

At: Aelodau'r Pwyllgor Llywodraethu
Corfforaethol

Dyddiad: 4 Gorffennaf 2019

Rhif Union: 01824706204

ebost: democrataidd@sirddinbych.gov.uk

Annwyl Gyngorydd

Fe'ch gwahoddir i fynychu cyfarfod y **PWYLLGOR LLYWODRAETHU CORFFORAETHOL, DYDD MERCHER, 10 GORFFENNAF 2019** am **9.30 am** yn **YSTAFELL BWLLGOR 1A, NEUADD Y SIR, RUTHUN.**

Yn gywir iawn

G Williams
Pennaeth Gwasanaethau Cyfreithiol, AD a Democrataidd

AGENDA

PART 1 - THE PRESS AND PUBLIC ARE INVITED TO ATTEND THIS PART OF THE MEETING

1 YMDDIHEURIADAU

2 DATGANIADAU O FUDDIANT (Tudalennau 5 - 6)

Dylai'r Aelodau ddatgan unrhyw gysylltiad personol neu gysylltiad sy'n rhagfarnu ag unrhyw fater a nodwyd fel un i'w ystyried yn y cyfarfod hwn.

3 MATERION BRYD

Rhybudd o eitemau y dylid, ym marn y Cadeirydd, eu hystyried yn y cyfarfod fel materion brys yn unol ag Adran 100B(4) Deddf Llywodraeth Leol 1972.

4 COFNODION (Tudalennau 7 - 16)

Derbyn cofnodion cyfarfod y Pwyllgor Llywodraethu Corfforaethol a gynhaliwyd ar 5 Mehefin 2019 (copi'n amgaeedig).

5 DATGANIAD CYFRIFON DRAFFT (Tudalennau 17 - 134)

Ystyried adroddiad gan y Prif Gyfrifydd (copi ynghlwm) ar y Datganiad o Gyfrifon 2018/2019 drafft.

- 6 RHEOLI TRYSORLYS** (Tudalennau 135 - 164)
Ystyried adroddiad gan y Prif Gyfrifydd (copi ynghlwm) ar Adroddiad Blynyddol Rheoli'r Trysorlys.
- 7 ADRODDIAD SIRO BLYNYDDOL** (Tudalennau 165 - 170)
Ystyried adroddiad gan y Pennaeth Gwella Busnes a Moderneiddio (copi ynghlwm) sy'n manylu ar dorri'r ddeddf diogelu data a chwynion yn ymwneud â Deddfwriaeth Rhyddid Gwybodaeth.
- 8 HERIAU GWASANAETH 2018/19 - ADOLYGU MODELAU DARPARU GWASANAETH AMGEN** (Tudalennau 171 - 238)
Derbyn adroddiad gan y Pennaeth Gwella Busnes a Moderneiddio (copi'n amgaeëdig) ar y Heriau Gwasanaeth 2018/19.
- 9 ADRODDIAD GWELLA BLYNYDDOL SAC** (Tudalennau 239 - 266)
Derbyn adroddiad gan Swyddog Archwilio Cymru (copi ynghlwm) ar yr adroddiad Gwella Blynyddol.
- 10 RHAGLEN GWAITH I'R DYFODOL Y PWYLLGOR LLYWODRAETHU CORFFORAETHOL** (Tudalennau 267 - 270)
Ystyried rhaglen gwaith i'r dyfodol y pwyllgor (copi'n ynghlwm).

PART 2 - CONFIDENTIAL ITEMS

None.

AELODAETH

Y Cynghorwyr

Mabon ap Gwynfor
Tony Flynn
Martyn Holland

Alan James
Barry Mellor
Joe Welch

Aelod Lleyg

Paul Whitham

COPIAU I'R:

Holl Gynghorwyr er gwybodaeth
Y Wasg a'r Llyfrgelloedd
Cynghorau Tref a Chymuned

DEDDF LLYWODRAETH LEOL 2000

Cod Ymddygiad Aelodau

DATGELU A CHOFRESTRU BUDDIANNAU

Rwyf i,
(enw)

*Aelod /Aelod cyfetholedig o
(*dileuer un)

Cyngor Sir Ddinbych

YN CADARNHAU fy mod wedi datgan buddiant ***personol / personol a sy'n rhagfarnu** nas datgelwyd eisoes yn ôl darpariaeth Rhan III cod ymddygiad y Cyngor Sir i Aelodau am y canlynol:-
(*dileuer un)

Dyddiad Datgelu:

Pwyllgor (nodwch):

Agenda eitem

Pwnc:

Natur y Buddiant:

(Gweler y nodyn isod)*

Llofnod

Dyddiad

Noder: Rhowch ddigon o fanylion os gwelwch yn dda, e.e. 'Fi yw perchennog y tir sy'n gyfagos i'r cais ar gyfer caniatâd cynllunio a wnaed gan Mr Jones', neu 'Mae fy ngŵr / ngwraig yn un o weithwyr y cwmni sydd wedi gwneud cais am gymorth ariannol'.

Mae tudalen hwn yn fwriadol wag

PWYLLGOR LLYWODRAETHU CORFFORAETHOL

Cofnodion cyfarfod o'r Pwyllgor Llywodraethu Corfforaethol a gynhaliwyd yn Ystafell Bwllgor 1A, Neuadd Y Sir, Ruthun, Dydd Mercher, 5 Mehefin 2019 am 9.30 am.

YN BRESENNOL

Y Cynghorwyr Mabon ap Gwynfor, Tony Flynn, Martyn Holland (Is-Gadeirydd), Alan James, Barry Mellor (Cadeirydd) a Joe Welch

HEFYD YN BRESENNOL

Pennaeth Gwasanaethau Cyfreithiol, AD a Democrataidd (GW), Pennaeth Archwilio Mewnol (LL), Uwch Archwilydd (SD), Prif Gyfrifydd (SG), Rheolwr Iechyd a Diogelwch Corfforaethol (GL), Pennaeth Cynllunio a Gwarchod y Cyhoedd (EJ), Rheolwr Rheoli Datblygu (PM), Rheolwr Fframwaith (TS), Rheolwr Gweithrediadau Cyfreithiol a Chaffael (HM)

Cynrychiolydd Swyddfa Archwilio Cymru - Matthew Edwards

1 YMDDIHEURIADAU

Dim.

2 PENODI CADEIRYDD

Gofynnwyd am enwebiadau i Aelod wasanaethu fel Cadeirydd y Pwyllgor ar gyfer y flwyddyn i ddod. Enwebodd y Cynghorydd Martyn Holland y Cynghorydd Barry Mellor, ac eiliwyd hynny gan y Cynghorydd Alan James. Ni dderbyniwyd enwebiadau eraill ac felly;

PENDERFYNWYD penodi'r Cynghorydd Barry Mellor yn Gadeirydd y Pwyllgor Llywodraethu Corfforaethol ar gyfer y flwyddyn i ddod.

3 PENODI IS-GADEIRYDD

Gofynnwyd am enwebiadau ar gyfer aelod i wasanaethu fel Is-Gadeirydd y Pwyllgor ar gyfer y flwyddyn i ddod. Enwebodd y Cynghorydd Barry Mellor y Cynghorydd Martyn Holland, ac eiliwyd hynny gan y Cynghorydd Tony Flynn. Ni dderbyniwyd enwebiadau eraill ac felly;

PENDERFYNWYD bod y Cynghorydd Martyn Holland yn cael ei benodi yn Is-Gadeirydd y Pwyllgor Llywodraethu Corfforaethol ar gyfer y flwyddyn i ddod.

4 DATGANIADAU O FUDDIANT

Fe wnaeth y Cynghorwyr Martyn Holland, Tony Flynn, Mabon ap Gwynfor a Meirick Lloyd Davies ddatgan cysylltiad personol yn Eitem 8 ar y rhaglen - Archwiliad Mewnol Iechyd a Diogelwch mewn Ysgolion, gan eu bod yn Llywodraethwyr ysgol.

Fe wnaeth y Cynghorydd Joe Welch, Tony Flynn a'r Aelod Lleyg Paul Witham ddatgan cysylltiad personol yn eitem 8 ar y Rhaglen – Archwiliad Mewnol Iechyd a Diogelwch mewn Ysgolion, gan eu bod ag wyrion ac wyresau mewn ysgolion yn Sir Ddinbych.

5 **MATERION BRYS**

Ni chodwyd unrhyw fater brys.

6 **COFNODION**

Cyflwynwyd cofnodion cyfarfod y Pwyllgor Llywodraethu Corfforaethol a gynhaliwyd ar 10 Ebrill 2019.

Eitem 4 – Cofnodion – nodwyd gwall clericio. Roedd camsillafiad yn y cofnodion Saesneg 'made the pf reaching of 100% completion' pan ddylai fod yn 'made reaching of 100% completion'.

Tudalen 11 - Rhaglen Waith y Pwyllgor Llywodraethu Corfforaethol – hysbysodd Pennaeth y Gwasanaethau Cyfreithiol, AD a Democrataidd yr aelodau bod cyfathrebu wedi digwydd gyda CLILC ynglŷn â hyfforddiant ond nid oedd unrhyw beth wedi cael ei gadarnhau.

PENDERFYNWYD y dylid derbyn a chymeradwyo cofnodion cyfarfod y Pwyllgor Llywodraethu Corfforaethol a gynhaliwyd ar 10 Ebrill 2019 fel cofnod cywir.

7 **DIWEDDARIAD ARCHWILIO MEWNOL**

Cyflwynodd y Pennaeth Archwilio Mewnol (PAM) adroddiad diweddar Archwilio Mewnol (a gylochredwyd eisoes) yn rhoi diweddariad i'r aelodau ar gynnydd Archwilio Mewnol o ran cyflwyno gwasanaeth, darparu sicrwydd, adolygiadau a gwblhawyd, perfformiad ac effeithiolrwydd wrth sbarduno gwelliant.

Roedd yr adroddiad yn rhoi gwybodaeth am y gwaith a oedd wedi cael ei wneud gan Archwilio Mewnol ers cyfarfod diwethaf y pwyllgor. Aeth y PAM drwy'r adroddiadau a oedd yn rhoi'r wybodaeth ddiweddaraf hyd at fis Mai 2019 ar:

- Adroddiadau archwilio mewnol a gyflwynwyd yn ddiweddar:
- Pontydd ac Adeileddau
- Rheoli grantiau
- Refeniw a Budd-daliadau
- Adran 106
- Cynnydd gwaith Archwilio Mewnol hyd yma yn 2018-19;
- Cynnydd gyda chamau gweithredu gwelliant yn 2018-19;
- Cynnydd gyda gwaith Gwrth-Dwyll;
- Safonau perfformiad Archwilio Mewnol; a
- Diweddariad ar Arweiniad Ymarferol y Sefydliad Siartredig Cyllid Cyhoeddus a Chyfrifyddiaeth i Bwyllgorau Archwilio.

Trafodwyd y materion canlynol mewn mwy o fanylder:

- Cafodd yr archwiliad cyffredinol Pontydd ac Adeileddau ei gynnal mewn pryd, roedd perchnogaeth pontydd a chwlfertau yn glir, ond roedd rhywfaint o amwysedd ynglŷn â pherchnogaeth rhai o'r waliau cynnal. Holodd aelodau a fyddai modd darparu sicrwydd o ran waliau cynnal a chanfod pwy sy'n berchen arnynt cyn i unrhyw beth ddigwydd. Ymatebodd y PAM trwy ddatgan na ellid rhoi unrhyw sicrwydd o hyn. Hysbyswyd Aelodau ei bod yn anodd cadw staff yn y Cyngor gan fod cyflogau cwmnïau allanol yn fwy atyniadol i staff. Holwyd ynglŷn â'r sefyllfa ariannol, datganwyd bod y cyllid ar gael yn flynyddol yn unig, ond roedd y cyllid a oedd yn ofynnol wedi cael ei gyflawni gan y Cyngor.
- Soniwyd y byddai rheoliadau adeiladu yn y gorffennol yn tybio bod rhai waliau cynnal yn adeiladau peryglus, a byddai hynny'n golygu bod gwaith yn cael ei wneud yn gynt. Holwyd hefyd a oedd pontydd a oedd yn cysylltu CSDd a siroedd eraill yn cael eu hasesu. Mewn ymateb datganwyd y byddai mod ymdrin â waliau cynnal perygl mor gyflym ag sy'n bosibl; o ran pontydd a reoleiddir gan Gyngorau eraill 'a oedd yn croesi i Gyngor Sir Ddinbych, ni chawsant eu hadolygu. Fodd bynnag gallai'r PAM gyfathrebu gyda siroedd eraill ynglŷn â Phontydd.
- Tynnwyd sylw at sicrhau grantiau a p'un a fyddai'r wybodaeth yn gyfredol ac yn gywir, roedd y wybodaeth yn cael ei chadw mor gyfredol ag sy'n bosibl; fodd bynnag wrth i grantiau newid yn rheolaidd roedd hon yn dasg anodd.
- Refeniw a Budd-daliadau - holwyd pam mae proses o fynd i'r afael â dyledion bach llai na £25 a pham fod y swm wedi'i osod ar £25. Eglurwyd bod hwn yn swm hanesyddol a oedd wedi'i osod yn y gorffennol. Roedd y broses o gasglu dyledion yn cael ei thrafod gyda CIVICA.
- Amlygwyd Safonau Perfformiad Archwilio Mewnol, amlinellwyd bod perfformiad y Cynlluniau Gweithredu Dilydol a Gwella Gwasanaethau yn is na'r targed o 75%, ac er bod y ffigur yn agos ar 73% sicrhawyd yr aelodau y byddai'r gwasanaeth archwilio yn annog adrannau i ddiweddarau eu gwaith.

PENDERFYNWYD bod y Pwyllgor Llywodraethu Corfforaethol yn derbyn yr adroddiad gyda diweddariad am yr adain archwilio fewnol, a nodi ei gynnwys.

8 ARCHWILIAD MEWNOL O IECHYD A DIOGELWCH MEWN YSGOLION

Cyflwynodd yr Uwch-Archwilydd (UA) adroddiad (a gylchredwyd eisoes) i roi diweddariad i'r aelodau ynglŷn â'r ffordd y mae'r Cyngor wedi gweithredu gwelliannau ym maes lechyd a Diogelwch mewn ysgolion ers i'r adroddiad Archwilio Mewnol gael ei ddarparu.

Mae adroddiad dilydol Archwilio Mewnol (Atodiad 1) yn dangos bod y mater risg uchel yn ymwneud ag asesiadau perygl tân a dau allan o'r pedwar mater risg cymedrol wedi eu datrys yn llwyddiannus. Roedd angen gwelliannau pellach er mwyn mynd i'r afael â'r ddau fater risg canolig sydd ar ôl, sy'n ymwneud â datblygu system lwybro gweithredu a chynnal a chadw cofnodion cyflawn o staff yr ysgol sydd wedi mynychu'r hyfforddiant lechyd a Diogelwch gofynnol.

Yn seiliedig ar yr adolygiad gwreiddiol a'r gwaith gwella a oedd wedi'i wneud, roedd y gyfradd sicrwydd wedi codi o isel i ganolog. Byddai Archwilio Mewnol yn parhau i fonitro'r camau gweithredu a oedd yn weddill ac wedi'u datrys yn rhannol er mwyn sicrhau eu bod i gyd yn cael eu cyflawni.

Codwyd y materion canlynol yn ystod trafodaethau -

- Cadarnhawyd bod y llythyr a ddosbarthwyd i ysgolion, hefyd wedi ei anfon at gyrff Llywodraethu'r ysgolion.
- Soniwyd am y cynllun rheoli haint, a'r math o faterion yr oedd ysgolion â heintiau yn eu hwynebu. Ymatebodd yr UA trwy ddatgan bod y gwaith yn ymwneud â rhoi mesurau ataliol i reoli heintiau megis gweithredu cynlluniau rheoli heintiau priodol a glanweithdra h.y. glanhau teganau. Roedd hyfforddiant yn cael ei drefnu ar gyfer staff ysgolion hefyd.
- Codwyd pryderon ynglŷn â'r gwaith ychwanegol i athrawon a allai gael ei greu yn dilyn yr archwiliad. Holwyd ynghylch y posibilrwydd o benodi swyddog i wneud y gwaith mewn ysgolion. Hysbyswyd aelodau bod Cydgysylltydd Ysgolion Iach ar gael i gynorthwyo ysgolion. Hysbysodd y Rheolwr Iechyd a Diogelwch Corfforaethol y pwyllgor y byddai'r tîm Iechyd a Diogelwch hefyd o gymorth i ysgolion. Anfonwyd canllawiau at bob ysgol ond roedd pob ysgol yn wahanol a tybiwyd y byddai'n fwy priodol i rywun â gwybodaeth am yr ysgol weithredu'r gwaith yn eu hysgol eu hunain.
- Roedd yr adroddiad gwreiddiol wedi cael ei gylchredeg i'r Pwyllgor Iechyd a Diogelwch Corfforaethol.
- Cafodd y gwaith a wnaethpwyd ei ganmol gan aelodau, roedd iechyd a diogelwch yn cael ei ystyried yn risg mawr lle bo plant ifanc yn y cwestiwn a bod angen monitro hynny'n drylwyr. Cytunwyd y byddai llythyr dilynol gan y Pwyllgor Llywodraethu Corfforaethol yn cael ei anfon at benaethiaid a llywodraethwyr, cytunwyd hefyd y byddai adroddiad dilynol yn cael ei ddychwelyd at y pwyllgor ym mis Tachwedd.
- Roedd y Cyngor wedi gosod asesiadau diogelwch tân i gael eu cynnal bob tair blynedd, nid oedd hynny'n ofyn statudol ystyriwyd bod asesiadau tair blynedd yn ddigonol. Fodd bynnag, sicrhawyd aelodau os oedd unrhyw newidiadau mawr i unrhyw ysgol; byddai asesiadau'n cael eu cynnal eto.

PENDERFYNWYD y byddai'r Pwyllgor Llywodraethu Corfforaethol yn nodi cynnydd o ran mynd i'r afael â champau gweithredu archwilio yn amodol ar yr arsylwadau uchod.

- Gofyn i adroddiad dilynol gael ei roi i'r Pwyllgor Llywodraethu Corfforaethol ym mis Tachwedd 2019.*
- Cylchredeg llythyr dilynol gan y Pwyllgor Llywodraethu Corfforaethol i benaethiaid a chyrrff llywodraethu ysgolion.*

Ar y pwynt hwn (10.50 am) cafwyd 10 munud o egwyl.

Ailddechreuodd y cyfarfod am 11.00 a.m.

Cyflwynodd yr Uwch Archwilydd (UA) yr adroddiad (a gylchredwyd yn flaenorol). Roedd y Pwyllgor Llywodraethu Corfforaethol wedi cytuno y byddai'n derbyn ac yn trafod pob adroddiad gan yr Adain Archwilio Mewnol sy'n derbyn graddfa Sicrwydd 'Isel' fel y gallent drafod y canlyniad a derbyn sicrwydd y caiff gwelliannau eu gwneud.

Gofynnwyd am yr adolygiad gan uwch reolwyr er mwyn darparu sicrwydd ynghylch y broses Adran 106 (A/106); nid oedd y maes hwn wedi'i adolygu yn y gorffennol. Bydd yn darparu sicrwydd i'r Swyddog Adran 151, yr Adroddiad Blynyddol Archwilio Mewnol a'r Datganiad Llywodraethu Blynyddol.

Codwyd y pwyntiau canlynol yn ystod y trafodaethau –

- Holwyd ynghylch y broses cytundebau Adran 106 gyda datblygwyr adeiladau a p'un a oedd proses ar waith i sicrhau bod y cytundebau'n cael eu cwblhau ond hefyd eu bod yn cael eu cwblhau i safon uchel. Datganodd y Rheolwr Datblygu (RhD) nad oedd y broses wedi cael ei monitro'n llwyddiannus yn y gorffennol. Fodd bynnag roedd bwriad i ddatblygu prosiect Canolbwynt Datblygu Cymunedol (CDH) a fyddai'n monitro cytundebau A.106 a monitro a fyddent yn cael eu cwblhau.
- Eglurodd Rheolwr y Fframwaith wrth aelodau mai brîff yn unig oedd y prosiect CDH arfaethedig ar hyn o bryd ac y byddai'n cael ei drafod yng nghyfarfod y bwrdd er mwyn symud ymlaen â'r brîff. Byddai'r CDH yn coladu holl gyllid cymunedol sydd ar gael ac yn cael gwybodaeth ganolog i fonitro cynnydd gyda phrosiectau a ariennir gan y gymuned.
- Amlygwyd bod y ffaith bod cronfa ddata A.106 a'r cyfraniad ariannol yn newid o £4,154,450 i £3,459,857 (amrywiad o 17%) ar ôl diweddaru'r cytundebau A.106 a gofnodwyd, yn achosi pryder. Ymatebodd DM trwy ddatgan bod datblygiadau lle cytunwyd ar A.106 yn newid ambell waith ac y byddai'r A.106 a gytunwyd yn gorfod newid. Byddai angen i'r newidiadau gael eu cytuno o fewn cytundeb cyfreithiol.
- Canmolwyd yr adroddiad gan aelodau ac awgrymwyd y byddai'n fanteisiol cylchredeg yr adroddiad i aelodau'r Pwyllgor Cynllunio er gwybodaeth. Cytunodd Swyddogion y byddai'r adroddiad yn cael ei gylchredeg i aelodau'r Pwyllgor Cynllunio.
- Awgrymodd y Pwyllgor adroddiad dilynol ar yr archwiliad A.106. Ymatebodd y swyddogion gan ddatgan y gellid cyflwyno adroddiad dilynol ar y CDH i'r pwyllgor Llywodraethu Corfforaethol; yn ddiweddarach a chytunwyd ar hyn. Cytunwyd hefyd y gellid dod ag adroddiad blynyddol ar gyfer y CDH i'r Pwyllgor Llywodraethu Corfforaethol.

PENDERFYNWYD bod y Pwyllgor Llywodraethu Corfforaethol yn nodi cynnwys yr adroddiad; ac yn amodol ar yr uchod

- (i) Bod yr adroddiad yn cael ei gylchredeg i aelodau'r Pwyllgor Cynllunio.
- (ii) Bod adroddiad dilynol yn cael ei roi i'r Pwyllgor Llywodraethu Corfforaethol yn ddiweddarach.

Cyflwynodd y Pennaeth Archwilio Mewnol (PAM), Adroddiad Blynyddol Archwilio Mewnol 2018-19 (a gylchredwyd eisoes), a oedd yn darparu barn gyffredinol y Pennaeth Archwilio Mewnol ar ddigonolrwydd ac effeithiolrwydd fframwaith llywodraethu, risg a rheolaeth y Cyngor yn ystod y flwyddyn sy'n llywio'r 'datganiad llywodraethu blynyddol'.

Mae Rheoliadau Cyfrifon ac Archwilio (Cymru) 2014 yn ei gwneud yn ofynnol bod adolygiad o drefniadau llywodraethu yn cael eu hadrodd o fewn yr awdurdod, yn achos y Cyngor, y Pwyllgor Llywodraethu Corfforaethol, ac yn allanol gyda chyfrifon a gyhoeddir gan yr awdurdod. Roedd Datganiad Llywodraethu Blynyddol yn adolygiad blynyddol o'r systemau rheolaeth fewnol ac yn casglu sicrwydd o amryw o ffynonellau i'w gefnogi. Roedd Archwilio Mewnol yn gyfrannwr allweddol, a dylai'r Pennaeth Archwilio Mewnol ddarparu adroddiad blynyddol ysgrifenedig i'r rhai â chyfrifoldeb dros lywodraethu i gefnogi'r Datganiad Llywodraethu Blynyddol.

Aeth y Pennaeth Archwilio Mewnol ag aelodau trwy'r adroddiad gan dynnu sylw at feysydd allweddol -

- Barn archwilio mewnol 2018-19 – Roedd y trefniadau llywodraethu, rheoli risg a rheolaeth a oedd mewn lle ar gyfer swyddogaethau busnes allweddol yn foddhaol ar y cyfan, ac roedd perthynas dda gyda'r rheolwyr lle maent yn rhannu'n agored y meysydd lle gwelant broblemau posibl ac yn ystyried canlyniadau'r gwaith archwilio fel cyfle i wneud gwelliannau.
- Crynodeb o Waith Archwilio 2018/19 - Roedd y sicrwydd a roddwyd yn gymharol gyson â'r blynyddoedd cynt. Mae pob adolygiad sicrwydd isel yn cael eu hadrodd wrth y Pwyllgor Llywodraethu Corfforaethol.
- Gwrth-Dwyll – hysbyswyd Aelodau bod taliadau uniongyrchol a thwyll tenantiaeth tai yn cael eu cynnwys yn yr adolygiad.
- Dywedodd Archwilio Mewnol bod perfformiad cyffredinol yn erbyn y dangosyddion wedi bod yn dda trwy gydol y flwyddyn.
- Mae'r adborth a gafwyd o'r arolwg o fodlonrwydd cwsmeriaid wedi cael ei gymryd i ystyriaeth mewn archwilio mewnol.

