on financial plans and required savings for a range of different scenarios and risks. The MTFP should be frequently reviewed and updated to reflect changes in assumptions and risks.
- 29 Councils should operate within a level of reserves and balances (including earmarked reserves and the general fund balance), approved by Members, and appropriate to the strategic, operational and financial risks it faces. Councils should include details on how reserves will be used over the period of the MTFP.
- 30 The council must demonstrate that it understands its sources of income and the risks arising from these, and that it has reviewed its approach to fees and charges, for its services, to achieve value for money.

What we found

- 31 In our 2015-16 review we found that the Council was strengthening its financial planning arrangements but its approach to setting budgets for 2016-17 was high risk.
- 32 In our 2016-17 review we found that the Council has an effective corporate framework for financial planning. There are good links between its Medium Term Financial Strategy (MTFS) and corporate priorities, and processes are supported by relevant policies. However, the Council continues to take a high risk approach to closing a proportion of its savings gap. Our findings are detailed below.
- 33 There are strong links between the Council's corporate and medium term financial planning processes. The Council's overall vision and eight strategic priorities,

- 40 The Council's MTFFS recognises the need to maximise income generation and develop a policy to support this aim. Our previous Financial Resilience report included a proposal for improvement that the Council should complete and implement a comprehensive Income Generation and Charging Policy in time to support the 2017-18 budget. In response to this, the Council appointed an external partner to undertake a review of fees and charges and produce a corporate income policy. This work is due to be completed during autumn 2016 and the Council plans to implement any recommendations that arise by December. As the 2017-18 budget planning process is already underway, the new policy will have limited impact on this cycle of budget planning, but should ensure a more robust and consistent approach to income generation in future years.
- 41 The Council has effective budget monitoring and reporting processes in place. Regular budget monitoring reports are detailed and informative and enable Members to scrutinise and challenge performance against budget.

Savings Plan 2016-17

The Council forecasts that it is will achieve 90% of its 2016-17 revised planned savings but some of its savings proposals are not sufficiently well developed when the budget is approved

What good looks like

- 42 Councils that deliver savings effectively have well-considered savings plans that sit within longer-term savings strategies which are underpinned by well-developed fully costed individual savings and delivery plans aligned with the MTFP. Savings proposals should be specific and risk assessed in terms of likelihood of achievement.

What we found

- 43 In our 2016-17 review we found that the Council expects to achieve 90% of its revised planned savings but some savings proposals were insufficiently developed at the time the budget was set. Our findings are detailed below.
- 44 The Council expects all services other than Schools and Social Services to make savings of at least 30% (approximately £28 million) over the period 2015-2018. These savings have been developed through three-year portfolio business plans. The Council has fully identified and costed savings plans to meet the savings required for 2016-17. The MTFFS summarises £10 million of indicative efficiency options for 2017-18 and the 2017-18 budget process, currently underway, will fully identify how the remaining gap will be filled. The Council's latest financial monitoring report forecasts that 90% of its revised savings plans for 2016-17 will be achieved in year.

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Wales Audit Office
Financial Resilience: Savings Planning
March 2017
Executive Response

A Wales Audit Office *Financial Resilience* report has been produced for all 22 Councils. There will also be a national report to follow the one produced for 2015/16. The report for Flintshire comments on the adequacy of internal financial planning, control and governance.

The January 2017 follow-up report concluded that:

“The Council has a sound financial planning framework and it continues to strengthen its financial planning to better support future financial resilience.”

The report is a fair representation of the Council’s arrangements and a response is set out below on the single proposal for improvement made by the Wales Audit Office to *“strengthen financial planning arrangements by ensuring that all savings proposals are sufficiently developed before the start of the financial year in which they are to be implemented.”*

Issue	Response
<i>Strengthen financial planning arrangements by ensuring that all savings proposals are sufficiently developed before the start of the financial year in which they are to be implemented.</i>	Forecast and plan annualised efficiencies well ahead as part of business planning. The current 3 year business plans end on 31 March 2018 and will be renewed as part of a new 5 year planning cycle.
	Approve annualised efficiencies well ahead of the intended implementation date to allow effective planning, transition and risk management. The approval of the 2017/18 Council Fund budget in stages is a model to follow for future years.
	Early and robust risk and impact assessments to be conducted on efficiency proposals during their development so that decision-makers are well informed and able to make evidence based decisions. The risk and impact assessment methods currently used are to be refined and improved.
	Early consultation with those likely to be affected by planned change – whether public, partner or workforce – to inform the above. Current practice will be built upon.
	Effective programme management of the planning, implementation and ongoing management of efficiency plans. The current internal Programme Board management arrangements have been effective and although subject to change for the new Council will be continued in some form.
	Alignment of corporate expertise and resources to the change and efficiency plans of the greatest financial value and risk. The Council has aligned its resources carefully over the first two years of the business plans and has learnt from the experience. For future years the needs for capacity and resources will be

	assessed and reported as part of the new business plans. The Corporate Portfolio business plans will assign change management resources (Human Resources, Finance, ICT and Legal) to the organisational priorities.
	Frequent and transparent reporting of the progress of the implementation of approved efficiencies. The monthly reporting arrangement which shows the projected level of financial efficiencies to be achieved against target (within the monthly budget monitor report) will be continued.



CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday 9 March 2017
Report Subject	Revenue Budget Monitoring (Month 10)
Cabinet Member	Leader of the Cabinet and Cabinet Member for Finance
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

The purpose of this report is to provide Members with the Revenue Budget Monitoring 2016/17 (Month 10).

RECOMMENDATIONS

1	That the committee considers and comments on the Revenue Budget Monitoring 2016/17 (Month 10) report. Any specific matters for attention will be noted and reported verbally to the Cabinet when it considers the report.
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REPORT DETAILS

1.00	EXPLAINING THE REVENUE MONITORING POSITION 2016/17 (MONTH 10)
1.01	The Revenue Budget Monitoring 2016/17 (Month 10) report will be presented to Cabinet on Tuesday 17 January 2017. A copy of the report is attached as Appendix A to this report.

2.00	RESOURCE IMPLICATIONS
2.01	As set out in Appendix; Revenue Budget Monitoring 2016/17 (Month 10).

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	None required.

4.00	RISK MANAGEMENT
4.01	As set out in Appendix A; Revenue Budget Monitoring 2016/17 (Month 10).

5.00	APPENDICES
5.01	Appendix A; Revenue Budget Monitoring 2016/17 (Month 10).

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>None required.</p> <p>Contact Officer: Sara Dulson. Finance Manager Telephone: 01352 702287 E-mail: sara.dulson@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	<p>(1) Revenue: a term used to describe the day to day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.</p> <p>(2) Budget: a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p>



CABINET

Date of Meeting	Tuesday, 14 March 2017
Report Subject	Revenue Budget Monitoring 2016/17 (Month 10)
Cabinet Member	Leader of the Council and Cabinet Member for Finance
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

This monthly report provides the latest revenue budget monitoring position for 2016/17 for both the Council Fund and Housing Revenue Account.

