

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday, 13 th February 2020
Report Subject	Quarter 3 Council Plan 2019/20 Monitoring Report
Cabinet Member	Cabinet Member for Corporate Management and Assets
Report Author	Chief Executive
Type of Report	Operational

EXECUTIVE SUMMARY

The Council Plan 2019/20 was adopted by the Council in June 2019. This report presents a summary of the monitoring of progress for the quarter three (October – December 2019) position of 2019/20.

This second monitoring report for the 2019/20 Council Plan is a positive report, with 89% of activities being assessed as making good progress, and 89% likely to achieve the desired outcome. In addition, 81% of the performance indicators met or exceeded target. Risks are also being successfully managed with the majority being assessed as moderate (71%) or minor/insignificant (18%).

RECOMMENDATIONS

1.	To note and endorse: <ul style="list-style-type: none"> • The overall levels of progress and confidence in the achievement of activities within the Council Plan • The overall performance against Council Plan performance indicators • The current risk levels within the Council Plan.
2.	To be assured by plans and actions to manage the delivery of the 2019/20 Council Plan.

REPORT DETAILS

1.00	EXPLAINING THE COUNCIL PLAN 2019/20 Q3 MONITORING REPORT
1.01	The Council Plan monitoring reports give an explanation of the progress being made toward the delivery of the impacts set out in the 2019/20 Council Plan. The narrative is supported by performance indicators and / or milestones which evidence achievement. In addition, there is an assessment of the strategic risks and the level to which they are being controlled.
1.02	This report is an exception-based report and concentrates on under-performance.
1.03	<p>Monitoring Activities</p> <p>Each of the sub-priorities under each theme within the Plan have high level activities which are monitored over time. 'Progress' shows action against scheduled activity and is categorised as:</p> <ul style="list-style-type: none"> • RED: Limited Progress – delay in scheduled activity and, not on track • AMBER: Satisfactory Progress – some delay in scheduled activity, but broadly on track • GREEN: Good Progress – activities completed on schedule and on track <p>A RAG status is also given for the assessment of our current level of confidence in achieving the 'outcome(s)' in-year for each sub-priority. Outcome is categorised as:</p> <ul style="list-style-type: none"> • RED: Low – lower level of confidence in the achievement of the outcome(s) in-year • AMBER: Medium – uncertain level of confidence in the achievement of the outcome(s) in-year • GREEN: High – full confidence in the achievement of the outcome(s) in-year
1.04	<p>In summary our overall progress against activities is:</p> <p>Progress</p> <ul style="list-style-type: none"> • We are making good (green) progress in 140 (89%). • We are making satisfactory (amber) progress in 17 (11%). <p>Outcome</p> <ul style="list-style-type: none"> • We have a high (green) level of confidence in the achievement of 140 (89%) outcomes. • We have a medium (amber) level of confidence in the achievement of 17 (11%) outcomes. • No activities have a low (red) level of confidence in their outcome achievement.

1.05	<p>Monitoring our Performance</p> <p>Analysis of performance against the Council Plan performance indicators is undertaken using the RAG status. This is defined as:</p> <ul style="list-style-type: none"> • RED - under-performance against target. • AMBER - where improvement may have been made but performance has missed the target. • GREEN - positive performance against target.
1.06	<p>Analysis of current levels of performance against target shows the following:</p> <ul style="list-style-type: none"> • 43 (81%) have achieved a green RAG status • 6 (11%) have an amber RAG status • 4 (8%) have a red RAG status
1.07	<p>The performance indicators (PIs) which show a red RAG status for current performance against target, relevant to the Corporate Resources Overview & Scrutiny Committee are:</p> <p>Priority: Serving Council Percentage of permanent employees who have left within first year of employment</p> <p>Human Resources actively encourage the use of exit interviews so portfolios can monitor and understand individual's reasons for leaving. Reasons for leaving include individuals not having a clear understanding of what to expect to in their role and/or of the Council as an employer. The feedback obtained from exit interviews will assist Human Resources to review the effectiveness of the various recruitment methods used across the Council.</p> <p>The number of working days per full time equivalent (FTE) local authority employees lost due to sickness absence</p> <p>The full time equivalent (FTE) days lost for the Council during quarter three is 3.15. There was a significant increase in quarter three (300% increase from the previous quarter) in the number of absences due to infections; i.e norovirus. This follows a national trend as reported by Public Health England in December 2019 that surveillance showed the number of positive norovirus laboratory reports was 28% higher than the average for the last five years. The HR Business Partner team continue to work closely with Portfolios and Schools to ensure attendance.</p>
1.08	<p>Monitoring our Risks</p> <p>Analysis of the current risk levels for the strategic risks identified in the Council Plan is as follows: -</p> <ul style="list-style-type: none"> • 3 (5.8%) are insignificant (green) • 6 (11%) are minor (yellow) • 37 (71.2%) are moderate (amber) • 6 (11.5%) are major (red) • 0 (0%) are severe (black)