Canmolodd y pwyllgor yr adroddiad, trafodwyd y pwyntiau canlynol -

- Soniwyd am benodi archwilydd, a'r amser a gymerwyd i benodi archwilydd. Mewn ymateb, dywedodd y CIA fod prinder archwilwyr ar gael ac yng ngoleuni hyn, mabwysiadwyd polisi hyfforddiant mewnol. Roedd Samantha Davies hefyd wedi cael ei ddyrchafu'n Uwch Archwiliwr.
- Eglurwyd bod Cerbydau Fflyd Lwyd yn gerbydau y mae staff yn berchen arnynt ac yn eu defnyddio at ddefnydd busnes.
- Amlygwyd yr adain Gwrth-Dwyll a'r 10 cyhuddiad o dwyll a dderbyniwyd, nid oedd angen cymryd camau pellach gyda 5 ohonynt. Barnwyd y byddai'n arfer da cael gwybodaeth bellach, i sicrhau bod y pwyllgor yn cael gwybod am y gwaith a wnaed.

PENDERFYNWYD - bod y Pwyllgor Llywodraethu Corfforaethol yn nodi cynnwys yr Adroddiad Blynyddol Archwilio Mewnol.

Cyflwynodd y Pennaeth Archwilio Mewnol yr adroddiad (a gylchredwyd eisoes) a oedd yn darparu a diweddarau'r Pwyllgor Llywodraethu Corfforaethol ynglŷn â chynnydd y cynllun gweithredu a oedd yn cyd-fynd â'r adroddiad archwilio mewnol ar y Gyd-uned Gaffael ym mis Mai 2018. Darparodd y Rheolwr Gweithrediadau Cyfreithiol a Chaffael ddiweddariad am wasanaeth ym mis Ionawr 2019.

Byddai'r adroddiad yn darparu gwybodaeth ynglŷn â sut mae'r Cyngor wedi gweithredu gwelliannau i'r Gyd Uned Gaffael ers cyhoeddi'r adroddiad Archwilio Mewnol. Rhoddodd yr adroddiad archwilio 'Sicrwydd Isel', felly gofynnodd y Pwyllgor Llywodraethu Corfforaethol am adroddiad cynnydd i sicrhau bod y materion yn cael sylw.

Canmolodd y Pwyllgor Llywodraethu Corfforaethol waith a oedd wedi cael ei wneud ar y Gyd-Uned Gaffael. Trafodwyd y pwyntiau canlynol mewn mwy o fanylder -

- Yn dilyn yr holl waith sydd wedi'i wneud gyda'r Gyd-Uned Gaffael mae'r sicrwydd wedi codi o isel i ganolig.
- Codwyd pryderon yn arbennig ynghylch Mater Risg 1, byddai'r materion yn cael eu lliniaru gyda chyfarfodydd rheolaidd a byddai diweddariadau rheolaidd yn cael eu rhoi i'r pwyllgor Llywodraethu Corfforaethol / Archwilio a Chraffu. Hefyd byddai adroddiad blynyddol yn cael ei gyflwyno i bwyllgorau'r Cabinet.

PENDERFYNWYD y byddai'r Pwyllgor Llywodraethu Corfforaethol yn nodi cynnydd o ran mynd i'r afael â champau gweithredu archwilio.

12 ADRODDIAD BLYNYDDOL Y PWYLLGOR LLYWODRAETHU CORFFORAETHOL

Darparodd y Pennaeth Gwasanaethau Cyfreithiol, AD a Democrataidd adroddiad ar Adroddiad Blynyddol y Pwyllgor Llywodraethu Corfforaethol. Eglurodd fod y Cyfansoddiad yn ei gwneud yn ofynnol i'r Pwyllgor baratoi a chyflwyno adroddiad bob blwyddyn i'r Cyngor ar berfformiad ac effeithiolrwydd y Pwyllgor.

Aeth y Pennaeth Gwasanaethau Cyfreithiol, AD a Democrataidd drwy'r adroddiad drafft a oedd yn amgaaedig (atodiad 1) gyda'r aelodau a gofynnodd iddynt dreulio amser yn darllen a rhoi sylw i'r cynnwys. Eglurwyd i aelodau mai pwrpas yr adroddiad oedd dangos beth mae'r Pwyllgor Llywodraethu Corfforaethol yn ei wneud a'r rôl bwysig a oedd gan Aelodau yn y Pwyllgor.

Datganwyd bod newid enw'r pwyllgor i 'Bwyllgor Llywodraethu Corfforaethol ac Archwilio' a grybwyllwyd yn y cyfarfod diwethaf wedi cael ei adael allan o Adroddiad Blynyddol y Pwyllgor Llywodraethu Corfforaethol Drafft, eglurwyd y byddai'r newid enw yn cael ei gynnwys yn yr adroddiad i Cyngor.

Awgrymodd aelodau y gellid newid geiriad yr adroddiad i ddisgrifio rôl archwilio mewnol yn y Pwyllgor Llywodraethu Corfforaethol. Hysbysodd y Pennaeth Cyfreithiol, AD a Democrataidd aelodau fod yr adroddiad clawr wedi'i gyfyngu i

bedair tudalen, ond byddai'n symleiddio agweddau ac yn cynnwys mwy o archwilio mewnol yn yr adroddiad

PENDERFYNWYD bod –

- (a) y Pwyllgor Llywodraethu Corfforaethol yn derbyn ac yn nodi Adroddiad Blynyddol y Pwyllgor Llywodraethu Corfforaethol gyda'r newidiadau uchod.
- (b) bod adroddiad diwygiedig yn manylu'r gwaith a wneir gan y Pwyllgor Llywodraethu Corfforaethol yn cael ei gyflwyno i'r Cyngor Sir.

13 ADRODDIAD RIPA (DEDDF RHEOLEIDDIO PWERAU YMCHWILIO 2000) BLYNYDDOL

Cyflwynodd y Pennaeth Gwasanaethau Cyfreithiol, AD a Democrataidd yr adroddiad (a gylchredwyd eisoes) ar yr adroddiad blynyddol i'r Pwyllgor Llywodraethu Corfforaethol ar ddefnydd y Cyngor o'i bwerau gwyliadwriaeth o dan Ddeddf Rheoleiddio Pwerau Ymchwilio (RIPA) 2000 ynghyd â chanlyniadau'r archwiliad RIPA sy'n cael ei gynnal bob ryw dair blynedd.

Roedd yr adroddiad yn ofynnol o dan God Ymarfer y Swyddfa Gartref i gyflwyno adroddiadau blynyddol o leiaf i aelodau ynglŷn â defnydd yr Awdurdod o'i bwerau o dan y drefn hon. Mae'r Pwyllgor Llywodraethu Corfforaethol yn derbyn unrhyw adroddiadau o archwiliadau allanol fel mae cylch gorchwyl y Pwyllgor yn ei nodi.

Nid oedd unrhyw waith gwyliadwriaeth wedi cael ei gynnal ers yr adolygiad diwethaf, roedd archwiliad RIPA yn adolygiad pen bwrdd a oedd yn sicrhau nad oedd angen adolygiad llawn.

PENDERFYNWYD - bod y Pwyllgor Llywodraethu Corfforaethol yn nodi cynnwys yr adroddiad RIPA.

14 RHAGLEN GWAITH I'R DYFODOL Y PWYLLGOR LLYWODRAETHU CORFFORAETHOL

Cyflwynwyd Rhaglen Gwaith i'r Dyfodol y Pwyllgor Llywodraethu Corfforaethol (a gylchredwyd eisoes) i'w hystyried.

Cadarnhaodd y Pwyllgor Raglen Gwaith i'r Dyfodol y Pwyllgor Llywodraethu Corfforaethol, yn ddibynnol ar y diwygiadau canlynol:-

10 Gorffennaf 2019 -

- Eglurwyd bod adroddiad blynyddol SIRO wedi cael ei ddyblygu ar 11 Medi, cytunwyd y byddai'r adroddiad yn cael ei dynnu o'r naill ddyddiad neu'r llall gyda chaniatâd awdur yr adroddiad.

11 Medi 2019 -

- Adroddiad Archwilio Mewnol – Adran 106 cytunwyd y byddai diweddariad yn cael ei roi i'r pwyllgor.

20 Tachwedd 2019 -

- Yn dilyn yr eitem Diweddariad am Iechyd a Diogelwch mewn Ysgolion, byddai diweddariad yn cael ei gynnwys.
- Dywedodd y Pennaeth Cyfreithiol, AD a Gwasanaethau Democrataidd hefyd y byddai adroddiad blynyddol RIPA yn cael ei ohirio tan fis Mehefin 2020.

PENDERFYNWYD, yn amodol ar yr uchod, bod y Pwyllgor Llywodraethu Corfforaethol yn cymeradwyo'r Rhaglen Gwaith i'r Dyfodol.

Mae tudalen hwn yn fwriadol wag

Adroddiad i'r: Pwyllgor Llywodraethu Corfforaethol

Dyddiad y Cyfarfod: 10 Gorffennaf 2019

Aelod / Swyddog Arweiniol: Y Cyngorydd Julian Thompson-Hill

Awdur yr Adroddiad: Steve Gadd, Prif Gyfrifydd

Teitl: **Datganiad Drafft o Gyfrifon 2018/19**

1. Am beth mae'r adroddiad yn sôn?

Mae'n darparu trosolwg o Ddatganiad drafft o Gyfrifon 2018/19 a'r broses sy'n sail iddo.

2. Beth yw'r rheswm dros lunio'r adroddiad hwn?

Mae gan y Pwyllgor Llywodraethu Corfforaethol gyfrifoldeb wedi'i ddirprwyo iddo i gymeradwyo'r cyfrifon archwiliedig a fydd yn cael eu cyflwyno ar 11 Medi 2019. Mae cyflwyno'r cyfrifon drafft yn rhoi arwydd cynnar o sefyllfa ariannol y cyngor a gall dynnu sylw at unrhyw broblemau yn y cyfrifon neu'r broses cyn i'r cyfrifon gael eu harchwilio.

3. Beth yw'r Argymhellion?

Nodi'r sefyllfa fel y'i cyflwynir yn y cyfrifon drafft (gweler Atodiad 1).

4. Manylion yr adroddiad

Mae dyletswydd statudol ar y Cyngor i baratoi datganiad o gyfrifon sy'n cydymffurfio â safonau cyfrifo cymeradwy. Mae'n rhaid i'r aelodau etholedig gymeradwyo'r cyfrifon a archwiliwyd yn ffurfiol ar ran y Cyngor. Mae'r rôl hon wedi cael ei dirprwyo i'r Pwyllgor Llywodraethu Corfforaethol. Mae'r cyfrifon drafft bellach wedi eu cwblhau ac wedi'u llofnodi gan y Pennaeth Cyllid ar 3 Mehefin (15 Mehefin oedd dyddiad y llynedd, ac mae'n mwy na chynnydd y dyddiad interim ar gyfer cau'r cyfrifon yn gynnar). Roedd y cyfrifon drafft ar gael i'w harchwilio yn ôl y gofyn a byddant hefyd ar gael i'r cyhoedd eu harchwilio rhwng 24 Mehefin a 19 Gorffennaf.

O ystyried rôl y Pwyllgor o ran cymeradwyo'r cyfrifon terfynol, mae'n fanteisiol darparu'r wybodaeth ddiweddaraf a throsolwg ar y cam drafft, er mwyn ei ystyried cyn cyflwyno'r cyfrifon terfynol ym mis Medi.

Fel yr adroddwyd yn flaenorol i'r Pwyllgor Llywodraethu Corfforaethol, mae'r terfynau amser statudol ar gyfer Llywodraeth Leol yn cael eu dwyn ymlaen fel y manylir yn y tabl isod:

	Current Dates	Interim Dates for SofA 2018/19 and 2019/20	Final Position from 2020/21
Final date on which the Chief Finance Officer must sign and date the statement of accounts	30th June	15th June	31st May
Date that council must approve and publish an audited statement of accounts	30th September	15th September	31st July

Y newyddion da yw bod y Cyngor yn gwneud cynnydd da tuag at gyrraedd y terfynau amser ar gyfer y cyfrifon interim a'r cyfrifon terfynol sydd heb eu harchwilio fel y dangosir yn y tabl isod:

Statement of Accounts	Signed off by S151 Officer and passed to WAO
2015/16	21-Jun-16
2016/17	13-Jun-17
2017/18	15-Jun-18
2018/19	03-Jun-19
2019/20	31-May-20 (target)
2020/21	31-May-21 (mandatory)

5. **Sut mae'r penderfyniad yn cyfrannu at y Blaenoriaethau Corfforaethol?**
Mae cyhoeddi Datganiad o Gyfrifon yn sail i stiwardiaeth a llywodraethu ariannol y Cyngor ac felly mae'n cefnogi holl wasanaethau a blaenoriaethau'r Cyngor.
6. **Faint fydd yn ei gostio a sut fydd yn effeithio ar wasanaethau eraill?**
Does dim costau ychwanegol yn codi o ganlyniad i'r adroddiad hwn.
7. **Beth yw prif gasgliadau'r Asesiad o'r Effaith ar Les?**
Barn broffesiynol y Swyddog Adran 151 yw nad oes angen Asesiad o'r Effaith ar Les ar gyfer yr adroddiad hwn.
8. **Pa ymgynghoriadau a gynhaliwyd gyda Chraffu ac eraill?**
Caiff gweithdrefnau a phrosesau'r cyngor sy'n sail i gynhyrchu'r cyfrifon eu hadolygu'n rheolaidd gan Swyddfa Archwilio Cymru. Caiff barn broffesiynol ei cheisio oddi wrth nifer o ddisgyblaethau eraill y tu hwnt i gyllid, fel yr adain gyfreithiol, prisio eiddo, adnoddau dynol a phensiynau.
9. **Datganiad y Prif Swyddog Cyllid**
Mae'r Datganiad o Gyfrifon yn elfen allweddol o fframwaith llywodraethu'r cyngor. Mae'n bwysig bod aelodau etholedig yn cael eu sicrhau bod y cyfrifon wedi cael eu cynhyrchu yn unol â'r safonau perthnasol a bod y broses sy'n sail i gynhyrchu'r cyfrifon

yn gadarn. Da iawn yw gweld bod Datganiad drafft o'r Cyfrifon yn barod i'w adolygu gan y Swyddog Adran 151 ar 31 Mai. Mae hyn wedi golygu llawer iawn o waith caled ar draws y gwasanaeth ariannol.

10. Pa risgiau sydd ac oes unrhyw beth y gallwn ei wneud i'w lleihau?

Byddai'r Cyngor yn mynd yn groes i'w ddyletswydd statudol pe na fyddai'n gallu cymeradwyo'r cyfrifon erbyn 15 Medi.

11. Pŵer i wneud y Penderfyniad

Mae'n ofynnol i awdurdodau lleol o dan Adran 151 Deddf Llywodraeth Leol 1972 wneud trefniadau ar gyfer gweinyddu eu materion ariannol yn briodol. Mae Ddeddf Archwilio Cyhoeddus (Cymru) 2004 yn ei gwneud yn ofynnol i'r Archwilydd Penodedig archwilio ac ardystio cyfrifon y cyngor, a rhaid iddo fod yn fodlon bod y cyfrifon wedi cael eu cwblhau yn unol â Rheoliadau Cyfrifon ac Archwilio (Cymru) 2018.,

Mae tudalen hwn yn fwriadol wag



STATEMENT OF ACCOUNTS 2018/19

Denbighshire County Council

Statement of Accounts

2018/19

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Introduction

Denbighshire County Council is a Welsh unitary authority with a population of around 96,000. The County of Denbighshire covers an area that runs from the North Wales coastal resorts of Rhyl and Prestatyn down through the Vale of Clwyd, south as far as Corwen and the popular tourist town of Llangollen. Along the way, it takes in the historic towns of Rhuddlan, Denbigh and Ruthin, each with its own castle, and the tiny cathedral city of St. Asaph. There are 47 councillors elected to represent the various wards of the county. The Council employs around 4,300 staff.

The County Council was formed in April 1996 and is responsible for a wide range of services including schools, social care, highways, collection and disposal of waste, planning, economic development, tourism, libraries, leisure centres and lots more besides.

At the end of each year, the Council must produce a Statement of Accounts that complies with legislation and demonstrates what the Council spent its money on. These accounts are becoming more and more technical and difficult to understand. The purpose of the following introduction section is to try to present some of the most important numbers in a more understandable way.

Should you have any queries on the accounts please contact the Chief Financial Officer, Denbighshire County Council, PO Box 62, Ruthin, LL15 9AZ. In addition, you have a legal right to inspect the accounts before the audit is completed. The availability of the accounts for inspection is advertised on Denbighshire County Council's website and in Reception at County Hall, Ruthin.

The Statement of Accounts

The Council produces the annual Statement of Accounts each year in line with legal requirements, the Chartered Institute of Public Finance and Accountancy and the Code of Practice on Local Authority Accounting (the Code) in the United Kingdom with the following aims:

- Complying with legal and professional requirements.
- Providing service users, electors, business ratepayers, local tax payers, Councillors and other interested parties with information about the Council's finances.
- Demonstrating stewardship of public money.

Following the "Telling the Story" review of the presentation of local authority financial statements the CIPFA Code of Practice on Local Authority Accounting 2016/17 (the Code) changed the segmental reporting arrangements for the Comprehensive Income & Expenditure Statement (CI&ES) and introduced the Expenditure and Funding Analysis. Both the CI&ES and the Expenditure and Funding Analysis include a segmental analysis based on how the Council is structured, operates, monitors and manages financial performance. Previously the Council reported the cost of individual services in the CI&ES in accordance with the format specified in the Service Reporting Code of Practice (SeRCOP).

The Statement of Accounts contains the following sections:

Section 1 - Narrative Report

The Narrative Report by the Chief Financial Officer provides a summary of the financial activities of the Council during the year and at year-end.

Section 2 - Statement of Responsibilities

This outlines the duties of the Chief Financial Officer in preparing the accounts, and the Council's responsibilities to adhere to the relevant requirements.

Section 3 - Main Financial Statements and Notes to the Accounts

The 2018 Code requires that local authority accounts comply with International Financial Reporting Standards (IFRS). The main financial statements comprise:

Expenditure and Funding Analysis

This shows how annual expenditure is used and funded from resources in comparison with those resources consumed or earned in accordance with generally accepted accounting practices.

Comprehensive Income and Expenditure Statement

This account is a summary of the money generated and spent in providing services and managing the Council during the last year. It includes all day-to-day expenses and related income on an accruals basis, as well as transactions measuring the value of assets actually consumed during the year. It also shows the projected value of retirement benefits earned by employees during the year.

Movement in Reserves Statement

This shows the adjustments to the Comprehensive Income and Expenditure Statement for statutory accounting requirements, to align it with the accounting basis by which the Council Tax level for the year was set.

Balance Sheet

The Balance Sheet shows a snapshot of the Council's financial position as at 31 March 2019. It sets out the value of items it owns (assets) and the value of what it owes to others (liabilities). It incorporates all the Council's funds, both capital and revenue.

Cash Flow Statement

This summarises the Council's cash and cash equivalent transactions over the year, showing actual cash received and cash spent, and the changes in the Council's cash position. The statement is presented using the indirect method.

Notes to the Accounts

Explanatory notes are provided after both the main and supplementary financial statements. The notes give additional information to aid the understanding of the accounts.

Section 4 - Supplementary Financial Statements and Notes

Housing Revenue Account (HRA)

Councils are required to account separately for the cost of the council housing service by way of a HRA Income and Expenditure Statement and a Statement of Movement on the HRA balance. This account shows where money is spent in maintaining and managing council houses and how these costs are met from rents and other income.

The Statement of Movement on HRA Balances brings together all of the movements in HRA reserves.

Section 5 - Independent Auditor's Report

The accounts are subject to an independent external audit by an auditor appointed by the Auditor General for Wales and their report is included in this section.

Section 6 - Annual Governance Statement

This outlines the Council's approach to ensuring that it maintains an effective system of corporate governance and internal control.

Section 7 - Glossary

This contains a list of some of the definitions adopted for the purpose of accounts completed under International Financial Reporting Standards.

Section 1 - Narrative Report**1.1 Review of the Year - Revenue Expenditure**

The Council sets a revenue budget each year. This is a budget for services it will provide in the year and that will be paid for by service users, Welsh Government Grants and Council Tax & Business Rate payers. For 2018/19, this gross expenditure budget was £305.8m. After budgeted use of Reserves, savings of £4.6m were required and successfully identified to achieve a balanced budget. All savings identified were achieved during 2018/19. The Council has identified budget savings of £5.7m for the 2019/20 financial year and projections for future years, although uncertain, show a need to continue to identify significant annual savings.

By the end of the year, the Council had spent £0.5m less than it budgeted for on services and corporate budgets. Although it remains a difficult financial period for schools, investment in school budgets in 2018/19, which more than funded inflationary pressures, and the close working relationship between the Council and schools in producing robust 3 year financial plans, has resulted in an improved financial position for schools (schools reported an in-year underspend of £0.173m).

Service requests to carry forward underspends amounting to £0.309m were approved by Cabinet in June. The funds will be used to help mitigate against known pressures and provide funds for service investment.

Balances, Provisions and Reserves

The net contribution to earmarked reserves within the accounts is £1.1m (see Note 21 for details). The movement includes the net reduction of schools' deficit balances and the budgeted and planned use of reserves for purposes such as funding the Capital Plan, the new Corporate Plan and budget reductions in future years.

The Council's general balances now stand at £7.1m. The Council must make sure it keeps enough money in these balances so it can be sure it is able to deal with any unexpected problems it faces.

How we report our Budget

Each month a budget report is given to the Council's Cabinet (a group of 8 Councillors who make many of the decisions on behalf of the Council), which explains how services are spending their money compared to their budget. At the end of the year, a final report (known as the outturn) shows the year-end position.

However, the Council must produce its Statement of Accounts in a way that meets UK and international financial reporting requirements. Unfortunately, these requirements are highly complex and technical in nature. This means that a number of accounting adjustments are required to its normal budget reports to ensure the Council can produce its accounts. The following table shows the final position that was reported to Councillors. Within the Notes to the Accounts is an explanation of the adjustments made between the final reported revenue position and the amounts reported in the Comprehensive Income & Expenditure Statement.

Further details on services' financial performance can be found in the Final Outturn Report which will be presented to Cabinet on the 25th June 2019.

The table below shows the final revenue position which will be presented at this meeting:

	Final Revenue Outturn Report £000
Service and Corporate Budgets	
Business Improvement & Modernisation	4,521
Legal, HR & Democratic Services	2,584
Facilities, Assets & Housing	7,328
Highways & Environmental Services	19,556
Planning & Public Protection	2,983
Community Support Services	35,111
Finance	3,138
Education & Children's Service	15,277
Customers, Communication & Marketing	2,964
Schools	68,405
Corporate	15,061
Total Service and Corporate Budgets	176,928
Other	
Capital Finance / Investment Interest	11,427
Levies	4,569
Total Expenditure (excludes HRA)	192,924
Less funding	(192,625)
Budgeted contribution from Earmarked Reserve	(780)
Final Outturn	(481)
Allocated as follows:	
Earmarked Balances - Services	(308)
School Balances	(173)
Total	(481)

1.2 Review of the Year - Capital Expenditure

Each year the Council spends money on items that will be in existence for a long time such as land, buildings, roads, vehicles and equipment. These items are called assets and the Council will use them to deliver services for years to come. Expenditure on these assets is called capital expenditure.

The following table shows how much the Council spent on its assets per service block in 2018/19 and how the expenditure was funded:

Expenditure	£000
Legal, HR & Democratic Services	67
Facilities, Assets & Housing	18,347
Highways & Environmental Services	8,419
Planning & Public Protection	3,319
Community Support Services	636
Customers, Communication & Marketing	222
Business Improvement & Modernisation	313
Education & Children's Services	21,994
Housing Revenue Account	8,631
Total	61,948
Funding	
Grants	24,257
Supported Borrowing	2,219
Prudential Borrowing	26,941
Capital Receipts	1,462
Capital Expenditure charged against the Council Fund	7,069
Total	61,948

Expenditure on major projects undertaken during the year includes:

Project	Description	2018/19 £000
Rhyl	East Rhyl Coastal Defence Works	865
A548/Tynewydd Road, Rhyl	Cycleway and Signal Replacement Scheme	248
A543/A5 - EVO Triangle	Installation of Average Speed Cameras	393
Rhyl	Waterfront Development	2,444
Rhyl	Construction of Waterpark (SC2)	9,002
Rhyl	Queens Buildings Redevelopment	3,023
Rhyl	Contribution to Redevelopment of 45-47 Water Street	493
Rhyl Leisure Centre	New fitness facilities	662
Ruthin Leisure Centre	Changing Room Refurbishment	691
Prestatyn Leisure Centre	Changing Room Refurbishment	225
Llanfair Dyffryn Clwyd	21 st Century Schools - New School Building	3,199
Ysgol Carreg Emlyn, Clocaenog	21 st Century Schools - New School Building	2,448
Ysgol Glan Clwyd, St Asaph	21 st Century Schools - Extension, Remodel and Refurbishment Works	246
Rhyl	21 st Century Schools - New 3-16 Catholic School, Christ the Word	12,812
Rhos Street and Ysgol Penbarras, Ruthin	21 st Century Schools - New Schools	890
Ruthin	Contribution to Llys Awelon Extra Care Facility Ph 2	265
Waste Collection	New Waste and Recycling Service	925
Council Housing	Major Improvements/Acquisitions	5,945
Council Housing	Disabled Adaptations	526

1.3 Other Issues

Pensions

Denbighshire County Council is a member of the Clwyd Pension Fund.