The report is based on actual income and expenditure as at Month 10 of the financial year. The report also projects how the budget would stand at the close of the financial year if all things remained equal.

The projected year end position, without any further action to reduce cost pressures or to identify new efficiencies would be as follows:-

Council Fund

- The net in year position comprises of an operating deficit of £0.705m; a decrease in the deficit of £0.095m from the position reported last month.
- The overall projected in-year position includes £2.886m due to the change in accounting policy for MRP as agreed by County Council. This has the effect of eliminating the operating deficit and net spend is projected to be £2.181m lower than budget.
- Projected contingency reserve balance of £5.333m.

Housing Revenue Account

- Net in year expenditure forecast to be £0.037m greater than budget
- Projected closing balance as at 31 March 2017 of £1.061m

RECOMMENDATIONS

1	To note the overall report and the projected Council Fund contingency sum as at 31 st March 2017 and continue to support the work on actions and options for mitigating action.
2	To note the projected final level of balances on the Housing Revenue Account.
3	To approve the income generation proposals for street naming and numbering and Deputyship and Court of Protection services (see paragraph 1.12)
4	To approve a contribution from the contingency reserve for £0.050m to support initial set up costs and final technical support for the Community Asset Transfer (CAT) of Holywell Leisure Centre and Alternative Delivery Model (ADM) (see paragraph 1.19)
5	To approve an earmarked reserve of £0.100m for the Catering Service which will be utilised to support investment costs for the ADM (see paragraph 1.22).

REPORT DETAILS

1.00	EXPLAINING THE MONTH 10 POSITION
1.01	The operating deficit reported is £0.705m above budget which is a decrease of £0.095m from the deficit reported last month. The reasons for the variance to month 9 are included in appendix 1.
1.02	The operating deficit in-year is in effect 'written-off' by the change in the Council's policy for accounting for Minimum Revenue Provision (MRP) which was reviewed and approved by Council on 6 December 2016 as part of the 2017/18 budget proposals. This has resulted in a positive impact of £2.886m on the 2016/17 budget as part of providing a major efficiency for 2017/18, and means that the projected spend is now £2.181m less than the budget.
1.03	Transport Costs Previous reports have referenced the issues encountered due to the liquidation of a major transport provider affecting school and public transport

	<p>subsidised routes within the County with an additional cost of £0.410m within this financial year.</p> <p>A one off grant from Welsh Government has been agreed at a regional level and we now expect to recoup up to £0.165m of the costs incurred.</p>																																																																																
1.04	<p>Council Fund Latest in Year Forecast</p> <p>The table below shows the projected position by portfolio.</p> <table border="1"> <thead> <tr> <th>TOTAL EXPENDITURE AND INCOME</th> <th>Original Budget</th> <th>Revised Budget</th> <th>Projected Outturn</th> <th>In-Year Over / (Under) spend</th> </tr> <tr> <td></td> <th>£m</th> <th>£m</th> <th>£m</th> <th>£m</th> </tr> </thead> <tbody> <tr> <td>Social Services</td> <td>58.534</td> <td>60.651</td> <td>60.587</td> <td>(0.063)</td> </tr> <tr> <td>Community & Enterprise</td> <td>12.035</td> <td>12.414</td> <td>11.826</td> <td>(0.558)</td> </tr> <tr> <td>Streetscene & Transportation</td> <td>27.011</td> <td>28.525</td> <td>29.175</td> <td>0.650</td> </tr> <tr> <td>Planning & Environment</td> <td>4.978</td> <td>5.083</td> <td>5.353</td> <td>0.270</td> </tr> <tr> <td>Education & Youth</td> <td>11.225</td> <td>11.405</td> <td>11.348</td> <td>(0.057)</td> </tr> <tr> <td>Schools</td> <td>86.162</td> <td>87.742</td> <td>87.742</td> <td>0.000</td> </tr> <tr> <td>People & Resources</td> <td>4.319</td> <td>4.668</td> <td>4.630</td> <td>(0.038)</td> </tr> <tr> <td>Governance</td> <td>8.159</td> <td>7.716</td> <td>7.786</td> <td>0.069</td> </tr> <tr> <td>Organisational Change 1</td> <td>5.560</td> <td>5.968</td> <td>6.057</td> <td>0.088</td> </tr> <tr> <td>Organisational Change 2</td> <td>2.244</td> <td>2.559</td> <td>2.087</td> <td>(0.472)</td> </tr> <tr> <td>Chief Executive</td> <td>3.204</td> <td>2.930</td> <td>2.888</td> <td>(0.042)</td> </tr> <tr> <td>Central & Corporate Finance</td> <td>28.552</td> <td>22.323</td> <td>20.324</td> <td>(1.999)</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Total</td> <td>251.984</td> <td>251.984</td> <td>249.803</td> <td>(2.181)</td> </tr> </tbody> </table>	TOTAL EXPENDITURE AND INCOME	Original Budget	Revised Budget	Projected Outturn	In-Year Over / (Under) spend		£m	£m	£m	£m	Social Services	58.534	60.651	60.587	(0.063)	Community & Enterprise	12.035	12.414	11.826	(0.558)	Streetscene & Transportation	27.011	28.525	29.175	0.650	Planning & Environment	4.978	5.083	5.353	0.270	Education & Youth	11.225	11.405	11.348	(0.057)	Schools	86.162	87.742	87.742	0.000	People & Resources	4.319	4.668	4.630	(0.038)	Governance	8.159	7.716	7.786	0.069	Organisational Change 1	5.560	5.968	6.057	0.088	Organisational Change 2	2.244	2.559	2.087	(0.472)	Chief Executive	3.204	2.930	2.888	(0.042)	Central & Corporate Finance	28.552	22.323	20.324	(1.999)						Total	251.984	251.984	249.803	(2.181)
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1.05	<p>The reasons for the projected variances are summarised within Appendix 2 with key significant portfolio variances explained in paragraphs 1.07 to 1.08.</p>																																																																																
1.06	<p>Significant Budget Movements between Original and Revised Budget</p> <p>An amount of £0.224m has transferred from the Chief Executive's Department to the Central & Corporate Finance budget. This transfer is for the offsetting of the Workforce Efficiency budget target set in the 2016/17 Budget.</p> <p>An amount of £0.286m has transferred from portfolios to the Central & Corporate Finance budget. This transfer covers the budget saving achieved due to the implementation of new essential and casual car user allowance</p>																																																																																

