

Public Document Pack

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Chief Officer (Governance)

Prif Swyddog (Llywodraethu)



Contact Officer:

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To: Cllr Richard Jones (Chair)

Councillors: Bernie Attridge, Bill Crease, Alasdair Ibbotson, Gina Maddison, Allan Marshall, Vicky Perfect, Kevin Rush, Jason Shallcross, Sam Swash, Linda Thomas and Arnold Woolley

6 October 2023

Dear Sir/Madam

NOTICE OF HYBRID MEETING
CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE
THURSDAY, 12TH OCTOBER, 2023 at 10.00 AM

Yours faithfully

Steven Goodrum
Democratic Services Manager

Please note: Attendance at this meeting is either in person in the Lord Barry Jones Council Chamber, Flintshire County Council, County Hall, Mold, Flintshire or on a virtual basis.

The meeting will be live streamed onto the Council's website. The live streaming will stop when any confidential items are considered. A recording of the meeting will also be available, shortly after the meeting at <https://flintshire.public-i.tv/core/portal/home>

If you have any queries regarding this, please contact a member of the Democratic Services Team on 01352 702345.

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 5 – 14)

Purpose: To confirm as a correct record the minutes of the meeting on 14 September 2023.

4 **ACTION TRACKING** (Pages 15 - 18)

Report of Democratic Services Manager

Purpose: To inform the Committee of progress against actions from previous meetings.

5 **FORWARD WORK PROGRAMME** (Pages 19 - 30)

Report of Democratic Services Manager

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

6 **JOINT FUNDED CARE PACKAGES - UPDATE REPORT**

Purpose: To receive a verbal update on the current situation on the long term debt with the Betsi Cadwaladr University Health Board since the last report was received.

Information will be shared with the Committee ahead of the meeting.

7 **BUDGET 2024/25 - STAGE 2** (Pages 31 - 42)

Report of Chief Officer (Governance), Corporate Finance Manager - Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement

Purpose: To review and comment on the budget pressures and cost reductions under the remit of the Committee.

8 REVENUE BUDGET MONITORING 2023/24 (MONTH 5) (Pages 43 - 66)

Report of Corporate Finance Manager - Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement

Purpose: To provide Members with the Revenue Budget Monitoring 2023/24 (Month 5) Report and Significant Variances.

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 - TO CONSIDER THE EXCLUSION OF THE PRESS AND PUBLIC

The following item is considered to be exempt by virtue of Paragraph(s) 18 of Part 4 of Schedule 12A of the Local Government Act 1972 (as amended).

The report contains details of steps to be taken to prevent cyber crime attacks against the Council. The public interest in withholding the information to protect the Council's data outweighs the public interest in disclosing the information.

9 CYBER RESILIENCE (Pages 67 - 126)

Report of Chief Officer (Governance) - Cabinet Member for Governance and Corporate Services including Health and Safety and Human Resources

Purpose: To share with the Committee Audit Wales' national report on Cyber Resilience.

Please note that there may be a 10 minute adjournment of this meeting if it lasts longer than two hours

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CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE **14 SEPTEMBER 2023**

Minutes of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held as a remote meeting on Thursday, 14 September 2023

PRESENT: Councillor Richard Jones (Chair)

Councillors: Bernie Attridge, Bill Crease, Chris Dolphin, Alasdair Ibbotson, Gina Maddison, Allan Marshall, Vicky Perfect, Kevin Rush, Sam Swash and Linda Thomas

SUBSTITUTE: Councillor: Linda Thew (for Jason Shallcross)

APOLOGY: Councillor Ian Roberts (Leader of the Council)

CONTRIBUTORS: Councillor Christine Jones (Deputy Leader and Cabinet Member for Social Services and Wellbeing), Councillor Paul Johnson (Cabinet Member for Finance, Inclusion & Resilient Communities), Councillor Billy Mullin (Cabinet Member for Governance and Corporate Services), Councillor David Healey (Cabinet Member for Climate Change and Economy), Chief Executive, Chief Officer (Governance), Corporate Finance Manager, Corporate Manager (Capital Programme & Assets) and Strategic Finance Managers

For minute numbers 24-25

Internal Audit, Performance & Risk Manager

For minute numbers 26-27

Senior Manager, Housing & Prevention Services

IN ATTENDANCE: Democratic Services Manager and team

20. DECLARATIONS OF INTEREST

On minute number 25 (Council Plan 2022/23 year-end performance), Councillor Bernie Attridge declared a personal interest during discussion on disabled adaptations.

21. MINUTES

The minutes of the meeting held on 13 July 2023 were approved, as moved and seconded by Councillors Bill Crease and Allan Marshall.

Matters Arising

Minute number 13: Joint Funded Care Packages - the Chair advised that the anomalies he had queried at the meeting had subsequently been confirmed by the Senior Manager, ie the transposed figure from the previous report and the amount of £12,223.39 shown on an invoice which had not been paid.

Minute number 14: Revenue Budget Monitoring and Capital Programme Monitoring 2022/23 (Outturn) - the Chair said that based on the figure quoted by the officer, the work undertaken by the Committee towards reducing the outstanding debt for continuing health care joint packages should benefit the Council's finances by £36-50k per annum.

Minute number 18: Delivering public services in the 21st Century - the Chair would liaise with the Chief Executive on themes for future reports.

RESOLVED:

That the minutes be approved as a correct record.

22. ACTION TRACKING

The Democratic Services Manager presented an update on actions arising from previous meetings.

The recommendation was moved by Councillor Allan Marshall and seconded by the Chair.

RESOLVED:

That the Committee notes the progress which has been made.

23. FORWARD WORK PROGRAMME

In presenting the current Forward Work Programme, the Democratic Services Manager confirmed that arrangements were being made for the all-Member session on the work of the Coroner's Office.

As requested by Councillor Bernie Attridge, an update on the current position with Community Asset Transfers would be shared with the Committee. In the interim, Councillor Attridge was asked to contact the Corporate Manager (Capital Programme & Assets) regarding a specific ward issue.

A request by Councillor Sam Swash for a periodic review of performance against the Freedom of Information Act would be scheduled accordingly.

On that basis, the recommendations were moved and seconded by Councillors Bernie Attridge and Linda Thomas.

RESOLVED:

- (a) That the Forward Work Programme be noted; and
- (b) That the Democratic Services Manager, in consultation with the Committee Chair, be authorised to vary the Forward Work Programme between meetings, as the need arises.

24. CORPORATE SELF-ASSESSMENT 2022/23

The Chief Executive introduced the report on progress with the Corporate Self-Assessment for 2022/23 which summarised feedback from consultation and stakeholder engagement on the findings from analysis against the eight themes. He thanked the Committee for their involvement in the drafting process.

The Internal Audit, Performance & Risk Manager outlined improvements made to the self-assessment model following the pilot undertaken for 2021/22 and the range of consultees throughout the three-stage process. The final report indicated that overall, the Council had performed well against the assessment with areas identified for improvement currently being actioned. The report also detailed progress with areas for improvement identified from the 2021/22 pilot. The report would be considered by the Governance & Audit Committee prior to final approval by Cabinet.

The Chair queried whether the workshop in June had been open to all Members as attendance had been low. It was clarified that representatives from this Committee, Governance & Audit Committee and Cabinet had been invited. The Chair highlighted the importance of Culture, Resilience, Value and Ethics, as raised during the workshop, and questioned whether these had been clearly reflected in the document.

On the theme of 'Customer and Community Engagement', Councillor Bernie Attridge called for greater engagement with members of the public and elected Members, including use of social media. He said that corporate ownership should be led by senior officers and that the provision of support for customers, for example in Connects offices, required urgent review.

In response to the Chair's comments, the Internal Audit, Performance & Risk Manager drew attention to the areas identified for improvement where themes relating to culture, value and ethics detailed actions to be embedded across the organisation and measured accordingly. Examples were shared on reports and policies which reflected increasing resilience within the Council, and plans to develop a performance culture through the framework.

In acknowledging the importance of embedding those issues across the organisation and structure, the Chief Executive spoke about ongoing work to improve corporate ownership of service delivery. He provided clarification on the senior leadership academy referenced in the document which was one method of implementing a more unified approach to service delivery across the Council. He went on to state that the culture of the Council was led from the top and influenced by the behaviour of officers and Members, with the aim for a collective consistent approach to achieve the delivery of high quality services.

Councillor Bill Crease stressed the importance of performance management being driven by data interrogation to help focus on areas of under-performance, for example the recent data shared on telephone response times in the Contact Centre. During discussion, the Chief Officer (Governance) reminded

Members of the ongoing issues which had been regularly reported and corporate actions being taken to improve staff turnover across the Council.

The expectations and demands upon the Contact Centre were recognised by Councillor Linda Thew who was assured that options were being explored to increase resilience.

Councillor Gina Maddison commented on potential links between Connects Centres and libraries which the Chief Executive said was one of a number of possibilities under consideration.

The Chair and Councillor Crease acknowledged the issues and spoke about the importance of customers being assured of responses and actions.

The recommendations were moved and seconded by the Chair and Councillor Allan Marshall.

RESOLVED:

- (a) That the findings of the Corporate Self-Assessment 2022/23 be accepted and approved; and
- (b) That the opportunities for improvement identified in the Corporate Self-Assessment 2022/23 be approved.

25. COUNCIL PLAN 2022-23 YEAR-END PERFORMANCE

The Chief Executive presented the monitoring report to review year-end progress against Council Plan priorities identified for 2022/23. Overall this was a positive report with 77% of activities showing good progress and 62% of performance indicators (PIs) having met or exceeded their targets. Following previous feedback, the report had been reviewed to provide more clarity on identifying areas for improvement. The exception-based covering report highlighted six outstanding actions and 25 PIs which had not been achieved, alongside explanations, some of which involved external factors.

The Internal Audit, Performance & Risk Manager responded to a question from the Chair on reporting arrangements including the annual refresh of the 5-year Council Plan. She went on to say that target dates for priorities could be 12 months or longer term, including milestones where required, and would feedback to the Performance team to ensure that targets were clearly defined in the document.

In response to comments from Councillor Bernie Attridge, it was confirmed that each Overview & Scrutiny committee considered quarterly performance reports relating to their terms of reference and were able to raise specific areas for further review on their respective forward work programmes.

The Chair said that whilst this committee should not duplicate the role of other Overview & Scrutiny committees, areas of concern should be referred as appropriate.

Councillor David Healey highlighted the alignment of the Plan with well-being objectives. Under Child Poverty, he praised the 100% completion rate on *'Working with partners to ensure children in areas of social deprivation have access to food, exercise and enrichment schemes during school holidays'*, asking whether the offer had been extended into the summer of 2023.

The Chief Executive advised that schemes were available and that more specific detail would be shared. Councillor Healey suggested sharing the response with all Members.

Whilst noting actions under the remit of other committees, Councillor Alasdair Ibbotson he said it was important for this Committee to have oversight of missed/extended targets to consider the in-year financial implications and impact on the Medium Term Financial Strategy. On the Social Housing sub-priority, he asked for more detail on the PIs relating to new Council homes, affordable housing and Registered Social Landlord homes under construction.

The Chief Executive advised that response times to disabled adaptations had improved over the years with changes made to the process, however some legacy issues affecting larger adaptation schemes were negatively influencing performance. On social housing developments, the overall target was 50 units per year as reflected in strategic reports, however the lack of progress on a scheme involving partners had affected performance outturns. Reference was made to the potential for additional funding to meet increased demand for social housing. Members' attention was drawn to recent detailed reports to the Community & Housing Overview & Scrutiny Committee on these matters.

Councillor Bill Crease thanked officers for the covering report which helped the Committee to focus on relevant data. His comments were endorsed by the Chair.

The recommendations in the report were moved and seconded by Councillors Gina Maddison and Allan Marshall.

RESOLVED:

- (a) That the Committee supports levels of progress and confidence in the achievement of priorities as detailed within the Council Plan 2022/23;
- (b) That the Committee supports overall performance against Council Plan 2022/23 performance indicators/measures; and
- (c) That the Committee is assured by explanations given for those areas of underperformance.

26. MEDIUM TERM FINANCIAL STRATEGY AND BUDGET 2024/25

The Chief Executive and Corporate Finance Manager presented an update on the additional budget requirement for 2024/25 in advance of consideration by Cabinet. The significant challenge facing the Council in identifying solutions to agree a legal and balanced budget by March 2024 were emphasised.

The updated forecast indicated a minimum budget requirement of an additional £32.386m of revenue resources for 2024/25, taking into account ongoing risks such as the latest national position on public sector pay, the estimated impact of known changes to service demand and ongoing inflationary impacts. The report detailed changes since July including ongoing risks that could change the budget requirement and work undertaken by portfolios over the Summer following Member budget workshops in July. Funding solutions set out the findings from portfolio reviews including cost pressures and revisiting excluded options for 2023/24, all of which would be subject to consideration by Overview & Scrutiny committees in October. A summary of the revised overall position at this stage indicated a remaining budget gap of £14.042m to set a legal and balanced budget. In recognising the major budget challenge for 2024/25, representations for an improved settlement were continuing across Wales.

Councillor Bernie Attridge shared concerns about the potential outcome in the absence of a significant uplift in the settlement from Welsh Government.