International accounting standards require that councils account for the cost of pension entitlements earned in the year, rather than the cost of the contributions paid to the pension fund. The pension fund has to work out how much money it would owe if all of the individual members became entitled to immediate payment of their pension. It then has to work out how much money it has in investments. Returns on investments are impacted by the wider national and international economic environment and taken with the fact that people are generally living longer, the pension fund has less in

investments than the theoretical amount it would have to pay out. This is known as a deficit. Although it is highly unlikely that the Council would ever have to pay out this money, it must show this deficit in its accounts. The Pension Fund is subject to a triennial valuation and the estimates contained in the accounts are based on the latest full valuation of the scheme as at 31 March 2019. The notes in the accounts show further details.

Housing Stock Business Plan

The Council owns 3,378 council dwellings - known as the housing stock. Since 2005 the Council has invested significantly in improving its housing stock and achieved the Welsh Housing Quality Standard in 2014. Part of this investment has been funded through borrowing and the Council has a detailed 30-year Housing Stock Business Plan, which helps to ensure that the investment in the Council's houses remains affordable and sustainable in the long term. The Housing Stock Business Plan is regularly reviewed and formally approved by the Council's Cabinet every year and it remains financially strong. The latest Housing Stock Business Plan allows for investment of £25m in new stock and £23m in planned improvements over the next four years.

Borrowing & Investments

The Council's strategy in 2018/19 has continued to be one of keeping borrowing and investment balances as low as possible through use of temporary cash surpluses ensuring a sufficient level of cash is maintained. Investment balances are continually monitored with the aim of maintaining sufficient levels to meet the Council's cash flow requirements. The Council's treasury position is reported to the Corporate Governance Committee throughout the year. The Council's outstanding debt at 31 March 2019 was £228.1m, investment balances were £4.4m and a further £5.3m was held in an instantly accessible bank account.

Accounting Policies & International Financial Reporting Standards (IFRS)

The Accounting Policies are detailed fully in Note 1 to the accounts. This is the ninth year that the Council's accounts have been produced to comply with international standards and the Code of Practice on Local Authority Accounting. There have been significant changes to the 2018/19 Code of Practice on Local Authority Accounting in the United Kingdom (the code) following the adoption of International Financial Reporting Standard (IFRS) 9 - Financial Instruments from 1 April 2018. The Code specifies how the Council should classify and measure financial assets and financial liabilities. The changes have resulted in the creation of a new earmarked reserve for Modified Loans. The reserve will be used to neutralise the impact of higher effective interest charges to the Comprehensive Income & Expenditure Statement over the remaining life of the loan.

Statutory Functions

There were no significant changes to the Council's statutory functions during 2018/19.

The Corporate Plan

During 2018/19 the Council continued its commitment to delivering the 2012-2017 Corporate Plan which aimed to deliver significant investment in schools, social care facilities and roads. Expenditure on Corporate Plan projects included £12.8m on the new Christ the Word Catholic School in Rhyl and £5.6m on new schools in Llanfair Dyffryn Clwyd and Clocaenog. While the previous five-year Plan ended in 2017/18, it was always envisaged that some of the major investment projects within it would be delivered over a longer timeframe. The majority of the projects have been delivered but there will be some further spend in 2019/20, including on the major schools' projects and social care facilities.

The current Corporate Plan 2017-22: 'Working Together for the Future of Denbighshire', builds on this track record of delivery. The overall ambition of this Plan is to ensure that Denbighshire is a place where residents and businesses are well connected and resilient; where young people have opportunities for affordable housing and acquire skills and jobs to lead successful and fulfilling lives, and where we can all enjoy an attractive and protected environment. Like the last plan, this Corporate Plan contains specific actions that will be delivered over five years. Perhaps even more importantly though, these actions are designed to have an impact beyond the next five years with future generations in mind.

This Corporate Plan sets out our ambitious but deliverable priorities for the five year period 2017-22. Some of these priorities will require significant capital investment, others revenue funding, and some may be delivered at no additional cost. We think we need to invest somewhere in the region of an additional £135m in our corporate priorities over the five years if we are to achieve all that we'd like.

To pay for the capital investment identified, we will need to commit revenue budget and cash to the priorities. During 2017/18 we identified £0.5m of our revenue budget for 2018/19 and £1m cash to support the new corporate priorities. A further revenue contribution of £0.5m was secured through the 2019/20 budget process. Further annual budget allocations will be required but it is recognised that this will be difficult to achieve as the Council's total budget reduces.

Although £135m is a large sum, the Council would not have to provide all of this money itself. We expect that grants from the Welsh Government will be available to help fund the planned work to improve our schools and flood defences. We also plan to use income from housing rent to help fund the new council housing. In reality, we think that the Council may have to contribute around £71m of the £135m.

With these levels of additional investment, we must deliver drastic improvements. If we are successful - and we believe we will be - Denbighshire will be fit for the future and continue to be one of the best places in the UK to live, learn, work and visit.

Looking Ahead

It is likely that local government funding settlements will reduce further in the coming three to five years at the same time as demand for services and costs are rising so the amount the Council spends each year will have to reduce accordingly. Whilst there is uncertainty about the precise levels of reduction each year, it is inevitable that some hard decisions will have to be taken to ensure the Council lives within its means and continues to deliver its priorities. However, the Council's record of delivery in identifying and achieving savings while managing reserves and balances carefully results in a high degree of confidence that the Council will

continue to deliver effective services while providing some investment in the new Corporate Plan during this challenging period.

Reform of local government in Wales remains on the national agenda but proposals are not yet finalised. The integration of some social care and health provision across the region will continue to progress during 2019/20 and is likely to develop further in future years.

Full details of the Council's budget for 2019/20, including details of service budgets, the Housing Revenue Account and Capital budgets can be found in the Budget Summary document which will be presented to Cabinet in June 2019 as part of the Finance Report.

Richard Weigh
Chief Financial Officer (Section 151 Officer)

Section 2: Statement of Responsibilities

The County Council's Responsibilities

The County Council is required to:

- (i) make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. In this Authority, that is the Chief Financial Officer;
- (ii) manage its affairs to ensure economic, efficient and effective use of resources and safeguard its assets;
- (iii) approve the Statement of Accounts.

Authority's Certificate

I approve the Statement of Accounts of Denbighshire County Council.

Signed _____ Date _____

Chair of Corporate Governance Committee

Responsibilities of the Chief Financial Officer

The Chief Financial Officer is responsible for the preparation of the Authority's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ('the Code').

In preparing this Statement of Accounts, the Chief Financial Officer has:

- (i) selected suitable accounting policies and then applied them consistently;
- (ii) made judgements and estimates that were reasonable and prudent;
- (iii) complied with the local authority Code.

The Chief Financial Officer has also:

- (i) kept proper up to date accounting records;
- (ii) taken reasonable steps for the prevention of fraud and other irregularities.

Certificate: Chief Financial Officer

I certify that the accounts presented give a true and fair view of the financial position of Denbighshire County Council at the reporting date and its income and expenditure for the year ended 31 March 2019.

Signed  _____ Date 03/06/2019

Richard Weigh
Chief Financial Officer (Section 151 Officer)

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Expenditure and Funding Analysis

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources (government grants, rents, council tax and business rates) by local authorities in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Council's services. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

Note 1 Adjustments for Capital Purposes

This column adds in depreciation, impairment and revaluation gains and losses in the services line, and for:

- Other operating expenditure - adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets.
- **Financing and Investment Income and Expenditure** - the statutory charges for capital financing i.e. Minimum Revenue Provision and other revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices.
- **Taxation and non-specific grant income** - capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivable in the year to those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non-specific Grant Income line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied in year.

Note 2 Net Change for the Pensions Adjustment

This column shows the net change for the removal of pension contributions and the addition of IAS19 Employee Benefits pension related expenditure and income:

- **For services** this represents the removal of the employee contributions made by the authority as allowed by statute and the replacement with current service costs and past service costs.
- **For Financing and Investment Income and Expenditure** - the net interest on the defined benefit liability is charged to the Comprehensive Income and Expenditure Statement.

Note 3 Other Differences

This column includes other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute.

- **For Financing and Investment Income and Expenditure** this recognises adjustments to the Council Fund for the timing differences for premiums and discounts.

2018/19	Final Outturn Report (Management Accounts)	Technical adjustments to Management Accounts	Net Expenditure Chargeable to the Council Fund and HRA Balances	Adjustments between Funding & Accounting Basis			Total Adjustments	Net Expenditure in the Comprehensive Income and Expenditure Statement	
				£000	£000	£000			£000
Customers, Communication & Marketing	2,964	290	3,254	339	85	0	424	3,678	
Education & Children's Services	15,277	(200)	15,077	81	365	(115)	331	15,408	
Schools	68,405	(117)	68,288	12,320	(150)	464	12,634	80,922	
Business Improvement & Modernisation	4,521	152	4,673	461	31	(5)	487	5,160	
Legal, HR & Democratic Services	2,584	63	2,647	29	75	14	118	2,765	
Corporate & Miscellaneous	15,061	(2,890)	12,171	6	(762)	(2)	(758)	11,413	
Facilities, Assets & Housing	7,328	(516)	6,812	3,414	375	36	3,825	10,637	
Finance	3,138	(83)	3,055	0	72	4	76	3,131	
Highways & Environment	19,556	141	19,697	6,986	335	25	7,346	27,043	
Planning & Public Protection	2,983	(98)	2,885	1,751	140	(7)	1,884	4,769	
Community Support Services	35,111	1,089	36,200	306	465	(98)	673	36,873	
Local Authority Housing (HRA)	0	(5,339)	(5,339)	6,485	97	2	6,584	1,245	
Net Cost of Services	176,928	(7,508)	169,420	32,178	1,128	318	33,624	203,044	
Other Income and Expenditure	0	(165,215)	(165,215)	(35,525)	6,863	(18)	(28,680)	(193,895)	
(Surplus) or Deficit	176,928	(172,723)	4,205	(3,347)	7,991	300	4,944	9,149	
Opening Council Fund & HRA Balance			(39,203)						
IFRS 9 Adjustment			(4,733)						
Council Fund & HRA balance at 1.4.18			(43,936)						
Less/Plus (Surplus) or Deficit on Council Fund & HRA Balance in Year			4,205						
Closing Council Fund & HRA Balance at 31 March*			(39,731)						

* For a split of this balance between the Council Fund and the HRA see the Movement in Reserves Statement

	Final Outturn Report (Management Accounts) £000	Technical adjustments to Management Accounts £000	Net Expenditure Chargeable to the Council Fund and HRA Balances £000	Adjustments between Funding & Accounting Basis			Total Adjustments £000	Net Expenditure in the Comprehensive Income and Expenditure Statement £000
				Adjustments for Capital Purposes (Note 1) £000	Net change for the Pension Adjustments (Note 2) £000	Other Differences (Note 3) £000		
2017/18								
Customers, Communication & Marketing	3,004	(218)	2,786	287	113	(10)	390	3,176
Education & Children's Services	13,415	749	14,164	79	444	54	577	14,741
Schools	66,229	(254)	65,975	9,965	61	(763)	9,263	75,238
Business Improvement & Modernisation	4,556	715	5,271	538	159	2	699	5,970
Legal, HR & Democratic Services	2,590	(16)	2,574	12	162	(5)	169	2,743
Corporate & Miscellaneous	18,021	(4,819)	13,202	2,409	(986)	(6)	1,417	14,619
Facilities, Assets & Housing	6,668	(474)	6,194	4,325	537	(75)	4,787	10,981
Finance	2,914	217	3,131	0	106	(3)	103	3,234
Highways & Environment	17,765	(856)	16,909	7,047	453	(57)	7,443	24,352
Planning & Public Protection	3,001	111	3,112	3,194	216	(14)	3,396	6,508
Community Support Services	32,356	(242)	32,114	364	736	26	1,126	33,240
Local Authority Housing (HRA)	0	(5,666)	(5,666)	7,063	139	15	7,217	1,551
Net Cost of Services	170,519	(10,753)	159,766	35,283	2,140	(836)	36,587	196,353
Other Income and Expenditure	0	(159,663)	(159,663)	(31,255)	7,209	(6)	(24,062)	(183,725)
(Surplus) or Deficit	170,519	(170,416)	103	4,018	9,349	(842)	12,525	12,628
Opening Council Fund & HRA Balance			(39,306)					
Less/Plus (Surplus) or Deficit on Council Fund & HRA Balance in Year			103					
Closing Council Fund & HRA Balance at 31 March*			(39,203)					

Comprehensive Income and Expenditure Statement

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation or rents. Authorities raise taxation and rents to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis and the Movement in Reserves Statement.

	2017/18			2018/19		
	Gross Expenditure £000	Gross Income £000	Net Expenditure £000	Gross Expenditure £000	Gross Income £000	Net Expenditure £000
	3,353	(177)	3,176	4,289	(611)	3,678
	27,395	(12,654)	14,741	29,066	(13,658)	15,408
	84,652	(9,414)	75,238	89,418	(8,496)	80,922
	6,179	(209)	5,970	5,266	(106)	5,160
	3,513	(770)	2,743	3,550	(785)	2,765
	49,172	(34,553)	14,619	43,699	(32,286)	11,413
	21,784	(10,803)	10,981	22,917	(12,280)	10,637
	4,903	(1,669)	3,234	4,459	(1,328)	3,131
	35,768	(11,416)	24,352	36,683	(9,640)	27,043
	9,987	(3,479)	6,508	9,408	(4,639)	4,769
	55,914	(22,674)	33,240	62,027	(25,154)	36,873
	15,881	(14,330)	1,551	16,604	(15,359)	1,245
	318,501	(122,148)	196,353	327,386	(124,342)	203,044
			Cost of Services			

2017/18			2018/19		
Gross Expenditure £000	Gross Income £000	Net Expenditure £000	Gross Expenditure £000	Gross Income £000	Net Expenditure £000
19,080	(1,397)	17,683	18,687		18,687
16,087	(963)	15,124	16,267	(551)	15,716
	(216,532)	(216,532)		(228,298)	(228,298)
353,668	(341,040)	12,628	362,340	(353,191)	9,149
		(17,559)			(9,151)
		4,730			1,599
		(33,746)			26,255
		(46,575)			18,703
		(33,947)			27,852

Movement in Reserves Statement

This statement shows the movement in the year on the different reserves held by the Council, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other reserves. The (Surplus) or Deficit on the Provision of Services line shows the true economic cost of providing the Council's services, more details of which are shown in the Comprehensive Income & Expenditure Statement. These are different from the statutory amounts required to be charged to the Council Fund Balance and the Housing Revenue Account for council tax setting and dwellings rent setting purposes. The Net Increase/Decrease before Transfers to Earmarked Reserves line shows the statutory Council Fund Balance and Housing Revenue Account Balance before any discretionary transfers to or from earmarked reserves undertaken by the Council.

	Note	Revenue Reserves				Capital Reserves			Total Usable Reserves	Unusable Reserves	Total Authority Reserves
		Council Fund Balance	Earmarked Reserves	Housing Revenue Account	Capital Receipts Reserve	Capital Grants Unapplied	£000	£000			
Balance at 31 March 2018		(7,541)	(29,459)	(2,203)	(5,374)	(3,150)	(47,727)	(5,737)	(53,464)		
IFRS 9 Adjustment			(4,733)				(4,733)	124	(4,609)		
Balance at 1 April 2018		(7,541)	(34,192)	(2,203)	(5,374)	(3,150)	(52,460)	(5,613)	(58,073)		
Movement in reserves during 2018/19		8,163		986			9,149		9,149		
(Surplus) or Deficit on the Provision of Services	C1&ES									9,149	
Other Comprehensive Income & Expenditure	C1&ES							18,703	18,703		
Total Comprehensive Income & Expenditure		8,163		986			9,149	18,703	27,852		
Adjustments Between Accounting Basis & Funding Basis Under Regulation	8	(4,517)		(427)	(1,060)	(1,445)	(7,449)	7,449			
Net (Increase)/Decrease before Transfers to Earmarked Reserves		3,646		559	(1,060)	(1,445)	1,700	26,152	27,852		
Transfers to/from Earmarked Reserves	21	(3,579)	3,619	(40)			0				
(Increase)/Decrease in 2018/19		67	3,619	519	(1,060)	(1,445)	1,700	26,152	27,852		
Balance at 31 March 2019		(7,474)	(30,573)	(1,684)	(6,434)	(4,595)	(50,760)	20,539	(30,221)		

	Note	Revenue Reserves			Capital Reserves			Total Usable Reserves	Unusable Reserves	Total Authority Reserves
		Council Fund Balance	Earmarked Reserves	Housing Revenue Account	Capital Receipts Reserve	Capital Grants Unapplied				
		£000	£000	£000	£000	£000	£000			
2017/18		(7,549)	(29,210)	(2,547)	(4,846)	(3,807)	(47,959)	28,442	(19,517)	
Balance at 31 March 2017										
Movement in reserves during 2017/18										
(Surplus) or Deficit on the Provision of Services	CI&ES	9,994		2,634			12,628		12,628	
Other Comprehensive Income & Expenditure	CI&ES	9,994		2,634			12,628	(46,575)	(46,575)	
Total Comprehensive Income & Expenditure		(10,172)		(2,353)	(528)	657	(12,396)	12,396		
Adjustments Between Accounting Basis & Funding Basis Under Regulation	8	(178)		281	(528)	657	232	(34,179)	(33,947)	
Net (Increase)/Decrease before Transfers to Earmarked Reserves		186	(249)	63			0			
Transfers to/from Earmarked Reserves	21	8	(249)	344	(528)	657	232	(34,179)	(33,947)	
((Increase)/Decrease in 2017/18										
Balance at 31 March 2018		(7,541)	(29,459)	(2,203)	(5,374)	(3,150)	(47,727)	(5,737)	(53,464)	

Balance Sheet

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Council. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Council. Reserves are reported in two categories. The first category of reserves are usable reserves i.e. those reserves that the authority may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). The second category of reserves includes reserves that the Council is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments Between Accounting Basis and Funding Basis Under Regulation'.

31 March 2018 £000		Note	31 March 2019 £000	31 March 2019 £000
100,841	<i>Council Dwellings</i>		98,942	
232,385	<i>Other Land & Buildings</i>		230,454	
8,546	<i>Vehicles, Plant, Furniture & Equipment</i>		10,527	
120,165	<i>Infrastructure</i>		122,102	
2,466	<i>Community Assets</i>		2,466	
18,779	<i>Assets Under Construction</i>		41,114	
4,258	<i>Surplus Assets not Held for Sale</i>		5,316	
487,440	Property, Plant & Equipment	14	510,921	
8,495	Heritage Assets	38	15,145	
8,623	Investment Property	15	8,581	
1	Long Term Investments	18	1	
661	Long Term Debtors	18	2,392	
505,220	Long Term Assets			537,040
7,400	Short Term Investments	18	4,400	
4,946	Assets Held for Sale (<1yr)	19	2,898	
1,127	Inventories		1,238	
23,204	Short Term Debtors	16	30,811	
4,027	Cash & Cash Equivalents	CFS	4,177	
40,704	Current Assets			43,524
(31,935)	Short Term Borrowing	18	(26,502)	
(25,950)	Short Term Creditors	20	(30,603)	
(641)	Provisions		(350)	
(2,298)	Provision for Accumulated Absences		(2,617)	
(1,042)	Revenue Grants Receipts in Advance		(2,191)	
(2,082)	Capital Grants Receipts in Advance		(2,332)	
(63,948)	Current Liabilities			(64,595)
(3,340)	Long Term Creditors	18	(3,340)	
(347)	Provisions		(162)	
(175,364)	Long Term Borrowing	18	(198,539)	
(249,461)	Other Long Term Liabilities	23	(283,707)	
(428,512)	Long Term Liabilities			(485,748)
53,464	Net Assets			30,221

31 March 2018 £000		Note	31 March 2019 £000	31 March 2019 £000
(7,541)	Council Fund	22	(7,474)	
(29,459)	Earmarked Reserves	21	(30,573)	
(2,203)	Housing Revenue Account	22	(1,684)	
(5,374)	Capital Receipts Reserve	22	(6,434)	
(3,150)	Capital Grants Unapplied	22	(4,595)	
(47,727)	Usable Reserves			(50,760)
(100,153)	Revaluation Reserve		(102,667)	
249,461	Pensions Reserve		283,707	
(205)	Deferred Capital Receipts Reserve		(205)	
(157,489)	Capital Adjustment Account		(163,369)	
351	Financial Instruments Adjustment Account		456	
2,298	Short Term Accumulating Compensated Absences Account		2,617	
(5,737)	Unusable Reserves	23		20,539
(53,464)	Total Reserves			(30,221)

Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents of the Council during the reporting period. The statement shows how the authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Council are funded by way of taxation and grant income or from the recipients of services provided by the authority. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute towards the Council's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Council.

2017/18 £000		Note	2018/19 £000
12,628	Net (Surplus) or Deficit on the Provision of Services		9,149
(27,053)	Adjustments to Net (Surplus) or Deficit on the Provision of Services for non-cash movements		(23,821)
2,220	Adjustments for items included in the Net (Surplus) or Deficit on the Provision of Services that are investing and financing activities		2,738
(12,205)	Net cash flows from Operating Activities	24	(11,934)
29,087	Investing Activities	25	35,623
(20,070)	Financing Activities	26	(23,839)
(3,188)	Net (increase) or decrease in Cash & Cash Equivalents		(150)
839	Cash & Cash Equivalents at the beginning of the period		4,027
3,188	Increase/(Decrease) in Cash		150
4,027	Cash & Cash Equivalents at the end of the reporting period		4,177

The balance of cash and cash equivalents is made up of the following elements:

326	Cash held by the Council	346
(1,499)	Bank current accounts	(1,469)
5,200	Cash held in instant call account	5,300
4,027	Cash & Cash Equivalents at the end of the reporting period	4,177

Notes to the Accounts**1. Accounting Policies****i. General Principles**

The Statement of Accounts summarises the Council's transactions for the 2018/19 financial year position at the year-end of 31 March 2019. The Council is required to prepare an Annual Statement of Accounts by the Accounts and Audit (Wales)(Amendment) Regulations 2018. Those Regulations require the Statement of Accounts to be prepared in accordance with proper accounting practices. These practices primarily comprise the 'Code of Practice on Local Authority Accounting in the United Kingdom 2018/19' (the Code), supported by International Financial Reporting Standards (IFRS).

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

The Council's presentation of the accounts complies with the adoption of International Financial Reporting Standards (IFRS). The Main Statements comprise:

- The Movement in Reserves Statement
- The Comprehensive Income and Expenditure Statement
- The Balance Sheet
- The Cash Flow Statement

ii. Accounting for Local Authority Schools

The Code of Practice on Local Authority Accounting in the United Kingdom confirms that the balance of control for local authority maintained schools (i.e. those categories of schools identified in the School Standards and Framework Act 1998, as amended) lies with the local authority. The Code also stipulates that those schools' assets, liabilities, reserves and cash flows are recognised in the local authority financial statements. Therefore schools' transactions, cash flows and balances are recognised in each of the financial statements of the authority as if they were the transactions, cash flows and balances of the authority.

iii. Accruals of Income and Expenditure

Activity is accounted for in the year it takes place, not simply when cash payments are made or received. In particular:

- Fees, charges and rents due from customers are accounted for as income at the date the Council provides the relevant goods and services.
- Supplies of goods and services are recorded as expenditure when they are consumed. Where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Interest payable on borrowing and receivable on investments is accounted for on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where income and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where it is doubtful that debts will be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

iv. Cash and Cash Equivalents

Cash is represented by cash in hand and cash held in deposit accounts which is repayable on demand. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in the value. This means that 'Cash and Cash Equivalents' includes cash held in the bank, demand deposits and instant access call accounts.

v. Charges to Revenue for Non-Current Assets

Services, support services and trading accounts are debited with the following amounts to record the cost of holding non-current assets during the year:

- depreciation attributable to the assets used by the relevant service
- revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off
- amortisation of intangible fixed assets attributable to the service

The Council is not required to raise Council Tax to fund depreciation, revaluation and impairment losses or amortisation. However, it is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirement equal to an amount calculated on a prudent basis determined by the Council in accordance with statutory guidance. Depreciation, revaluation and impairment losses and amortisation are therefore replaced by the contribution in the Council Fund Balance (MRP) by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

vi. Employee Benefits**Benefits Payable During Employment**

Short term employee benefits such as wages and salaries, paid annual leave, sick leave and expenses are paid on a monthly basis and charged on an accruals basis to the relevant service line of the Comprehensive Income & Expenditure Statement.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Council to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the appropriate service line in the Comprehensive Income & Expenditure Statement, at the earlier of when the authority can no longer withdraw the offer of those benefits or when the authority recognises costs for a restructuring.