	<p>rates, for which the efficiency target is held within the Central & Corporate Finance budget.</p> <p>The budget virement approved for Social Services within the month 9 Revenue Budget Monitoring Report has been actioned and reflected in the budget figures presented in Appendix 2.</p>
1.07	<p>Streetscene and Transportation</p> <p>There is a significant variance within the portfolio of £0.650m which is a small increase of £0.008m from month 9. As referenced in 1.03 grant funding has been offered by Welsh Government to offset some of the costs incurred in securing the school and public transport subsidised routes. Negotiations are ongoing between the neighbouring authorities over the distribution of the grant, however an estimate has been included in the Streetscene & Transportation outturn in month 10 for Flintshire County Council's proportion of this grant. Full details of all other variances are given in Appendix 2.</p>
1.08	<p>Social Services</p> <p>Within Social Services, increased level of demand continues to be experienced within Children's Services which is influenced by workforce pressures in a number of teams including Children's Integrated Disability Services (CIDS) and Prevention & Support.</p> <p>This alongside an increase in the number of Child and Parent Placements made as part of Out of County Placements is placing increasing pressure on the service.</p> <p>This ongoing risk is referenced to in section 4 of the report alongside work being undertaken across services to mitigate the future impact.</p>
1.09	<p>Programme of Efficiencies</p> <p>The 2016/17 budget contains £11.282m of specific efficiencies which are being tracked and monitored. An amount of £0.761m was approved from the Contingency Reserve in the month 4 report to meet the impact of conscious decisions to change proposals for household recycling centres, community asset transfers, town centre car parking charging and workforce essential car user allowances resulting in a revised efficiency target of £10.521m.</p>
1.10	<p>Appendix 3 provides detail on the latest position where there is a variation to the level of efficiency achievable compared to the budget.</p>
1.11	<p>It is currently projected that £9.421m (90%) of planned efficiencies will be achieved. This is an improvement of 1% since month 9. The changes in efficiency assumptions since month 9 are summarised below:</p>

		Original Efficiency	Previous Month Revised Efficiency	Current Month Revised Efficiency	Increase/ (Decrease) between months
	Portfolio	2016/17 £(m)	2016/17 £(m)	2016/17 £(m)	2016/17 £(m)
	<u>Chief Executive</u>				
	Voluntary Sector Grants review	0.070	0.080	0.076	(0.004)
	<u>People & Resources</u>				
	Finance Modernisation	0.135	0.108	0.120	0.012
	<u>Community & Enterprise</u>				
	Council Tax Reduction Scheme	0.329	0.619	0.638	0.019
	<u>Streetscene & Transportation</u>				
	Develop energy production at landfill	0.100	0.035	0.020	(0.015)
	Car Parking Charges	0.200	0.180	0.200	0.020
	Remove the subsidy for the Community Rail Officer	0.010	0.005	0.010	0.005
1.12	<p>Income Strategy</p> <p>The 2016/17 budget includes an efficiency of £0.500m for income generation. To date one off income of £0.200m has been identified in year, leaving a recurring shortfall of the full efficiency still to be identified.</p> <p>Increases in income that do not change agreed Council policy will continue to be managed through delegated powers. However, recommendations for income generating proposals that do change Council policy require Cabinet approval.</p> <p>Work on a number of options is continuing, although the following areas have been identified as new sources of income and it is recommended that they are implemented;</p> <p>Charging for street naming and numbering which, if implemented from 1 April 2017, could generate an additional £0.023m.</p> <p>Revised charging structure for Deputyship and Court of Protection services. The new proposed charging structure, if implemented on the 1 April 2017, could generate £0.050m.</p>				
1.13	<p>Inflation</p> <p>Included within the 2016/17 budget are provision for pay (£0.936m), targeted price inflation (£0.573m) and income (£0.185m).</p>				

1.14	Following the allocation to portfolios of the provisions described in paragraph 1.13 there is a remaining balance of £0.070m which is included within the overall outturn figure.
1.15	No provision has been made for non-standard inflation (NSI) in 2016/17. Areas that may be subject to NSI increases will be monitored throughout the year and any emerging pressures will be considered in future reports.
	Reserves and Balances
1.16	Un-earmarked Reserves The 2015/16 outturn reported to Cabinet on 19 July 2016 showed un-earmarked reserves at 31 March 2016 (above the base level of £5.769m) of £4.375m.
1.17	Taking into account the current projected overspend at Month 10 and previously agreed allocations the balance on the Contingency Reserve at 31 March 2017 is projected to be £5.333m as detailed in appendix 4.
1.18	The Play Areas, Play Schemes and Strategic Play Forum Update report was presented to Cabinet on Tuesday 17 January 2017. This report requested an allocation of a one off fund of £0.040m, from the Contingency Reserve, to support a Flintshire play scheme programme. This request was approved and the contribution is reflected in Appendix 4.
1.19	Final due diligence on Holywell Leisure Centre CAT (Community Asset Transfer) plans and the setup of the new ADMs shows that a one off investment of £0.050m, which supports initial set up costs and enables final technical support, will assure delivery of next year's significant budget savings.
1.20	Earmarked Reserves The Council adopted a reserves protocol in September 2015 which set out the principles around how the Council determines, manages and reviews its level of reserves. Within the protocol is reference to regular reporting of the latest position to Cabinet and Corporate Resources Overview and Scrutiny Committee.
1.21	A summary of earmarked reserves as at 1 April 2016 and their 2016/17 year-end balance will be included in the Outturn report.
1.22	A request is made to create a £0.100m reserve for the Catering Service. This will be funded by current underspends within the service and will be used for one off investment costs when the service is transferred to the ADM next financial year. The projected outturn for the Catering Service reflects the contribution to the reserve.
1.23	Requests for Carry Forward of Funding Organisational Change Portfolio – An amount of £0.105m match funding to

	deliver the Play Areas and Play Scheme programme which was agreed in 2016/17, although the expenditure will not now take place until 2017/18.
1.24	Community & Enterprise Portfolio – An amount of £0.032m to contribute to the roll out of Universal Credit in 2017/18 and an amount of £0.031m to continue to fund the Welfare Reform Response Team in 2017/18.
1.25	Streetscene & Transportation Portfolio – An amount of £0.050m to complete patching works in April 2017 following damages to the roads during the winter months.
1.26	Housing Revenue Account (HRA) The 2015/16 Outturn Report to Cabinet on 19 July 2016 showed an un-earmarked closing balance at the end of 2015/16 of £1.178m.
1.27	The 2016/17 budget for the HRA is £31.979m which includes a movement of £0.080m from reserves.
1.28	The Month 10 monitoring for the HRA is projecting in year expenditure to be £0.037m higher than budget and a closing balance as at 31 March 2017 of £1.061m, which at 3.3% of total expenditure satisfies the prudent approach of ensuring a minimum level of 3%.

2.00	RESOURCE IMPLICATIONS
2.01	The Revenue Budget Monitoring Report reflects the planned use of the financial resources of the Council for the current financial year and details the variations in the first ten months and the risks as known.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	None required.