In response to Councillor Alasdair Ibbotson's query on the Stonewall subscription being amongst the additional options to be considered, the Chief Executive said it should be recognised that difficult choices would need to be made and that every aspect of the budget would need to be reviewed.

The Chair commented that the list of options from 2023/24 to be revisited would need to be risk-assessed prior to consideration by Overview & Scrutiny, as confirmed by the Corporate Finance Manager. Following a query on a new pressure in schools, the Chief Executive explained this was a requirement due to a more rigorous approach by Estyn on health and safety in the school estate. As requested, the Corporate Finance Manager provided details of the budget workshops scheduled for October and urged Members to attend.

The Chair sought clarity on the report's conclusions to which Councillor Paul Johnson spoke about the Council's approach to the budget and the role of Members in reaching difficult decisions to respond to the scale of the challenge for 2024/25.

The Chief Executive referred to the Council's lean structure and track record in being regarded as well run financially. However, the budget position for 2024/25 would require a different approach in order to create a programme of transformation that would develop a sustainable base of financial stability for future years. Statutory services would continue to be delivered safely by working through those standards but would require unavoidable changes.

The recommendation in the report was moved and seconded by Councillors Bernie Attridge and the Chair.

RESOLVED:

That having considered the Medium Term Financial Strategy and Budget 2024/25 report, the Committee confirms that there are no specific matters to be reported back to Cabinet when it considers the report on 19 September.

27. REVENUE BUDGET MONITORING 2023/24 (MONTH 4) AND CAPITAL PROGRAMME MONITORING 2023/24 (MONTH 4)

The Strategic Finance Managers presented reports on the 2023/24 month 4 position for the Council Fund and Housing Revenue Account (HRA) and the Capital Programme, prior to consideration by Cabinet.

Revenue Budget Monitoring

On the Council Fund, the projected year-end position was an operating deficit of £2.644m (excluding the impact of the pay award to be met from reserves) with a contingency reserve balance of £4.043m at year-end (after the estimated impact of pay awards). It was confirmed that Hardship Funding received from Welsh Government (WG) during 2022/23 had now ceased and the balance of £3.743m of those reserves had been carried forward. The economic outlook remained challenging due to continuing inflationary rises and increases in service demand. A summary was given of the projected position across portfolios and as previously requested, future budget monitoring reports would include a breakdown of movements.

An overview of risks included the latest position with the waste recycling infraction charge, growing demand for homelessness services and out of county placements, and the forthcoming renewal of the fleet contract. Based on the current position, it was projected that 99% of planned efficiencies would be achieved by year-end.

On the HRA, net in-year revenue expenditure was forecast to be £0.065m lower than budget with a projected closing balance of £3.262m.

Councillor Alasdair Ibbotson asked about the Local Development Plan (LDP) allocation set aside in the form of a revenue budget line and earmarked reserves totalling around £0.250m. He also requested information for the next meeting on revenue raised from the increase in Council Tax premiums on long-term empty properties and second homes for the current year relative to that of the last few years.

The Corporate Finance Manager agreed to liaise with the Revenues & Procurement Manager to provide the latter. On the LDP query, it was clarified that the transfer of those remaining earmarked reserves from 2022/23 were included in the contingency reserves brought forward into the current year. Members were advised that the remaining LDP revenue allocation of around

£110k remained within the Planning, Environment & Economy budget for 2023/24 prompting Councillor Sam Swash to query why this amount had not been transferred into reserves to help the overall position. The Corporate Finance Manager agreed to provide a separate response.

The Chief Executive gave assurance that work was taking place to review any unspent allocations without contractual commitments that could be placed into reserves.

Following concerns raised by Councillor Bernie Attridge at the number of movements in approved budgets at this early stage, the Chair agreed and suggested that the overspend for mental health packages be referred to Social Services for further explanation on how costs were projected.

Councillor Christine Jones commented on the pressures in Social Services and would pursue a full response from the Service Manager.

In referring to current market conditions and associated high costs, the Corporate Finance Manager spoke about the volatile and complex demands on some services.

As requested by the Chair, the Strategic Finance Manager provided clarification on the reallocation of actuarial valuations on pensions budgets and would provide an overview of the changes to approved budgets shown in Table 1. In relation to the £0.414m underspend for residential placements in Children's Services, a response would also be shared on the potential impact to the budget once the WG grant ceased beyond 2024/25.

On the overspend in Housing & Communities, officers advised that the report on homelessness being prepared by the service would be shared with the Committee at the earliest opportunity.

Capital Programme

The revised programme for 2023/24 was £99.084m taking into account all changes including carry forward sums. Changes during the period were mainly due to the in-year allocation of additional WG grant funding. The projected outturn position was £95.955m leaving a £3.129m underspend recommended to be carried forward for the completion of schemes in 2024/25. During the quarter, there was one additional allocation identified in the programme, as detailed in the report and no savings were identified. Capital receipts for the period totalled £0.651m giving a revised projected surplus in the Capital Programme at month 4 of £1.953m for the 2023/24-2025/26 Capital Programme, prior to the realisation of additional capital receipts and/or other funding sources. The report also included an update on the position with prudential indicators in line with the new requirement.

Given the budget position, Councillor Bernie Attridge asked whether a moratorium should be imposed on any non-urgent capital spend not yet committed.

Officers confirmed that all aspects of Council spend were under review and considered on a case by case basis.

On the £0.055m additional allocation for hybrid meeting equipment in the Delyn Room, Councillor Alasdair Ibbotson requested a cost breakdown to consider whether this represented value for money.

The Chief Officer (Governance) provided clarity on this work and agreed to share contractually confidential information with Members as requested.

The recommendations were moved and seconded by the Chair and Councillor Bernie Attridge.

RESOLVED:

- (a) That having considered the Revenue Budget Monitoring 2023/24 (month 4) report, the Committee confirms that there are no specific matters to be raised with Cabinet;
- (b) That a separate report being prepared by Housing & Communities be shared with the Committee at the earliest opportunity; and
- (c) That having considered the Capital Programme Monitoring 2023/24 (month 4) report, the Committee confirms that there are no specific matters to be raised with Cabinet.

28. MEMBERS OF THE PRESS IN ATTENDANCE

None.

(The meeting started at 10am and ended at 1pm)

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Chair

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CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday, 12 th October 2023
Report Subject	Action Tracking
Report Author	Democratic Services Manager
Type of Report	Operational

EXECUTIVE SUMMARY

The report shows the action points from previous meetings of the Corporate Resources Overview & Scrutiny Committee and the progress made in completing them.

Any outstanding actions will be reported back to the next monthly meeting.

RECOMMENDATIONS

1	That the Committee notes the progress which has been made.
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REPORT DETAILS

1.00	EXPLAINING THE ACTION TRACKING REPORT
1.01	In previous meetings, requests for information, reports or actions have been made. These have been summarised as action points. Following the meeting of the committee in July 2018, it was recognised that there was a need to formalise such reporting back, as 'Matters Arising' is not an item which can feature on an agenda.
1.02	This paper summarises those points and where appropriate provides an update on the actions resulting from them.

	The Action Tracking details are attached in appendix 1.
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2.00	RESOURCE IMPLICATIONS
2.01	The creation of the Action Tracking report increases workflow but should provide greater understanding and efficiency.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	Not applicable.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	Where appropriate, action owners have been contacted to provide an update on their actions.

5.00	APPENDICES
5.01	Appendix 1 – Corporate Resources OSC Action Points

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Appendix 1 – Corporate Resources OSC Action Points

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Steven Goodrum, Democratic Services Manager Telephone: 01352 702320</p> <p>E-mail: Steven.Goodrum@flintshire.gov.uk</p>

8.00	GLOSSARY OF TERMS
8.01	Not applicable.

ACTION TRACKING FOR THE CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Meeting Date	Agenda item	Action Required	Action Officer(s)	Action taken	Status
18.05.2023	8. Employment and Workforce End of Year Update	The Corporate Manager, People and Organisational Development agreed to share analysis on the full range of data when it was published in September.	Corporate Manager, People and Organisational Development	Data to be circulated to the committee when it becomes available.	Open
		Review data on voluntary school staff leavers to establish if information is available on the proportion leaving to work at another school as opposed to departing the education professional altogether.	Corporate Manager, People and Organisational Development	Update to be provided when the next report is presented to committee.	Open
		In relation to staff turnover, comparison to similar authorities was requested to be provided.	Corporate Manager, People and Organisational Development	Update to be provided when the next report is presented to committee.	Open
13.07.2023	10. Council Tax Collections, Discretionary (s13a) Discounts/Write Offs	That Cabinet review and produce a comprehensive policy on s13a discretionary discounts, taking into account the comments raised and to consult with Overview & Scrutiny,	Revenues & Procurement Manager	Moved to the FWP.	Closed

Meeting Date	Agenda item	Action Required	Action Officer(s)	Action taken	Status
		scheduling a report back to this Committee at a future date.			
	11. Delivering public services in the 21st century: Shared Services	That officers liaise with the Chairman in order to schedule presentations on various themes at future meetings.	Various	Moved to the FWP.	Closed
14.09.2023	9. Revenue Budget Monitoring 2023/24 (Month 4) and Capital Programme Monitoring 2023/24 (Month 4)	Request for information on revenue raised from the increase in Council Tax premiums on long-term empty properties and second homes for the current year relative to that of the last few years.	Corporate Finance Manager / Revenues & Procurement Manager	Possibly need to include on FWP	Closed
		Request for a cost breakdown additional allocation for hybrid meeting equipment in the Delyn Room to consider whether this represented value for money.	Chief Officer (Governance)		Open



CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday, 12 th October 2023
Report Subject	Forward Work Programme
Report Author	Democratic Services Manager
Type of Report	Operational

EXECUTIVE SUMMARY

Overview & Scrutiny presents a unique opportunity for Members to determine the Forward Work programme of the Committee of which they are Members.

By reviewing and prioritising the Forward Work Programme Members are able to ensure it is Member-led and includes the right issues.

A copy of the Forward Work Programme is attached at Appendix 1 for Members' Consideration.

The Committee is asked to consider, and amend where necessary, the Forward Work Programme for the Corporate Resources Overview & Scrutiny Committee.

RECOMMENDATIONS

1	That the Committee considers the draft Forward Work Programme and approve/amend as necessary.
2	That the Democratic Services Manager, in consultation with the Chair of the Committee be authorised to vary the Forward Work Programme between meetings, as the need arises.

REPORT DETAILS

1.00	EXPLAINING THE FORWARD WORK PROGRAMME
1.01	<p>The Forward Work Programme (FWP) is intended to set out the Committee's schedule of work for the coming months.</p> <p>It is a 'working document' that remains under constant review to ensure that the Committee is carrying out the proper level of scrutiny and is focussing on the appropriate areas in accordance with its Terms of Reference (included as Appendix 2).</p>
1.02	<p>Items feed into a Committee's Forward Work Programme from a number of sources.</p> <p>Members can suggest topics for review by Overview & Scrutiny Committees, members of the public can suggest topics, items can be referred by the Cabinet for consultation purposes, or by County Council or Chief Officers.</p> <p>Other possible items are identified from the Cabinet Work Programme and the Improvement Plan.</p>
1.03	<p>Members are encouraged to consider and propose items for inclusion on the FWP, noting the guidance at paragraph 1.06.</p> <p>The Committee's 'Terms of Reference' is included as Appendix 2 to help with this.</p>
1.04	<p>In addition to the reports scheduled on FWP included as Appendix 1, there are 2 items transferred from the Action Tracking report that need to be scheduled on the FWP:</p> <ul style="list-style-type: none"> • Council Tax Collections, Discretionary (s13a) Discounts/Write Offs <i>That Cabinet review and produce a comprehensive policy on s13a discretionary discounts, taking into account the comments raised and to consult with Overview & Scrutiny, scheduling a report back to this Committee at a future date.</i> • Delivering public services in the 21st century: Shared Services <i>That officers liaise with the Chairman in order to schedule presentations on various themes at future meetings.</i> <p>Other 'themed' topics and reports will be placed before the committee before the end of the current meeting cycle, including:</p> <ul style="list-style-type: none"> • Capital Programme and Assets 'themed' meeting. • Corporate Services 'themed' meeting. • Strategic and Partnership Working 'themed' meeting. • Community Safety Partnership Annual Report. • North Wales Economic Ambition Board. • Organisational Design & Change Programme.

	<ul style="list-style-type: none"> • Update on Corporate Joint Committees (CJCs). • Alternative Delivery Models. <p>Dates will be included with the November Committee FWP.</p>
1.05	As well as the 'targeted' work items, there are standard, regular reports that follow a 'pattern'. These are included in Appendix 1 under 'Regular Items and will be scheduled on the FWP accordingly.
1.06	<p>When identifying any additional topics for future consideration, it is useful for a 'test of significance' to be applied. This can be achieved by asking a range of questions as follows:</p> <ol style="list-style-type: none"> 1. Will the review contribute to the Council's priorities and / or objectives? 2. Is it an area of major change or risk? 3. Are there issues of concern in performance? 4. Is there new Government guidance of legislation? 5. Is it prompted by the work carried out by Regulators/Internal Audit? 6. Is the issue of public or Member concern?
1.07	<p>A training session delivered by the Welsh Local Government Association on '<i>Scrutiny Questioning Skills</i>' was offered to all members of the OSC's earlier this month.</p> <p>Attendance at the session was low. We will explore delivering the session again later in the year for all Members.</p>

2.00	RESOURCE IMPLICATIONS
2.01	None as a result of this report.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	Not applicable.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	Publication of this report constitutes consultation.