Where termination benefits involve the enhancement of pensions, statutory provisions require the Council Fund balance to be charged with the amount payable by the Council to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits

for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post Employment Benefits

Employees of the Council are members of two separate pension schemes:

- The Teachers' Pension Scheme, administered by Capita Teachers' Pensions on behalf of the Department for Education (DfE).
- The Local Government Pension Scheme, administered by Flintshire County Council.

Both schemes provided defined benefits to members (retirement lump sums and pensions), earned as employees worked for the Council.

However, the arrangements for the teachers' scheme mean that liabilities for these benefits cannot ordinarily be identified specifically to the Council. The scheme is therefore accounted for as if it were a defined contribution scheme and no liability for future payments of benefits is recognised in the Balance Sheet. The Schools and Education & Children's Services lines in the Comprehensive Income & Expenditure Statement are charged with the employer's contributions payable to Teachers' Pensions in the year.

The Local Government Pension Scheme

The Local Government Pension Scheme is accounted for as a defined benefits scheme:

- The liabilities of the Clwyd Pension Fund attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method - i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates etc., and estimates of projected earnings for current employees.
- Liabilities are discounted to their value at current prices, using a discount rate based on the market value yields at the reporting date on high quality corporate bonds.
- The assets of Clwyd Pension Fund attributable to the Council are included in the Balance Sheet at their fair value.
 - quoted securities - current bid price
 - unquoted securities - professional estimate
 - unlisted securities - current bid price
 - property - market value
- The change in the net pensions liability is analysed into the following components:
Service cost comprising:
 - current service cost - the increase in liabilities as a result of years of service earned this year - allocated in the Comprehensive Income & Expenditure Statement to the services for which the employees worked.
 - past service cost - the increase in liabilities arising from current year decisions, the effect of which relates to years of service earned in earlier years - debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income & Expenditure Statement as part of Corporate & Miscellaneous.
 - net interest on the net defined benefit liability, i.e. net interest expense for the authority - the change during the period in the net defined benefit liability that arises from the passage of time, Charged to the financing & Investment Income &

Expenditure line of the Comprehensive Income & Expenditure Statement. This is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability at the beginning of the period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments.

Remeasurements comprising:

- the return on plan assets - excluding amounts included in net interest on the net defined benefit liability - charged to the Pensions Reserve as Other Comprehensive Income & Expenditure.
- actuarial gains and losses - changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions - charged to the Pensions Reserve as Other Comprehensive Income & Expenditure.

Contributions paid to the Clwyd Pension Fund - cash paid as employer's contributions to the pension fund.

In relation to retirement benefits, statutory provisions require the Council Fund Balance to be charged with the amount payable by the Council to the pension fund in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the Council Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Discretionary Benefits

The Council also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff (including teachers) are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

vii. Events After the Reporting Period

Events After the Reporting Period are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- Those that provide evidence of conditions that existed at the end of the reporting period - the Statement of Accounts is adjusted to reflect such events.
- Those that are indicative of conditions that arose after the reporting period - the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

viii. Fair Value Measurement

The authority measures some of its non-financial assets such as surplus assets and investment properties and some of its financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the asset or liability, or
- b. In the absence of a principal market, in the most advantageous market for the asset or liability.

The authority measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

When measuring the fair value of a non-financial asset, the authority takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The authority uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the authority's financial statements are categorised within the fair value hierarchy as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the authority can access at the measurement date
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 - unobservable inputs for the asset or liability

ix. Financial Instruments

Financial Liabilities

Financial liabilities are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and are carried at their amortised cost. Annual charges to the Financing & Investment Income and Expenditure line in the Comprehensive Income & Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

For all of the borrowing the Council has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest) and interest charged to the Comprehensive income & Expenditure Statement is the amount payable

for the year according to the loan agreement.

Gains and losses on the repurchase or early settlement of borrowing are credited and debited to the Financing & Investment Income and Expenditure line in the Comprehensive Income & Expenditure Statement in the year of repurchase/settlement. However, where repurchase has taken place as part of a restructuring of the loan portfolio that involves the modification or exchange of existing instruments, the premium or discount is respectively deducted from or added to the amortised cost of the new modified loan and the write-down to the Comprehensive Income & Expenditure Statement is spread over the life of the loan by an adjustment to the effective interest rate. However in 2018/19 with the introduction of IFRS 9, the Council has had to recalculate the carrying amount of the modified loan as at 1 April 2018 using the original effective interest rate. The change has resulted in a credit to the CI&ES and a new reserve being set up. The increase in interest charges over the remainder of the loan period will mean that the reserve will be used to fund this increase.

Where premiums and discounts have been charged to the Comprehensive Income & Expenditure Statement, regulations allow the impact on the Council Fund Balance to be spread over future years. The Council has a policy of spreading the gain or loss over the term that was remaining on the loan against which the premium was payable or discount receivable when it was repaid. The reconciliation of amounts charged to the Comprehensive Income & Expenditure Statement to the net charge required against the Council Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

Financial Assets

Financial assets are classified into two types:

- loans and receivables - assets that have fixed or determinable payments but are not quoted in an active market
- available-for-sale assets - assets that have a quoted market price and/or do not have fixed or determinable payments

Loans and Receivables

Loans and receivables are recognised in the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing & Investment Income and Expenditure line in the Comprehensive Income & Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For all of the loans that the Council has made, this means that the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the Comprehensive Income & Expenditure Statement is the amount receivable for the year in the loan agreement.

Where assets are identified as impaired because of a likelihood arising from a past event that payments due under the contract will not be made, the asset is written down and a charge made to the relevant service (for receivables specific to that service) or the

Financing & Investment Income and Expenditure line in the Comprehensive Income & Expenditure Statement. The impairment loss is measured as the difference between the carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate.

Any gains and losses that arise on the de-recognition of an asset are credited or debited to the Financing & Investment Income and Expenditure line in the Comprehensive Income & Expenditure Statement.

Soft Loans

A soft loan is a loan which the Council has given to an external body at an interest rate which is less than the market rate. In this case, soft loan accounting needs to be applied. However, if the size of the transaction is deemed to be de-minimis, there is no need to apply soft loan accounting. The Council has set this de-minimis level at £150k for each individual loan granted or where the fair value adjustment is not material.

x. Government Grants and Contributions

Whether paid on account, by instalments, or in arrears, government grants and third party contributions and donations are recognised as due to the Council when there is reasonable assurance that:

- the Council will comply with the conditions attached to the payments, and
- the grants or contributions will be received.

Amounts recognised as due to the Council are not credited to the Comprehensive Income & Expenditure Statement until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When the conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation & Non-specific Grant Income (non-ring fenced revenue grants and all capital grants) in the Comprehensive Income & Expenditure Statement.

Where capital grants are credited to the Comprehensive Income & Expenditure Statement, they are reversed out of the Council Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied Reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

xi. Heritage Assets

Tangible & Intangible Heritage Assets (described in this summary of significant accounting policies as Heritage Assets)

The Council's Heritage Assets are held at a number of sites, including Rhyl Museum (within Rhyl Library). Nantclwyd-y-Dre, Ruthin Gaol and Plas Newydd have permanent collections and the buildings themselves are also treated as Heritage Assets. All sites (except Nantclwyd-y-Dre) are accredited under the Arts Council of England Museums Accreditation scheme.

The collections of Heritage Assets are held in support of the primary objective of the Council's museums i.e. to care for the heritage of Denbighshire, making it accessible for all through inspiration, learning and enjoyment.

Heritage Assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Council's accounting policies on Property, Plant & Equipment. However, some of the measurement rules are relaxed in relation to Heritage Assets as the Council considers that obtaining valuations for the collections would involve a disproportionate cost in comparison to the benefits provided to the users of the financial statements. This is because of the diverse nature of the assets held and the lack of comparable values. The collections are monitored in accordance with a Collections Development Policy approved under Museums Accreditation and items are only added infrequently according to set procedure.

All collections care work aims to comply with the Museums Accreditation standards. Asset lives of the collections are deemed to be indefinite due to the preventative work undertaken by Denbighshire's Heritage Service and because of the nature of the items concerned. It is not appropriate therefore to charge depreciation.

The Council adheres to the Museums Association's guidelines on disposal.

xii. Investment Property

Investment Properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale.

Investment Properties are measured initially at cost and subsequently at fair value, being the price that would be received to sell such an asset in an orderly transaction between market participants at the measurement date. As a non-financial asset, Investment Properties are measured at highest and best use. Properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the Financing & Investment Income and Expenditure line in the Comprehensive Income & Expenditure Statement. The same treatment is applied to gains and losses on disposal.

A de-minimis expenditure level of £30k has been set for Investment Properties, below which expenditure will not be subject to capital accounting requirements. Where an asset is revalued below £30k, any associated expenditure and depreciation will normally be written out and the asset removed from the Fixed Asset Register.

Rentals received in relation to Investment Properties are credited to the Financing & Investment Income and result in a gain for the Council Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the Council Fund Balance. The gains and losses are therefore reversed out of the Council Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10k) the Capital Receipts Reserve.

xiii. Leases

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases.

Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

The Council as Lessee**Finance Leases**

Property, plant and equipment held under finance leases is recognised on the Balance Sheet at the commencement of the lease at its fair value measured at the lease's inception (or the present value of the minimum lease payments, if lower). The asset recognised is matched by a liability for the obligation to pay the lessor. Initial direct costs of the Council are added to the carrying amount of the asset. Premiums paid on entry into a lease are applied to writing down the lease liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Lease payments are apportioned between:

- a charge for the acquisition of the interest in the property, plant or equipment - applied to write down the lease liability, and
- a finance charge (debited to the Financing & Investment Income and Expenditure line in the Comprehensive Income & Expenditure Statement).

Property, plant and equipment recognised under finance leases is accounted for using the policies applied generally to such assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life (where ownership of the asset does not transfer to the Council at the end of the lease period).

The Council is not required to raise council tax to cover depreciation or revaluation and impairment losses arising on leased assets. Instead, a prudent annual contribution is made from revenue funds towards the deemed capital investment in accordance with statutory requirements. Depreciation and revaluation and impairment losses are therefore

substituted by a revenue contribution in the Council Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

Operating Leases

Rentals paid under operating leases are charged to the Comprehensive Income & Expenditure Statement as an expense of the services benefitting from use of the leased property, plant or equipment.

The Council as Lessor

Finance Leases

Where the Council grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the Balance Sheet as a disposal. At the commencement of the lease, the carrying amount of the asset on the Balance Sheet (whether Property, Plant & Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income & Expenditure Statement as part of the gain or loss on disposal. A gain, representing the Council's net investment in the lease, is credited to the same line in the Comprehensive Income & Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal), matched by a lease (long term debtor) asset in the Balance Sheet.

Lease rentals are apportioned between:

- a charge for the acquisition of the interest in the property - applied to write down the lease debtor (together with any premiums received), and
- finance income (credited to the Financing & Investment Income and Expenditure line in the Comprehensive Income & Expenditure Statement).

The gain credited to the Comprehensive Income & Expenditure Statement on disposal is not permitted by statute to increase the Council Fund Balance and is required to be treated as a capital receipt. Where a premium has been received, this is posted out of the Council Fund Balance to the Capital Receipts Reserve in the Movement in Reserves Statement. Where the amount due in relation to the lease asset is to be settled by the payment of rentals in future financial years, this is posted out of the Council Fund Balance to the Deferred Capital Receipts Reserve in the Movement in Reserves Statement. When the future rentals are received, the element for the capital receipt for the disposal of the asset is used to write down the lease debtor. At this point, the deferred capital receipts are transferred to the Capital Receipts Reserve.

The written-off value of disposals is not a charge against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the Capital Adjustment Account from the Council Fund Balance in the Movement in Reserves Statement.

Operating Leases

Where the Council grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the Other Operating Expenditure line in the Comprehensive Income & Expenditure Statement.

xiv. Non Exchange Revenue

Recognition of Revenue from Non-exchange Transactions

Assets and revenue arising from non-exchange transactions are recognised in accordance with the requirements of IAS 20 Accounting for Government Grants and Disclosure of Government Assistance, except where interpreted or adapted to fit the public sector are detailed in the Code and/or IPSAS 23, 'Revenue from Non-exchange Transactions (Taxes and Transfers)'.

Taxation Transactions

Assets and revenue arising from taxation transactions are recognised in the period in which the taxable event occurs, provided that the assets satisfy the definition of an asset and meet the criteria for recognition as an asset.

Non-taxation Transactions

Assets and revenue arising from transfer transactions are recognised in the period in which the transfer arrangement becomes binding. Services in-kind are not recognised.

Where a transfer is subject to conditions that, if unfulfilled, require the return of the transferred resources, the authority recognises a liability until the condition is fulfilled.

Basis of Measurement of Major Classes of Revenue from Non-exchange Transactions

Taxation revenue is measured at the nominal value of cash and cash equivalents. Assets and revenue recognised as a consequence of a transfer are measured at the fair value of the assets recognised as at the date of recognition:

- Monetary assets are measured at their nominal value unless the time value of money is material, in which case present value is used, calculated using a discount rate that reflects the risk inherent in holding the asset; and
- Non-monetary assets are measured at their fair value, which is determined by reference to observable market values or by independent appraisal by a member of the valuation profession. Receivables are recognised when a binding transfer arrangement is in place but cash or other assets have not been received.

xv. Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to

correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Council's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

xvi. Property, Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant & Equipment.

Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant & Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

A de-minimis expenditure level of £30k has been set for Property, Plant & Equipment, below which expenditure will not be subject to capital accounting requirements. Where an asset is revalued below £30k, any associated expenditure and depreciation will normally be written out and the asset removed from the Fixed Asset Register.

Measurement

Assets are initially measured at cost, comprising:

- the purchase price
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management
- an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located

The Council does not capitalise borrowing costs incurred whilst assets are under construction.

The cost of assets acquired other than by purchase is deemed to be its fair value, unless the acquisition does not have commercial substance (i.e. it will not lead to a variation in

the cash flows of the Council). In the latter case, where an asset is acquired via an exchange, the cost of acquisition is the carrying amount of the asset given up by the Council.

Assets are carried in the Balance Sheet using the following measurement bases:

- infrastructure - depreciated historic cost
- community assets and assets under construction - historical cost
- dwellings - current value, determined using the basis of EUV-SH (existing use value for social housing).
- all other assets - current value, determined as the amount that would be paid for the asset in its existing use (existing use value - EUV).

Where there is no market based evidence of current value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of current value.

Where non-property assets have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for current value.

Subsequent revaluations of non-current assets are planned as part of a continuous assessment in order that all assets are revalued within five years of their previous valuation, although material changes to asset valuation will be adjusted in the interim period as they occur. 100% of the Council dwellings were revalued during 2016/17. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the Comprehensive Income & Expenditure Statement where they arise from a reversal of a loss previously charged to a service.

Where decreases in value are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).
- where there is no balance on the Revaluation Reserve or an insufficient balance, the carrying amount of the assets is written down against the relevant service line(s) in the Comprehensive Income & Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income & Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income & Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

Depreciation is provided for on all Property, Plant & Equipment assets in the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable useful life (i.e. freehold land and certain community assets) and assets that are not yet available for use (i.e. assets under construction).

Depreciation is calculated using the following bases:

- dwellings and other buildings - straight-line allocation over the useful life of the property as estimated by the valuer
- vehicles, plant, furniture and equipment - straight line method
- infrastructure - straight line allocation over 40 years

Depreciation is not charged in the year of acquisition or disposal.

Componentisation

It is Council policy that where a material item of property, plant and equipment has major components, whose cost is significant in relation to the total costs of the item, the components are depreciated separately. The requirements are applicable to enhancement expenditure incurred, acquisition expenditure incurred and revaluations carried out. A de-minimis materiality level of £2.5m of the value of the asset has been set, below which individual items of property, plant and equipment will not be considered for componentisation. Significant components will be deemed as those whose current cost is 20% or more of the total current cost of the asset and categorised as follows based on significance, useful life and depreciation method:

- superstructure and substructure
- internal finishes and fittings
- services

Land is identified as a separate component in its own right.

Revaluation gains are also depreciated, with an amount equal to the differences between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Disposals and Non-current Assets Held for Sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income & Expenditure Statement. Gains in fair value are recognised only up to the amount of any previous losses recognised in the Surplus or Deficit on the Provision of Services. Depreciation is not charged on Assets Held for Sale. If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to non-current assets and valued at the lower of their carrying amount before they were classified as Held for Sale, adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as Held for Sale and their recoverable amount at the date of the decision not to sell.

Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant & Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income & Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income & Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for a disposal in excess of £10k are categorised as capital receipts. Receipts are required to be credited to the Capital Receipts Reserve, and can then only be used for new capital investment or set aside to reduce the Council's underlying need to borrow (the capital financing requirement). Receipts are appropriated to the Reserve from the Council Fund Balance in the Movement in Reserves Statement.

The written-off value of disposals is not a charge against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the Council Fund Balance in the Movement in Reserves Statement.

xvii. Provisions

Provisions are made where an event has taken place that gives the Council a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income & Expenditure Statement in the year that the Council becomes aware of the obligation and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance

Sheet. Estimated settlements are reviewed at the end of each financial year. Where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the Council settles the obligation.

xviii. Reserves

The Council sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the Council Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision of Services in the Comprehensive Income & Expenditure Statement. The reserve is then appropriated back into the Council Fund Balance in the Movement in Reserves Statement so there is no net charge against council tax for the expenditure.

xix. Revenue Expenditure Funded from Capital Under Statute

Expenditure incurred during the year that may be capitalised under statutory provisions but does not result in the creation of non-current assets has been charged as expenditure to the relevant service revenue account in the year. Where the Council has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer to the Capital Adjustment Account then reverses out the amounts charged in the Movement in Reserves Statement so there is no impact on the level of council tax.

xx. VAT

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

2. Accounting Standards That Have Been Issued but Not Yet Adopted

Under the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 (the Code), the Council is required to disclose information setting out the impact of an accounting change required by a new accounting standard that has been issued but not yet adopted by the Code.

IFRS 16 Leases

This will require a local authority which is a lessee to recognise most leases on the Balance Sheet as right-of-use assets with corresponding lease liabilities (there is a recognition for low-value and short-term leases). CIPFA/LASAAC have deferred implementation of IFRS 16 for local government to 1 April 2020.

IAS 40 Investment Property: Transfers of Investment Property

This provides further explanation of the instances in which a property can be reclassified as an investment property. It is not expected to have any impact on the Council.

IFRIC 22 Foreign Currency Transactions and Advance Consideration

This clarifies the treatment of payments in a foreign currency made in advance of obtaining or delivering services or goods. The Council does not have any material transactions within the scope of the amendment.

IFRIC 23 Uncertainty over Income Tax Treatments

This provides additional guidance on income tax treatment when there is uncertainty. This is not expected to have an impact on the accounts.

IFRS 9 Financial Instruments: Prepayment Features with Negative Compensation

This amends IFRS 9 to make clear that amortised cost should be used where prepayments are substantially lower than the unpaid principal and interest. The Council has no loans within the scope of this amendment.

3. Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in Note 1, the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events.

- **Future Levels of Government Funding** - There is a high degree of uncertainty around the future levels of funding for local authorities. The Council has set aside amounts in provisions, balances and reserves which it believes are appropriate to manage the Council's finances over the medium term. The Council has also determined that its strong track record in financial and budgetary management means that there is as yet insufficient reason to change the assumption that the assets of the Council will not be significantly impaired as a result of the need to close facilities and/or significantly reduce levels of service provision. This judgement is kept under regular review.
- **Economic Uncertainty** - While assessing the appropriate levels of provisions, balances and reserves, the wider economic picture has also been taken into account.

4. Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty

The Statement of Accounts contains some estimated figures that are based on assumptions made by the Council about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be different from the assumptions and estimates. It is likely that the use of estimates when, for example, calculating accruals and service recharges will increase over the coming years due to the need to comply with the Welsh Government's proposals to bring forward the timetable for publishing the statements of accounts of local authorities, to bring them into line with other parts of the public sector. There has not, however, been a need for any significant increase in use of estimates in the current Statement of Accounts.

The items in the Balance Sheet at 31 March 2019 for which there is some risk of adjustment in the forthcoming financial year are as follows:

Property, Plant & Equipment

Assets are depreciated over useful lives that are dependent on assumptions about the future level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the Council will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to some of the assets. If the useful life of the asset is reduced, depreciation increases and the carrying amount of the asset falls. Property, Plant & Equipment are revalued on a periodic basis and tested annually for indicators of impairment. Judgements are required to make an assessment as to whether there is an indication of impairment. The impairment tests include examination of capital expenditure incurred in the financial year to ascertain whether it has resulted in an increase in value or an impairment of an asset. Advice has been provided by the Council's valuers. If the actual results differ from the assumptions, the value of PP&E assets will be over or under-stated. This would be adjusted when the assets were next revalued.

The value of Property, Plant & Equipment disclosed on the Balance Sheet is £510,921k and further information is contained within Note 14.

Minimum Revenue Provision (MRP)

The Council amended its MRP policy for 2017/18 in relation to supported borrowing. For supported borrowing, the policy was changed to calculate MRP based on 50 years for Council Fund debt on capital expenditure incurred prior to 1 April 2017, and based on expected useful life for capital expenditure incurred after 1 April 2017. The total MRP paid in 2018/19 was £9,297k as per Note 8.

Pension Liability

Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Council with expert advice about the assumptions to be applied.

The value of the pension liability and corresponding pension reserve disclosed on the Balance Sheet is £283,707k. Detailed information is contained within Notes 23, 35 and 36.

Employee Benefit Accrual

The accrual for employee benefits (annual and flexi time leave) was calculated based on a sample of employees. The balance on the Accumulated Absences Account as at 31 March 2019 was £2,617k and is detailed in Note 23.

Arrears

A review of outstanding debt has been made and an allowance made for doubtful debts. Any allowance made for doubtful future debts has to be based on an estimate. The allowance made is prudent but any changes such as economic climate and further changes to the welfare system mean that the allowances may need to be reviewed next year.

At 31 March 2019 the Council had a sundry debtor balance of £7,488k. A review of this balance suggested a specific bad debts provision of £943k and a general bad debts provision of £884k was appropriate. The Council Tax arrears were £2,691k with a bad debts provision of £1,650k. National Non-Domestic Rates arrears were £507k with a bad debts provision of £196k. Housing Benefit Overpayments had arrears of £1,679k with a bad debts provision of £821k. The figures for Housing Rents are shown in Housing Revenue Account Note 2.

5. Material Items of Income and Expense

There were no material items of income or expense in the financial year 2018/19.

6. Events After the Balance Sheet Date

The Statement of Accounts was authorised for issue by the Chief Financial Officer in June 2019. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31 March 2019, the figures in the financial statements have been adjusted in all material respects to reflect the impact of this information.

7. Expenditure and Income Analysed by Nature

The authority's expenditure and income is analysed as follows:

2017/18 £000		2018/19 £000
	Expenditure	
132,806	Employee benefits expenses	138,136
4,944	Employee expenses of V A schools	4,973
147,668	Other services expenses	151,394
33,768	Depreciation, impairment & revaluation losses	33,692
16,087	Interest payments	16,267
16,147	Precepts and levies	16,734
2,248	Loss on the disposal of assets	1,144
353,668	Total Expenditure	362,340
	Income	
(56,471)	Fees, charges and other service income	(60,951)
(963)	Interest and investment income	(551)
(89,376)	Income from council tax and non-domestic rates	(92,200)
(193,575)	Government grants and contributions	(198,874)
(335)	Non-government grants and contributions	(615)
(320)	Gain on the disposal of assets	0
(341,040)	Total income	(353,191)
12,628	(Surplus) or Deficit on the Provision of Services	9,149

8. Adjustments between Accounting Basis and Funding Basis Under Regulation

This note details the adjustments that are made to the Total Comprehensive Income & Expenditure recognised by the Council in the year in accordance with proper accounting practice to arrive at the resources that are specified by statutory provisions as being available to the authority to meet future capital and revenue expenditure.

The following sets out a description of the reserves that the adjustments are made against.