4.00	RISK MANAGEMENT
4.01	Achievement of Planned In-Year Efficiencies The Council sets a challenging level of specified efficiencies to be achieved in-year as part of its approach to annual budget planning. These efficiencies are generated from the three year service portfolio business plans and from corporate financial planning. In recent years the level of efficiency achievement has averaged at around 85%. The current assessment of the efficiency profile for 2016/17 shows that 90% of the efficiencies would be achieved. There is an ongoing risk that the shortfall cannot be mitigated other than by drawing on temporary funding from the Contingency Reserve. There is a further risk that any ongoing under-

	achievement of efficiencies will have a recurring and negative impact on the 2017/18 budget as an efficiency target deficit would in effect be carried forward. Risk status: stable/green risk for 2016/17 only.
4.02	<p>Historic Child Abuse Settlements</p> <p>A number of historic child abuse cases, which predate the existence of Flintshire County Council, have been settled this financial year. There are still a number of outstanding cases to be settled and it is not possible to estimate the full financial impact of these at this stage. The financial provision set aside may not prove to be sufficient to meet the total liabilities of all cases when closed. Within the month 3 report a contribution from the contingency reserve was agreed to meet the settlement costs paid along with any future costs. The settlement costs incurred to date total £0.146m. Risk status: stable/green risk for 2016/17.</p>
4.03	<p>Orphaned Industrial Site at Sandycroft</p> <p>The contract for the removal of all Isosorbide Dinitrate (ISDN) chemical deposits, site cleansing and site close-down has come to a conclusion. Additional contracted work to remove deposits of contaminated waste discovered in the sump and tank systems on site is now completed with the aim of disposal at the end of March. Negotiations for the immediate disposal of the site, following completion of the additional contracted work, are well advanced. Risk status: stable/amber risk.</p>
4.04	<p>Procurement of Transport Services</p> <p>As explained in 1.03 there is an in-year budget risk of additional procurement costs for local transport services. The Welsh Government has offered a provisional one off grant award to the three North East Wales local authorities for 2016/17 only. An allocation of up to £0.165m from this grant has been assumed however negotiations are ongoing with the neighbouring authorities on grant distribution. Risk status: stable/green for 2016/17. Unstable/red risk for future years.</p>
4.05	<p>Out of County Placements</p> <p>The risk is the volatility in demand and the impacts on service costs which cannot be predicted with any certainty. There is always a risk of significant variances occurring although this area continues to be closely monitored. The main influence on this increase is the new Social Services and Wellbeing Act which has led to a higher number of court outcomes and placements which has increased the financial pressure on this service area. Legal and Social Service Managers are making a compelling case for alternative care arrangements to placements at forthcoming court cases, and so reduce the level of Out of County placement being made. Risk status: unstable/red risk.</p>
4.06	<p>Children's Services</p>

	<p>Children's Services are experiencing high levels of demand including child protection work and the need for intensive support for older children with complex needs. Capacity has been increased to help respond to increasing service demand and to provide a greater range of targeted community support. A budget realignment within Social Services was approved in the month 9 report to help mitigate this risk.</p> <p>Risk status: unstable/amber risk.</p>
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5.00	APPENDICES
5.01	<p>Appendix 1: Council Fund – Movement in Variances from Month 9 Appendix 2: Council Fund – Budget Variances Appendix 3: Council Fund – Programme of Efficiencies Appendix 4: Council Fund – Movement on Un-earmarked Reserves Appendix 5: Housing Revenue Account Variances</p>

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>None required</p> <p>Contact Officer: Sara Dulson Telephone: 01352 702287 E-mail: sara.dulson@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	Budget: a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.
7.02	Council Fund: the fund to which all the Council's revenue expenditure is charged.
7.03	Financial Year: the period of twelve months commencing on 1 April.
7.04	Housing Revenue Account: the Housing Revenue Account (HRA) is a local authority account showing current income and expenditure on housing services related to its own housing stock. The account is separate from the Council Fund and trading accounts and is funded primarily from rents and government subsidy.
7.05	Projected Outturn: projection of the expenditure to the end of the financial year, made on the basis of actual expenditure incurred to date.
7.06	Reserves: these are balances in hand that have accumulated over previous years and are held for defined (earmarked reserves) and general

	(general reserves) purposes. Councils are required to regularly review the level and purpose of their reserves and to take account of the advice of the Chief Finance Officer.
7.07	Revenue: a term used to describe the day-to-day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.
7.08	Underspend: when referring to expenditure the actual expenditure incurred is less than budget. Shown as a –ve. When referring to income the actual income achieved exceeds the budget. Shown as a –ve.
7.09	Variance: difference between latest budget and actual income or expenditure. Can be to-date if reflecting the current or most up to date position or projected, for example projected to the end of the month or financial year.
7.10	Virement: the transfer of budget provision from one budget head to another. Virement decisions apply to both revenue and capital expenditure heads, and between expenditure and income, and may include transfers from contingency provisions. Virements may not however be approved between capital and revenue budget heads.
7.11	Medium Term Financial Strategy: a written strategy which gives a forecast of the financial resources which will be available to a Council for a given period, and sets out plans for how best to deploy those resources to meet its priorities, duties and obligations.
7.12	Minimum Revenue Provision (MRP): A charge made to the Council Fund to repay borrowing taken out for capital expenditure. Authorities must determine their own prudent MRP charge each year, taking into consideration statutory guidance issued by the Government.

Budget Monitoring Report
Council Fund Variances

MONTH 10 - SUMMARY

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £25k
Social Services		
Older People		
Reablement Services	0.025	Budget realignment of £0.025m
Resources & Regulated Services	0.030	Budget realignment of £0.050m less savings from short term vacancy savings (£0.016m) and other net minor movements of (£0.004m).
Other Minor Variances	(0.014)	
Disability Services		
Resources & Regulated Services	(0.118)	Budget realignment between Resources and Regulated Services and Disability Services
Disability Services	0.143	Budget realignment between Disability Services and Resources and Regulated Services
Other Minor Variances	0.024	This variance comprises of a number of variances less than £0.025m. The most significant being £0.10m on the Forensic budget and £0.009m on the Transition & Disability service.
Mental Health Services		
Residential Placements	0.049	Additional costs of two new service users
Substance Misuse	(0.055)	Reduction in number of service users (£0.038m), recovery of overpayment of pay (£0.017m)
Employment & Occupation	0.042	Staffing movements between Employment and Occupation and Ringfenced budget
Ringfenced budget	(0.030)	Staffing movements between Ringfenced budget and Employment and Occupation
Other Minor Variances	0.005	
Children's Services		
Family Placement	(0.043)	Impact of budget realignment (£0.070m) less further increase in projected costs of boarded out payments for special guardianship payments and general allowances £0.027m.
Residential Placements	(0.049)	Budget realignment of (£0.050m) less other minor movements of £0.001m.
Professional Support	(0.276)	Budget realignment of (£0.280m) less other minor movements of £0.004m.
Other Minor Variances	0.003	
Development & Resources		
Business Systems & Financial Assessments	0.057	Budget realignment of £0.062m less other minor movements of (£0.005m)
Charging Policy income	0.111	Budget realignment of £0.078m, plus increase in provision for bad debts £0.025m, plus other minor movements due to reduction in income from service users £0.008m.
Business Support Service	0.081	Budget realignment of £0.075m plus other minor movements of £0.006m
Safeguarding Unit	(0.037)	New Welsh Government grant income of (£0.022m), plus reduced projection for Doctors medical assessments for Deprivation of Liberty Safeguarding Assessments (DOLS)
Good Health	0.040	Budget realignment of £0.041m less other net minor movements of (£0.001m)
Management & Support	0.025	Budget realignment of £0.025m
Other Minor Variances	0.012	
Total Social Services	0.024	