5.00	APPENDICES
5.01	<p>Appendix 1 – Draft Forward Work Programme.</p> <p>Appendix 2 – CROSC 'Terms of Reference'.</p>

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None

7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Steven Goodrum, Democratic Services Manager Telephone: 01352 702320 E-mail: Steven.Goodrum@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	Not applicable.

CORPORATE RESOURCES OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

Current FWP (October 2023)

Date of meeting	Subject	Purpose of Report / Presentation	Scrutiny Focus	Responsible / Contact Officer
<p style="text-align: center;">Page 23</p>	<p>Revenue Budget Monitoring 2023/24 (Month 6) and Capital Programme Monitoring 2023/24 (Month 6)</p>	<p>To provide Members with the Revenue Budget Monitoring 2023/24 (Month 6) Report and the Capital Programme 2023/24 (Month 6) Report and Significant Variances.</p>	<p>Performance monitoring</p>	<p>Corporate Finance Manager</p>
	<p>Capital Strategy Including Prudential Indicators 2024/25 to 2026/27</p>	<p>To present the Capital Strategy 2023/24 - 2025/26 for review</p>	<p>Performance monitoring</p>	<p>Corporate Finance Manager</p>
	<p>Capital Programme 2024/25 – 2026/27</p>	<p>To present the Capital Programme 2024/25 - 2026/27 for review</p>	<p>Performance monitoring</p>	<p>Corporate Finance Manager</p>
	<p>Employment and Workforce Mid-year Update</p>	<p>To provide strategic updates in addition to the six-monthly workforce statistics and their analysis.</p>	<p>Assurance</p>	<p>Corporate Manager, People and Organisational Development</p>
<p>TBC</p>	<p><i>Joint Procurement Service Annual Report 2022/23</i></p>	<p><i>To receive a performance update report on the Joint Procurement Service with Denbighshire County Council.</i></p>	<p><i>Performance monitoring</i></p>	<p><i>Chief Officer (Governance)</i></p>

CORPORATE RESOURCES OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

Date of meeting	Subject	Purpose of Report / Presentation	Scrutiny Focus	Responsible / Contact Officer
10am – 14 th December 2023	Joint Funded Care Packages – Update Report	To provide an update on the budget management of outstanding invoices raised by the Council for payment by BCUHB.	Performance monitoring	Chief Officer (Social Services) and Corporate Finance Manager
	Revenue Budget Monitoring 2023/24 (Month 7)	To provide the latest revenue budget monitoring position for 2023/24 for the Council Fund and Housing Revenue Account.	Performance monitoring	Corporate Finance Manager
TBC	<i>Council Plan Mid-Year Performance Reporting</i>	<i>To review the levels of progress in the achievement of activities and performance levels identified in the Council Plan.</i>	<i>Performance monitoring</i>	<i>Chief Executive</i>
10am – 11 th January 2024	Revenue Budget Monitoring 2023/24 (Month 8)	To provide the latest revenue budget monitoring position for 2023/24 for the Council Fund and Housing Revenue Account.	Performance monitoring	Corporate Finance Manager
TBC	<i>MTFS & Budget Setting 24-25</i>	<i>To look at budget in the round (in light of local government settlement) and to which all members are invited.</i>	<i>Awareness</i>	<i>Chief Executive / Corporate Finance Manager</i>
10am – 8 th February 2024	Joint Funded Care Packages – Update Report	To provide an update on the budget management of	Performance monitoring	Chief Officer (Social Services) and Corporate

CORPORATE RESOURCES OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

Date of meeting	Subject	Purpose of Report / Presentation	Scrutiny Focus	Responsible / Contact Officer
<p>TBC</p> <p>Page 25</p>		outstanding invoices raised by the Council for payment by BCUHB.		Finance Manager
	<p>Revenue Budget Monitoring 2023/24 (Month 9) and Capital Programme Monitoring 2023/24 (Month 9)</p>	To provide Members with the Revenue Budget Monitoring 2023/24 (Month 9) Report and the Capital Programme 2023/24 (Month 9) Report and Significant Variances.	Performance monitoring	Corporate Finance Manager
	<p><i>Public Services Ombudsman for Wales (PSOW) Annual Letter 2021-22 and Complaints against Flintshire County Council during the first half of 2022-23.</i></p>	<p><i>To share the Public Services Ombudsman for Wales Annual Letter 2022-23 and Complaints made against Flintshire County Council Services in the first half of 2023-24 (April-September 2023).</i></p>	Assurance	Chief Officer (Governance)
<p>10am – 7th March 2024</p>	<p>Revenue budget monitoring 2023/24 (month 10)</p>	To provide the latest revenue budget monitoring position for 2023/24 for the Council Fund and Housing Revenue Account.	Performance monitoring	Corporate Finance Manager
<p>10am – 13th June 2024</p>	<p>Revenue Budget Monitoring 2023/24 (Outturn) and Capital Programme Monitoring 2023/24 (Outturn)</p>	To present the Revenue Budget Monitoring (Outturn) and Capital Programme Monitoring (Outturn) for 2023/24.	Performance monitoring	Corporate Finance Manager

CORPORATE RESOURCES OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

Date of meeting	Subject	Purpose of Report / Presentation	Scrutiny Focus	Responsible / Contact Officer
	Employment and Workforce end-of-year Update	To provide strategic updates in addition to the six-monthly workforce statistics and their analysis.	Assurance	Corporate Manager, People and Organisational Development

CORPORATE RESOURCES OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

Regular Items

Month	Subject	Purpose of Report / Presentation	Responsible / Contact Officer
Quarterly / Annual	Performance Reporting	To consider performance outturns for improvement targets against directorate indicators.	Chief Executive
Monthly	Revenue Budget Monitoring	To provide the latest revenue budget monitoring position for 2021/22 for the Council Fund and Housing Revenue Account.	Corporate Finance Manager
Twice-Yearly	Employment and Workforce Update	This report covers strategic updates in addition to the quarterly workforce statistics and their analysis.	Corporate Manager, People and Organisational Development
Annually	Public Services Ombudsman for Wales (PSOW) Annual Letter and Complaints against Flintshire County Council	To share the Public Services Ombudsman for Wales Annual Letter and Complaints made against Flintshire County Council Services	Chief Officer (Governance)

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Corporate Resources Overview & Scrutiny Committee Terms of Reference

Main Contributors

- Leader of the Council and Cabinet Member for Education, Welsh Language, Culture and Leisure
- Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
- Cabinet Member for Governance and Corporate Services including Health and Safety and Human Resources
- Chief Executive
- Chief Officer (Governance)
- Corporate Finance Manager

Scope

To fulfil all the functions of an Overview & Scrutiny committee, including Performance, Improvement and Policy Development as they relate to the list below.

Corporate Management and Governance

- Council strategic and improvement planning (Council Plan)
- Council performance and performance systems
- Customer Services and contact
- Finance Strategy
- Revenue and capital strategic planning Revenue and capital budget monitoring

Clwyd Pension Fund

ICT and Digital Strategies

People Strategy

- Organisational Design & Change Programme

Corporate Services

- Corporate Communications
- Financial services
- ICT Services
- Information and Business Services Procurement
- HR Business Partnering
- Occupational Health and Wellbeing Employment Services
- Legal Services
- Democratic Services
- Revenues

Strategic and Partnership Working

- Partnership and collaborative working frameworks

- Public Service Board
- Civil Contingencies
- Emergency Planning

Crime and Disorder

- Community Safety Partnership
- North Wales Fire & Rescue Authority & Service
- North Wales Police & Crime Commissioner North
- Wales Police Service
- North Wales Probation Service

Capital Programme and Assets

- Corporate Property Maintenance Service
- Property and Design Consultancy
- Valuation and Estates Service
- Community Assets
- Community Asset Transfer Programme
- NEWydd

Note. Corporate Resources Overview & Scrutiny is also the designated 'crime & disorder scrutiny' committee.



CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Thursday, 12 th October 2023
Report Subject	Budget 2024/25 – Stage 2
Cabinet Member	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value & Procurement
Report Author	Corporate Finance Manager, Chief Officer (Governance) and Senior Manager HR& OD
Type of Report	Strategic

EXECUTIVE SUMMARY

As in past years, the budget for 2024/25 will be built up in stages.

The first stage has been concluded by the establishment of a robust baseline of cost pressures together with Member workshops to ensure Members had a full understanding of service budgets including current cost pressures and risks.

In September, Cabinet and Corporate Resources Overview and Scrutiny Committee received an updated position on the budget for 2024/25, which showed that we had a minimum additional revenue budget requirement estimated at £32.386m.

The report also provided an update on the work undertaken by portfolios over the Summer to review pressures, the outturn position and to consider further proposals for efficiencies to be considered as part of strategy to balance the budget.

The review by Overview and Scrutiny Committees throughout October and November of budget pressures and proposed efficiency options will form Stage 2 of the budget setting process, alongside the receipt of the Welsh Local Government Provisional Settlement on 20th December - Stage 3 will be the identification of the full set of budget solutions required to ensure a legal and balanced budget is set.

A further meeting of the Corporate Resources Overview and Scrutiny Committee (open to all members) will be held on 16th November 2023 which will summarise the work undertaken so far to meet the budget gap.

The details of the cost pressures and proposed efficiency options for Corporate Services which fall within the remit of this Committee are included within this report. The Committee is invited to review and comment on these cost pressures, proposed efficiencies, and associated risks.

The Committee is also invited to advise on any additional areas of cost efficiency it believes should be explored further and the reasoning behind the request.

A slide presentation will be made at the meeting.

RECOMMENDATIONS

1	Review and comment on the Corporate Services cost pressures.
2	Review and comment on the Corporate Services options to reduce budgets.
3	Review and comment on the Governance Portfolio's cost pressures.
4	Review and comment on the Governance Portfolio's options to reduce budgets.
5	Review and comment on the Asset Portfolio's options to reduce budgets
6	To advise on any areas of cost efficiency it believes should be explored further.

REPORT DETAILS

1.00	EXPLAINING THE BUDGET POSITION 2024/25
1.01	The first stage for budget setting was concluded in September where we established a robust baseline of cost pressures. The review by Overview and Scrutiny Committees throughout October and November of these cost pressures and proposed efficiency options will form part of stage 2 with stage 3 being the identification of the full set of budget solutions required to ensure a legal and balanced budget is set.
1.02	In September, Cabinet and Corporate Resources Overview and Scrutiny Committee received an updated position on the budget for 2024/25, which showed that we had a minimum additional revenue budget requirement estimated at £32.386m. The report also provided an update on the work undertaken by portfolios over the Summer to review pressures, the outturn position and to consider further proposals for efficiencies to be considered as part of strategy to balance the budget.
1.03	The purpose of this report is to set out in detail the cost pressures and proposed efficiency options for the Corporate Services and the Governance portfolio, for consideration by the members of this Committee. Given the scale of the potential budget gap all services have been tasked with generating options to manage their service with a reduced budget. These options are included in the report for consideration by members of this Committee.

1.04 **Corporate Services – Cost pressures and proposals for budget reductions**

These are set out in the paragraphs which follow.

1.05 **Table 1: Corporate Services – Cost Pressures**

Cost Pressure Title	£m	Note
Prior Year Decision		
Minimum Revenue Provision (MRP)	0.300	1.
21 C Schools Band B Borrowing Costs	0.738	2.
Legislative/Unavoidable Indexation Pressures		
Fee Increases Coroners Service	0.031	3.
Independent Review Panel for Wales (IRPW)	0.084	4.
North Wales Fire and Rescue Authority	1.341	5.
Apprentice Tax Levy	0.070	6.
CJC / Growth Deal Inflation	0.017	7.
ADM's/CAT's Service Contract Inflation	0.365	8.
ADM's/CAT's Other Pressures	0.056	9.
National Funding Requirement		
NJC Pay Award Estimate (Non Schools) 2023/24	1.694	10.
NJC Pay Award Estimate (Non Schools)	4.767	11.
Other Corporate Pressures		
Capital Borrowing Costs 2022/23	0.056	12.
Joint Archive Service Borrowing Costs	0.018	13.
Croes Atti Residential Care Home Borrowing Costs	0.161	14.
Levelling Up Fund (Match Funding)	0.050	15.
ADM Resource	0.024	16.
Audit Fees	0.040	17.
Bank Charges	0.070	18.
Total Cost Pressures	9.882	

Notes:

- 1. Minimum Revenue Provision (MRP) £0.300m**
Annual inflationary uplift in line with the approved policy.
- 2. 21st Century (21C) Schools and Band B Borrowing Costs £0.738m**
Projected interest and repayment (using the minimum revenue provision policy approved by Council) of the prudential borrowing required for each capital scheme. This includes the annual service charge for the MIM project.
- 3. Fee Increase Coroners Service £0.031m**
Projected Inflationary Uplift on Fees and Salaries for the Coroners Service.
- 4. Independent Review Panel for Wales (IRPW) £0.084m**
Projected Inflationary Uplift on Members Allowances

5. North Wales Fire and Rescue Authority £1.341m

The pressure is for the projected inflationary increase on the North Wales Fire and Rescue Authority Levy.