Council Fund Balance

The Council Fund is the statutory fund into which all the receipts of an authority are required to be paid and out of which all liabilities of the authority are to be met, except to the extent that statutory rules might provide otherwise. These rules can also specify the financial year in which liabilities and payments should impact on the Council Fund Balance, which is not necessarily in accordance with proper accounting practice. The Council Fund Balance therefore summarises the resources that the Council is statutorily empowered to spend on its services or on capital investment at the end of the financial year. For housing authorities, however, the balance is not available to be applied to funding the HRA services.

Housing Revenue Account Balance

The Housing Revenue Account Balance reflects the statutory obligation to maintain a revenue account for local authority council housing provision in accordance with Part VI of the Local Government & Housing Act 1989. It contains the balance of income and expenditure as defined by the 1989 Act that is available to fund expenditure in connection with the Council's landlord function.

Capital Receipts Reserve

The Capital Receipts Reserve holds the proceeds from the disposal of land or other assets, which are restricted by statute from being used other than to fund new capital expenditure or to be set aside to finance historical capital expenditure. The balance on the reserve shows the resources that have yet to be applied for these purposes at year-end.

Capital Grants Unapplied

The Capital Grants Unapplied Account holds the grants and contributions received towards capital projects for which the Council has met the conditions that would otherwise require repayment of the monies but which have yet to be applied to meet expenditure. The balance is restricted by grant terms as to the capital expenditure against which it can be applied and/or the financial year in which this can take place.

The presentation of the following tables has been simplified in order to aid the reader in understanding the impact on Unusable Reserves.

Adjustments Between Accounting Basis and Funding Basis Under Regulation	Usable Reserves				Unusable Reserves £000	Relevant Unusable Reserve
	Council Fund Balance £000	Housing Revenue Account £000	Capital Receipts Reserve £000	Capital Grants Unapplied £000		
2018/19						
Adjustments to the Revenue Resources						
Amounts by which income and expenditure included in the Comprehensive Income & Expenditure Statement are different from revenue for the year in accordance with statutory requirements:						
• Pension Costs	(7,654)	(337)			7,991	Pensions Reserve
• Financial Instruments	16	3			(19)	Financial Instruments Adjustment Account
• Holiday Pay	(317)	(2)			319	Accumulated Absences Account
• Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure	(10,083)	(5,674)		(2,795)	18,552	Capital Adjustment Account
Total Adjustments to Revenue Resources	(18,038)	(6,010)	0	(2,795)		
Adjustments between Revenue and Capital Resources						
Transfer of non-current asset sales proceeds from revenue to the Capital Receipts Reserve	2,450	288	(2,738)		0	Deferred Capital Receipts Reserve
Statutory provision for the repayment of debt	6,444	2,853			(16,366)	Capital Adjustment Account
Capital expenditure financed from revenue balances	4,627	2,442				
Total Adjustments between Revenue and Capital Resources	13,521	5,583	(2,738)	0		
Adjustments to Capital Resources						
Use of the Capital Receipts Reserve to finance capital expenditure			1,678		(3,028)	Capital Adjustment Account
Application of capital grants to finance capital expenditure				1,350		
Total Adjustments to Capital Resources	0	0	1,678	1,350		
Total Adjustments	(4,517)	(427)	(1,060)	(1,445)	7,450	

Adjustments Between Accounting Basis and Funding Basis Under Regulation	Usable Reserves				Unusable Reserves £000	Relevant Unusable Reserve
	Council Fund Balance £000	Housing Revenue Account £000	Capital Receipts Reserve £000	Capital Grants Unapplied £000		
2017/18						
Adjustments to the Revenue Resources						
Amounts by which income and expenditure included in the Comprehensive Income & Expenditure Statement are different from revenue for the year in accordance with statutory requirements:						
• Pension Costs	(8,960)	(388)			9,348	Pensions Reserve
• Financial Instruments	6	0			(6)	Financial Instruments Adjustment Account
• Holiday Pay	850	(14)			(836)	Accumulated Absences Account
• Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure	(16,041)	(6,629)		(1,499)	24,169	Capital Adjustment Account
Total Adjustments to Revenue Resources	(24,145)	(7,031)	0	(1,499)		
Adjustments between Revenue and Capital Resources						
Transfer of non-current asset sales proceeds from revenue to the Capital Receipts Reserve	2,097	328	(2,220)		(205)	Deferred Capital Receipts Reserve
Statutory provision for the repayment of debt	6,163	2,703			(8,866)	Capital Adjustment Account
Capital expenditure financed from revenue balances	5,713	1,647			(7,360)	
Total Adjustments between Revenue and Capital Resources	13,973	4,678	(2,220)	0		
Adjustments to Capital Resources						
Use of the Capital Receipts Reserve to finance capital expenditure			1,692		(1,692)	Capital Adjustment Account
Application of capital grants to finance capital expenditure				2,156	(2,156)	
Total Adjustments to Capital Resources	0	0	1,692	2,156		
Total Adjustments	(10,172)	(2,353)	(528)	657	12,396	

9. Other Operating Expenditure

2017/18 £000		2018/19 £000
9,788	Police Precept	10,210
4,525	Fire Authority Precept	4,569
1,834	Community Council Precepts	1,955
851	(Gains)/Losses on Held for Sale Assets and the disposal of non-current assets	1,224
685	Pension Administration Costs	729
17,683	Total	18,687

10. Financing and Investment Income and Expenditure

2017/18 £000		2018/19 £000
9,147	Interest payable and similar charges	9,450
6,524	Net interest on the net defined benefit liability (asset)	6,134
(44)	Interest receivable and similar income	(106)
(503)	Income & expenditure in relation to Investment Properties & changes in their fair value	238
15,124	Total	15,716

11. Taxation and Non-specific Grant Income

2017/18 £000		2018/19 £000
(58,762)	Council tax income	(61,942)
(30,614)	Non-domestic rates	(30,258)
(109,860)	Non-ring fenced government grants	(112,860)
(17,296)	Capital grants and contributions	(23,238)
(216,532)	Total	(228,298)

12. Council Tax

Council Tax income derives from charges raised according to the value of residential properties, which have been classified into nine valuation bands, estimating 1 April 2003 values for this specific purpose. Charges are calculated by taking the amount of income required for Denbighshire County Council, each Community Council and the Office of the Police And Crime Commissioner, North Wales and dividing this amount by the Council Tax Base. The Council Tax Base is the total number of properties in each band adjusted to convert the number to a Band D equivalent and adjusted for discounts. The tax base was 39,555 in 2018/19 (39,275 in 2017/18).

The basic amount (including Community Council precept and Office of the Police and Crime Commissioner, North Wales precept) for a Band D property was £1,555.29 (£1,487.18 in 2017/18) and is multiplied by the proportion specified for the particular band to give the individual amount due.

Council tax bills were based on the following multipliers for bands A to I:

Band	A	B	C	D	E	F	G	H	I
Multiplier	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	21/9
No. of properties in Council Tax Systems at 31 March 2019	3,965	7,204	14,390	7,767	5,395	3,687	1,999	313	169

Analysis of the net proceeds from Council Tax:

2017/18 £000		2018/19 £000
58,762	Council Tax collectible	61,942
(9,788)	Amount payable to Office of the Police & Crime Commissioner, North Wales	(10,210)
(240)	Provision for non-payment of Council Tax	(257)
48,734	Net proceeds from Council Tax	51,475
46,872	Denbighshire County Council split:	
1,834	Denbighshire County Council	49,481
	Community Councils	1,955
28	Discretionary Non-domestic Rate Relief	39
48,734	Total	51,475

13. National Non-Domestic Rates (NNDR)

NNDR is organised on a national basis. The Welsh Government specified the rate of 51.4 p in 2018/19 (49.9p in 2017/18) and subject to the effects of transitional arrangements, local businesses pay rates calculated by multiplying their rateable value by that amount. The Council is responsible for collecting rates due from ratepayers in its area but pays the proceeds into the NNDR pool administered by the Welsh Government. The Welsh Government redistributes the sums payable to local authorities on the basis of a fixed amount per head of population.

The NNDR income (after relief and provisions) of £27,905k for 2018/19 (£24,102k for 2017/18) was based on an aggregate rateable value of £67,798k at year-end.

Analysis of the net proceeds from Non-Domestic Rates:

2017/18 £000		2018/19 £000
24,102	Non-Domestic Rates collectible	27,905
(23,690)	Less payment into National Pool	(27,631)
(219)	Less Cost of Collection Allowance	(226)
(193)	Less Provision for Bad Debts	(48)
0	Payment into National Pool	0
30,614	Redistribution from National Pool i.e. Net Proceeds from NNDR	30,259

14. Property, Plant and Equipment

2018/19	Council Dwellings £000	Other Land & Buildings £000	Vehicles, Plant, Furniture & Equipment £000	Infrastructure Assets £000	Community Assets £000	Surplus Assets £000	Assets Under Construction £000	Total Property, Plant & Equipment £000
Gross cost 1 April 2018	115,944	272,813	19,164	163,346	2,546	7,456	18,779	600,048
less: Depreciation and Impairment	(15,103)	(40,428)	(10,618)	(43,181)	(80)	(3,198)	0	(112,608)
Net Book value 1 April 2018	100,841	232,385	8,546	120,165	2,466	4,258	18,779	487,440
Additions	5,347	5,888	4,574	7,451		2,247	32,765	58,272
Revaluations	(474)	(2,932)	0	0		(513)	0	(3,919)
Depreciation	(2,085)	(6,730)	(2,523)	(4,041)		0	0	(15,379)
Impairment	(4,876)	(5,889)	(63)	(1,473)		(1,191)	0	(13,492)
Derecognitions and disposal	(288)	(927)	(7)	0		0	0	(1,222)
Transfers and Reclassifications	477	8,659	0	0		515	(10,430)	(779)
Net Book Value 31 March 2019	98,942	230,454	10,527	122,102	2,466	5,316	41,114	510,921
Gross Cost 31 March 2019	110,068	277,807	18,436	169,083	2,546	6,507	41,114	625,561
less: Depreciation and Impairment	(11,126)	(47,353)	(7,909)	(46,981)	(80)	(1,191)	0	(114,640)
Net Book Value 31 March 2019	98,942	230,454	10,527	122,102	2,466	5,316	41,114	510,921

The presentation of this note has been simplified for the 2018/19 Statement of Accounts.

2017/18	Council Dwellings £000	Other Land & Buildings £000	Vehicles, Plant, Furniture & Equipment £000	Infrastructure Assets £000	Community Assets £000	Surplus Assets £000	Assets Under Construction £000	Total Property, Plant & Equipment £000
Gross cost 1 April 2017	112,070	265,192	17,935	156,748	2,564	6,015	5,621	566,145
less: Depreciation and Impairment	(8,451)	(38,444)	(10,126)	(38,396)	(75)	(466)		(95,958)
Net Book value 1 April 2017	103,619	226,748	7,809	118,352	2,489	5,549	5,621	470,187
Additions	4,996	9,805	3,281	7,044	5	2,580	15,701	43,412
Revaluations	90	13,821	0	0	0	(597)	0	13,314
Depreciation	(2,089)	(6,590)	(2,510)	(3,898)	0	(22)	0	(15,109)
Impairment	(4,581)	(9,805)	(35)	(1,333)	(5)	(2,969)	0	(18,728)
Derecognitions and disposal	(328)	(3,016)	(22)	0	0	0	0	(3,366)
Transfers and Reclassifications	(866)	1,422	23	0	(23)	(283)	(2,543)	(2,270)
Net Book Value 31 March 2018	100,841	232,385	8,546	120,165	2,466	4,258	18,779	487,440
Gross Cost 31 March 2018	115,944	272,813	19,164	163,346	2,546	7,456	18,779	600,048
less: Depreciation and Impairment	(15,103)	(40,428)	(10,618)	(43,181)	(80)	(3,198)	0	(112,608)
Net Book Value 31 March 2018	100,841	232,385	8,546	120,165	2,466	4,258	18,779	487,440

The presentation of this note has been simplified for the 2018/19 Statement of Accounts.

Depreciation

All Property, Plant & Equipment has been depreciated using the straight line method over the following periods:

- Council Dwellings - 15-75 years
- Other Land & Buildings (including Heritage Assets) - 1-194 years
- Vehicles, Plant, Furniture & Equipment - 3-10 years
- Infrastructure - 40 years
- Surplus Assets - 5-40 years

Voluntary Aided and Voluntary Controlled Schools

Other Land & Buildings includes land only for various voluntary aided and voluntary controlled schools.

Asset Register Review

Each year net book values in the asset registers are reviewed and any assets being held at £0 net book value are derecognised, where appropriate. As a result of this derecognition, the gross book value has been reduced with an equivalent reduction in accumulated depreciation and impairment.

From 1 April 2015 a de-minimis valuation level of £30k has been set.

Capital Commitments

At 31 March 2019, the Council has entered into a number of contracts for the construction or enhancement of Property, Plant & Equipment in 2019/20 and future years. The budgeted cost of major commitments is £9,694k as below. Similar commitments at 31 March 2018 were £12,878k.

Project	Contract Estimate £000	Expenditure incurred up to 31 March 2019 £000	Total Future Contract Payments £000
Rhyl, Christ the Word School - New school	21,198	13,713	7,485
Ysgol Carreg Emlyn - New School	2,686	2,408	278
Ysgol Llanfair - New School	3,269	2,397	872
Housing - Internal Refurbishments	897	45	852
Central Rhyl, Coastal Defence - Design	350	143	207
Total	28,400	18,706	9,694

Revaluations

As part of the programme to revalue all assets within five years of their previous valuation, a proportion of the freehold and leasehold properties which comprise the authority's property portfolio have been valued as at 1 April 2018 by Mrs C Jones Black BSc (Hons) MRICS, on the under-mentioned bases in accordance with the Statements of Asset Valuation and Guidance Notes of the Royal Institute of Chartered Surveyors, except that not all properties were inspected. This was neither practical nor considered by the valuer to be necessary for the purpose of the valuation. Inspections were carried out between August 2018 and May 2019.

Properties regarded by the authority as operational were valued on the basis of open market value for the existing use, or where this could not be assessed because there was no market for the subject asset, the depreciated replacement cost. Vehicles, Plant, Furniture & Equipment, Infrastructure and Community Assets were held at historic cost. Council dwellings are valued at current value in use as social housing.

New Construction

In April 2018, the new Ruthin Schools, Ysgol Pen Barras and Rhos Street opened on the Glasdir site. The total cost of the construction was £11.4m. The new schools have been valued at £5.338m based on pupil roll numbers as per BB98 guidelines. The revised valuation has resulted in a loss of £5.0m of which £4.8m has been charged to the Comprehensive Income and Expenditure Statement and the remainder to the Revaluation Reserve.

Impairment Losses

During the revaluations exercise the valuer found no other fundamental trends that would affect the remaining assets not revalued during 2018/19. However it is recognised that there are major project in the pipeline that have a potential to affect future valuations but these projects are currently in their early stages.

In Year:

Following evidence from an independent valuation of a similar property 35-39 Abbey Street has been impaired. The valuation has reduced from £0.075m to £0.040m and the impairment of £0.035m has been charged to the Revaluation Reserve.

15. Investment Properties

There are no restrictions on the Council's ability to realise the value inherent in its Investment Property or on the Council's right to the remittance of income and the proceeds of disposal. The Council has no contractual obligations to purchase, construct or develop Investment Property or repairs, maintenance or enhancement. The following table summarises the movement in the fair value of Investment Properties over the year:

2017/18 £000		2018/19 £000
7,360	Balance at start of the year	8,623
0	Additions	96
0	Disposals	0
481	Net gains/(losses) from fair value adjustments	(268)
	Transfers:	
0	• (to)/from Inventories	0
782	• (to)/from Property, Plant & Equipment	130
8,623	Balance at end of the year	8,581

16. Debtors

31 March 2018 Re-stated £000		31 March 2019 £000
7,739	Trade receivables	8,853
1,275	Prepayments	1,913
14,190	Other receivable amounts	20,045
23,204	Total	30,811

17. Debtors for Local Taxation

The past due but not impaired amount for local taxation Council Tax can be analysed as follows:

	31 March 2018 £000	31 March 2019 £000
Due within one year	1,212	1,222
More than one year	1,550	1,672
	2,762	2,894

18. Financial Instruments

The Council has adopted the IFRS 9 Financial Instruments accounting standard with effect from 1 April 2018. The main change to the Council is the remeasurement of modified loan liabilities. As at 31 March 2018 the council's borrowing included a loan which had been modified following previous restructuring of the debt and was measured using the new effective interest rate. The new requirement of the Code has meant that the Council has had to recalculate the carrying amount of the loan as at 1 April 2018 using the original effective interest rate. The change in the measurement of these loans has resulted in a credit to the Comprehensive Income & Expenditure Statement of £4.7m. The Code states that any difference between the previous carrying amount and the carrying amount at the beginning of the financial year should be recognised as an opening adjustment to reserves and that preceding year information should not be restated. The opening adjustment is presented in the Movement in Reserves Statement. As the gain will effectively be eroded by subsequent increases in interest charges over the remainder of the loan period the credit has been transferred to the Modified Loan Earmarked Reserve as at 1 April 2018 (see Note 21).

Categories of Financial Instruments

The following categories of Financial Instruments are carried in the Balance Sheet:

31 March 2018		IFRS 9 adjustment		01 April 2018		31 March 2019	
Long Term £000	Current £000	Long Term £000	Current £000	Long Term £000	Current £000	Long Term £000	Current £000
1	7,400			1	7,400		4,400
	14,631			661	14,631		16,993
(175,364)	(31,935)	5,551		(169,813)	(31,935)	(198,539)	(26,502)
(3,340)	(23,178)			(3,340)	(23,178)	(3,340)	(27,523)

The debtors and creditors figures in the table above exclude any amounts which are not classed as financial instruments such as payments in advance, receipts in advance and any statutory items

The outstanding borrowing in the table above includes a loan received from the Salix Energy Efficiency Scheme, which is a programme being delivered by the Welsh Government in partnership with Salix Finance and the Carbon Trust to provide interest free loans. The Council received loans to the value of £860k during previous years and £218k during 2018/19. The balance on this loan as at 31 March 2019 is £721k.

The Council does not account for these loans as soft loans because the fair value adjustment is not material.

Income, Expense, Gains and Losses

The gains and losses recognised in the Comprehensive Income & Expenditure Statement in relation to Financial Instruments consists of the following items:

2017/18			2018/19		
Financial Liabilities £000	Financial Assets £000		Financial Liabilities £000	Financial Assets £000	Total £000
9,147		Interest Expense Losses on de-recognition	9,450		9,450 0
9,147		Total Expense in Surplus or Deficit on the Provision of Services	9,450		9,450
	(44)	Interest Income Gains on de-recognition		(106)	(106) 0
	(44)	Total Income in Surplus or Deficit on the Provision of Services		(106)	(106)

Fair Values of Assets and Liabilities

The Council's financial assets and liabilities are carried in the Balance Sheet at amortised cost. IFRS 7 requires the Fair Values of these assets and liabilities to be disclosed for comparison purposes. Fair Value is defined as the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. The Fair Value of a Financial Instrument on initial recognition is generally the transaction price. The Council's debt outstanding at 31 March 2018 and 31 March 2019 consisted entirely of loans from the Public Works Loan Board (PWLB), other local authorities & public bodies and the Salix Energy Efficiency Scheme. The Council's treasury management advisers, Arlingclose Ltd has provided the Council with Fair Value amounts in relation to debt portfolio. Arlingclose Ltd has estimated the Fair Values by calculating the net present value of the remaining contractual cash flows at 31 March 2019.

In the case of the Council's investments, these included deposits with Banks and the Debt Management Office. The maturity dates of these investments were within 12 months of the Balance Sheet date. The contracts of term deposits do not permit premature redemption. None of the investments were impaired (i.e. at risk of default). Fair Values for investments have therefore been assessed as being the same as the carrying amount on the Balance Sheet.

The Fair Value is greater than the carrying amount because the Council's loans are running at rates that were fixed at the time they were taken out. The commitment to pay interest at rates that are higher than the equivalent new borrowing rates at the Balance Sheet date means that the Council would have to pay more than the carrying amount if it chose to prematurely redeem its loans at that date.

The Fair Values calculated are as follows:

31 March 2018			31 March 2019	
Carrying Amount £000	Fair Values £000		Carrying Amount £000	Fair Values £000
(207,299)	(293,640)	Financial Liabilities	(225,041)	(314,658)
(3,340)	(3,340)	Long Term Creditors	(3,340)	(3,340)
(210,639)	(296,980)	Total Financial Liabilities	(228,381)	(317,998)
7,401	7,401	Loans & Receivables	4,401	4,401
661	661	Long Term Debtors	2,392	2,392
8,062	8,062	Total Financial Assets	6,793	6,793

19. Assets Held for Sale

	Current	
	2017/18 £000	2018/19 £000
Balance outstanding at start of year	3,305	4,946
Assets newly classified as Held for Sale:		
from Property, Plant & Equipment	1,864	1,045
Revaluation losses	(401)	(315)
Revaluation gains	1,478	235
Assets declassified as Held for Sale:		
to Property, Plant & Equipment	(400)	(395)
Assets sold	(900)	(2,618)
Balance outstanding at year end	4,946	2,898

20. Creditors

31 March 2018 Re-stated £000		31 March 2019 £000
(14,968)	Trade payables	(17,951)
(10,982)	Other payables	(12,652)
(25,950)	Total	(30,603)

21. Movements in Earmarked Reserves

This note sets out the amounts set aside from the Council Fund and HRA balances in Earmarked Reserves to provide financing for future expenditure plans and the amounts posted back from Earmarked Reserves to meet Council Fund and HRA expenditure in 2018/19.