Community & Enterprise		
Customer And Housing Services	0.007	Minor variances.
Council Fund Housing	(0.021)	Minor variances.
Regeneration	0.012	Minor variances.
Revenues & Benefits	(0.056)	Further underspend on the Council Tax Reduction Scheme provision (£0.019m). Increased surplus on the Council Tax Collection Fund (£0.042m). Other minor variances £0.005m.
Housing Programmes	0.027	Unauthorised Traveller site clean-up costs £0.024m. Other minor variances £0.003m.
Total Community & Enterprise	(0.030)	
Streetscene & Transportation		
Ancillary Services & Performance		
Other Minor Variances	(0.005)	
Highways Network		
Highways Network	0.024	Minor variances.
Transportation & Logistics		
Other Minor Variances	(0.010)	
Total Streetscene & Transportation	0.008	
Planning & Environment		
Business		
Pollution Control	(0.042)	Introduction of funding from Corporate Reserves for 2 Environmental Health Officer posts on Fixed Term Contract
Minor Variances	0.005	
Community		
Minor Variances	0.018	
Development		
Development Management	0.028	Revised Outturn for Planning Fee Income
Minor Variances	0.004	
Access		
Minor Variances	(0.012)	
Shared Services		
Minor Variances	0.000	
Strategy		
Minor Variances	(0.016)	
Management Strategy		
Other Minor Variances	0.009	
Total Planning & Environment	(0.007)	
Education & Youth		
Inclusion & Progression	0.002	Minor variances only.
Integrated Youth Provision	(0.001)	Minor variances only.
School Improvement Systems	0.001	Minor variances only.
Business Change & Support	(0.006)	Minor variances only.
Total Education & Youth	(0.004)	
Schools	0.000	
People & Resources		
HR & OD	0.005	Minor variances.
Corporate Finance	(0.016)	Minor variances.
Total People & Resources	(0.011)	
Governance		
Legal Services	0.024	Minor variances.
Democratic Services	(0.016)	Minor variances.
Internal Audit	0.000	No variance.
Procurement	(0.014)	Minor variance.
Business Support	0.000	No variance.
ICT	0.000	No variance.
Total Governance	(0.006)	

Organisational Change 1		
Public Libraries & Arts, Culture & Events	0.000	No variance.
Museums	(0.003)	Minor variances.
County Archives	0.000	No variance.
Leisure	(0.001)	Minor variances.
Community Assets	0.001	Minor variances.
Total Organisational Change 1	(0.002)	
Organisational Change 2		
CPM & Design Services	(0.140)	(£0.140m) additional design fees of over the income target
Catering	0.092	£0.100m transfer to earmarked reserve.
Minor Variances	(0.012)	
Total Organisational Change 2	(0.060)	
Chief Executive	(0.004)	Minor variance.
Central and Corporate Finance	(0.003)	
Grand Total	(0.094)	

Budget Monitoring Report
Council Fund Variances

MONTH 10 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Social Services						
Older People						
Localities	15.717	15.026	(0.690)	(0.687)	Domiciliary Care reflects a projected underspend of (£0.261m) based on existing service users and is influenced by recruitment and retention factors affecting external providers. Other significant influences on this projected underspend include Minor Adaptations (£0.073m) for which local demand is currently being met by the Intermediate Care Fund (ICF). Additional one off income has also been received from the ICF to contribute to external provider fee increases. Other underspends are as a result of full year vacancy savings from within the Single Point of Access team (£0.135m). Residential Care has a projected underspend of (£0.162m), including service user contributions of (£0.118m). Locality Teams staffing reflects a projected underspend of (£0.052m) due to short term vacancy savings. Overall net minor variances amount to (£0.007m).	These areas were reviewed as part of the recent budget realignment exercise and some areas of recurring saving have been realigned as approved within the Month 9 budget monitoring report.
Community Equipment Contribution	0.477	0.323	(0.154)	(0.154)	Following review of and implementation of an updated Section 33 partnership agreement for the North East Wales Community Equipment Store (NEWCES), the contribution levels of partners have been updated resulting in a reduced level of contribution from FCC going forward.	Maintain underspend in current financial year, pending realignment from 2017/18 to meet revenue costs of the new Flint Extra Care scheme.

Budget Monitoring Report
Council Fund Variances

MONTH 10 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Resources & Regulated Services	5.964	5.733	(0.232)	(0.262)	Short term vacancy savings within provider day care services and extra care schemes plus reduced projections for internal catering recharges at Residential Care homes.	These areas were reviewed as part of the recent budget realignment exercise and some areas of recurring saving have been realigned as approved within the Month 9 budget monitoring report.
Minor Variances	0.668	0.634	(0.034)	(0.049)		
Disability Services						
Resources & Regulated Services	17.662	18.221	0.558	0.676	Service user demand level is in excess of current budget provision. A number of budget areas have been reviewed and realigned and projections revised. There is a reduction in the level of pressure as a result of the allocation of £0.146m for external providers fee increase from the budget strategy reserve to meet a shortfall against the increases made to external care providers from April 2016.	Ongoing budget review and realignment work is taking place.
Disability Services	0.660	0.777	0.117	(0.026)	Projected overspend on school leavers on transition into adulthood - mainly in residential college placements and domiciliary care	
Forensic budget	0.529	0.336	(0.193)	(0.203)	There is a significant projected underspend of (£0.193m) based on current projected costs and increased income from joint funded care packages...	Keep under review
Administrative Support	0.045	(0.246)	(0.290)	(0.296)	This projected underspend is influenced by additional joint funding income from Betsi Cadwaladr University Health Board (BCUHB). The income relates to 4 service users from April 2015 and is the outcome of a lengthy disputes process for such cases.	This is being considered as part of the ongoing budget realignment within Disability Services.
Minor Variances	0.691	0.655	(0.036)	(0.045)		

Budget Monitoring Report
Council Fund Variances

MONTH 10 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Mental Health Services						
Minor Variances	3.588	3.620	0.032	0.021		
Children's Services						
Family Placement	2.394	2.460	0.066	0.110	Demand influenced pressures in respect of special guardianship payments and adoption orders	Pressure partly mitigated by budget realignment actioned as approved in the Month 9 budget monitoring report.
Professional Support	4.604	4.956	0.352	0.628	Demand influenced staffing pressures within a number of teams including Children's Integrated Disability Services (CIDS) and Prevention and Support. Demand influenced pressure on direct payments within the CIDS.	Pressure partly mitigated by budget realignment actioned as approved in the Month 9 budget monitoring report.
Out of County Placements	3.434	4.061	0.628	0.626	There has been an unprecedented increase in the number of Child and Parent placements, being 8 placements of which 7 have been the subject of court/legal determinations.	Keep under review and explore scope to manage costs through commissioning process
Minor Variances	1.666	1.622	(0.044)	0.003		
Development & Resources						
Safeguarding Unit	0.820	0.878	0.059	0.096	The projected overspend is a combination of additional legal and medical costs associated with the Deprivation of Liberty Safeguarding (DOLS) assessments and a contribution to the North Wales Safeguarding Board.	Continue to monitor and review
Good Health	0.901	0.833	(0.067)	(0.107)	The projected underspend is mainly due to short term vacancy savings and reductions in payments to voluntary organisations.	Continue to monitor and review
Minor Variances	0.831	0.697	(0.134)	(0.420)		
Total Social Services	60.651	60.587	(0.063)	(0.087)		