6. Apprentice Tax Levy £0.070m

The Apprentice Tax Levy is a UK Tax on employers which is 0.5% of payroll costs. Over the last few years increases from National Pay Awards have increased payroll costs and this has subsequently increased the amount that the Council needs to pay which has led to a budget pressure.

7. Corporate Joint Committee (CJC)/Growth Deal Inflation £0.017m

Projected annual inflationary impact on CJC and Growth Deal.

8. ADM's/CAT's Service Contract Inflation £0.365m

Inflationary provision set aside for ADM's and CATs as part of agreements in place.

9. ADM's/CAT's Other Pressures £0.056m

Pressure in respect of additional costs anticipated for legal work on extension and renewal of ADM contracts. 50% is one off funding.

10. NJC Pay Award Estimate Non Schools 2023/24 £1.694m

Pay negotiations are ongoing however the current pay offer is an increase on each scale point of £1,925. This is in excess of the 5% set within the 2023/24 budget and will need to be met from reserves in the current financial year. This will need to be built into the base in 2024/25 as a recurring amount. It should be noted that this has not yet been agreed by all Trade Unions and therefore remains a risk.

11. NJC Pay Award Estimate Non Schools 2024/25 £4.767m

Estimated pay inflation of 5% has been included in the forecast for 2024/25.

12. Capital Borrowing Costs £0.056m

Estimated revenue costs of borrowing for the relocation of the current Tri-ffordd day service provision to an integrated learning disability centre in Maes Gwern. This is net of external funding for the project.

13. Joint Archive Service Borrowing Costs £0.018m

The scheme recognises and responds to the need and demand of the two Councils archive services. Both services occupy old buildings, unfit for purpose. They lack suitable public spaces and appropriate storage, are too full to accept new collections and are listed buildings lacking scope for adaptation, requiring expensive maintenance. The proposal is to construct a new building adjacent to Theatr Clwyd, Mold, to house both the physical archives and the new service operations.

14. Croes Atti Residential Care Home Borrowing Costs £0.161m

Estimated revenue costs of borrowing for the relocation of the current Croes Atti Residential Care Home, net of all external funding for the project.

	<p>15. Levelling Up Fund (Match Funding) £0.050m Estimated revenue costs of borrowing for the match funding of the LUF bids, which may be required for works to be carried out at some bid locations.</p> <p>16. Alternative Delivery Model (ADM) Resource £0.024m A new fixed term post to support ADM's and reflects the estimated number of staff hours required to support the additional workload demand.</p> <p>17. Audit Fees Increase £0.040m Estimated inflationary increase for Audit Wales Annual Fees (Performance Fee, Audit Fee and Grants Audit).</p> <p>18. Bank Charges £0.070m Inflationary increase for Bank Charges, where the charges have steadily been increasing over the previous financial years due to increased numbers and value of charges received.</p>																
1.06	<p><u>Table 2: Corporate Services – Budget Reductions</u></p> <table border="1" data-bbox="288 853 1423 1115"> <thead> <tr> <th data-bbox="288 853 963 927">Budget Reduction Proposals – (From Outturn Review)</th> <th data-bbox="963 853 1200 927">£m</th> <th data-bbox="1200 853 1326 927">RAG</th> <th data-bbox="1326 853 1423 927">Note</th> </tr> </thead> <tbody> <tr> <td data-bbox="288 927 963 965"></td> <td data-bbox="963 927 1200 965"></td> <td data-bbox="1200 927 1326 965"></td> <td data-bbox="1326 927 1423 965"></td> </tr> <tr> <td data-bbox="288 965 963 1039">Central Loans & Investment Account (CLIA) Reduction of borrowing payments.</td> <td data-bbox="963 965 1200 1039">0.500</td> <td data-bbox="1200 965 1326 1039">Amber</td> <td data-bbox="1326 965 1423 1039">1.</td> </tr> <tr> <td data-bbox="288 1039 963 1115">Total</td> <td data-bbox="963 1039 1200 1115">0.500</td> <td data-bbox="1200 1039 1326 1115"></td> <td data-bbox="1326 1039 1423 1115"></td> </tr> </tbody> </table> <p>Notes:</p> <p>1. Central Loans & Investment Account (CLIA) Reduction of lease and borrowing payments</p> <p>The CLIA is projecting a positive improvement due to the Council not taking out any new short or long-term borrowing and continuing to invest a significant amount of short-term cash flow funds gaining an investment return. This pattern has continued from 2022/23 and through 2023/24 to date and is partly due to continued high and increasing bank interest rates.</p>	Budget Reduction Proposals – (From Outturn Review)	£m	RAG	Note					Central Loans & Investment Account (CLIA) Reduction of borrowing payments.	0.500	Amber	1.	Total	0.500		
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1.07	<p>Governance – Cost pressures and proposals for budget reductions</p> <p>These are set out in the paragraphs which follow.</p>																
1.08	<p><u>Table 3: Governance – Cost Pressures</u></p> <table border="1" data-bbox="288 1854 1342 2036"> <thead> <tr> <th data-bbox="288 1854 995 1892">Cost Pressure Title</th> <th data-bbox="995 1854 1241 1892">£m</th> <th data-bbox="1241 1854 1342 1892">Note</th> </tr> </thead> <tbody> <tr> <td data-bbox="288 1892 995 1930"></td> <td data-bbox="995 1892 1241 1930"></td> <td data-bbox="1241 1892 1342 1930"></td> </tr> <tr> <td data-bbox="288 1930 995 2004">Legislative/Unavoidable Indexation Pressures - Business Systems Inflation Rises</td> <td data-bbox="995 1930 1241 2004">0.075</td> <td data-bbox="1241 1930 1342 2004">1.</td> </tr> <tr> <td data-bbox="288 2004 995 2036">Other Governance Pressures</td> <td data-bbox="995 2004 1241 2036"></td> <td data-bbox="1241 2004 1342 2036"></td> </tr> </tbody> </table>	Cost Pressure Title	£m	Note				Legislative/Unavoidable Indexation Pressures - Business Systems Inflation Rises	0.075	1.	Other Governance Pressures						
Cost Pressure Title	£m	Note															
Legislative/Unavoidable Indexation Pressures - Business Systems Inflation Rises	0.075	1.															
Other Governance Pressures																	

Schools Information Management System	0.123	2.
Microsoft Power BI Licences	0.032	3.
IT Technician Cyber Security	0.037	4.
Microsoft E5 Security Licences	0.266	5.
Security Information and Event Management Solution (SIEM)	0.162	6.
Network Connected Device Compliance and Assurance Solution	0.042	7.
IT Technician Schools	0.032	8.
Total Cost Pressures	0.769	

1. Business Systems Inflation Rises £0.075m

The majority of business systems software has an annual increase in maintenance built into the contract. This tends to be 3%. In some cases, it is higher and in some lower so the 3% reflects the average. In 2019/20, 2020/21 and 2022/23, we have been able to absorb the pressure to a degree as a number of staff have not reached top of grades. This will not be the case from 2023/24 onwards.

2. Schools Information Management System (SIMs) £0.123m

All schools in Flintshire use a schools information management system called Capita Sims. Four servers are used split between the Council's two datacentres to provide individual SIMs servers for every school in Flintshire, 80 in total. A new supplier has taken over the contract for SIMS and has indicated that the current arrangements for on premise hosting must cease in December 2023 and that all Flintshire schools must move to a cloud hosted version of the software provided by the supplier which will be subject to an implementation and hosting charge over and above the existing licence.

3. Microsoft Power BI Licences £0.032m

As the council moves forward with its Digital and Information Management strategies, additional technologies will be required to enable the merging, analysis and dashboarding of information to support improved decision making and planning. A range of products are available to support this work but as the council already has a Microsoft Enterprise licence, the most cost-effective solution would be to utilise Microsoft Power BI for this purpose. In addition, where the council procures new business systems, the majority now utilise Power BI as its reporting tool. These licences will provide technical staff the ability to become familiar with, utilise and support the product more effectively moving forward.

4. IT Technician Cyber Security £0.037m

Cyber Security Centre (NCSC). Responding to these incidents and reviewing the guidance and best practice is having an impact on capacity within IT teams and their ability to deliver on corporate priorities and business as usual work. Often of a highly technical nature the response needs to be immediate as it is essential to ensure speedy investigation / containment of potential Cyber Security incidents. Currently responsibility is split across 4 technical teams and incidents are managed by the managers within those teams. Delays can occur due to the lack of centralised coordination of these incidents.

Employing Cyber Security resource would facilitate this centralised coordination of incidents and response also ensuring guidance and advisories are investigated with the utmost speed. In addition, this resource would be responsible for facilitating the IT security accreditation processes we as an authority require.

Best practice states that cyber resilience scenario testing should be undertaken. Because of capacity issues within the service these are not being undertaken, this resource would manage and support that activity. In addition, cyber security tools are continually being developed and the resource would review these and assess their suitability and usefulness to protect the organisation.

To ensure the capacity exists to manage and coordinate the response, undertake essential research, review guidance and best practice and facilitate accreditations it is essential that there is more than one individual to undertake these duties. It is therefore proposed that a Cyber Security Technician is employed to support the Engineer who has responsibility for higher-level activities associated with the duties.

5. Microsoft E5 Security Licences £0.266m

There is an increasing Cyber threat to the councils IT infrastructure and information highlighted by the recent elevation of the threat nationally by UK Government and the National Cyber Security Centre. There are a range of security products and technologies that are identified as best practice and whilst investment in them does not guarantee the protection of our assets, it heightens the protection level. The council currently operates a range of Microsoft security technologies but with the increasing threat there is a requirement to move from the existing basic provision included within the current Microsoft Agreement to enhanced technologies recognised as best practice through recent security accreditation processes and engagement with the wider industry and security community.

6. Security, Information and Event Management Solution (SIEM) £0.162m

Security Information and Event Management (SIEM) is a technology solution increasingly regarded as a minimum requirement in combatting the increased cyber security threat facing both the council and the wider technology community. Software products and services combine security information management and security event management. They provide real-time analysis of security alerts generated by applications and network hardware. It is an alerting technology allowing for identification of suspected breaches and risks. The systems and technologies operated by the council generate a massive amount of information through logging of information and events and this technology, when fully implemented will support the focus of resource on appropriate activities. In itself, the technology requires constant support, monitoring and review which is reflected in the requirement for additional resource to support its implementation and ongoing operation. The technology has featured highly in the range of security assessments that the authority has recently had to respond to.

**7. Network Connected Device Compliance and Assurance Solution
£0.042m**

A Network Connected Device Compliance and Assurance Solution system can deny network access to noncompliant devices, place them in a quarantined area, or give them only restricted access to computing resources, thus keeping insecure nodes from infecting the network. The increased use of personal devices has raised the risk of non-compliant devices being attached to the corporate network. This solution will ensure devices meet minimum security requirements before they can connect to a corporate network. It was recommended by our independent accredited security advisers.

8. IT Technician Schools £0.032m

The increased cyber security threat along with the enhanced network infrastructure in schools and the commitment to maintain this infrastructure in line with grant conditions has seen significant pressure on the existing post and has meant that corporate resources have had to be diverted in order to complement that individual meaning we have been unable to deliver a number of corporate priorities in the required timescales. This is not sustainable as the requirement to maintain and improve corporate network security increases.

1.09

Table 4: Governance – Budget Reductions Proposals

Budget Reduction Proposals 2024/25	£m	RAG	Note
Revenues Discretionary Rate Relief	(0.004)	Green	1.
Revenues Cash in Transit	(0.012)	Green	2.
Procurement Reduction in Contribution	(0.009)	Green	3.
Internal Audit Removal of Vacant Post	(0.049)	Green	4.
IT Equipment Reduction in Requirements	(0.018)	Green	5.
IT Mobile Phone Contract	(0.094)	Green	6.
Flintshire Connects Reduction in Budget	(0.010)	Green	7.
Single Person Discount Review	(0.225)	Green	8.
Total	(0.421)		

Notes:

1. Revenues Discretionary Rate Relief (£0.004m)

Reduced budget provision for the provision of Discretionary Business Rate Relief Awards due to historic underspends.

2. Revenues Cash in Transit (£0.012m)

Reduced take up of the current service provision.

3. Procurement Reduction in Contribution (£0.009m)

Amendment to the split funding formula with Denbighshire County Council for the Joint Procurement function, adjusted from 55% to 50% funding contribution.