	Balance at 31 March 2017 £000	Transfers Out 2017/18 £000	Transfers In 2017/18 £000	Balance at 31 March 2018 £000	IFRS 9 Adjustment £000	Balance at 01 April 2018 £000	Transfers Out 2018/19 £000	Transfers In 2018/19 £000	Balance at 31 March 2019 £000
Balances held by schools under a scheme of delegation (i)	1,056	730	(1,442)	344		344	1,179	(1,352)	171
Reserves held as part of the 2012 Council Corporate Plan (v)									
Strategic Investment 21st Century Schools	(2,375)	3,478	(1,864)	(761)		(761)	2,330	(1,569)	0
Strategic Investment Extra Care Housing	(2,141)	0	(400)	(2,541)		(2,541)	2,941	(400)	0
Town Plans/Economic Development	(191)	193	(2)	0		0	0	0	0
Specific Grants Reserves									
Revenue Grants Unapplied	(460)	173	(173)	(460)		(460)	173	(203)	(490)
Sustainable Waste Management (iv)	(3,347)	0	0	(3,347)		(3,347)	1,087	0	(2,260)
Reserves held for Legal Cases									
Town & Country Planning Act (s.106) Requirements	(1,174)	13	(4)	(1,165)		(1,165)	8	0	(1,157)
Single Status	(294)	0	0	(294)		(294)	294	0	0
Other Major Reserves									
Budget Mitigation (ii)	(2,511)	2,122	(3,182)	(3,571)		(3,571)	780	(294)	(3,085)
2017 Corporate Priorities	0	0	(1,000)	(1,000)		(1,000)	333	(243)	(910)
Adult Social Care (iii)	(2,118)	546	0	(1,572)		(1,572)	1,162	(411)	(821)
Capital Schemes (v)	(5,463)	5,503	(4,789)	(4,749)		(4,749)	4,555	(6,067)	(6,261)
Specialist Placements	(522)	522	0	0		0	0	0	0
Superannuation Recovery	(1,932)	1	(699)	(2,630)		(2,630)	0	0	(2,630)

	Balance at 31 March 2017 £000	Transfers Out 2017/18 £000	Transfers In 2017/18 £000	Balance at 31 March 2018 £000	IFRS 9 Adjustment £000	Balance at 01 April 2018 £000	Transfers Out 2018/19 £000	Transfers In 2018/19 £000	Balance at 31 March 2019 £000
Insurance Fund	(834)	18	(123)	(939)		(939)	0	(280)	(1,219)
Risk Management Fund	(331)	0	(57)	(388)		(388)	0	(54)	(442)
Delivering Change	(625)	679	(305)	(251)		(251)	251	0	0
Modified Loan Reserve (vi)	0	0	0	0	(4,733)	(4,733)	57	0	(4,676)
Preparing for Major Events									
Urdd	(67)	0	(21)	(88)		(88)	1	(22)	(109)
Elections	(123)	65	0	(58)		(58)	0	(27)	(85)
LDP	(107)	0	(20)	(127)		(127)	0	(20)	(147)
Severe Weather (incorporating Winter Maintenance)	(565)	127	0	(438)		(438)	0	0	(438)
Service Reserves									
Leisure Strategy	(373)	0	0	(373)		(373)	0	0	(373)
Major Highways Projects	(159)	0	0	(159)		(159)	159	0	0
IT Networks Development	(567)	330	(42)	(279)		(279)	50	0	(229)
Cefndy Enterprises	(141)	0	(35)	(176)		(176)	168	0	(8)
Environmental Services	(189)	6	0	(183)		(183)	2	0	(181)
Design & Development	(120)	0	0	(120)		(120)	0	0	(120)
External Funding Administration	(116)	0	0	(116)		(116)	0	0	(116)
Finance & Legal	(84)	0	(19)	(103)		(103)	0	(81)	(184)
Revenues & Benefits	(402)	214	(248)	(436)		(436)	0	(16)	(452)
Out of County/Recoupment	(226)	226	0	0		0	0	0	0
Coroner	(239)	0	(43)	(282)		(282)	0	0	(282)
ALN Reforms	(112)	27	(179)	(264)		(264)	0	(106)	(370)
Schools IT Network Development	(60)	34	0	(26)		(26)	11	0	(15)
N. Wales Schools Framework	(12)	12	(54)	(54)		(54)	54	(52)	(2)
Other									
Schools Financial Resilience	(200)	109	(174)	(265)		(265)	0	0	(265)
Modernising Education	(181)	88	0	(93)		(93)	0	0	(93)

	Balance at 31 March 2017 £000	Transfers Out 2017/18 £000	Transfers In 2017/18 £000	Balance at 31 March 2018 £000	IFRS 9 Adjustment £000	Balance at 01 April 2018 £000	Transfers Out 2018/19 £000	Transfers In 2018/19 £000	Balance at 31 March 2019 £000
IT Systems Development (EDRMS)	(54)	0	(35)	(89)		(89)	20	0	(69)
ECA Board	(156)	33	(14)	(137)		(137)	0	(65)	(202)
S.117 Mental Health Act	(52)	0	0	(52)		(52)	52	0	0
Area Member Reserve	(15)	0	0	(15)		(15)	0	0	(15)
CESI Pooled Budget	(38)	18	0	(20)		(20)	0	(13)	(33)
Planning Delivery for Wales	(164)	8	(39)	(195)		(195)	0	0	(195)
Training Collaboration	(30)	0	0	(30)		(30)	0	0	(30)
Signing Schemes	(86)	0	(13)	(99)		(99)	64	0	(35)
Care Home Fees	(358)	0	0	(358)		(358)	358	0	0
Social Care Amenity Fund	(14)	0	0	(14)		(14)	0	0	(14)
Resident Survey	(37)	0	0	(37)		(37)	3	0	(34)
Channel Shift	(77)	36	0	(41)		(41)	41	0	0
Modernising Social Care	(212)	0	0	(212)		(212)	0	0	(212)
Children with Disabilities	(79)	57	(9)	(31)		(31)	0	0	(31)
Health & Social Care Support Workers	(47)	0	0	(47)		(47)	0	0	(47)
Facilities	(184)	0	0	(184)		(184)	0	0	(184)
Picturesque Project	(152)	0	0	(152)		(152)	0	0	(152)
Rhyl Waterfront	(150)	150	0	0		0	0	(21)	(21)
Social Care in Partnership	0	0	(17)	(17)		(17)	0	0	(17)
Social Service Improvement Agency	0	0	(116)	(116)		(116)	0	0	(116)
Safeguarding Business Unit	0	0	(340)	(340)		(340)	0	(8)	(348)
Delivering Transformation	0	0	(234)	(234)		(234)	0	(176)	(410)
Regional Commissioning Team	0	0	(41)	(41)		(41)	0	(4)	(45)
Family Information Service Training	0	0	(34)	(34)		(34)	0	(7)	(41)
School Closure Costs	0	0	0	0		0	0	(818)	(818)
Growth Bid	0	0	0	0		0	0	(50)	(50)
Leadership Development	0	0	0	0		0	0	(5)	(5)
Free School Meals	0	0	0	0		0	0	(150)	(150)
TOTAL	(29,210)	15,518	(15,767)	(29,459)	(4,733)	(34,192)	16,133	(12,514)	(30,573)

Details are given below of the Council's main specific reserves:

- (i) Balances held by schools under a scheme of delegation: in accordance with section 48 of the School Standards Framework Act 1998, the Denbighshire scheme for the financing of schools provides for the carry forward of individual school balances.
- (ii) Budget Mitigation: this has been set up to mitigate the effects of future reductions in funding received from the Welsh Government and forms part of the budget strategy for 2019/20 and beyond.
- (iii) Adult Social Care: this reserve has been established and maintained to help provide the service with financial resilience to cope with in-year budgetary pressures.
- (iv) Sustainable Waste Management: this has been set up to mitigate the impact of future grant funding reductions and for use on specific waste management projects.
- (v) 21st Century Schools and Extra Care Housing: as part of the 2012 Corporate Plan, the Council embarked on an ambitious scheme of capital investment in schools, highways, extra care and regeneration. These reserves have been established to set aside the cash needed to fund the various projects. The remaining funding has been transferred to the Capital Schemes Reserve to fund future capital investment in these areas.
- (vi) Modified loan reserve: the reserve has been created as a consequence of a temporary gain recognised in the Comprehensive Income & Expenditure Statement following a change in the calculation of the carrying amount of the Council's modified loans as at 1 April 2018 as required by IFRS 9. The reserve will be used to neutralise the impact of higher effective interest charges to the Comprehensive Income & Expenditure Statement over the remaining life of the loans. For further detail refer Note 18 - Financial Instruments.

22. Usable Reserves

31 March 2018 £000		31 March 2019 £000
(7,541)	Council Fund	(7,474)
(29,459)	Earmarked Reserves (Note 20)	(30,573)
(2,203)	Housing Revenue Account	(1,684)
(5,374)	Capital Receipts Reserve	(6,434)
(3,150)	Capital Grants Unapplied	(4,595)
(47,727)	Total Usable Reserves	(50,760)

Revenue Balances

The Council Fund revenue balances are available to the County Council for general or specific purposes and represent accumulation of past surpluses on the Council Fund Revenue Account. The Housing Revenue Account balances do not form part of the Council Fund Balances and are identified separately.

31 March 2018 £000		Transfers (In)/Out £000	31 March 2019 £000
	Council Fund Revenue Balances		
(7,135)	General Balances		(7,135)
(406)	Earmarked Balances	67	(339)
(7,541)	Total Council Fund Balances	67	(7,474)
	Housing Revenue Account Balances		
(2,203)		519	(1,684)

Capital Receipts Reserve

Income from the disposal of non-current assets is credited to the Capital Receipts Reserve, from which it can be applied to the financing of new capital expenditure.

2017/18		2018/19		
Total £000		Council Fund £000	Housing Revenue Account £000	Total £000
(4,846)		(5,218)	(156)	(5,374)
(2,158)	Plus	(2,407)	(288)	(2,695)
(62)	Receipts - Asset Sales	(43)	0	(43)
(7,066)	Receipts - Grants Repaid	(7,668)	(444)	(8,112)
1,446	Less	1,390	72	1,462
246	Applied during year:	0	216	216
(5,374)	Finance Capital Expenditure - Other	(6,278)	(156)	(6,434)
	Debt Redemption			
	Balance at 31 March			

Capital Grants Unapplied

2017/18 £000		2018/19	
		£000	£000
(3,807)	Balance at 1 April		(3,150)
(14,887)	Plus Grants & Contributions received in-year	(19,697)	
(2,409)	- Council Fund	(3,540)	
(728)	- HRA	(2,465)	(25,702)
	- Revenue Expenditure Funded by Capital Under Statute		
16,525	Less Grants & Contributions applied in-year	22,907	
2,156	- Grants received in-year	1,350	24,257
	- Grants received previous years		
(3,150)	Balance at 31 March		(4,595)

23. Unusable Reserves

The Authority holds the following Unusable Reserves:

Revaluation Reserve: this contains the gains made by the Council arising from increases in the value of its non-current assets.
Capital Adjustment Account: this absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets, and for financing the acquisition, construction or enhancement of those assets under statutory provisions.
Pensions Reserve: this absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions.
Financial Instruments Adjustment Account: this absorbs the timing differences arising from the different arrangements for accounting for income and expenses relating to certain financial instruments and for bearing losses or benefiting from gains per statutory provisions.
Deferred Capital Receipts Reserve: this records timing differences between gains recognised on the disposal of non-current assets and cash receipts.

Accumulated Absences Account: this absorbs the differences that would otherwise arise on the Council Fund Balance from accruing for compensated absences earned but not taken in the year e.g. annual leave entitlement carried forward at 31 March.

2018/19	Opening Balance £000	IFRS 9 Adjustment £000	Balance at 1.4.2018 £000	Other Comprehensive Income & Expenditure (CI&ES) £000	Adjustments between Accounting & Funding Basis (Note 8)			Closing Balance £000
					Adjustments to Revenue Resources £000	Adjustments between Revenue & Capital Resources £000	Adjustments to Capital Resources £000	
Revaluation Reserve	(100,153)		(100,153)	(7,552)			5,038	(102,667)
Capital Adjustment Account	(157,489)		(157,489)		18,552	(16,366)	(3,028)	(163,369)
Pensions Reserve	249,461		249,461	26,255	7,991			283,707
Financial Instruments Adjustment Account	351	124	475		(19)			456
Deferred Capital Receipts Reserve	(205)		(205)					(205)
Accumulated Absences Account	2,298		2,298		319			2,617
Total Unusable Reserves	(5,737)	124	(5,613)	18,703	26,843	(16,366)	(3,028)	20,539

The presentation of this note has been simplified for the 2018/19 Statement of Accounts

2017/18	Opening Balance £000	Other Comprehensive Income & Expenditure (CI&ES) £000	Adjustments between Accounting & Funding Basis (Note 8)			Other Movements £000	Closing Balance £000
			Adjustments to Revenue Resources £000	Adjustments between Revenue & Capital Resources £000	Adjustments to Capital Resources £000		
Unusable Reserves							
Revaluation Reserve	(92,672)	(12,829)				5,348	(100,153)
Capital Adjustment Account	(156,236)		24,169	(16,226)	(3,848)	(5,348)	(157,489)
Pensions Reserve	273,859	(33,746)	9,348				249,461
Financial Instruments Adjustment Account	357		(6)				351
Deferred Capital Receipts Reserve	0				(205)		(205)
Accumulated Absences Account	3,134		(836)				2,298
Total Unusable Reserves	28,442	(46,575)	32,675	(16,226)	(4,053)	0	(5,737)

24. Cash Flow Statement - Operating Activities

2017/18 £000		2018/19 £000
12,628	Net (Surplus) or Deficit on the Provision of Services	9,149
	Adjustments to Net Surplus or Deficit on the Provision of Services for non-cash movements	
(9)	Increase/(Decrease) in Inventories	111
(60)	Increase/(Decrease) in Long Term Debtors	1,731
5,719	Increase/(Decrease) in Debtors/Payments in Advance	456
0	Increase/(Decrease) in Investment Interest Accrual	0
(466)	(Increase)/Decrease in Creditors/Receipts in Advance	(2,181)
(3)	(Increase)/Decrease in Loan Interest Accrual	(223)
438	Transfers (to)/from Provisions	157
(645)	Bad Debt Provision	(69)
(29,163)	Depreciation & Impairment	(27,344)
(3,529)	Revaluation Losses on Property, Plant & Equipment	(6,428)
481	Movements in Market Value of Investment Property	(268)
(9,348)	Pension Fund Adjustments	(7,991)
0	IFRS 9 Adjustments	(4,609)
9,532	Other	22,837
	Adjustments for items included in the Net Surplus or Deficit on the Provision of Services that are Investing & Financing Activities	
2,220	Sale of Property, Plant & Equipment	2,738
(12,205)	Net cash flows from Operating Activities	(11,934)

The cash flows for Operating Activities include the following items:

2017/18 £000		2018/19 £000
(44)	Interest received	(106)
9,134	Interest paid	9,169

25. Cash Flow Statement - Investing Activities

2017/18 £000		2018/19 £000
45,120	Purchase of Property, Plant & Equipment, Investment Property & Intangible Assets	60,095
109,100	Purchase of short-term & long-term investments	220,900
150	Other payments for Investing Activities	68
(2,220)	Proceeds from the sale of Property, Plant & Equipment, Investment Property & Intangible Assets	(2,738)
(101,700)	Proceeds from short-term & long-term investments	(223,900)
(21,363)	Other receipts from Investing Activities	(18,802)
29,087	Net cash flows from Investing Activities	35,623

26. Cash Flow Statement - Financing Activities

2017/18 £000		2018/19 £000
(83,217)	Cash receipts of short-term & long-term borrowing	(63,218)
1,540	Other receipts from Financing Activities	(1,768)
61,607	Repayments of short-term & long-term borrowing	41,147
(20,070)	Net cash flows from Financing Activities	(23,839)

27. Reconciliation of Liabilities Arising from Financing Activities

	2018/19 1 April	Financing Cash Flows	Non-cash changes		2018/19 31 March
	£000	£000	Acquisition £000	Other Non-cash changes £000	£000
Long-term borrowings	(176,305)	(27,727)			(204,032)
Short-term borrowings	(30,481)	5,656			(24,825)
Total liabilities from Financing Activities	(206,786)	(22,071)	0	0	(228,857)

28. Members' Allowances

All members are paid a basic salary per annum. Some Members also undertake senior roles and therefore receive a senior salary. All salary levels are set by a national body called the Independent Remuneration Panel. The Council paid the following amounts to members of the Council during the year:

2017/18 £000		2018/19 £000
802	Salaries	832
14	Expenses	17
816	Total	849

29. Officers' Remuneration

a) Number of employees whose remuneration, excluding pension contributions, was £60,000 or more

2017/18 Re-stated	Remuneration Band	2018/19			
		School Based Staff	Non- School Staff	Total Employees	Left During Year
16	£60,000 - £64,999	14	4	18	
6	£65,000 - £69,999	2	1	3	1
5	£70,000 - £74,999	2	4	6	1
0	£75,000 - £79,999	3	0	3	
6	£80,000 - £84,999	1	1	2	
0	£85,000 - £89,999	0	5	5	
3	£90,000 - £94,999	2	1	3	
1	£95,000 - £99,999	1	0	1	
1	£100,000 - £104,999	0	1	1	
1	£105,000 - £109,999	0	1	1	
0	£110,000 - £114,999	0	0	0	
0	£115,000 - £119,999	1	0	1	
0	£120,000 - £124,999	0	1	1	
0	£125,000 - £129,999	0	0	0	
0	£130,000 - £134,999	0	0	0	
0	£135,000 - £139,999	0	0	0	
0	£140,000 - £144,999	0	0	0	
1	£145,000 - £149,999	0	0	0	
40	Total	26	19	45	2

It should be noted that this table includes the Senior Officers detailed in the following table.

A number of officers left during the year, therefore their remuneration will contain any payments receivable on the termination of their employment.

- b) The following tables set out the remuneration disclosures for Senior officers whose salary is less than £150,000 but equal to or more than £60,000 per year. There are no Senior Officers whose salary is £150,000 or more.

Post title	Year	Salary, fees, allowances & performance related pay Note 1 £	Compensation for Loss of Office £	Total excluding pension contributions £	Employer's pension contributions £	Total remuneration £
Chief Executive to 30/04/18	2018/19	14,318		14,318	3,420	17,738
	2017/18	149,092		149,092	44,188	193,280
	2018/19	120,932		120,932	34,708	155,640
	2017/18	0		0	0	0
Corporate Director: Economy & Public Realm from 23/10/2017 restated Note 2	2018/19	102,451		102,451	29,403	131,854
	2017/18	44,281		44,281	12,709	56,990
	2018/19	105,596		105,596	30,306	135,902
	2017/18	101,973		101,973	29,266	131,239
Corporate Director: Communities	2018/19	86,589		86,589	24,851	111,440
	2017/18	83,617		83,617	23,998	107,615
	2018/19	86,589		86,589	24,851	111,440
	2017/18	83,617		83,617	23,998	107,615
Head of Community Support Services	2018/19	86,589		86,589	24,851	111,440
	2017/18	83,617		83,617	23,998	107,615
	2018/19	86,589		86,589	24,851	111,440
	2017/18	83,617		83,617	23,998	107,615
Head of Facilities, Assets & Housing	2018/19	86,589		86,589	24,851	111,440
	2017/18	83,617		83,617	23,998	107,615
	2018/19	86,589		86,589	24,851	111,440
	2017/18	83,617		83,617	23,998	107,615
Head of Education & Children's Services	2018/19	86,589		86,589	24,851	111,440
	2017/18	83,617		83,617	23,998	107,615
	2018/19	86,589		86,589	24,851	111,440
	2017/18	83,617		83,617	23,998	107,615
Head of Legal, HR & Democratic Services	2018/19	86,589		86,589	24,851	111,440
	2017/18	83,617		83,617	23,998	107,615
	2018/19	86,589		86,589	24,851	111,440
	2017/18	83,617		83,617	23,998	107,615
Head of Business Improvement & Modernisation	2018/19	86,589		86,589	24,851	111,440
	2017/18	83,617		83,617	23,998	107,615
	2018/19	94,018		94,018	26,983	121,001
	2017/18	68,052		68,052	19,531	87,583
Notes 3 & 4	2018/19	0		0	0	0
	2017/18	46,754		46,754	13,418	60,172
	2018/19	84,009		84,009	24,111	108,120
	2017/18	59,861		59,861	17,180	77,041
Head of Planning & Public Protection from 18/12/2017	2018/19	84,009		84,009	24,111	108,120
	2017/18	46,754		46,754	13,418	60,172
	2018/19	84,009		84,009	24,111	108,120
	2017/18	59,861		59,861	17,180	77,041

Post title	Year	Salary, fees, allowances & performance related pay Note 1 £	Compensation for Loss of Office £	Total excluding pension contributions £	Employer's pension contributions £	Total remuneration £
Head of Finance	2018/19	71,002		71,002	20,378	91,380
	2017/18	68,566		68,566	19,678	88,244
Head of Customers, Communications & Marketing	2018/19	70,469		70,469	18,423	88,892
restated Note 3	2017/18	68,052		68,052	17,621	85,673

Note 1

The former Chief Executive was entitled to Performance Related Pay (PRP). This was considered by a remuneration panel consisting of councillors and an external advisor. The PRP awarded was paid in arrears and was accounted for in the year following consideration by the remuneration panel, usually because of the timing of the process being after the closure of the accounts. In 2017/18 the Chief Executive was awarded £9,848 which related to performance in 2016/17. However, the remuneration panel considered performance for 2017/18 in March 2018 and therefore accounting convention required that two years' PRP are disclosed in the table above. The amount awarded for 2017/18 was £12,708. No other officer is entitled to PRP.

Note 2

In 2017/18 the Head of Planning & Public Protection post holder was appointed to the post of Corporate Director: Economy & Public Realm. The remuneration for the two roles have been split in the table above.

Note 3

The 2017/18 figures for these posts have been restated to exclude salary sacrifice deductions.

Note 4

The remuneration for this post was increased in 2018/19 as agreed by County Council on 28 March 2019. The 2018/19 figures include £30,306 in relation to back dated pay arrears from 1 August 2017.

Note 5

The Chief Executive and Head of Legal, HR & Democratic Services receive remuneration for their roles as Returning Officer and Deputy Returning Officer respectively for local and national elections (with costs reimbursed for all with exception of County Council elections). In 2018/19, for the Chief Executive, this amounted to £675, plus superannuation costs of £194: reimbursement was received in full. The figures for 2017/18 were £12,982 plus £3,726, with reimbursement of (£10,736). In 2018/19 the Head of Legal, HR & Democratic Services received £160 with full reimbursement: the figures for 2017/18 were £4,060 with reimbursement of (£2,300). These payments are not included in the analysis presented.

- c) The number of exit packages with total cost per band and total cost of the compulsory and other redundancies are set out in the table below:

Exit package cost band (including special payments)	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band		Total cost of exit packages in each band	
	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19
£0 - £20,000	13	15	32	31	45	46	£343,768	£266,520
£20,001 - £60,000	2	9	11	4	13	13	£371,893	£472,126
Total	15	24	43	35	58	59	£715,661	£738,646

The costs shown in the table above include relevant redundancy costs and all other departure costs. These include the cost of pension strain. Pension strain arises when an employee retires early without actuarial reduction of pension. Pension strain is payable over three years but the Council elects to pay these costs in the first year of retirement.

- d) Reporting bodies are required to disclose a remuneration ratio between the median remuneration of all the authority's employees during the year and that of the authority's Chief Executive. The remuneration of the Chief Executive in 2018/19 was £120,932. The median remuneration of the workforce was £22,401. The ratio was therefore 5.40:1 (6.79:1 in 2017/18). In 2018/19, remuneration for staff ranged from £7,138 to £105,596. The remuneration includes salary and performance related pay and does not include severance payments or employer pension contributions.

30. External Audit Costs

The Council has incurred the following costs in relation to the audit of the Statement of Accounts, certification of grant claims, statutory inspections and to non-audit services provided by the authority's external auditors:

2017/18 £000		2018/19 £000
178	Fees payable to the Auditor General for Wales with regard to external audit services carried out under the Code of Audit Practice prepared by the Auditor General for Wales	178
94	Fees payable to the Auditor General for Wales in respect of statutory inspections	94
72	Fees payable to the Auditor General for Wales for the certification of grant claims & returns	56
0	Fees payable in respect of any other services provided by the appointed auditor over & above the duties described above	0
344	Total External Audit Costs	328

31. Grant Income

The Council credited the following grants, contributions and donations to the Comprehensive Income & Expenditure Statement in 2018/19:

2017/18 £000		2018/19 £000
	Credited to Taxation & Non-specific Grant Income	
(461)	Other grants & contributions	(1,241)
(150)	Rhyl Town Council - Contribution to the Waterpark	(1,850)
(1,020)	Welsh Government - Flood alleviation and Coastal Defence Grants	(1,304)
(1,840)	Welsh Government - General Capital Grant	(2,950)
0	Welsh Government - Targeted Regeneration Investment (TRI) Programme	(678)
(2,409)	Welsh Government - Major Repairs Allowance and IHP Grants	(2,847)
(9,460)	Welsh Government - 21st Century Schools	(4,902)
0	Welsh Government - Building for the Future Programme Grant	(2,500)
0	Welsh Government - Tourism Investment Support Scheme Grant	(720)
0	Welsh Government - Collaborative Change Programme Grant	(900)
0	Welsh Government - Public Highways Refurbishment Grant	(795)
(1,204)	Welsh Government - Local Authority Roads Refurbishment Grant 2017-18	0
0	Welsh Government - Schools Maintenance Grant	(1,388)
(752)	Other Welsh Government grants	(1,162)
(17,296)	Total Grants Credited to Taxation & Non-specific Grant Income	(23,237)
	Credited to Services	
(3,958)	Welsh Government Sixth Forms Grant	(3,439)
(1,887)	Welsh Government Flying Start Grant	(2,018)
(1,151)	Welsh Government Families First Grant	(1,097)
(801)	Other Education grants from Welsh Government	(1,484)
(5,490)	Welsh Government Supporting People Grant	(5,526)
(1,313)	Welsh Government Sustainable Social Services Grant	(464)
(1,092)	Other Social Services grants from Welsh Government	(94)
(2,153)	Welsh Government Environmental & Sustainable Development Grants	(792)
(1,626)	Welsh Government Concessionary Fares Grant	(1,689)
(564)	WEFO West Wales ESF	(799)
(1,484)	Other Welsh Government grants	(2,017)
(21,519)	Total Welsh Government grants	(19,419)
(3,116)	Pupil Development Grant	(3,139)
(3,975)	Education Improvement Grant	(3,175)
(24,562)	DWP Rent Allowances Subsidy	(22,426)
(8,418)	DWP Rent Rebates Subsidy	(8,734)
(384)	DWP Housing Benefit/Council Tax Benefit Admin Grant	(354)
(1,701)	Various grants received from Betsi Cadwaladr University Health Board	(1,942)
(2,744)	Other Government grants	(3,587)
(66,419)	Total Government grants	(62,776)
(335)	Other non-government grants	(615)
(66,754)	Total Grants Credited to Services	(63,391)

The Council has received a number of grants, contributions and donations that have yet to be recognised as income as they have conditions attached to them that would require the monies or property to be returned to the giver should any such stipulations not be satisfied. The balances at the year-end were (£2,332k) Capital Grants and (£2,191k) Revenue Grants. The corresponding balances at the end of the previous year were (£2,082k) and (£1,042k).

32. Related Parties

The Council is required to disclose material transactions with related parties - bodies or individuals that have the potential to control or influence the Council or to be controlled or influenced by the Council. Disclosure of these transactions allows readers to assess the extent to which the Council might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to deal freely with the Council.

Central Government

Central Government has significant influence over the general operations of the Council - it is responsible for providing the statutory framework within which the authority operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Council has with other parties (e.g. council tax bills, housing benefits). Grants received from government departments are set out in more detail in Note 31.