**Budget Monitoring Report
Council Fund Variances**

MONTH 10 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Community & Enterprise Customer And Housing Services	1.376	1.377	0.002	(0.005)	Implementation of the Contact Centre Review is expected to begin towards the end of the 2016/17 financial year resulting in a shortfall of £0.100m. Flintshire Connects efficiency £0.040m. Customer Services efficiencies due to reduced running costs and additional Welsh Translation income of £0.029m. Other Customer and Housing Services efficiencies identified resulting from vacancy and other service savings of £0.030m.	Continue to monitor and review.
Council Fund Housing	(0.335)	(0.367)	(0.033)	(0.012)	Accommodation Support vacancy savings of £0.120m identified to offset the pressures on Telecare resulting from increased call monitoring charges (£0.020m), equipment purchase and repairs (£0.030m) and reduced Telecare income (£0.054m). Other minor variances of £0.017m.	Continue to monitor and review.
Regeneration	0.416	0.425	0.010	(0.003)	Estimated shortfall of £0.047m in markets due to income targets increasing in line with inflation each year, where charges have not increased at the same rate. Regeneration efficiency due to the reallocation of officer time to specific grants (£0.037m). Energy Efficiency Framework delayed due to the procurement process - the efficiency will be achieved from 2017/18 onwards (£0.050m). Additional income in respect of Roundabout Sponsorship in year (£0.030m). Other minor variances £0.020m.	Continue to monitor and review.

Budget Monitoring Report
Council Fund Variances

MONTH 10 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Revenues & Benefits	10.837	10.162	(0.675)	(0.620)	Projected underspend on the budgeted provision for the Council Tax Reduction Scheme of (£0.309m). Projections indicate an anticipated surplus on the Council Tax Collection Fund of (£0.356m). In-year vacancy savings in the revenues service (£0.048m). Other minor variances £0.038m.	Continue to monitor closely as these areas are highly volatile and projections are likely to change. Request to carry forward: £0.032m towards the roll out of Universal Credit in 2017/18; £0.031m to continue to fund the Welfare Reform Response Team in 2017/18.
Housing Programmes	0.120	0.229	0.109	0.081	Pressure of £0.067m on the SHARP programme relating to feasibility works at the Flint Police Station site. If the scheme is approved prior to year end, this cost will be capitalised. A delay in the progression of the SHARP framework has resulted in a variance of £0.020m. Additional costs in respect of the clean up of unauthorised travellers encampments £0.024m. Other minor variances £0.002m.	Continue to monitor and review.
Total Community & Enterprise	12.414	11.826	(0.588)	(0.558)		

Budget Monitoring Report
Council Fund Variances

MONTH 10 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Streetscene & Transportation						
Ancillary Services & Performance						
Other Minor Variances	8.078	8.329	0.251	0.256	Solar Energy Production at Landfill commenced from October, resulting in an in-year shortfall of £0.080m. Adverse variance of £0.300m relating to reduced electricity sales from reducing levels of gas extraction at the Standard and Brookhill landfill sites. Final part-year reduced payment of prudential borrowing for black bins (£0.100m). Improved position from recycling income of (£0.170m). Additional costs for disposal of hazardous waste from HRC sites £0.055m. Additional plant hire costs at Greenfield HRC and composting site of £0.060m and cumulative minor variances within waste services of £0.067m.	Gas engine income levels are being monitored monthly and contracts being prepared for the service to be outsourced. Reported in Programme Tracker. Budget Pressure in 2017/18 relating to the ESD grant. WG have confirmed a 6.7% reduction in the grant.

Budget Monitoring Report
Council Fund Variances

MONTH 10 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Highways Network Highways Network	7.461	7.595	0.134	0.110	Due to ongoing discussions on Community Asset Transfers (CATs), the maintenance liability being transferred for Cemeteries to Town/Community Councils totalling £0.050m has not yet been implemented. Probation Service Litter Collection will be implemented later than anticipated, totalling £0.050m. £0.061m of improvement works on the Bagillt flooding event has been capitalised in the land drainage programme. Additional costs and staff time still being picked up by the area teams for ongoing maintenance works. Cumulative minor variances within highways services of £0.010m. Potential for the winter maintenance programme to be over spent by an estimated £0.025m at this period, pending the further uncertainty of winter conditions in February and March. It is anticipated that any overspend will be absorbed by the winter maintenance reserve.	Keep under review as part of MTFS. Reported in Programme Tracker.

Budget Monitoring Report
Council Fund Variances

MONTH 10 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Transportation & Logistics						
Logistics & Resource Services	4.524	4.604	0.080	0.078	Neighbouring Authorities not willing to share specialist plant, £0.50m. Further overspends relate to minor variances across the service area.	Keep under review as part of the MTFs. Reported in Programme Tracker.
School Transport	4.972	5.110	0.138	0.133	Estimated additional subsidy costs following re-procurement for covering former GHA services for school transport following the company going into liquidation of £0.125m.	WG have been consulted upon with regard to funding the additional costs. Funding highly unlikely due to Statutory provision requirements. Therefore, consideration will be required in the MTFs 2017/18 taking account of full year effect.
Transportation	1.927	2.014	0.088	0.102	Estimated additional subsidy costs following re-procurement for covering former GHA services following the company going into liquidation of £0.285m. This includes the costs of former commercial services routes. Additional bus revenue funding of £0.300m has been awarded in 2016-17 for the North Wales Authorities, of which at this stage it has been assumed that FCC will receive up to £0.165m pending further discussions with the Authorities concerned.	Consideration in MTFs 2017/18 if no WG funding is forthcoming after 2016/17, taking account of full year effect.
Other Minor Variances	1.563	1.523	(0.040)	(0.038)		
Total Streetscene & Transportation	28.525	29.175	0.650	0.642		

Budget Monitoring Report
Council Fund Variances

MONTH 10 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Planning & Environment						
Business						
Minor Variances	1.617	1.617	0.000	0.038		Continue to monitor committed expenditure and reduce/remove committed expenditure where possible
Community						
Licensing	(0.020)	(0.061)	(0.042)	(0.055)	Higher than expected levels of Licensing income against current target - however at period 10 there is has been a slight reduction in projected income levels.	Continue to monitor committed expenditure and reduce/remove committed expenditure where possible
Minor Variances	0.911	0.853	(0.058)	(0.063)		Continue to monitor committed expenditure and reduce/remove committed expenditure where possible
Development						
Development Management	(0.345)	0.019	0.364	0.336	At period 10 the shortfall has increased to £0.300m as the economy has not continued to recover to the extent which the 3 year Business Plan forecast. The impact of Welsh Government requirements for major developers to enter into pre consultation for a period of 28 days prior to submitting an application has delayed the submission of some high value applications which in turn will affect the Fee income received. This has resulted in a lesser volume of applications being submitted than previously predicted.	
Minor Variances	0.180	0.182	0.001	(0.002)		Continue to monitor committed expenditure and reduce/remove committed expenditure where possible