1.09 The Council Plan has a total of 52 risks which have been assessed as shown in Table 1. The initial status of risk is assessed when the risk is first identified without any mitigating controls. The current assessment shows the latest status of the risk.

Table 1: Risk movement

Net risk status	Initial Assessment	Current Assessment
Insignificant: (green)	0	3 (5.8%)
Minor: (yellow)	2 (4%)	6 (11.5%)
Moderate: (amber)	33 (63%)	37(71.2%)
Major : (red)	17 (33%)	6(11.5%)
Severe: (black)	0	0
Total	52	52

1.10 The major (red) risks, relevant to the Corporate Resources Overview & Scrutiny Committee are: -

Priority: Serving Council

Risk: The scale of the financial challenge

Council considered the updated financial position for 2020/21 on 28th January 2020 following the receipt of the Provisional Settlement from Welsh Government on 16th December. The forecast at December was a gap £15.629m which when taking into account stage 1 budget solutions left a remaining gap of £7.465m. The provisional settlement for Flintshire represents an increase of 3.7% (all Wales Average 4.3%). Once taking into account the funding of teachers pensions, teachers pay grant and Nursing care, the net amount available to contribute to the gap is £6.559m. The Council is continuing to work on further options to balance the budget whilst seeking clarification on a number of specific grants and consideration of a number of open risks and final options to recommend a final balanced budget will be considered by Cabinet and Council on 18th February 2020.

Priority: Serving Council

Fully funding demand led services and inflationary pressures

The provisional settlement for 2020/21 was received on 16 December 2019. The settlement represented a 3.7% increase for Flintshire. The all Wales average increase was 4.3%.

The settlement represents a cash increase of £10.4m for 2020/21 however once funding for new responsibilities for teachers pension employer contributions, and teachers pay grant no longer funded is taken into account, the net increase towards the in-year pressures is £6.559m. Though the Council welcomes the improved position this is £3.6m short to what is needed to fully fund demand and inflationary pressures.

The Council considered the latest position at the end of January 2020 where it gave an update on the provisional settlement and outlined the work underway to bring proposals for a balanced budget to Cabinet and Council on 18th February 2020. The final settlement is due to be received 25th February 2020. The settlement represents a cash increase of £10.4m for 2020/21

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The final settlement is due to be received 25th February 2020

**Priority: Serving Council
Meeting Internal Targets**

The revenue financial monitoring is reported to Cabinet and to Corporate Overview and Scrutiny Committee Monthly. At the Month 6 the in year efficiencies were reported to be 91% achievable against the target.

Recurring shortfalls in income and expenditure that cannot be mitigated are included as pressures in the MTFS.

Programme Boards receive an update on the financial position for the portfolio at each meeting.

The M8 revenue monitoring report is reporting that 91% of the in year efficiencies will be met by the end of the financial year. The MTFS continues to be updated as necessary for pressures that are unable to be mitigated.

**Priority: Serving Council
Increasing costs of service delivery and rising demand for some services**

The Council monitors the cost of service delivery through revenue monthly monitoring with service managers. The Council considered the latest position at the end of January 2020 where it gave an update on the provisional settlement and outlined the work underway to bring proposals for a balanced budget to Cabinet and Council on 18th February 2020. The final settlement is due to be received 25th February.

2.00	RESOURCE IMPLICATIONS
2.01	There are no specific resource implications for this report.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	Progress against the risks identified in the Council Plan is monitored. Summary information for the risks assessed as major (red) is covered in paragraphs 1.07 and 1.10 above.
3.02	Overview & scrutiny committees are following through areas of risk concern within their forward work programmes.