	<p>4. Internal Audit Removal of Vacant Post (£0.049m) Removal of vacant post.</p> <p>5. IT Equipment Reduction in Requirements (£0.018m) Equipment no longer in receipt of maintenance due to decommissioning.</p> <p>6. IT Mobile Phone Contract (£0.094m) Renewal of the existing contract creating a further potential efficiency calculated from spend last financial year and the predicted spend on going based on the new contracted rate.</p> <p>7. Flintshire Connects Reduction in Budget (£0.010m) Staffing underspend in current financial year that will be recurring.</p> <p>8. Single Person Discount Review 2024/25 (£0.225m) Planned review of single person discounts for 2024/25 to identify and remove discounts from those no longer entitled to receive the 25% discount.</p>																								
1.10	<p>Use of Balances and Reserves</p> <p>In addition to the budget reduction, following a review of the portfolio's balances and reserves, there is a one-off amount of £0.250m relating to the COVID-19 Council Tax Fund Reserve held which is not required and can contribute to the overall general reserves.</p>																								
1.11	<p><u>Table 5: Assets - Budget Reduction Proposals</u></p> <table border="1" data-bbox="287 1216 1425 1556"> <thead> <tr> <th>Budget Reduction Proposals 2024/25</th> <th>£m</th> <th>RAG</th> <th>Note</th> </tr> </thead> <tbody> <tr> <td>Policy – withdrawal of Stonewall membership subscription</td> <td>(0.003)</td> <td>Green</td> <td>1.</td> </tr> <tr> <td>Rent review commercial estate (additional income)</td> <td>(0.104)</td> <td>Amber</td> <td>2.</td> </tr> <tr> <td>Valuation & Estates – mini restructure</td> <td>(0.010)</td> <td>Green</td> <td>3.</td> </tr> <tr> <td>Policy – third sector funding</td> <td>(0.028)</td> <td>Red</td> <td>4.</td> </tr> <tr> <td>Total</td> <td>(0.145)</td> <td></td> <td></td> </tr> </tbody> </table> <p>Notes:</p> <p>1. Withdrawal from Stonewall subscription (£0.003m) The subscription removal does not negate the Council's obligations to equalities. However, the Council would not be able to use the Stonewall logo or have access to resources, support, training and advice offered through the subscription.</p> <p>2. Rent review commercial estate (£0.104m) Rent review of areas of commercial estate where a review is due, if implemented is likely to raise additional income by circa £0.104m.</p>	Budget Reduction Proposals 2024/25	£m	RAG	Note	Policy – withdrawal of Stonewall membership subscription	(0.003)	Green	1.	Rent review commercial estate (additional income)	(0.104)	Amber	2.	Valuation & Estates – mini restructure	(0.010)	Green	3.	Policy – third sector funding	(0.028)	Red	4.	Total	(0.145)		
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Total	(0.145)																								

	<p style="text-align: center;">3. Valuation & Estates mini re-structure (£0.010m)</p> <p>A mini restructure in the merging of Job functions, following a retirement, savings can be implemented in 2024/25</p> <p style="text-align: center;">4. Policy – third sector funding (£0.028m)</p> <p>The Council would be reducing funding from a/multiple third sector organisations, without which they may not be able to continue to operate. The Core/Strategic Funding Review is ongoing. However, some funding agreements are contracted over a 3-year period, hence the red risk rating.</p> <p>For completeness, two further options as reported in the recent Cabinet report, 19th September 2023 to the value of (£0.120m) are not included in this report as they are no longer supported.</p>																		
1.12	<p>Budget Timeline</p> <p>An outline of the local budget timeline at this stage is set out in the table below:</p> <p><u>Table 5: Budget Timeline</u></p> <table border="1"> <thead> <tr> <th>Date</th> <th>Event</th> </tr> </thead> <tbody> <tr> <td>October/November 2023</td> <td>Overview and Scrutiny Committees</td> </tr> <tr> <td>19 December 2023</td> <td>Welsh Government Draft Budget</td> </tr> <tr> <td>19 December 2023</td> <td>Cabinet</td> </tr> <tr> <td>20 December 2023</td> <td>Provisional Local Government Settlement</td> </tr> <tr> <td>11 January 2024</td> <td>Corporate Resources Overview and Scrutiny Committee</td> </tr> <tr> <td>16 January 2024</td> <td>Cabinet – Budget Review</td> </tr> <tr> <td>20 February 2024</td> <td>Cabinet and Council – Final Budget Setting</td> </tr> <tr> <td>1 March 2024</td> <td>WG Final Budget/Settlement</td> </tr> </tbody> </table>	Date	Event	October/November 2023	Overview and Scrutiny Committees	19 December 2023	Welsh Government Draft Budget	19 December 2023	Cabinet	20 December 2023	Provisional Local Government Settlement	11 January 2024	Corporate Resources Overview and Scrutiny Committee	16 January 2024	Cabinet – Budget Review	20 February 2024	Cabinet and Council – Final Budget Setting	1 March 2024	WG Final Budget/Settlement
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2.00	RESOURCE IMPLICATIONS
2.01	<p>Revenue: the revenue implications for the 2024/25 budget are set out in the report.</p> <p>Capital: there are no new implications for the approved capital programme for either the current financial year or for future financial years – the capital programme will be subject to a separate report.</p>

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	<ul style="list-style-type: none"> • Cabinet • Member Budget Briefings July and October 2023 • Specific Overview and Scrutiny Committees • Corporate Resource Overview and Scrutiny Committee Meetings

4.00	RISK MANAGEMENT
4.01	As set out in the report.

5.00	APPENDICES
5.01	None.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<ul style="list-style-type: none"> • MTFS and Budget 2024/25 Cabinet Report July 2023 • MTFS and Budget 2024/25 Cabinet Report September 2023 • Member Briefing Slides

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Gary Ferguson Corporate Finance Manager</p> <p>Telephone: 01352 702271</p> <p>E-mail: gary.ferguson@flintshire.gov.uk</p>

8.00	GLOSSARY OF TERMS
8.01	<p>Medium Term Financial Strategy (MTFS): 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.</p> <p>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>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> <p>Budget Requirement: The amount of resource required to meet the Councils financial priorities in a financial year.</p> <p>Forecast: An estimate of the level of resource needed in the future based on a set of demands or priorities.</p>

Capital: Expenditure on the acquisition of **non-current assets** or expenditure which extends the useful life of an existing asset.

Revenue Support Grant: the annual amount of money the Council receives from Welsh Government to fund what it does alongside the Council Tax and other income the Council raises locally. Councils can decide how to use this grant across services although their freedom to allocate according to local choice can be limited by guidelines set by Government.

Specific Grants: An award of funding from a grant provider (e.g. Welsh Government) which must be used for a pre-defined purpose.

Welsh Local Government Association: the representative body for unitary councils, fire and rescue authorities and national parks authorities in Wales.

Financial Year: the period of 12 months commencing on 1 April.

Local Government Funding Formula: The system through which the annual funding needs of each council is assessed at a national level and under which each council's Aggregate External Finance (AEF) is set. The revenue support grant is distributed according to that formula.

Aggregate External Finance (AEF): The support for local revenue spending from the Welsh Government and is made up of formula grant including the revenue support grant and the distributable part of non-domestic rates.

Provisional Local Government Settlement: The Provisional Settlement is the draft budget for local government published by the Welsh Government for consultation. The Final Local Government Settlement is set following the consultation.

Funding Floor: a guaranteed level of funding for councils who come under the all-Wales average change in the annual Settlement. A floor has been a feature of the Settlement for many years.



CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Thursday 12 th October, 2023
Report Subject	Revenue Budget Monitoring 2023/24 Month 5
Cabinet Member	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
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 2023/24 (Month 5) Report.

RECOMMENDATIONS

1	That the committee considers and comments on the Revenue Budget Monitoring 2023/24 (Month 5) report. Any specific matters for attention will be noted and reported back to the Cabinet when it considers the report.
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REPORT DETAILS

1.00	EXPLAINING THE REVENUE BUDGET MONITORING POSITION 2023/24 (MONTH 5)
1.01	The Revenue Budget Monitoring 2023/24 (Month 5) report will be presented to Cabinet on Tuesday 17 th October, 2023. A copy of the report is attached as Appendix A to this report.

2.00	RESOURCE IMPLICATIONS
2.01	As set out in Appendix A; Revenue Budget Monitoring 2023/24 (Month 5).

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	As set out in Appendix A; Revenue Budget Monitoring 2023/24 (Month 5).

4.00	CONSULTATIONS REQUIRED / CARRIED OUT
4.01	None required.

5.00	APPENDICES
5.01	Appendix A; Revenue Budget Monitoring 2023/24 (Month 5)

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None required.

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Dave Ledsham, Finance Manager Telephone: 01352 704503 E-mail: dave.ledsham@flintshire.gov.uk</p>

8.00	GLOSSARY OF TERMS
8.01	<p>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>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> <p>Capital Programme: The Council's financial plan covering capital schemes and expenditure proposals for the current year and a number of future years. It also includes estimates of the capital resources available to finance the programme.</p>

CABINET

Date of Meeting	Tuesday 17 th October, 2023
Report Subject	Revenue Budget Monitoring Report 2023/24 (Month 5)
Cabinet Member	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

This monthly report provides the latest detailed overview of the budget monitoring position for the 2023/24 financial year for the Council Fund and Housing Revenue Account and presents the position, based on actual income and expenditure as at Month 5.

The projected year end position is as follows:

Council Fund

- An operating deficit of £3.660 (excluding the impact of the pay award which will need to be met by reserves – currently estimated as £2.727m) which is an adverse movement of £1.016m from the deficit figure reported at Month 4.
- A projected contingency reserve available balance as at 31 March 2024 of £3.027m (after the estimated impact of pay awards)

Housing Revenue Account

- Net in-year revenue expenditure is forecast to be £0.006m higher than budget which is an adverse movement of £0.071m from the figure reported at Month 4.
- A projected closing balance as at 31 March, 2024 of £3.191m

The economic outlook remains challenging due to inflation levels remaining high.

The impacts of this, together with continued increases in service demand is becoming increasingly hard to deal with as our funding fails to keep up with the scale of these pressures.

To assist with managing these risks and mitigating the overall projected overspend, a moratorium through the review of non-essential spend and a vacancy management process continues.

RECOMMENDATIONS

1	To note the report and the estimated financial impact on the 2023/24 budget.
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REPORT DETAILS

1.00	EXPLAINING THE REVENUE BUDGET MONITORING 2023/24
1.01	<p>The projected year end position is as follows:</p> <p>Council Fund</p> <ul style="list-style-type: none"> An operating deficit of £3.660m (excluding the impact of the pay award which will need to be met by reserves – currently estimated as £2.727m) which is an adverse movement of £1.016m from the deficit figure reported at Month 4. A projected contingency reserve available balance as at 31 March 2024 of £3.027m (after the estimated impact of pay awards) <p>Housing Revenue Account</p> <ul style="list-style-type: none"> Net in-year revenue expenditure forecast to be £0.006m higher than budget which is an adverse movement of £0.071m from the figure reported at Month 4. A projected closing balance as at 31 March, 2024 of £3.191m <p>To assist with managing these risks and mitigating the overall projected overspend, a moratorium through the review of non-essential spend and a vacancy management process continues.</p>
1.02	<p>Hardship Funding from Welsh Government helped secure £16m of direct financial help in 2022/23 for areas such as self-isolation payments, statutory sick pay enhancement, free school meals direct payments and winter fuel payments. However, this funding ceased on 31 March 2023.</p>

1.03 **Table 1. Projected Position by Portfolio**

The table below shows the projected position by portfolio:

Portfolio/Service Area	Approved Budget	Projected Outturn	In-Year Over / (Under) spend
	£m	£m	£m
Social Services	86.821	87.333	0.512
Out of County Placements	17.285	18.363	1.078
Education & Youth (Non-Schools)	9.902	9.837	(0.065)
Schools	114.081	114.081	0.000
Streetscene & Transportation	40.745	41.927	1.181
Planning Env & Economy	7.057	6.622	(0.435)
People & Resources	4.321	4.254	(0.067)
Governance	11.460	11.463	0.003
Assets	11.045	10.917	(0.128)
Housing & Communities	15.698	18.480	2.782
Chief Executive	1.608	1.607	(0.001)
Central & Corporate Finance	32.096	30.898	(1.198)
Total	352.121	355.781	3.660

The Approved Budget has had one virement since Month 4, this being £0.025m transferred from Central & Corporate Finance to Governance for Business Systems non-standard inflation.

1.04 The reasons for the monthly movements over £0.025m are shown in Appendix 1, overall projected variances over £0.050m are summarised within Appendix 2 together with a summary of minor variances for each portfolio.

Significant Movements from Month 4

1.05 **Social Services £0.199m**

The reasons for the adverse movement are as follows:

Older People

- Localities £0.098m. Additional costs due to a block bed contract for the Residential beds.

Adults of Working Age

- Children to Adult Transition Services (£0.103m) – A reduction in the Council’s funding commitment for a college placement.