Elected Members

All current Elected Members were asked to complete a declaration and to disclose any related party transactions with the authority. A declaration was received from all but one Elected Member.

The following material declarations have been made for 2018/19:

- An elected member declared a relationship to an individual who owned a Day Nursery which received payments from the Council amounting to £5k up to the date that the ownership ended during the year.
- An elected member declared ownership of a Day Nursery which received payments from the Council amounting to £17k.
- An elected member declared a relationship to a contractor to whom the Council paid £21k relating to 2018/19.
- An elected member declared a relationship to an individual who provided professional services to the Council and to whom the Council paid £13k relating to 2018/19.
- An elected member declared the purchase of a parcel of land to the value of £456k. The sale followed a tender process.

A list of Elected Members' interests is maintained by the Head of Legal, HR & Democratic Services and is open for public inspection. A number of Elected Members are also appointed by the Council to serve on other bodies that have a financial relationship with the Council. These are detailed in the following relevant sections.

Officers

The Chief Executive, Corporate Directors and Heads of Service were all asked to complete a declaration to disclose any related party transactions they have with the authority. There were no material declarations made for 2018/19.

Other Public Bodies**Teachers' Pension Agency**

The pension costs charged are the contribution rate set by the Department for Education on the basis of a notional fund. Teachers' pension details are set out in Note 35.

Clwyd Pension Fund

Denbighshire County Council is an admitted body of the Clwyd Pension Fund. Details of transactions undertaken with the Clwyd Pension Fund are included within Note 36.

Community, Town & City Councils

Total precepts paid to the 37 community, town and city councils are included in Note 9 and amounted to £1,955k (£1,834k in 2017/18).

North Wales Police & Crime Commissioner and North Wales Fire Authority

Police & Crime Commissioners and Fire & Rescue Authorities set their own charges to council tax payers, which are then included on the council tax bill - these charges are known as the precept. Total precepts and levies paid to the North Wales Police & Crime Commissioner and the North Wales Fire Authority amounted to £14,779k (£14,313k in 2017/18). A breakdown is provided in Note 9.

Betsi Cadwaladr University Health Board

The authority has two pooled budget arrangements with Betsi Cadwaladr University Health Board: one for the provision of a Community Equipment Store; and the second was set up with the aim of ensuring integrated service provision of Health and Social Care support workers, who support service users in the community. Denbighshire County Council's contribution to the Community Equipment Store was £219k (£219k in 2017/18) and the authority contributed £50k to the Health and Social Care Support Workers Service (£50k in 2017/18).

Local Government Association (LGA)/ Welsh Local Government Association (WLGA)

The Council is a member of the LGA/WLGA to which payments of £78k were made in 2018/19 (£78k in 2017/18). The Council received £185k from LGA/WLGA in 2018/19 (of which £44k was due at year end) and no income in 2017/18.

Welsh Joint Education Committee (WJEC)

The WJEC is an examination board, providing qualifications and exam assessment to Denbighshire schools. One of the Executive Directors of its Board is an Elected Member of Denbighshire County Council. In 2018/19 Denbighshire County Council made payments of £666k and owed £107k at year-end to the WJEC (£747k was paid in 2017/18 and £5k owed).

Local Government Data Unit - Wales

An Elected Member is a current Director at the Local Government Data Unit - Wales. Within 2018/19 expenditure of £29k was undertaken with Denbighshire County Council.

Companies

The accounting Code of Practice requires that where an authority has material interests in one or more subsidiary and associated companies, it should prepare a group revenue account and balance sheet. Denbighshire County Council's interests in the related companies either do not meet the criteria for being a subsidiary or associate company as set out in the Code or where they do meet the criteria, they are not deemed material in relation to the overall scale of the Council's operations and consequently Group Accounts have not been prepared. There are currently no related companies however details of Bodelwyddan Castle Trust are included below as it was deemed a related company last year.

Bodelwyddan Castle Trust and Bodelwyddan Castle Enterprises Ltd.

Bodelwyddan Castle Trust Group is a company limited by guarantee, having no share capital. It is a registered charity set up in February 1994. The objectives of the Trust are the advancement of education by acquiring, housing and exhibiting objects and collections of an educational nature and by establishing, acquiring and managing museums, galleries and libraries for use as such purposes. The Trust acquires artefacts that it restores, conserves and exhibits. It also manages a public park for recreation and promotion of appreciation of the natural world.

In previous years Denbighshire County Council gave an annual grant to Bodelwyddan Castle Trust (£145k in 2017/18) however this arrangement ceased in 2017/18 and therefore no payment was made in 2018/19. The Council also ceased to provide its payroll services from March 2018. The Council has no representation on the Board of Directors. The company is not deemed a related party for the purposes of the 2018/19 accounts.

Further information can be obtained from Bodelwyddan Castle Trust Ltd, Bodelwyddan, LL18 5YA.

33. Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred in the year is shown in the following table (including the value of assets acquired under finance leases), together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Council, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Council that has yet to be financed. The CFR is analysed in the second part of this note.

2017/18 £000		2018/19 £000
241,564	Opening Capital Financing Requirement	252,520
	Capital Investment	
43,412	Property, Plant & Equipment	58,272
0	Investment Properties	96
4,192	Revenue Expenditure Funded from Capital Under Statute	3,579
	Sources of Finance	
(1,692)	Capital Receipts	(1,678)
(18,681)	Government grants & other contributions	(24,257)
	Sums set aside from revenue:	
(7,359)	Direct revenue contributions	(7,069)
(8,916)	MRP & Long-term Debtors	(7,564)
252,520	Closing Capital Financing Requirement	273,899

2017/18 £000		2018/19 £000
	Explanation of movements in year	
2,679	Increase in underlying need to borrow (supported by government financial assistance)	2,218
17,439	Increase in underlying need to borrow (unsupported by government financial assistance)	26,941
(8,916)	MRP & Long-term Debtors	(7,564)
(246)	Set aside Capital Receipts	(216)
10,956	Increase/(decrease) in Capital Financing Requirement	21,379

34. Leases

The Council leases in some properties, vehicles and items of equipment as well as leasing out some of the properties which it owns. The lease arrangements have been reviewed and classified as operating or finance leases as described in more detail below.

Rhyl Travelodge Leases

The Council sold a car park to a developer in Rhyl to construct a Travelodge hotel as part of the strategic objective to regenerate the Rhyl Waterfront. This development was completed by January 2019 and the developer leased the structure back to the Council over a 25 year period for an annual rental payment of £274k. The Council sub-leased the property to Travelodge for an annual rental payment of £305k. Both leases commenced on 18th January 2019 and the rental payments will begin on 19th July 2019 following a six month rent free period. The Council agreed to act as a guarantor between the funder and the hotel operator to secure this development by entering into these back-to-back lease agreements through the receipt of an annual profit rent of £31k. This profit will be placed into a reserve which will accrue funds to be used to mitigate the Council's future financial risk.

Authority as LesseeFinance Leases

The Council has some properties under finance leases and these were revalued in-year.

The assets acquired under these leases are carried as Property, Plant & Equipment in the Balance Sheet at the following net amounts:

31 March 2018 £000		31 March 2019 £000
4,407	Other Land & Buildings	4,305

Authority as LessorOperating Leases

The Council leases out properties under operating leases for various purposes such as economic development to provide units for local businesses. The future minimum lease payments receivable under non-cancellable leases in future years are:

31 March 2018 £000		31 March 2019 £000
1,159	Not later than 1 year	1,003
2,781	Later than 1 year and not later than 5 years	2,271
13,287	Later than 5 years	12,916
17,227		16,190

35. Pension Schemes Accounted for as Defined Contribution Schemes

Teachers employed by the Council are members of the Teachers' Pension Scheme, administered by the Department for Education. The Scheme provides teachers with specified benefits upon their retirement, and the Council contributes towards the costs by making contributions based on a percentage of members' pensionable salaries. The Scheme is technically a defined benefit scheme. However, the Scheme is unfunded and the Department for Education uses a notional fund as the basis for calculating the employers' contribution rate paid by local authorities. The Council is not able to identify its share of underlying financial position and performance of the Scheme with sufficient reliability for accounting purposes. For the purposes of this Statement of Accounts, it is therefore accounted for on the same basis as a defined contribution scheme. In 2018/19, the County Council paid £5,499k to Teachers' Pensions in respect of teachers retirement benefits, representing 16.48% of pensionable pay. The figures for 2017/18 were £5,454k and 16.48%. In addition, payments in respect of premature retirements were made of £343k (£379k in 2017/18). There were no contributions remaining payable at year end. The Council is responsible for the costs of any additional benefits awarded upon early retirement outside the terms of the teachers' scheme. These costs are accounted for on a defined benefit basis and detailed in Note 36.

36. Defined Benefit Pension Schemes**Participation in Pension Schemes**

As part of the terms and conditions of employment of its officers, the Council makes contributions towards the cost of post employment benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make the payments (for those benefits) and to disclose them at the time that employees earn their future entitlement.

The Council participates in two post employment schemes:

- The Local Government Pension Scheme - this is a funded defined benefit pension scheme arrangement, meaning that the Council and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets.
- Arrangements for the award of discretionary post retirement benefits upon early retirement - this is an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. However there are no investment assets built up to meet these pensions liabilities, and cash has to be generated to meet actual pensions payments as they eventually fall due.

The Clwyd Pension Fund is a multi-employer arrangement, under which each employer is responsible for the pension costs, liabilities and funding risks relating to its own employees and former employees.

Management of the Fund is vested in Flintshire County Council as Administering Authority of the Fund. The Council has established a Pension Fund Committee comprising of five Councillors of Flintshire County Council and four co-opted members.

The Committee, assisted by the Fund's professional advisors, carries out roles such as determining policies on investment strategy, governance administration, communications,

funding strategy and risk management provisions.

For further details regarding the governance and investment principles of the Clwyd Pension Fund please refer to <https://mss.clwydpensionfund.org.uk/> or contact the Clwyd Pension Fund at:

Clwyd Pension Fund
County Hall
Mold
Flintshire
CH7 6NA

The principal risks to the authority of the scheme are the longevity assumptions, statutory changes to the scheme, structural changes to the scheme (i.e. large-scale withdrawals from the scheme), changes to inflation, bond yields and the performance of the equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge to the Council Fund and Housing Revenue Account the amounts required by statute as described in the accounting policies note.

Transactions Relating to Post-employment Benefits

We recognise the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge we are required to make against council tax is based on the cash payable in the year, so the real cost of post employment/retirement benefits is reversed out of the Council Fund and Housing Revenue Account via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income & Expenditure Statement and Council Fund Balance via the Movement in Reserves Statement during the year:

	Local Government Pension Scheme		Discretionary Benefits Arrangements	
	2017/18 £000	2018/19 £000	2017/18 £000	2018/19 £000
Comprehensive Income & Expenditure Statement				
<i>Cost of Services:</i>				
<i>Service cost comprising:</i>				
• Current Service Cost	20,335	20,082		
• Past Service Costs/(Gains)	117	312		
• (Gain)/Loss from Settlements	0	0		
<i>Other Operating Expenditure:</i>				
• Administration Expenses	685	729		
<i>Financing & Investment Income and Expenditure</i>				
• Net Interest Expense	6,322	5,942	202	192
<i>Total Post Employment Benefits Charged to the Surplus or Deficit on the Provision of Services</i>	27,459	27,065	202	192
<i>Other Post Employment Benefits Charged to the Comprehensive Income & Expenditure Statement:</i>				
<i>Remeasurement of the net defined benefit liability comprising:</i>				
• * Return on Plan Assets (excluding the amount included in the Net Interest Expense) [A]	(6,936)	(11,358)		
• * Actuarial (Gains) and Losses Arising on Changes in Demographic Assumptions [B]	0	0		
• * Actuarial (Gains) and Losses Arising on Changes in Financial Assumptions [C]	(26,689)	37,386	(121)	227
• * Other [D]	0			
<i>Total Post Employment Benefit Charged to the Comprehensive Income & Expenditure Statement</i>	(6,166)	53,093	81	419
Movement in Reserves Statement				
• Reversal of net charges made to the Surplus of Deficit on the Provision of Services for Post Employment Benefits in accordance with the Code	(27,459)	(27,065)	(202)	(192)
<i>Actual amount charged against the Council Fund Balance for pensions in the year</i>				
• Employer's contributions payable to the scheme	17,537	18,517		
• Retirement benefits payable to pensioners			777	749

* A + B + C + D = Remeasurement of the Net Defined Benefit Liability/(Asset) as quoted in the Comprehensive Income & Expenditure Statement £26,255k 2018/19; (£33,746k) 2017/18

Pensions Assets and Liabilities Recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the authority's obligation in respect of its defined benefit plans is as follows:

	Local Government Pension Scheme		Discretionary Benefits Arrangements	
	2017/18 £000	2018/19 £000	2017/18 £000	2018/19 £000
Present value of the defined benefit obligation	649,677	709,597	7,774	7,444
Fair value of plan assets	(407,992)	(433,336)		
Sub-total	241,685	276,261	7,774	7,444
Other movements in the liability (asset)				
Net liability arising from defined benefit	241,685	276,261	7,774	7,444

Reconciliation of the Movements in the Fair Value of Scheme (Plan) Assets

	Local Government Pension Scheme	
	2017/18 £000	2018/19 £000
Opening fair value of scheme assets	389,051	407,992
Interest income	9,855	10,760
Administration expenses	(685)	(729)
Remeasurement gain/(loss):		
• The return on plan assets, excluding the amount included in the net interest expense	6,936	11,358
• Other		
The effect of changes in foreign exchange rates		
Contributions from employer	17,537	18,517
Contributions from employees into the scheme	3,723	3,946
Benefits paid	(18,425)	(18,508)
Other		
Closing value of scheme assets	407,992	433,336

Reconciliation of Present Value of the Scheme Liabilities (Defined Benefit Obligation)

	Funded Liabilities Local Government Pension Scheme		Unfunded Liabilities Discretionary Benefits Arrangements	
	2017/18 £000	2018/19 £000	2017/18 £000	2018/19 £000
Opening balance at 1 April	654,439	649,677	8,470	7,774
Current service cost	20,335	20,082		
Interest cost	16,177	16,702	202	192
Contributions from scheme participants	3,723	3,946		
Remeasurement (gains) and losses:				
• Actuarial (gains) and losses arising on changes in demographic assumptions				
• Actuarial (gains) and losses arising on changes in financial assumptions	(26,689)	37,386	(121)	227
• Other				
Past service cost	19	25		
Losses/(gains) on curtailment	98	287		
Liabilities assumed on entity combinations				
Benefits paid	(18,425)	(18,508)	(777)	(749)
Liabilities extinguished on settlement				
Closing balance at 31 March	649,677	709,597	7,774	7,444

Local Government Pension Scheme Assets Comprised:

	Fair value of scheme assets	
	2017/18 £000	2018/19 £000
Cash & cash equivalents	4,896	867
Equities		
• UK quoted	0	0
• Global quoted	33,455	34,667
• Global unquoted	0	0
• US	0	0
• Japan	0	0
• Europe	0	0
• Emerging markets	28,559	26,867
• Frontier	0	0
• Far East	0	0
Sub-total Equity	62,014	61,534
Bonds		
• Overseas other bonds	46,511	48,100
• LDI	92,206	98,800
Sub-total Bonds	138,717	146,900
Property		
• UK	20,808	23,833
• Overseas	5,304	4,767
Sub-total Property	26,112	28,600
Alternatives		
• Hedge Funds	34,271	32,500
• Private equity	42,023	49,834
• Infrastructure	9,384	15,600
• Timber & Agriculture	5,712	5,200
• Private credit	3,264	7,367
• DGF	81,599	84,934
Sub-total Alternatives	176,253	195,435
Total Assets	407,992	433,336

Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels etc.

Both the Local Government Pension Scheme and Discretionary Benefits liabilities have been estimated by Mercer Human Resource Consulting, an independent firm of actuaries, estimates for the County Council Fund being based on the latest full valuation of the scheme as at 31 March 2016.

The principal assumptions used by the actuary have been:

	Local Government Pension Scheme		Discretionary Benefits Arrangements	
	2017/18	2018/19	2017/18	2018/19
Mortality assumptions				
Longevity at 65 for current pensioners:				
• Men	23.1 years	23.2 years	23.1 years	23.2 years
• Women	25.6 years	25.7 years	25.6 years	25.7 years
Longevity at 65 for future pensioners:				
• Men	25.7 years	25.9 years		
• Women	28.3 years	28.4 years		
Rate of inflation	2.10%	2.20%	2.10%	2.30%
Rate of increase in salaries	3.35%	3.45%		
Rate of increase in pensions	2.20%	2.30%	2.20%	2.40%
Rate of discounting scheme liabilities	2.60%	2.40%	2.60%	2.40%

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes, for each change, that the assumption analysed changes while all the other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analyses have followed the accounting policies for the scheme i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analyses below did not change from those used in the previous period.

Change in assumptions at 31 March 2019	Impact on the Net Liability arising from the Defined Benefit Obligation in the Scheme £000
Longevity (increase in 1 year)	14,180
Rate of inflation (increase by 0.1%)	13,096
Rate of increase in salaries (increase by 0.1%)	1,891
Rate for discounting scheme liabilities (increase by 0.1%)	(12,859)

Risks and Investment Strategy

The Fund maintains positions in a variety of financial instruments and is therefore exposed to a variety of financial risks including credit and counterparty risk, liquidity risk, market risk and exchange rate risk.

The Administering Authority's overall risk management procedures focus on the unpredictability of financial markets and implementing restrictions to minimise these risks. The Pension Fund annually reviews its Investment Strategy Statement and corresponding Funding Strategy Statement, which set out the Pension Fund's policy on matters such as the type of investments to be held, balance

between types of investments, investment restrictions and the way risk is managed.

Impact on the Authority's Cash Flows

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. The County Council has agreed a strategy with the scheme's actuary to achieve a funding level of 100% over the next 16 years. Funding levels are monitored on an annual basis. The next triennial valuation is due to be completed on 31 March 2019.

The scheme will need to take account of the national changes to the scheme under the Public Pensions Services Act 2013. Under the Act, the Local Government Pension Scheme in England and Wales and the other main existing public service schemes may not provide benefits in relation to service after 31 March 2014. The Act provides for scheme regulations to be made within a common framework, to establish new career average revalued earnings schemes to pay pensions and other benefits to certain public servants.

The authority anticipated to pay £17,551k expected contributions to the scheme in 2019/20.

The weighted average duration of the defined benefit obligation for scheme members is 18 years, 2018/19 (18 years 2017/18).

37. Nature and Extent of Risks Arising from Financial Instruments

The Council has adopted CIPFA's Code of Practice on Treasury Management and complies with The Prudential Code of Capital Finance for Local Authorities.

As part of the adoption of the Treasury Management Code, the Council approved the Treasury Management Strategy for 2018/19 on 20 February 2018. The Strategy sets out the parameters for the management of risks associated with Financial Instruments. The Council also produces Treasury Management Practices specifying the practical arrangements to be followed to manage these risks.

The Treasury Management Strategy includes an Annual Investment Strategy in compliance with the Welsh Government's Investment Guidance to local authorities. This Guidance emphasises that priority is to be given to security and liquidity, rather than yield. The Council's Treasury Strategy, together with its Treasury Management Practices are based on seeking the highest rate of return consistent with the proper levels of security and liquidity.

The main risks covered are:

Credit Risk: The possibility that other parties might fail to pay amounts due to the Council.

Liquidity Risk: The possibility that the Council might not have funds available to meet its commitments to make payments.

Market Risk: The possibility that financial loss might arise for the Council as a result of changes in such measures as interest rates and stock market movements.

Credit Risk

Investments

The Council manages this risk by ensuring that investments are placed with central government, other local authorities or Banks and Building Societies having sufficiently high credit ratings as set out in the Treasury Management Strategy. A limit of £5,000k is placed on the amount of money that can be invested with a single counterparty. No more than £10,000k in total can be invested for a period longer than one year.

The Council has no historical experience of counterparty default. The Council uses a range of indicators in addition to credit ratings to decide who to invest with. These include Government guarantees, financial strength of the country and share prices. The Council and its treasury adviser will continue to analyse and monitor these indicators and credit developments on a regular basis and respond as necessary to ensure the security of the sums invested.

Debtors

It is recognised that in the current economic environment there will be greater difficulty in collecting monies due, however the authority has previously invested in strong Credit Control methodology, with highly trained staff supported by effective procedures which should maintain cash flow and reduce the incidences of contractual delinquency.

The following table summarises the nominal value of the Council's investment portfolio at the end of the financial year.

	Long-term Rating when Investment Made	Long-term Rating at 31/03/2019	Balance Invested at 31/03/2019 £000	Maturity Date			
				0-3 Months £000	4-6 Months £000	7-9 Months £000	10-12 Months £000
UK Banks	A+	A+	5,000				
Bank of Scotland	A+	A+	300				
NatWest	AA	AA	4,400				
UK Government Debt Management Office							
Total			9,700	9,700			

Definitions	
Long-term Ratings	AA Very high credit quality Expectation of very low credit risk. Very strong capacity for payment of financial commitments, which is not significantly vulnerable to foreseeable events.
	A High credit quality Expectation of low credit risk. Strong capacity for payment of financial commitments, which may be more vulnerable to adverse business or economic conditions than is the case for higher ratings.

Liquidity Risk

The Council has access to borrowing facilities from the Public Works Loans Board. There is no perceived risk that the Council will be unable to raise finance to meet its commitments. The Council also has to manage the risk that it will not be exposed to replenishing a significant proportion of its borrowing at a time of unfavourable interest rates.

The maturity analysis of the Council's PWLB and temporary debt at 31 March 2019 was as follows:

	Years	31 March 2018 £000	31 March 2019 £000	%
Short-term Borrowing	Less than 1 year	(30,390)	(24,705)	10.83
Long-term Borrowing	Over 1 under 6	(19,830)	(30,215)	13.24
	Over 6 under 10	(9,800)	(18,134)	7.95
	Over 10 under 15	(10,049)	(21,059)	9.23
	Over 15 under 20	(35,803)	(40,072)	17.57
	Over 20 under 25	(12,370)	(6,000)	2.63
	Over 25 under 30	0	0	0.00
	Over 30 under 35	(11,053)	(19,126)	8.38
	Over 35 under 40	(71,897)	(63,825)	27.98
	Over 40 under 45	(5,000)	(5,000)	2.19
Total Long-term Borrowing		(175,802)	(203,431)	89.17
Total Borrowing at Nominal Amount		(206,192)	(228,136)	100.00
Accrued Interest		(1,454)	(1,677)	
Deferred Premium		941		
IFRS 9 Adjustment			5,493	
Total Borrowing at Amortised Cost		(206,705)	(224,320)	
Balance as at 31 March 2018		(206,705)		
IFRS 9 Adjustment		5,551		
Balance as at 1 April 2018		(201,154)		

Market Risk

(1) Interest Rate Risk:

The Council is exposed to risks arising from movements in interest rates. The Treasury Management Strategy aims to mitigate these risks by setting an upper limit of 40% on external debt that can be subject to variable interest rates. At 31 March 2018 and 31 March 2019, 100% of the debt portfolio was held in fixed rate instruments.

Investments are also subject to movements in interest rates. As investments are made at fixed rates, but for shorter periods of time, there is greater exposure to interest rate movements. This risk has to be balanced against actions taken to mitigate credit risk.

(2) Price Risk:

The Council does not invest in equity shares and therefore is not subject to any price risk (i.e. the risk that the Council will suffer loss as a result of adverse movements in the price of financial instruments).

(3) Foreign Exchange Risk:

The Council has no financial assets or liabilities denominated in a foreign currency. It therefore has no exposure to loss arising as a result of adverse movements in exchange rates.

38. Heritage Assets

Reconciliations of the carrying value of Heritage Assets held by the authority:

2018/19	Scheduled Ancient Monument £000	Plas Newydd £000	Ruthin Gaol £000	Nantclwyd y Dre £000	Total Heritage Assets £000
Cost or Valuation 01 April 2018	0	1,114	4,427	2,954	8,495
Additions	0	0	0	0	0
Revaluation Gains	0	811	3,009	2,976	6,796
Revaluation decreases recognised in the Surplus or Deficit on the Provision of Services	0	0	(75)	0	(75)
Depreciation	0	(10)	(31)	(30)	(71)
31 March 2019	0	1,915	7,330	5,900	15,145

2017/18	Scheduled Ancient Monument £000	Plas Newydd £000	Ruthin Gaol £000	Nantclwyd y Dre £000	Total Heritage Assets £000
Cost or Valuation 01 April 2017	361	1,122	4,460	2,969	8,912
Additions	0	0	0	0	0
Revaluation decreases recognised in the Surplus or Deficit on the Provision of Services	(361)	0	0	0	(361)
Depreciation	0	(8)	(33)	(15)	(56)
31 March 2018	0	1,114	4,427	2,954	8,495

The Heritage Assets were revalued in 2018/19 and it has resulted in a net gain of £6.721m. This is due to the fact the valuers have had independent advice on rebuild costs and these are considerably higher than previously estimated.