**Budget Monitoring Report
Council Fund Variances**

MONTH 10 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Access						
Minor Variances	1.319	1.251	(0.068)	(0.056)	This variance is due to a number of small variances (each less than £0.050m) within the Access service.	Continue to monitor committed expenditure and reduce/remove committed expenditure where possible
Shared Services						
Minor Variances	0.162	0.162	0.000	(0.000)		Continue to monitor committed expenditure and reduce/remove committed expenditure where possible
Strategy						
Minor Variances	0.847	0.838	(0.008)	0.008		Continue to monitor committed expenditure and reduce/remove committed expenditure where possible
Management Strategy						
	0.412	0.493	0.081	0.072	Unachieved Business Planning Efficiencies	Continue to monitor committed expenditure and reduce/remove committed expenditure where possible
Total Planning & Environment	5.083	5.353	0.270	0.277		

Budget Monitoring Report
Council Fund Variances

MONTH 10 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Education & Youth						
Inclusion & Progression	7.062	7.083	0.022	0.020		For Out of County placements a Task and Finish group is operational. Improved monitoring systems are being developed and implemented. Detailed review of all placements is on going.
Business Change & Support						
Business Change & Support	0.575	0.528	(0.047)	(0.041)	Variance largely relates to a current secondment in advance of a regional collaboration service from April 2017, funded by GwE. Includes other minor variances.	
Minor Variances	3.768	3.737	(0.032)	(0.032)		
Total Education & Youth	11.405	11.348	(0.057)	(0.053)		
Schools						
Schools	87.742	87.742	0.000	(0.000)		
People & Resources						
HR & OD	2.280	2.209	(0.071)	(0.076)	The projected underspend is mostly due to current workforce vacancies.	Continue to monitor and review.
Corporate Finance	2.388	2.420	0.033	0.048	Minor variances.	Continue to monitor and review.
Total People & Resources	4.668	4.630	(0.038)	(0.027)		

**Budget Monitoring Report
Council Fund Variances**

MONTH 10 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Governance						
Legal Services	0.642	0.704	0.063	0.038	The majority of the overspend relates to legal costs incurred by the Council.	Continue to monitor and review.
Democratic Services	1.872	1.869	(0.003)	0.013	Minor variances.	Continue to monitor and review.
Internal Audit	0.434	0.365	(0.068)	(0.068)	The projected underspend is due to workforce vacancies.	Current vacancies are expected to remain vacant until the end of the financial year while the level of service is being assessed with this reduced capacity.
Procurement	0.166	0.258	0.091	0.106	No income is projected for supplier charging.	The impact of no longer charging suppliers £50 for access for Flintshire County Councils software purchasing portal will result in an ongoing pressure which will need to be considered as part of the MTFS.
Business Support	0.001	0.001	0.000	0.000	No variance.	
ICT	4.602	4.588	(0.014)	(0.014)	Minor variances.	
Total Governance	7.716	7.786	0.069	0.075		

Budget Monitoring Report
Council Fund Variances

MONTH 10 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Organisational Change 1						
Public Libraries & Arts, Culture & Events	1.602	1.586	(0.015)	(0.016)	Minor variances.	Continue to monitor and review.
Museums	0.064	0.067	0.003	0.005	Minor variances.	Continue to monitor and review.
County Archives	0.281	0.281	0.000	0.000	Minor variances.	Continue to monitor and review.
Leisure	3.997	4.096	0.098	0.099	The CAT transfer at Holywell Leisure Centre is now expected to be phased between the end of December 2016 and March 2017. This results in a pressure of £0.070m this year which is associated with continuing to operate the centre as a Council prior to full handover to the community to ensure continuity of operation. Other minor variances of £0.028m.	Continue to monitor and review.
Community Assets	0.024	0.027	0.003	0.002	Minor variances.	Continue to monitor and review.
Total Organisational Change 1	5.968	6.057	0.088	0.091		

Budget Monitoring Report
Council Fund Variances

MONTH 10 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Organisational Change 2						
Administrative Buildings	1.227	1.190	(0.038)	(0.037)	Minor variances.	Continue to monitor and review.
Agricultural Estates	(0.168)	(0.166)	0.002	(0.000)	Minor variances	Continue to monitor and review.
Property Holdings	0.015	0.015	(0.000)	(0.000)		Continue to monitor and review.
Property Asset And Development	0.588	0.298	(0.291)	(0.286)	(£0.260m) in year salary savings as a result of the proposed staffing restructure. (£0.031m) Other minor variances.	
CPM & Design Services	0.695	0.402	(0.293)	(0.152)	(£0.293m) additional income over and above the income target achieved through maintenance and design fees.	
Industrial Units	(1.239)	(1.053)	0.186	0.194	£0.186m shortfall in rental income is offset by in year salary savings.	
Catering	0.790	0.782	(0.008)	(0.100)	£0.100m requested to be moved to reserves in order to assist with the start up of the new LATC.	Request to move £0.100m to reserves
Facilities HQ	0.200	0.201	0.001	0.001	Minor variances	or and review.
Cleaning	0.005	(0.035)	(0.040)	(0.045)	Minor variances	Continue to monitor and review.
CCTV & Open Spaces	0.192	0.200	0.008	0.015	Minor variances	Continue to monitor and review.
Minor Variances	0.253	0.253	0.000	0.000		
Total Organisational Change 2	2.559	2.087	(0.472)	(0.412)		

Budget Monitoring Report
Council Fund Variances

MONTH 10 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Chief Executive	2.930	2.888	(0.042)	(0.038)	Minor variances.	
Central and Corporate Finance	22.323	20.324	(1.999)	(1.996)	An underspend of (£2.998m) within the Central Loans and Investment Account, (£0.111m) is due to reduced level of borrowing, and higher than projected income from investments, (£2.886m) is due changes to the Minimum Revenue Provision (MRP) policy as agreed by Cabinet on 6th December 2016. Additional Matrix rebate income of (£0.135m). Workforce efficiencies showing an underachievement of £0.276m. Additional income generating activities, an underachievement of £0.300m, though work is continuing to identify areas of opportunity.	Central Loans and Investment Account, keep under review. Matrix Rebate income, continue to monitor. Workforce Efficiencies, continue to identify further savings. Additional Income Generating Activities, in year pressure only.
					In year pressure £0.193m due to non domestic rates liability on a commercial property. In year underspend on Audit Fees of (£0.088m). Windfall income, in year pressure £0.125m.	Commercial Property liability, in year pressure. Audit Fees reduced, additional identified efficiency. Windfall Income, keep under review.