	<ul style="list-style-type: none"> Residential Placements £0.097m – The movement is due to increased payment costs for some service users. <p>Children’s Services</p> <ul style="list-style-type: none"> Family Placement £0.121m – An increase in therapist costs and two new adoption orders contribute to the movement, together with costs for a parent/child placement which were transferred from the Legal and Third Party service. Legal & Third Party (£0.109m) – The costs for a parent/child placement were transferred to the Family Placement Service. <p>Minor variances across the Portfolio account for the remainder totalling £0.095m.</p>
1.06	<p>Out of County Placements £0.077m</p> <p>Net impact of new placements, rate changes and placements that have ended.</p>
1.07	<p>Streetscene and Transportation £0.544m</p> <p>The reasons for the adverse movement are as follows:</p> <ul style="list-style-type: none"> Service and Delivery (£0.084m) – reduced costs from the provision of in-house work rather than contracting the work externally Highways Network £0.626m – Fleet Contract extension to April 2024 resulting in additional cost of £0.532m, costs increase to both fuel and Streetlighting energy together with increasing Insurance Premiums £0.090m <p>Minor variances across the Portfolio account for the remainder totalling £0.003m.</p>
1.08	<p>Housing & Communities £0.376m</p> <ul style="list-style-type: none"> Housing Solutions £0.356m – Increase is mainly due to the projected cost of emergency accommodation for the remainder of the financial year, this being at a higher rate per night than currently charged in the year to date. The revised costs follow discussions with a number of the main providers who are increasing their rates including those who are block booked for the remaining six months of the year. There is also a lesser impact of a reduction in the projected amount of additional housing benefit income above target. <p>Minor variances across the Portfolio account for the remainder £0.020m.</p>
1.09	<p>Central & Corporate Finance (£0.250m)</p> <ul style="list-style-type: none"> The Central Loans and Investment Account (CLIA) is projecting a further positive improvement of (£0.250m) due to the Council not taking out any new short or long-term borrowing and continuing to

	invest a significant amount of short-term cash flow funds gaining an investment return. This pattern has continued from the previous financial year and through 2023/24 to date and is partly due to continued high and increasing bank interest rates.
1.10	Cumulative minor variances across the Council of £0.070m account for the remainder of the total monthly movement.
1.11	<p>Tracking of In-Year Risks and Emerging Issues</p> <p>Members were made aware when setting the budget that there were a number of open risks that would need to be kept under close review. An update on these is provided below.</p>
1.12	<p>Council Tax Income</p> <p>The 'in-year' collection level is 47.4% compared to 47.6% the previous year. The marginal reduction in collections of 0.2% is to be expected as the rising costs-of-living are impacting on the ability of some households to make payment of council tax on time.</p>
1.13	<p>Pay Award (Teacher and Non-Teacher)</p> <p><u>NJC (Green Book)</u></p> <p>The latest pay offer for NJC (Green Book) employees for the current year (2023/24) has been rejected and Trade Union Members are currently being balloted for potential industrial action. The offer made is at a similar level to that awarded in 2022/23 with an increase on each scale point of £1,925. This equates to more than the 5% included in the 2023/24 budget. The amount of the final award in excess of the 5% will need to be funded from reserves in the current financial year. It will also have the impact of increasing the budget requirement for 2024/25.</p> <p>The estimated impact of the current pay offer is an additional £2.727m which is included in the forecast but may be subject to change.</p> <p>The assumptions for the 2024/25 pay award has been increased to 5% from the 3.5% previously included in the forecast.</p> <p><u>Teachers Pay</u></p> <p>Assumptions for teachers' pay calculations are in line with current awards by the Minister for Education and Welsh Language. They are an increase of 6.5% from September 2022 and an increase of 5% in September 2023. These have not been accepted by all teaching unions and a formal dispute is ongoing.</p> <p>The 2023/24 budget contained funding for a 5% pay award for Teachers from September 2022. The Minister has increased the pay award to 8%, with 1.5% being a non-consolidated payment, leaving a recurring element of 6.5% which is now included in the forecast.</p> <p>Grant funding has been made available by Welsh Government to fully fund</p>

	<p>the additional September 2022 pay award in financial years 2022/23 and 2023/24 (over and above the 5% originally awarded).</p> <p>Funding from 2024/25 onwards is still uncertain and the additional annual cost to the council for the shortfall of £1.118m has been included in the forecast. However, it is expected that Welsh Government will provide additional funding in the Revenue Support Grant to cover the shortfall in Council's budgets.</p> <p><u>Pay Modelling</u> No figures are currently included for any impact of the pay modelling review which is needed to try and address the difficulties currently being experienced in recruitment and retention. It is due to be completed later this year.</p>
1.14	<p>Waste Recycling Infraction Charge</p> <p>The Council did not meet the statutory minimum target, (64%) in 2021/22, for the percentage of municipal waste which must be recycled, prepared for re-use and composted, as specified in Section 3 of the Waste (Wales) Measure 2010. Welsh Government can therefore take steps to impose a penalty on the Council by way of an infraction fine. A potential penalty of up to £0.663m has been confirmed so presents a significant financial risk to the Council.</p> <p>Discussions took place in March,2023 between Welsh Government (WG) and the Council as to the reasons for not achieving the target. The Council has subsequently been instructed by WG to engage with the Waste and Resources Action Programme (WRAP) and Local Partnerships to review our waste strategy and develop a new action plan. A report will go to the Committee cycle in November 2023. Depending on the outcome of the review, the Minister will take a decision at that point whether to levy the fine.</p> <p>Unfortunately, the statutory recycling targets have not been achieved in 2022/23 too (non-verified), which means that a further infraction fine could be levied of around £0.470m should WG choose to do so, and monitoring of the authority's recycling performance for 2023/24 to date shows that the rates of recycling and residual waste tonnages are not improving, which could lead to not achieving the targets in 2023/24 also.</p>
1.15	<p>Homelessness</p> <p>There is a significant and growing demand within the Homelessness service. The Council has a statutory duty to provide suitable temporary accommodation for Homeless persons and families who meet the Welsh Government eligibility criteria which are less stringent than in England. The growth in demand commenced in the second half of 2022/23 and has accelerated markedly since the start of 2023.</p> <p>One of the more significant influences of many is the sparsity of affordable accommodation in the private rented sector which is being influenced by the cost-of-living crisis and also an increase in the numbers of no-fault evictions as many private rented sector landlords are leaving the sector and seeking</p>

	<p>to sell their properties. There is also an acute shortage of suitable available accommodation within the Council's own HRA housing stock and with other Registered Social Landlords (RSL's) within the area. This is particularly the case for single persons below age 55 which make up the highest proportion of those who are currently homeless in Flintshire. The Flintshire position in terms of both demand and supply pressures is known to be consistent on both a regional and national basis within Wales.</p> <p>The Council will continue to lobby Welsh Government via the WLGA in conjunction with other Welsh LA's who are experiencing these pressures to seek additional financial support.</p> <p>WG are currently providing support via the No One Left Out grant for which the 2023/24 allocation is currently £0.382m. One favourable impact of the increase in costs and demand is the ability to recover additional Housing Benefit income over and above the amount budgeted which is currently helping to offset the projected overspend by £0.465m.</p>
1.16	<p>Other Tracked Risks</p> <p>In addition, there are a number of risks being tracked which may be subject to change and these are summarised below.</p>
1.17	<p>Medium Term Financial Strategy (MTFS) Impact</p> <p>Cabinet considered the latest projection for the MTFS in September which showed an additional budget requirement of £32.386m together with an update on the work completed over the summer on potential cost reduction options. These, together with service cost pressures, will be considered at individual overview and scrutiny meetings over the Autumn.</p> <p>All Portfolios consider their financial position, the risks within their service and the impacts on the Medium Term on a monthly basis as part of their Portfolio Management Team meetings.</p>
1.18	<p>Out of County Placements</p> <p>The risks include continued high demand for placements where children and young people cannot be supported within in-house provision, and market supply limitation factors and inflationary pressures leading to higher costs. An additional amount of £1m was approved in the 2023/24 budget to reflect this.</p> <p>However, there remains a projected overspend for the current cohort of placements of circa £1.078m, although with 7 months of the year remaining this is likely to increase and a contingency of £0.500m is currently built into the outturn position for this, £0.250m for Children's Services and £0.250m for Education placements.</p> <p>The service areas within this pooled budget will continue to do everything possible to manage these risks and additional investment has already been made to further develop in-house provision to help to mitigate against such financial pressures.</p>

1.19	<p>Streetscene & Transportation</p> <p><u>Fleet Contract Renewal</u> The current fleet contract, which has been running for 7 years, is being renewed from October 2023. Due to the current market conditions in re-procurement of contracts of this type, the cost of the new contract is considerably more than what was previously being paid, due to being protected from inflationary increases during the previous contract life. The cost of the contract will further increase from April 2024 and provision is being made within the 2024/25 budget considerations for this.</p> <p><u>Sustainable Waste Management Grant (SWMG)</u> The Minister for Climate Change has confirmed that the SWMG grant will be retained at the same level for this financial year. However, those local authorities that are not yet meeting the statutory recycling target of 70% will be required to use the grant to reach 70% and be required to demonstrate this. It has also been confirmed that the SWMG grant will likely become part of the Revenue Support Grant (RSG) funding from 2024/25. The current value of the grant is £0.742m per annum, but it is not yet confirmed whether the proportion that Flintshire will receive within the RSG settlement going forward will be similar to current levels.</p>
1.20	<p>Education & Youth (Non-Schools)</p> <p><u>Inclusion and Progression</u> The services that the Inclusion and Progression teams provide within Education and Youth portfolio are under significant pressure.</p> <p>Prior to the pandemic the service had seen increasing numbers of children and young people presenting with an increased level of significant and complex needs, resulting in the council being dependent on non-Flintshire provision.</p> <p>Post pandemic the situation has worsened with increasing numbers of pre-school children needing support and challenging behaviour causing concern across both primary and secondary schools. In addition, there are increased rates of emotionally based school avoidance. As a result, levels of attendance have reduced, whilst all forms of exclusions have increased. All of which contributes to a requirement for more specialist and bespoke intervention.</p> <p>The service is taking steps to actively manage demand, alongside reviewing provision, and seeking to develop and enhance in house provision.</p> <p>The pressures are being experienced across Wales, at a time when schools and central services are implementing the Additional Learning Need (ALN) reforms.</p> <p>Welsh Government have made additional grants available to support schools and councils. However, there are risks over reliance on temporary</p>

	grant funding and its ability to meet demand within existing budgets and available grants.
1.21	<p>Schools</p> <p>Within the schools' line of the budget sits responsibility for the costs of providing free school meals to eligible pupils. The cost implications of recent decisions on the budget are currently being worked through and will be reported in the next monthly report. Recent decisions include the price of a meal increasing by £0.30 due to inflationary pressures from 2nd October, and funding free school meals during the Christmas holidays.</p>
1.22	<p>Harpur Trust vs Brazel Case</p> <p>The potential financial impacts are still being determined in response to the Employment Appeal Tribunal (EAT) decision in the case of Harpur Trust v Brazel. The Supreme Court upheld the EAT judgment in the Brazel case in July 2022 which impacts on the calculation of holiday pay entitlements for staff who work for part of the year (i.e., term time). An approved carry forward from 2022/23 for £0.254m will provide some funding towards these costs.</p>
1.23	<p>Achievement of Planned In-Year Efficiencies</p> <p>The 2023/24 budget contains £9.265m of specific efficiencies which are tracked and monitored throughout the year. The Council aims to achieve a 95% rate in 2023/24 as reflected in the MTFs KPI's and fully achieved all efficiencies in the previous financial year</p> <p>It is projected that 99% of efficiencies will be achieved in 2023/24 and further details can be seen in Appendix 3.</p>
1.24	<p>Unearmarked Reserves</p> <p>The final level of Council Fund Contingency Reserve brought forward into 2023/24 was £9.508m as detailed in the 2022/23 outturn report (subject to Audit).</p> <p>The brought forward balance on the Hardship Reserve was £3.743m. Internal claims for Quarter 1 in 2023/24 totalling £0.139m for Holywell Leisure Centre and Cambrian Aquatics have been approved with some other claims across various services being compiled for consideration in Quarter 2. The current balance is £3.604m.</p> <p>A projected contingency reserve available balance as at 31 March, 2024 is £3.027m (after the estimated impact of final pay awards) and is shown in Appendix 4.</p>
1.25	<p>Earmarked Reserves</p> <p>A detailed review of earmarked reserves has been undertaken over the summer and an amount of £0.648m has been identified for release to the Contingency Reserve which will provide a much needed additional safeguard against some of the financial risks across the Council.</p>

The table below provides a summary of earmarked reserves as at 1 April 2023 and an estimate of projected balances as at the end of the current financial year.

Council Fund Earmarked Reserves 2023/24 – Monitoring Summary Month 5

Reserve Type	Balance as at 01/04/23	Balance as at Month 5	Release to General Reserve	Estimated Balance as at 31/03/24
Service Balances	6,184,486	4,345,293	274,703	1,335,223
Workforce Costs	843,190	843,190	0	819,971
Investment in Organisational Change	1,350,875	1,350,875	0	852,810
County Elections	74,777	74,777	0	74,777
Local Development Plan (LDP)	115,360	115,360	115,360	0
Warm Homes Admin Fee	315,985	315,985	0	315,985
Waste Disposal	48,771	48,771	8,133	40,638
Design Fees	250,000	250,000	0	125,000
Winter Maintenance	250,000	250,000	0	250,000
Severe Weather	250,000	250,000	0	119,550
Car Parking	88,059	88,059	0	88,059
Insurance Reserves	2,201,372	2,201,372	0	2,350,000
School HWB ICT Replacement	526,447	526,447	0	526,447
Free School Meals	30,398	30,398	0	0
Flintshire Trainees	562,948	562,948	0	524,000
Rent Income Shortfall	106,118	106,118	0	0
Plas Derwen Wave 4	3,560	3,560	0	1,780
Customer Service Strategy	22,468	7,468	0	0
Supervision Fees	48,798	48,798	0	48,798
IT COVID Enquiry	142,301	142,301	0	142,301
ICT Servers Reserve	170,000	170,000	0	0
IT Infrastructure HWB	312,442	194,442	0	0
Schools Intervention Reserve	705,836	316,127	0	316,127
Organisational Change/ADM	873,546	1,226,546	0	1,193,046
NWEAB	330,927	330,927	0	330,927
Solar Farms	62,416	62,416	0	62,416
20 MPH Scheme	111,186	111,186	0	0
Employment Claims	109,846	109,846	0	109,846
Community Benefit Fund				
NWRWTP	683,164	683,164	0	229,792
Total B823 Balances	10,590,790	10,421,081	123,493	8,522,270
Schools Balances	6,716,596	6,716,596	0	2,000,000
Grants & Contributions	6,899,323	4,740,964	250,000	2,900,664
TOTAL	30,391,195	26,223,934	648,196	14,758,157

1.26 **Housing Revenue Account**

	The 2022/23 Outturn Report to Cabinet on 18th July 2023 showed an un-earmarked closing balance at the end of 2022/23 of £3.786m and a closing balance of earmarked reserves of £2.690m.
1.27	The 2023/24 budget for the HRA is £39.418m which includes a movement of (£0.589m) from reserves.
1.28	Net in-year revenue expenditure forecast to be £0.006m higher than budget with a projected closing balance as at 31 st March, 2024 of £3.191m. This is an adverse movement of £0.071m since Month 4. A breakdown of the variance is in Appendix 5.
1.29	The budget contribution towards capital expenditure (CERA) is £12.712m.