3.04	Ways of Working (Sustainable Development) Principles Impact									
	<table border="1"> <tr> <td>Long-term</td> <td rowspan="5">Throughout all of the quarter three Monitoring Report there are demonstrable actions and activities which relate to all of the Sustainable Development Principles. Specific case studies will be included in the Annual Performance Report for 2019/20 (October 2020).</td> </tr> <tr> <td>Prevention</td> </tr> <tr> <td>Integration</td> </tr> <tr> <td>Collaboration</td> </tr> <tr> <td>Involvement</td> </tr> </table>	Long-term	Throughout all of the quarter three Monitoring Report there are demonstrable actions and activities which relate to all of the Sustainable Development Principles. Specific case studies will be included in the Annual Performance Report for 2019/20 (October 2020).	Prevention	Integration	Collaboration	Involvement			
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Integration										
Collaboration										
Involvement										
Well-being Goals Impact										
<table border="1"> <tr> <td>Prosperous Wales</td> <td rowspan="7">Throughout the quarter three Monitoring Report there is evidence of alignment with the Well-being Goals. Specific strategic and policy reports include impact and risk assessments.</td> </tr> <tr> <td>Resilient Wales</td> </tr> <tr> <td>Healthier Wales</td> </tr> <tr> <td>More equal Wales</td> </tr> <tr> <td>Cohesive Wales</td> </tr> <tr> <td>Vibrant Wales</td> </tr> <tr> <td>Globally responsible Wales</td> </tr> </table>			Prosperous Wales	Throughout the quarter three Monitoring Report there is evidence of alignment with the Well-being Goals. Specific strategic and policy reports include impact and risk assessments.	Resilient Wales	Healthier Wales	More equal Wales	Cohesive Wales	Vibrant Wales	Globally responsible Wales
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Resilient Wales										
Healthier Wales										
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Globally responsible Wales										
Council's Well-being Objectives										
The Council's wellbeing objectives will be included in the Annual Report for 2019/20.										

4.00	CONSULTATIONS REQUIRED / CARRIED OUT
4.01	The Council Plan Priorities are monitored by the appropriate Overview and Scrutiny Committees according to the priority area of interest.
4.02	Chief Officers have contributed towards reporting of relevant information.

5.00	APPENDICES
5.01	Appendix 1 – Council Plan 2019/20 – Quarter 3 Monitoring Report

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>Council Plan 2019/20.</p> <p>https://www.flintshire.gov.uk/en/Resident/Council-and-Democracy/Council-Plan.aspx</p>

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Karen Armstrong, Corporate Business and Communications Executive Officer Telephone: 01352 702740 E-mail: karen.armstrong@flintshire.gov.uk</p>

8.00	GLOSSARY OF TERMS
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Council Plan: the document which sets out the annual priorities of the Council. It is a requirement of the Local Government (Wales) Measure 2009 to set Improvement Objectives and publish a Council Plan.

Risks: These are assessed using a refreshed approach to risk management endorsed by Audit Committee in 2018. The new approach, includes the use of a more sophisticated risk assessment matrix which provides greater opportunities to show changes over time.

Risk Likelihood and Impact Matrix

Impact Severity	Catastrophic	Y	A	R	R	B	B
	Critical	Y	A	A	R	R	R
	Marginal	G	Y	A	A	A	R
	Negligible	G	G	Y	Y	A	A
		Unlikely (5%)	Very Low (15%)	Low (30%)	Significant (50%)	Very High (65%)	Extremely High (80%)
		Likelihood & Percentage of risk happening					

8.02	CAMMS – An explanation of the report headings
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Actions

Action – Each sub-priority have high level activities attached to them to help achieve the outcomes of the sub-priority.

Lead Officer – The person responsible for updating the data on the action.

Status – This will either be ‘In progress’ if the action has a start and finish date or ‘Ongoing’ if it is an action that is longer term than the reporting year.

Start date – When the action started (usually the start of the financial year).

End date – When the action is expected to be completed.

% complete - The % that the action is complete at the time of the report. This only applies to actions that are ‘in progress’. An action that is ‘ongoing’ will not produce a % complete due to the longer-term nature of the action.

Progress RAG – Shows if the action at this point in time is making limited progress (Red), satisfactory progress (Amber) or good progress (Green).

Outcome RAG – Shows the level of confidence in achieving the outcomes for each action.

Measures (Key Performance Indicators - KPIs)

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

Period Actual – The data for this quarter.

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

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

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

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

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

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

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

Risks

Risk Title – Gives a description of the risk.

Lead Officer – The person responsible for managing the risk.

Supporting Officer – The person responsible for updating the risk.

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

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

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

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