Budget Monitoring Report
Council Fund Variances

MONTH 10 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
					Pension deficit recovery pressure of £0.244m, due to opt out rates.	Pension Deficit Recovery, keep under review and consider impact alongside actuarial review.
					There is an underspend of (£0.070m) on centrally held inflation.	Pay related Inflation, keep under review in case of any emerging in year issues.
					Support Service areas have decreased, impacting on the recharge £0.140m.	Support Services, work is ongoing to review the impact.
					Minor variances £0.014m.	
Grand Total	251.984	249.803	(2.181)	(2.087)		

2016/17 Efficiencies Outturn - Under or Over Achieved

Portfolio	Original Efficiency	Revised Efficiency	(Under)/Over Achievement
	2016/17 £(m)	2016/17 £(m)	2016/17 £(m)
Central & Corporate Finance			
Additional Income Generating Activities.	0.500	0.200	(0.300)
Workforce Efficiency.	0.500	0.224	(0.276)
Total Central & Corporate Finance	1.000	0.424	(0.576)
Chief Executive's			
Voluntary Sector Grants review.	0.070	0.076	0.006
Total Chief Executive's	0.070	0.076	0.006
People & Resources			
Finance Modernisation	0.135	0.120	(0.015)
Total People & Resources	0.135	0.120	(0.015)
Education & Youth			
School Modernisation.	0.187	0.123	(0.064)
Total Education & Youth	0.187	0.123	(0.064)
Organisational Change 1			
Community Asset Transfers.	0.544	0.474	(0.070)
Total Organisational Change 1	0.544	0.474	(0.070)
Organisational Change 2			
CCTV - Staff reductions.	0.040	0.020	(0.020)
Other - Campus Management.	0.030	0.015	(0.015)
Other - Maintenance.	0.005	0.015	0.010
Total Organisational Change 2	0.075	0.050	(0.025)
Community & Enterprise			
Telephone Contact Centre savings.	0.100	0.000	(0.100)
Energy Efficiency Framework.	0.050	0.030	(0.020)
SHARP Framework.	0.020	0.000	(0.020)
Galw Gofal Contract Fees.	0.030	0.015	(0.015)
Council Tax Reduction Scheme.	0.329	0.638	0.309
Total Community & Enterprise	0.529	0.683	0.154
Streetscene & Transportation			
Shared Specialist Plant with neighbouring authority.	0.050	0.000	(0.050)
Introduce non-generic streetscene roles (3 year plan).	0.115	0.085	(0.030)
Develop energy production at landfill.	0.100	0.020	(0.080)
Remove the existing policy of returning for missed bin waste collections.	0.075	0.035	(0.040)
Construction of a waste handling and biomass production facility at Greenfield.	0.100	0.080	(0.020)
Charge maintenance of Bus Shelters to Community & Town Councils.	0.020	0.000	(0.020)
Externalise the Stores Managed Service.	0.050	0.020	(0.030)
Pass Maintenance Liability and Cleanliness of Cemeteries to Town & Community Councils.	0.050	0.000	(0.050)
Probation Service to take on Litter Collections in some areas.	0.100	0.050	(0.050)
Total Streetscene & Transportation	0.660	0.290	(0.370)
Planning & Environment			
Staffing - service review.	0.127	0.088	(0.039)
Various Planning Efficiencies.	0.101	0.000	(0.101)
Total Planning & Environment	0.228	0.088	(0.140)
		%	£
Total 2016/17 Budget Efficiencies			11.282
Met from Contingency Reserve			0.761
Revised Efficiency Target		100	10.521
Total Projected 2016/17 Budget Efficiencies Underachieved		10	1.100
Total Projected 2016/17 Budget Efficiencies Achieved		90	9.421

APPENDIX 4

Movements on Council Fund Unearmarked Reserves

	£m	£m
Total Reserves as at 1 April 2016	10.144	
Less - Base Level	(5.769)	
Total Reserves above base level available for delegation to Cabinet		4.375
Less - allocation from contingency reserve to meet historic child claims		(0.146)
Less - allocation from contingency reserve to meet costs of summer play schemes		(0.076)
Less - allocation from contingency reserve to meet shortfall in the essential car user allowance efficiency		(0.211)
Less - allocation from contingency reserve to meet shortfall in the community asset transfers efficiency		(0.200)
Less - allocation from contingency reserve to meet shortfall in the rationalisation of household recycling centres efficiency		(0.250)
Less - allocation from contingency reserve to meet shortfall in the Flint car park income efficiency		(0.100)
Less - allocation from contingency reserve to meet shortfall in the County Hall car park income efficiency		(0.100)
Less - allocation from contingency reserve to meet the resource requirements for specialist social work for child protection		(0.100)
Less – allocation from contingency reserve to support a Flintshire play scheme programme for 2017		(0.040)
Plus - projected underspend as at Month 10		2.181
Total projected Contingency Reserve as at 31st March 2017		5.333

Budget Monitoring Report
Housing Revenue Account Variances
MONTH 10 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Housing Revenue Account						
Income	(31.796)	(31.940)	(0.144)	(0.150)	The projected underspend is £0.144m. £0.019m of this figure relates to additional rent income. This is partly because tenants have moved into Custom House properties earlier than expected and also because void rent loss is less than budgeted. £0.075m relates to savings on void properties such as council tax and costs of respite. £0.050m relates to the provision for bad debts on rent.	
Capital Financing - Loan Charges	7.285	7.098	(0.187)	(0.187)	The projected underspend of £0.187m relates to a reduction in the anticipated borrowing costs apportioned to the HRA. This is due to the reduction in Flintshires total borrowing requirement and the reduction in interest rates following the BREXIT referendum	
Estate Management	1.530	1.501	(0.029)	(0.031)	Minor variance	
Landlord Service Costs	1.207	1.211	0.004	(0.005)	Minor variance	
Repairs & Maintenance	9.546	9.014	(0.532)	(0.503)	The projected underspend of £0.532m consists of £0.100m savings on staff costs because of vacant positions. £0.065m relates to anticipated savings on fleet recharges. This is because some of the expenditure relating to work on disabled adaptations can be capitalised. £0.077m relates to reduced expenditure on materials. £0.091m relates to a reduction in recharges to other departments. £0.375m relates to savings on subcontractor budgets. The remaining £0.006m relates to minor variances.	
Management & Support Services	2.232	2.180	(0.052)	0.015	£0.050m relates to a reduction in expected SHARP site investigation fees. £0.027m relates to savings on staff costs because of vacant positions. The remaining £0.025m relates to minor variances.	

Budget Monitoring Report
Housing Revenue Account Variances

MONTH 10 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Capital Expenditure From Revenue (CERA)	10.077	11.054	0.977	0.898	£0.977m relates to an increase in CERA which will contribute towards capital WHQS expenditure on void properties. This is a re-classification of expenditure from revenue to capital.	
Contribution To / (From) Reserves	(0.080)	(0.118)	(0.037)	(0.037)	Minor variance	
Total Housing Revenue Account	0.000	0.000	0.000	0.000		