2.00	RESOURCE IMPLICATIONS
2.01	As set out within the report.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	The financial impacts as set out in the report are a combination of actual costs and losses to date and estimates of costs and losses for the future. There is the possibility that the estimates will change over time. The budget will be monitored closely, and mitigation actions taken wherever possible.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	None specific.

5.00	APPENDICES
5.01	Appendix 1: Council Fund – Movement in Variances from Month 4 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

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Various budget records.
7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Dave Ledsham Strategic Finance Manager

Telephone:	01352 704503
E-mail:	dave.ledsham@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	<p>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> <p>Council Fund: the fund to which all the Council's revenue expenditure is charged.</p> <p>Financial Year: the period of twelve months commencing on 1 April.</p> <p>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.</p> <p>Projected Outturn: projection of the expenditure to the end of the financial year, made on the basis of actual expenditure incurred to date.</p> <p>Regional Integration Fund (RIF): funding provided by Welsh Government to encourage integrated working between local authorities, health and housing.</p> <p>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.</p> <p>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>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.</p> <p>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.</p>

MONTH 5 - SUMMARY

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £0.025m
Social Services		
Older People		
Localities	0.098	The variance is due to a block bed contract for residential care beds.
Minor Variances	0.029	
Adults of Working Age		
Children to Adult Transition Services	-0.103	There has been a reduction to the amount Flintshire pay towards a college placement.
Residential Placements	0.097	There was an increase due to increased placement costs for some service users.
Minor Variances	0.007	
Children's Services		
Family Placement	0.121	There have been an increase in therapist bills and two new adoption orders. A parent/child placement costs were transferred from the Legal and Third Party service
Legal & Third Party	-0.109	Costs for a parent/child placement were transferred to the Family Placement service
Minor Variances	0.040	
Safeguarding & Commissioning		
Minor Variances	0.019	
Total Social Services (excl Out of County)	0.199	
Out of County		
Children's Services	0.036	Net impact of new placements, ended placements and rate changes
Education & Youth	0.041	Net impact of new placements, ended placements and rate changes
Total Out of County	0.077	
Education & Youth		
Minor Variances	0.005	
Total Education & Youth	0.005	
Schools	-0.000	
Streetscene & Transportation		
Service Delivery	-0.084	Performance of the commercial in-house team delivering traffic schemes more cost effectively
Highways Network	0.626	£0.532m Fleet Contract renewal, £0.090m increases in costs in both fuel and streetlighting energy, together with increased insurance premiums.
Transportation	-0.029	Local Bus Management Fee
Regulatory Services	0.032	Reduced income due to unfavourable market prices for recycling.
Total Streetscene & Transportation	0.545	
Planning, Environment & Economy		
Shared Services	0.036	Revised outturn on fee income shortfall
Management & Strategy	0.046	Successful recruitment to a vacant post
Minor Variances	-0.034	
Total Planning & Environment	0.048	
People & Resources		
HR & OD	0.005	
Corporate Finance	-0.031	Savings from Vacant Posts
Total People & Resources	-0.026	
Governance		
Minor Variances	0.027	
Total Governance	0.027	
Assets		
Minor Variances	0.000	
Total Assets	0.000	
Housing and Community		
Housing Solutions	0.356	The increase in projected overspend is mainly due to the projected cost of emergency accommodation for the remainder of the year being at a higher average rate per night than in the year to date. This is following recent discussions with a number of the main providers who are increasing their rates for the rooms including those which will be block booked for the second half of the year. There is also a lesser impact of a reduction in the projected amount of additional housing benefit income above budget
Minor Variances	0.021	
Total Housing and Community	0.376	
Chief Executive's	-0.007	
Central & Corporate Finance	-0.228	Further benefit from not taking out any new short or long term borrowing and continuing to invest a significant amount of funds.
Grand Total	1.016	

Budget Monitoring Report
Council Fund Variances

MONTH 5 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Moratorium related variances (£m)	Cause of Major Variances greater than £0.050m	Action Required
Social Services							
Older People							
Localities	23.196	22.553	-0.643	-0.741		The older people residential care budget is projecting an underspend of £0.422m, due to client income from property recharges and expected reimbursements where we are waiting decisions for deputyships and assets held in trust. Homecare is £0.233m underspent caused by continued recruitment challenges to the care sector. Locality staffing and professional support budgets are overspent by £0.039m, the reason for this is increased legal costs and service level agreement costs. Day care is underspending by £0.027m. A £0.400m budget transfer is also reflected in the overall variance.	
Resources & Regulated Services	9.494	9.592	0.099	0.077		In-house residential care is expected to overspend by £0.272m due to staff and running costs, the in-house homecare service is estimated to underspend by £0.173m. The Extra Care budget is overspent by £0.094m due to staff costs and Day Care is underspent by £0.055m.	
Minor Variances	1.731	1.728	-0.003	-0.011			
Adults of Working Age							
Resources & Regulated Services	33.469	33.315	-0.154	-0.173		The PDSI (Physically Disabled and Sensory Impaired) budget is reporting a £0.256m overspend due to net costs of care packages. The in-house Supported Living Service is £0.118m overspent due to care hours and agency costs, a £0.350m contribution from reserves is offsetting further costs. The care package costs for independently provided care for Learning Disability services is £0.477m underspent. The learning disability day provision budget is £0.060m underspent.	
Children to Adult Transition Services	1.001	0.935	-0.066	0.037		This is the cost of care packages for young adults transferring from Childrens Services to Adult Social Care. Care packages are usually new to this financial year and often estimated in the first instance, meaning costs can change throughout the year as service costs are finalised	
Residential Placements	2.607	3.291	0.684	0.588		This is the overall cost of care packages for service users with mental ill health. This can be a volatile service and additional services can be identified during the year leading to increased costs.	
Minor Variances	3.617	3.554	-0.063	-0.052			
Children's Services							
Family Group Meetings	0.122	0.174	0.053	0.050		Demand for this service is resulting in increased sessional worker hours	
Family Placement	3.175	3.027	-0.148	-0.270		The underspend is due to the number of in-house Foster Carers within the service being less than the number which we have historically had.	
Integrated Working	0.206	0.265	0.059	0.059		Cost pressures are due to contributions towards the Integrated Family Support Service and a shortfall from Supporting People Funding.	
Legal & Third Party	0.262	0.540	0.278	0.387		Legal costs are overspent by £0.139m due to the number of cases going through the courts and some use of external professionals. Client support and Section 17 costs are overspent by £0.119m. Direct Payments are overspending by £0.020m due to demand.	
Residential Placements	1.595	1.197	-0.398	-0.414		The in-house residential care provision continues to expand with an additional group home planned to open this financial year. Some in-year costs for the service are being offset by a significant Welsh Government grant. The grant has been confirmed for 2023/24 and 2024/25 but is not expected to be extended beyond this time.	

Budget Monitoring Report
Council Fund Variances

MONTH 5 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Moratorium related variances (£m)	Cause of Major Variances greater than £0.050m	Action Required
Professional Support	5.824	6.646	0.821	0.813		To support adequate levels of child protection, the established staffing structure needs to be at a sufficient level to meet mandatory safeguarding standards. Vacancies are minimised and additional temporary posts are sometimes required to meet the challenges and demands of the service, the resulting overspend from such arrangements is £0.156m Two managed agency teams are currently being contacted to support the service, reserves are being used to mitigate most of the costs but there is an overspend of £0.428m as a result, costs may change if there is a requirement to extend the contracts further. The Leaving Care budget, which supports young people who were Looked After Children, is overspending by £0.134m due to increasing numbers of care leavers The cost of some external service contracts are £0.102m overspent due to inflationary pressures	
Minor Variances	0.694	0.720	0.026	0.012			
Safeguarding & Commissioning							
Business Systems & Financial Assessments	0.937	1.015	0.078	0.060		A new social service IT system is being implemented which requires additional project management and development costs	
Charging Policy income	-3.309	-3.452	-0.143	-0.138		This is the income from service users who are charged a contribution towards the care they receive	
Minor Variances	2.201	2.234	0.033	0.027			
Total Social Services (excl Out of County)	86.821	87.333	0.512	0.313	0.000		
Out of County							
Children's Services	12.281	13.092	0.811	0.775		The service is facing continued high demand for placements together with supply market challenges and inflationary pressures with 21 new placements made in the year to date and contingency provision of £0.250m for new placements.	
Education & Youth	5.004	5.271	0.267	0.226		The service is facing continued high demand for placements together with supply market challenges and inflationary pressures with 17 new placements made in the year to date and contingency provision of £0.250m for new placements.	
Total Out of County	17.285	18.363	1.078	1.001	0.000		
Education & Youth							
Inclusion & Progression	5.377	5.350	-0.027	-0.023			
Integrated Youth Provision	0.947	0.888	-0.059	-0.070		Mainly due to vacancy savings	
Youth Justice	0.311	0.305	-0.006	-0.015			
School Improvement Systems	1.836	1.753	-0.084	-0.080		There has been a projected reduction in the Early Entitlement service in payments to settings due to demography. Top-up subsidy continuing and other Welsh Government grants, allowing core budget to be released within the service. There is also a reported £0.022m underspend within the School Improvement service. This is an underspend on the £0.028m pressure for the Digital Advisor post. The role has been appointed to, but is not starting until September 2023, creating a saving against the additional budget received.	
Business Change & Support	0.454	0.523	0.069	0.069		Overspend in the main relates to the cost of the annual Access System Licence fee £0.040m minor variances account for the remainder	
School Planning & Provision	0.626	0.614	-0.012	-0.003			
Archives	0.351	0.404	0.053	0.053		Overspend is due to increased recharge from Denbighshire CC towards costs of shared service	
Holding Accounts	0.000	0.000	0.000	0.000			
Minor Variances	6.314	6.269	-0.045	-0.041			

Budget Monitoring Report
Council Fund Variances

MONTH 5 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Moratorium related variances (£m)	Cause of Major Variances greater than £0.050m	Action Required
Total Education & Youth	9.902	9.837	-0.065	-0.070	0.000		
Schools	114.081	114.081	0.000	0.000	0.000		
Streetscene & Transportation							
Service Delivery	9.808	10.105	0.297	0.381		A variance of £0.190m relates to Alltami Depot costs. The overspend is a combination of cleaning price increases from Newydd, security (new tender costs increased) and repair and maintenance costs. An additional £0.190m is mainly due to highway network repairs backlog over the last 6 months resulting in increased costs within 2023/24. The overall overspend is partly offset by the performance of the in-house construction team delivering traffic related schemes more cost effectively rather than contracting the work externally.	
Highways Network	8.514	9.224	0.710	0.084		The renewal of the fleet contract through contract extension from October 2023 has realised an in-year overspend of £0.532m. The remaining variance of £0.170m is attributable to increases in costs to both road fuel and streetlighting energy, increased insurance premiums, and defective highway network infrastructure repairs.	Further year increases on the Fleet Contract are being considered within the MTFS and 2024/25 budget.
Transportation	11.118	11.094	-0.025	0.004			
Regulatory Services	11.305	11.504	0.199	0.167		The overspend variance is due to sustained high volumes of residual black waste being collected, together with the reduction in income levels for both recyclable materials and a reducing return on electricity generation from gas and solar at the former landfill sites.	
Other Minor Variances	0.000	0.000	0.000	0.004			
Total Streetscene & Transportation	40.745	41.927	1.181	0.637	0.000		
Planning, Environment & Economy							
Business	2.047	2.062	0.016	0.014			
Community	0.943	0.942	-0.001	-0.008			
Development	0.024	-0.285	-0.308	-0.290		Receipt of a one-off high value Planning Fee (£0.300m for Northern Gateway)	
Access	1.544	1.687	0.142	0.145		Variance relates to estimated costs for Ash Die Back works	
Climate Change	0.165	0.102	-0.062	-0.063		Staff savings from vacant posts	
Shared Services	0.135	0.183	0.048	0.011			
Regeneration	0.846	0.796	-0.050	-0.028			
Management & Strategy	1.354	1.134	-0.220	-0.266		Staff savings from vacant posts	
Impact of Covid-19	0.000	0.000	0.000	0.000			
Minor Variances	3.971	3.983	0.013	-0.010			
Total Planning & Environment	7.057	6.622	-0.435	-0.484	0.000		
People & Resources							
HR & OD	2.239	2.192	-0.048	-0.053		Staff savings from vacant posts	
Corporate Finance	2.082	2.063	-0.019	0.012			
Holding Accounts	0.000	0.000	0.000	0.000			
Total People & Resources	4.321	4.254	-0.067	-0.041	0.000		
Governance							
Legal Services	0.942	1.142	0.200	0.178		Additional costs for locum services covering vacant posts	
Democratic Services	2.411	2.480	0.069	0.067		Backdated Superannuation costs and current level of Members Allowances	

Budget Monitoring Report
Council Fund Variances

MONTH 5 - SUMMARY

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	Moratorium related variances (£m)	Cause of Major Variances greater than £0.050m	Action Required
Internal Audit	1.013	1.026	0.012	0.013			
Procurement	0.320	0.298	-0.022	-0.022			
ICT	5.168	5.232	0.064	0.050		In year pressure following the delay in Agile Apps Project requiring additional funding	
Customer Services	1.040	0.912	-0.128	-0.129		Staff savings from vacant posts and higher than anticipated fee income levels	
Revenues	0.566	0.372	-0.194	-0.183		Projected surplus on the Council Tax Collection Fund	
Impact of Covid-19	0.000	0.000	0.000	0.000			
Minor Variances	1.333	1.324	-0.010	-0.009			
Total Governance	11.460	11.463	0.002	-0.025	0.000		
Assets							
CPM & Design Services	0.674	0.581	-0.093	-0.087		Staff savings from vacant posts	
Minor Variances	-0.674	10.336	11.010	0.087			
Total Assets	11.045	10.917	-0.128	-0.128	0.000		
Housing and Community							
Benefits	13.211	13.211	-0.000	-0.000			
Housing Solutions	2.232	4.996	2.763	2.407		The Housing Solutions service is currently reflecting a net projected overspend of £2.763m. This is mainly due to a projected overspend of £3.635m on temporary accommodation within Hotels and B and B provision, which is being offset by additional Housing Benefit income of -£0.465m. There are also other projected underspends and mitigation impacts within the wider Housing Solutions service amounting to a net figure of £0.407m, including use of reserves, minor salary savings due to vacancies and use of WG grant income. The service are actively exploring a number of mitigation measures, some of which may have operational impacts on other parts of the wider Housing service, which when approved will be incorporated within an action plan to reduce the current level of projected overspend within the Homelessness service.	
Housing Programmes	0.052	0.056	0.004	-0.004			
Travellers and Refugees	0.034	0.038	0.004	0.000			
Council Fund Housing	0.169	0.179	0.010	0.002			
Minor Variances	13.466	13.484	0.018	-0.002			
Total Housing and Community	15.698	18.480	2.782	2.405	0.000		
Chief Executive's	1.608	1.607	-0.001	0.006	0.000		
Central & Corporate Finance	32.096	30.898	-1.198	-0.970		The projection on the Central Loans and Investment Account (CLIA) at Month 4 was an underspend of (£1m) which has further increased by £0.250m at Month 5 where the Council has not taken out any new short or long term borrowing and continues to invest a significant amount of funds. This pattern has continued from the previous financial year resulting in no short term borrowing costs being incurred and the Council generating increased income from investments, which have increased in line with bank interest rates.	
Soft Loan Mitigation	0.000	0.000	0.000	0.000			
Grand Total	352.121	355.781	3.660	2.644	0.000		

2023/24 Efficiencies Outturn Tracker - Month 4

Efficiency Description	Accountable Officer	Efficiency Target	Projected Efficiency	(Under)/Over Achievement	Efficiency Open/Closed (O/C)	Reason for variation	Mitigating Action if Amber or Red
Portfolio		2023/24 £m	2023/24 £m	2023/24 £m			
Corporate							
Reduction In CLIA	Chris Taylor	0.364	0.364	0.000	C		
Actuarial Review	Gary Ferguson	1.874	1.874	(0.000)	C		
NI Reversal	Rachel Parry Jones	0.474	0.474	0.000	C		
Total Corporate Services		2.712	2.712	(0.000)			
Chief Executives / Assets							
Transport Savings	Neal Cockerton	0.010	0.010	0.000	C		
Vacancy Savings	Neal Cockerton	0.048	0.048	0.000	C		
3rd Sector Budget	Neal Cockerton	0.041	0.041	0.000			
Total Chief Executives		0.099	0.099	0.000			
People & Resources							
Modern Apprentices HR&OD	Sharon Carney	0.072	0.072	0.000	C		
Vacancy Savings Corporate Finance	Gary Ferguson	0.086	0.086	0.000	C		
Transport and Training Savings Corporate Finance	Gary Ferguson	0.016	0.016	0.000	C		
Total People & Resources		0.174	0.174	0.000			
Assets - ADMs							
Newydd	Rachael Corbelli	0.019	0.019	0.000	C		
Newydd NI	Rachael Corbelli	0.023	0.023	0.000	C		
Total Assets - ADMs		0.042	0.042	0.000			
Housing & Communities							
CTRS Reduction	Vicky Clark	0.147	0.147	0.000	C		
Total Housing & Communities		0.147	0.147	0.000			
Governance							
Members Support Budget	Gareth Owen	0.016	0.016	0.000	C		
Members Allowances	Gareth Owen	0.060	0.060	0.000	C		
Central Despatch	Gareth Owen	0.022	0.022	0.000	C		
Mold & Buckley Connects	Gareth Owen	0.060	0.060	0.000	C		
Total Governance		0.158	0.158	0.000			
Planning, Environment & Economy							
Vacancy Savings	Andrew Farrow	0.020	0.020	0.000	C		
Fee Income	Andrew Farrow	0.180	0.180	0.000	C		
Total Planning, Environment & Economy		0.200	0.200	0.000			
Streetscene & Transportation							
Enhanced Enforcement for Recycling	Katie Wilby	0.046	0.046	0.000	O	Side waste enforcement is already taking place with FPNs being issued, but the next steps for enforcing against those who do not habitually recycle will to take enforcement action if residents place recyclable waste in their black bin. To introduce this will first require a period of education and engagement. Additional x3 recycling officers are currently being recruited and, once appointed, the aim is for these officers to support with door-knocking campaigns and community events in advance of introducing enhanced enforcement	Likely introduction is January 2024.
Part night Street Lighting	Katie Wilby	0.018	0.000	(0.018)	O	Difficult to implement in year due to the consultation required, and the limited opportunity following previous roll-outs. This will also require investment to the equipment to allow the switch-offs	Discussions being held with an update to come how we can achieve this saving.
Review Provision of Public Conveniences	Katie Wilby	0.012	0.000	(0.012)	O	The efficiency is largely reliant on the review of sites following the implementation of the Local Toilet Strategy and capital investment in FY 24/25-26/27.	
Extend, Repair & Reuse Initiatives	Katie Wilby	0.010	0.000	(0.010)	O	When this was put forward, we stated that the initiative would be dependent on investment funding either from WG Circular Economy grant funding or capital programme. We are still awaiting the outcome of our bid to WG, which is now unlikely given the current economic climate. Without the grant funding the initiative cannot be introduced and the efficiency will not be met.	
Waste & Recycling Round Review	Katie Wilby	0.075	0.075	0.000	C		
In House Highways Service	Katie Wilby	0.025	0.025	0.000	C		
Review of Security Arrangements Alltami Depot	Katie Wilby	0.050	0.050	0.000	C		
Apprenticeship Trainee Scheme Reduction	Katie Wilby	0.035	0.035	0.000	C		

Efficiency Description	Accountable Officer	Efficiency Target	Projected Efficiency	(Under)/Over Achievement	Efficiency Open/Closed (O/C)	Reason for variation	Mitigating Action if Amber or Red
		2023/24 £m	2023/24 £m	2023/24 £m			
Portfolio							
Increase Car Parking Charges	Income Generation	Katie Wilby	0.187	0.187	0.000	C	Decision approved and new charges will come into effect from October 2023 (original date planned was July 2023). Additional initiatives e.g. Free after Three and extension to parking times will mean that the original efficiency will be difficult to achieve unless the utilisation levels increase beyond current levels. Delays in being implemented.
Introduce Car Parking Charges on all Council Owned Car Parks	Income Generation	Katie Wilby	0.035	0.000	(0.035)	O	
Fleet Workshop	Income Generation	Katie Wilby	0.010	0.010	0.000	C	
Training Facility	Income Generation	Katie Wilby	0.010	0.010	0.000	C	
Funeral Services	Income Generation	Katie Wilby	0.010	0.010	0.000	C	
Total Streetscene & Transportation			0.523	0.448	(0.075)		
Social Services							
Contribution to Regional Team	Reduction in Contribution	Neil Ayling	0.050	0.050	0.000	C	
Reduced Contribution to EDT	Contract Costs Reduced	Neil Ayling	0.011	0.011	0.000	C	
Retendering of HFT	Contract Costs Reduced	Neil Ayling	0.040	0.040	0.000	C	
Total Social Services			0.101	0.101	0.000		
Education & Youth							
Central Management Budget	Vacant Post	Claire Homard	0.060	0.060	0.000	O	
ALN Advocacy	Offset costs from LAEG ALN Grant	Claire Homard	0.020	0.020	0.000	O	
ALN Legal	Offset costs from LAEG ALN Grant	Claire Homard	0.010	0.010	0.000	O	
ALN Resource Provisions	Offset costs from LAEG ALN Grant	Claire Homard	0.100	0.100	0.000	O	
Early Years Entitlement	Budget Reductions	Claire Homard	0.095	0.095	0.000	O	
Youth Club Buildings	Building Closure	Claire Homard	0.017	0.017	0.000	O	
Youth Services	Vacant Posts (1 FTE 1 PT)	Claire Homard	0.056	0.056	0.000	O	
Youth Justice	Offset costs from Grant	Claire Homard	0.016	0.016	0.000	O	
Total Education & Youth			0.374	0.374	0.000		
Schools							
3% Reduction in Delegated Funding		Claire Homard	3.103	3.103	0.000	O	
NI Reversal (Schools & Teachers)		Claire Homard	0.857	0.857	0.000	O	
Actuarial Review		Claire Homard	0.776	0.776	0.000	O	
Total Schools			4.736	4.736	0.000		
Total 2023/24 Budget Efficiencies			9.265	9.190	(0.075)		

	%	£
Total 2023/24 Budget Efficiencies	100	9.265
Total Projected 2023/24 Budget Efficiencies Underachieved	-1	(0.075)
Total Projected 2023/24 Budget Efficiencies Achieved	99	9.190
Total 2023/24 Budget Efficiencies (Less Previously agreed Decisions)	100	0.000
Total Projected 2023/24 Budget Efficiencies Underachieved	0	0.000
Total Projected 2023/24 Budget Efficiencies Achieved	0	0.000

Movements on Council Fund Unearmarked Reserves

	£m	£m
Total Reserves as at 1 April 2023	19.162	
Less - Base Level	(5.769)	
Total Reserves above base level available for delegation to Cabinet		13.393
Less - COVID-19 Hardship Funding Allocation		3.743
Less - Children's Services Legal Costs		0.142
Add - Transfer to Reserve Budget 2023/24		0.006
Less - Clwyd Theatr Cymru (Month 2)		0.100
Less - estimated impact of the pay award		2.727
Less - Month 5 projected outturn		3.660
Total Contingency Reserve available for use		3.027

Brought Forward 9.508

Budget Monitoring Report
Housing Revenue Account Variances

MONTH 5 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Housing Revenue Account						
Income	(38.829)	(38.545)	0.284	0.352	There is a net pressure relating to void properties of £0.270m. This relates to costs such as void rent loss, council tax charges and service charges and is net of additional income relating to new build properties and voids moving to target rent. We are anticipating a variance of approximately £0.022m on garage rents. Other minor variances of (£0.008m).	
Capital Financing - Loan Charges	7.010	7.010				
Estate Management	3.125	2.871	(0.254)	(0.234)	Projected vacancy savings of approximately (£0.249m) which is being offset by agency costs of £0.118m. Additional allocation of Housing Support Grant (£0.120m). Other minor variances of (£0.003m).	
Landlord Service Costs	1.617	1.553	(0.064)	(0.072)	Projected vacancy savings of approximately (£0.130m). We are also forecasting an increase in fleet costs of £0.028m and materials and hire of £0.051m. Other minor variances of (£0.013m).	
Repairs & Maintenance	12.150	12.194	0.044	(0.083)	Projected vacancy savings of approximately (£0.114m). Other minor variances of £0.033m. Increased Fleet Contract renewal costs of £0.126m.	
Management & Support Services	2.678	2.672	(0.006)	(0.028)	Projected vacancy savings of approximately (£0.053m). Insurance Costs £0.021m. Other minor variances of £0.026m.	
Capital Expenditure From Revenue (CERA)	12.712	12.712				
HRA Projects	0.126	0.129	0.003	(0.000)		
Contribution To / (From) Reserves	(0.589)	(0.589)				
Total Housing Revenue Account	(0.000)	0.006	0.006	(0.065)		

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