Scheduled Ancient Monuments

The Council has a number of scheduled ancient monuments and listed buildings classified by CADW as Heritage Assets but these have no valuations attached. Included in these is Castell Dinas Bran, which is a medieval castle standing high on a hill above the town of Llangollen and is the site of an Iron Age hill fort. Others include Jubilee Tower, Moel Fenlli, Moel y Gaer Llanbedr, Caer Drewyn and Prestatyn Roman Bath House. Further information is available from CADW or Clwyd Powys Archaeological Trust.

Civic Regalia

Most of the Civic Regalia is still in the ownership of each Town Council, with a very small number of objects being cared for by the Heritage Service, due to them requiring professional care and storage or due to their historical value. However, Civic Regalia has not been included on the Balance Sheet as further information and consolidation of the collections held is required.

Heritage Buildings

Denbighshire has the following Heritage Buildings. The buildings were revalued in 2018/19 as part of the five-yearly revaluation programme. At the moment there is no valuation for the artefacts included in the buildings. Most artefacts are 'gifted' at no cost and the word 'value' in museums does not often refer to a financial value.

Plas Newydd - Grade 2 Building and Listed Landscape*

Plas Newydd is a detached two storey property constructed from timber frame with brick and stone elevations rendered and painted. The museum has approximately 400 artefacts including furniture, social and domestic items (books, medals, ceramics and costume), ephemera and miscellaneous collections.

Ruthin Gaol - Grade 2 Victorian Prison*

Ruthin Gaol ceased to be a prison in 1916. The county council purchased the buildings in 1926 and used part of them for offices, the county archives and the town library. During the Second World War the prison buildings were used as a munitions factory, before being handed back to the county council, when it became the headquarters of the Denbighshire Library Service. In 2002 the Gaol was extensively renovated and reopened as a museum. Some of the items in the collection are integral parts of the building, such as the stone baths, whereas others are objects and archives relating to the history of the Gaol.

Nantclwyd y Dre - Grade 1 Building and Listed Gardens*

The premises were purchased by Clwyd County Council in 1984. They were derelict but had a programme to renew and safeguard the external parts, which was completed in the mid 1990's. The premises were fully restored and opened to the public in June 2007 as a museum due to its historic merit.

The property comprises a circa 14th century house extended substantially. The property is a grade 1 listed structure with a registered historical garden, a grade 1 listed gazebo and listed garden walls. The majority of items on display are either replica or purchased from an unknown source outside Denbighshire. However, any objects directly related to the history of the house, which have since come to light and been 'gifted' have been accessioned into the Denbighshire Heritage Service.

Denbighshire Heritage Service Collections

The collections date from the 1960's when, before the existence of a museum or heritage service, material was collected by various departments of the former local authorities. There are approximately 10,000 objects within the collection including social and industrial history, archive and archaeological material.

Museums

There are approximately 1,000 items associated with the former museum at Denbigh and approximately 3,000 individual items associated with the Rhyl Museum.

Intangible Heritage Assets

Historical recordings are housed in the Denbighshire Record Office, however the ownership of some of the recordings needs further research.

Other

It has been identified that a Denbighshire High School has a painting by the Welsh landscape painter, Sir John "Kyffin" Williams. It is estimated to be worth between £14,000 - £20,000.

Collections Management and Valuations

The management of collections is guided by the Museums Accreditation Scheme and the Welsh Government's 'A Museum Strategy for Wales'. The County's portable heritage collections are housed in the County Store in Ruthin. These include archaeological collections (such as Roman finds from Prestatyn Bath House and medieval collections from Rhuddlan Castle), collections associated with the Ladies of Llangollen, several Eisteddfod chairs and social history collections relating to the whole county. In August 2017, a professionally qualified Museum Curator was recruited to take responsibility for the care of the collections in Denbighshire, replacing the previous SLA arrangement with Bodelywyddan Castle Trust. The Curator's work to date has involved the submission for Museum Accreditation at Plas Newydd, Ruthin Gaol and Rhyl Museum, which was successful for all sites and awarded in September 2018. A full object audit has taken place at Plas Newydd, Ruthin Gaol, Rhyl Museum and Denbigh Volunteer Museum (who currently have the Denbigh Museum and Hospital County Collections on long-term loan). Work continues at the Museum Store to condition check, re-label, photograph and physically move each object, as part of a larger project to improve object care and storage capacity. In line with the object audits has been the implementation of the new object Management Database which will hold all object information. The Curator post fully satisfies the requirements of Museum Accreditation.

Loans

A number of objects are loaned to and from the Heritage Service. Plas Newydd has furniture on loan from the National Museum of Wales and this is covered by Denbighshire's insurance policy. There are also items on long-term loan from the Galleries of Justice in Nottingham in Ruthin Gaol. A loans register is kept in the main museum office.

Acquisitions and Disposals

The Heritage Service has a "Museum Documentation and Procedural Manual" as well as the other policies listed in the Heritage Service Forward Plan. The Museum Documentation and Procedural Manual documents the procedures for acquisition and disposal of all items. Each item should have a unique number, details of ownership and type of deposit. Once an item is accessed against the Collection Policy, a decision is made to formally accept it into the museum collection or return to the owner.

Section 4: Supplementary Statements and Notes to the Supplementary Statements**Housing Revenue Account Income and Expenditure Statement**

2017/18 £000		Note	2018/19 £000
	Expenditure		
4,442	Repairs & maintenance		4,871
2,523	Supervision & management		2,556
13	Rents, rates, taxes & other charges		18
8,710	Depreciation & impairment of non-current assets	5	8,926
39	Debt management costs		38
96	Movement in bad debt provision		137
15,823	Total Expenditure		16,546
	Income		
(14,158)	Dwelling rents (gross)		(15,181)
(172)	Non-dwelling rents (gross)		(178)
(14,330)	Total Income		(15,359)
	Net Expenditure of HRA Services as included in the Comprehensive Income & Expenditure Statement		
1,493			1,187
58	HRA share of Corporate Expenditure		58
1,551	Net Expenditure of HRA Services		1,245
	HRA share of the operating income and expenditure included in the Comprehensive Income & Expenditure Statement		
24	Pension administration costs	6	25
3,253	Interest payable & similar charges		3,055
(10)	Interest & investment income		(13)
225	Net interest on the net defined benefit liability/(asset)	6	214
(2,409)	Capital grants & contributions receivable		(3,540)
2,634	(Surplus) or Deficit for the Year on HRA Services		986

Movement on the HRA Statement

2017/18 £000		2018/19 £000	
(2,547)	Balance on the HRA at 1 April		(2,203)
2,634	(Surplus) or deficit for the year on the HRA Income & Expenditure Statement	986	
(2,353)	Adjustments between accounting basis & funding basis under statute (see below)	(427)	
281	Net (increase) or decrease before transfers to or from reserves		559
63	Transfers to or (from) reserves		(40)
344	(Increase) or decrease in year on the HRA		519
(2,203)	Balance on the HRA at 31 March		(1,684)

	Adjustments between accounting basis & funding basis under statute:		
	Adjustments primarily involving the Capital Adjustment Account		
	<u>Reversal of items debited or credited to the Comprehensive Income & Expenditure Statement</u>		
(8,710)	Charges for depreciation & impairment of non-current assets	(8,926)	
2,409	Capital grants & contributions applied	3,540	
0	Revenue Expenditure Funded from Capital Under Statute	0	
(328)	Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income & Expenditure Statement	(288)	(5,674)
	<u>Insertion of items not debited or credited to the Comprehensive Income & Expenditure Statement</u>		
2,703	Statutory provision for the financing of capital investment	2,853	
1,647	Capital expenditure charged against HRA balances	2,442	
	Adjustments involving the Capital Receipts Reserve		
328	Transfer of cash sale proceeds credited as part of the gain/loss on disposal to the HRA Income & Expenditure Statement	288	
	Adjustments primarily involving the Financial Instruments Adjustment Account		
0	Amount by which finance costs charged to the HRA Income & Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements	3	
	Adjustments primarily involving the Pensions Reserve		
(967)	Reversal of items relating to retirement benefits debited or credited to the HRA Income & Expenditure Statement	(945)	
579	Employer's pension contributions payable in the year	608	
	Adjustments involving the Accumulated Absences Account		
(14)	Amount by which officer remuneration charged to the HRA Income & Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(2)	5,247
(2,353)	Total Adjustments		(427)

Notes to the Supplementary Statements**1. Housing Stock**

The Council's total housing stock was as follows:

2017/18 No. of Properties		2018/19 No. of Properties
1,810	Houses	1,804
954	Flats	957
616	Bungalows	617
3,380	Total	3,378

During the year three properties were sold under the Right to Buy Scheme and five were purchased in the year and four removed from the housing stock.

2. Rent Arrears

At the 31 March 2019, tenants' rent arrears were £647k, (£427k as at 31 March 2018), which represented 4.26% of the net rent income due in the year. No arrears were written off during the year. A contribution to the provision for Bad and Doubtful Debts of £137k was made during the year and the balance at year end was £467k.

3. Capital Receipts

There have been three Right to Buy (RtB) sales in 2018/19 plus one purchase of land. Whilst the RtB has been suspended, pre-suspension applications have been completed. Capital receipts of £288k were received from sales in 2018/19, £328k in 2017/18.

4. Analysis of Housing Revenue Account Capital Expenditure

During 2018/19 capital expenditure of £8,632k was incurred on improvements to the Council's housing assets. This includes improvements to existing stock and investment in sites to facilitate the development of additional housing stock. It also includes the acquisition of former housing stock. Total capital expenditure has been financed by five sources: the Major Repairs Allowance (a government grant), capital receipts (from the Right to Buy scheme), Direct HRA revenue contributions, Prudential Borrowing and other grants as detailed in the following table.

2017/18 £000	<u>Housing Capital Expenditure</u>	2018/19 £000
87	Quality Performance Management - IT Project	190
3,007	Acquisitions	2,715
5,906	Improvement/Planned Works	5,727
9,000	Total In-year Expenditure	8,632
	<i>Financed by:</i>	
2,409	Major Repairs Allowance (Grant)	2,412
82	Usable Capital Receipts	72
1,647	Direct HRA Revenue Contributions	2,458
4,862	Prudential Borrowing	2,577
0	Other grants	1,113
9,000	Total Financing	8,632

5. Depreciation, Impairment and Revaluation Losses of Non-current Assets

In line with the resource accounting framework, depreciation charges, impairment and revaluation losses are included in the HRA Net Cost of Services. The depreciation charge is based on the Balance Sheet value of dwellings and other assets and reflects the assets held and consumed in the delivery of the service rather than simply the cash spent on them each year. The impairment and revaluation losses arise as a result of the revaluation process. The depreciation charge, impairment and revaluation losses are reversed out of the Net Cost of Services via the Movement on the HRA Statement. The reversal brings the net capital charge to the HRA back to the statutory charge, which is calculated in line with The General Determination of the Item 8 Credit and Item 8 Debit (Wales) 2015. The depreciation charge, impairment and revaluation losses have no effect on HRA balances.

The total depreciation charges and impairment & revaluation losses for 2018/19 are shown below:

2017/18 £000		2018/19 £000
2,111	Operational Assets - Dwellings	2,085
63	Operational Assets - Equipment & Infrastructure	52
2,174	Total Depreciation	2,137
6,536	Impairment & Revaluation Losses	6,789
8,710	Total HRA Depreciation, Impairment & Revaluation Losses	8,926

6. Transactions Relating to Retirement Benefits

The cost of retirement benefits is recognised in the Net Cost of Services when they are earned by employees, rather than when the benefits are actually paid as pensions. However, the charge to the HRA is based on the employer's contribution payable in the year, so the real cost of retirement benefits is reversed out in the Movement on the HRA Statement.

The following transactions have been made in the Comprehensive Income & Expenditure Statement and Movement on the HRA Statement during the year:

2017/18 £000	<u>Comprehensive Income & Expenditure Statement</u>	2018/19 £000
	<u>Net Cost of Services</u>	
702	Current Service Cost	706
16	Past Service Costs	0
	<u>Net Operating Expenditure</u>	
24	Pension Administration Expenses	25
225	Net Interest Expense	214
967	Net charge to the Comprehensive Income & Expenditure Statement	945

<u>Movements on the HRA Statement</u>		
(967)	Reversal of net charges made for retirement benefits in accordance with the Code	(945)
579	Employer's contribution payable to the Clwyd Pension Fund Scheme	608

Section 5: The independent auditor's report of the Auditor General for Wales to the members of Denbighshire County Council will appear here

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Annual Governance Statement

2018-19

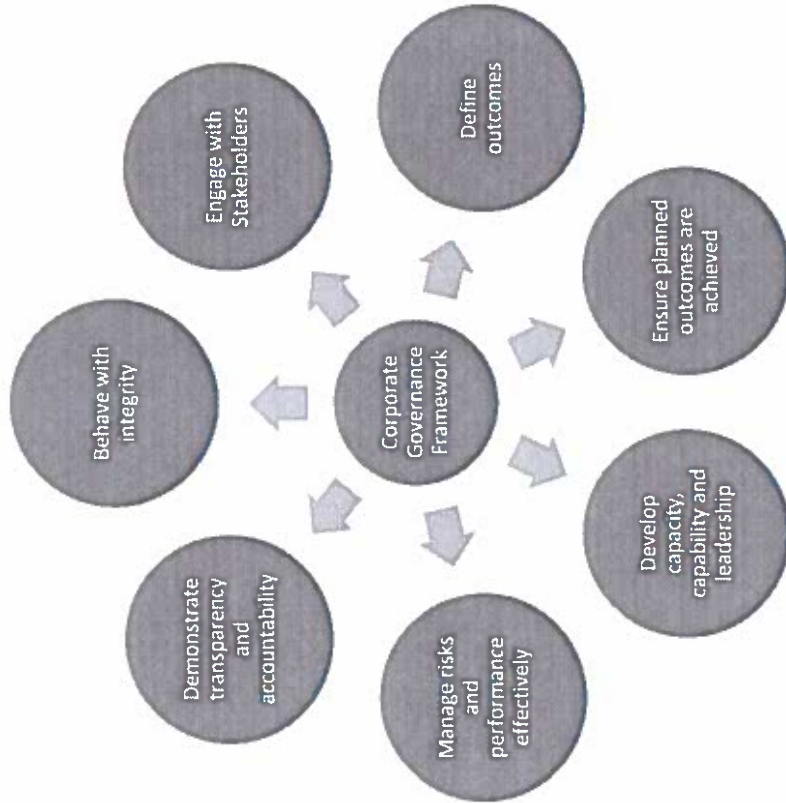
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Introduction

The CIPFA/Solace Delivering Good Governance in Local Government framework (2016) requires local authorities to publish an Annual Governance Statement. This is to show that Denbighshire County Council (the Council):

- Conducts its business in accordance with relevant laws and regulations;
- Properly accounts for and safeguards public money;
- Uses its resources economically, efficiently and effectively to achieve agreed priorities that benefit local people.

The Council has adopted the 'Core Principles' which underpin the CIPFA/Solace framework to form its Corporate Governance Framework. The seven core principles are set out below along with an overview of the Council's governance framework:



Key Elements Of The Council's Governance Framework		
<p>Evidence Sources</p> <ul style="list-style-type: none"> • Constitution • Corporate Plan • Leadership Strategy • Core Values • Equalities arrangements • FOI arrangements • Codes of conduct • Anti-fraud & Corruption Policy • Whistleblowing Policy • Expert advice & guidance • Risk management • Project management • Internal controls • Internal Audit service • Information management • Elected member & staff training • Customer feedback & Complaints process 	<p>Evidence Sources</p> <ul style="list-style-type: none"> • Annual delivery document • Corporate priorities • Financial planning • Performance management • Partnership arrangements • HR strategy & policies • Procurement management • Partnership governance • Job descriptions • Published reports • Community Engagement Plan • City, Town & Area Plans • Member Area Groups • Resident surveys • Communication Strategy • Staff engagement • Well-being Statement & Objectives • Well-being Impact Assessments 	<p>Assurance Sources</p> <ul style="list-style-type: none"> • Performance reports • Financial reports • Democratic arrangements • External regulator reports • Internal Audit reports • Service challenges • Self-assessments • Peer reviews • Partnership boards • Staff surveys • Resident surveys • Customer feedback • Consultations
<p>Members</p> <ul style="list-style-type: none"> • Corporate Governance Committee • Scrutiny Committees • Standards Committee 	<p>Council Meetings</p> <ul style="list-style-type: none"> • All meetings are held in public • Decisions are recorded on the Council's website 	<p>Executive</p> <ul style="list-style-type: none"> • Corporate Executive Team <ul style="list-style-type: none"> ◦ Head of Paid Service (CEO) ◦ Treasurer (Section 151 Officer) ◦ Monitoring Officer • Senior Leadership Team

The effectiveness of governance arrangements is measured in several ways. One key report is the Chief Internal Auditor's Annual Report which provides an independent opinion on the overall adequacy and effectiveness of the Council's governance, risk and control framework and the extent that the Council can rely on it. The Annual Internal Audit Report will be presented to the Corporate Governance Committee in June 2019, which will summarise the key findings of the audit work undertaken in 2018/19, including any areas of significant weaknesses in the internal control environment.

It is of the opinion of the Chief Internal Auditor, taking into account all available evidence, that medium assurance may be awarded over the adequacy and effectiveness of the Council's overall internal control environment during the financial year 2018/19. This is the same as last year. Improvements in the following areas were highlighted however:

Issues identified by Internal Audit in 2018/19	Agreed action
Review and update the Money Laundering Policy and raise awareness with relevant officers.	Update Money Laundering Policy and communicate to officers that collect cash on behalf of the Council.
Define risk appetite and risk management training for members and officers (staff).	Agree risk appetite and arrange training for members and senior and middle managers on risk management.

Last year's self-assessment and Annual Governance Statement highlighted nine areas for improvement relating to: committee reports; awareness of the code of conduct; budget deficit; changes affecting senior management; partnerships; contract management; benefit realisation; and GDPR implementation. Follow up work by Internal Audit confirms that all areas are being addressed.

The Corporate Governance Officer's Group consisting of the Monitoring Officer, Head of Finance, Head of Business Improvement & Modernisation (SIRO) reviewed the Council's arrangements against the CIPFA/Solace Framework. This confirmed that governance arrangements such as the Code of Conduct, Financial Regulations, and other corporate processes have operated as intended during the year. The Code of Corporate Governance was updated to reflect the current arrangements. Looking ahead, the following areas for improvement have been identified for 2018/19:

Improvement actions 2018/19	Agreed action
Review, update and promote the Strategy for the Prevention of Fraud, Corruption & Bribery	Periodic review of the Strategy and raise awareness as relevant.
Review the Council's Ethical Culture as required by the Public Sector Internal Audit Standards	Internal Audit review planned for 2019/20.
Finalise and promote the Partnership Framework	Partnership framework to be presented to Corporate Governance Committee and requirements communicated to relevant persons
Ongoing work to promote the officer's code of conduct, declaration of interest, gifts and hospitality and whistleblowing.	E-learning module due to be released and Monitoring Officer to brief senior and middle managers.
Ongoing work to implement the requirements of the General Data Protection Regulations.	Internal Audit review of GDPR.

The Governance Framework

Principle 1 - Behaving with integrity, with commitment to ethical values, and respect for the rule of law

Denbighshire CC's Constitution includes the Codes of Conduct for members and officers and demand a high standard of behaviour. These are supported by more detailed guidance such as the Strategy for the Prevention and Detection of Fraud, Corruption and Bribery, Whistleblowing Policy, Financial Regulations and Contract Procedure Rules. The Monitoring Officer and Head of Finance / Section 151 Officer both have responsibilities to ensure that Council decisions meet legal requirements.

Principle 2 - Ensuring openness and comprehensive stakeholder engagement

The Council engages with stakeholders and partners through joint working arrangements, partnership boards and representation on external bodies' governing boards. The resident survey informs community engagement strategies as well as service. The Council publishes information on the website including webinars of Council meetings. Communication channels involve press releases and online such as social media (facebook and twitter) and the County Conversation portal <https://countyconversation.denbighshire.gov.uk/customerportal>

Principle 3 - Defining outcomes in terms of sustainable economic, social, and environmental benefits

The strategic vision for Denbighshire is set out in its Corporate Plan. Within it, Council defines specific priorities and outcomes to be achieved and this is managed by two programme boards. A separate programme board is focused on ensuring the Council's finances and services are sustainable. A Wellbeing Impact Assessment is completed to inform significant decisions.

Principle 4 - Determining the intervention necessary to achieve intended outcomes

A Quarterly Performance report tracks the performance of all Council activities in terms of key performance indicators and delivery of key outcomes. The report also highlights remedial actions being taken where slippage does occur. Senior Management and Members (via Scrutiny committees and the Corporate Governance Committee), ensure the Council remains focussed on achieving its objectives and priorities.

Principle 5 - Developing capacity, including the capability of leadership and individuals within the Council

Development is directed by the leadership strategy, apprenticeship schemes and an e-learning portal is used to develop staff at all levels. The Council also works across a broad set of partnerships and collaborative arrangements, and uses commissioning and procurement processes to maximise capacity by delivering services in the most effective and efficient way.

Principle 6 - Managing risks and performance through strong internal control and financial management

Corporate risk registers are updated twice yearly, with significant risks brought to the attention of senior management and members. Internal Audit assess the overall quality of risk management, governance and internal control and agree actions for improvement as necessary. The Council has a strong track record in financial management, delivering services within budget and timely production of the 2017/18 accounts in response to the early closure requirements.

Principle 7 - Implementing good practices in transparency, reporting and audit to deliver effective accountability

The Council provides clear and accurate information, and has developed both its website and the format of Council reports to improve transparency and accessibility. Minutes of meetings and key decisions are published on the Council's website. The external assessment of Internal Audit confirms it conforms to the Public Sector Internal Audit Standards.

Key contributors to developing and maintaining the Governance Framework

<p>Council</p>	<ul style="list-style-type: none"> - Approves the Corporate Plan - Endorses the Constitution - Approves the policy and financial frameworks
<p>Cabinet</p>	<ul style="list-style-type: none"> - Primary decision making body of the Council - Comprises of the Leader of the Council and Cabinet members who have responsibility for specific portfolios
<p>Corporate Governance Committee</p>	<ul style="list-style-type: none"> - Help raise the profile of internal control, risk management and financial reporting issues within the Council, as well as providing a forum for the discussion of issues raised by internal and external auditors
<p>Standards Committee</p>	<ul style="list-style-type: none"> - Standards Committee promotes high standards of conduct by elected and co-opted members and monitors the operation of the Members' Code of conduct.
<p>Programme Boards</p>	<ul style="list-style-type: none"> - Track efficiencies, highlighting risk and mitigating actions to achievement - Consider the robustness of efficiency planning and forecasting and consider resourcing of planned delivery - Plan communication and engagement activity
<p>Scrutiny Committees</p>	<ul style="list-style-type: none"> - Review and scrutinise the decisions and performance of Council, Cabinet, and Committees - Review and scrutinise the decisions and performance of other public bodies including partnerships
<p>Senior Leadership Team & Managers</p>	<ul style="list-style-type: none"> - Responsible for developing, maintaining and implementing the Council's governance, risk and control framework - Contribute to the effective corporate management and governance of the Council
<p>Internal Audit</p>	<ul style="list-style-type: none"> - Provide an independent opinion on the adequacy and effectiveness of internal control, risk management and governance arrangements - Delivers a programme of risk based audits, including counter fraud and investigation - Identifies areas for improvement in the management of risk
<p>External Audit</p>	<ul style="list-style-type: none"> - Audit and report on the Council's financial statements (including the Annual Governance Statement), providing an opinion on the accounts and use of resources, concluding on the arrangements in place for securing economy, efficiency and effectiveness in the use of resources


Significant governance issues

This Annual Governance Statement concludes that the Council has effective arrangements in place. While we recognise that there are areas for improvement (see improvement actions), it is important to note that the Corporate Governance Officers Group determined that there were no significant issues in 2018/19.

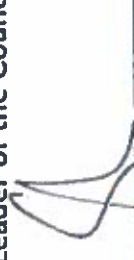
The areas for improvement that we have identified in our self-assessment will be monitored by the Corporate Governance Committee. This plan also includes any issues raised in last year's action plan that have not yet been fully addressed.

Certification

We propose over the coming year to take steps to address the issues identified in our Governance Improvement Action Plan to enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed: 
Cllr Hugh Evans
Leader of the Council

Date: 20-5 2019

Signed: 
Judith Greenhalgh
Chief Executive

Date: 20/5 2019

Section 7: Glossary

ACCOUNTING PERIOD - The period of time covered by the accounts, typically a period of twelve months commencing on 1 April. The end of the accounting period is the balance sheet date.

ACCOUNTING POLICIES - The specific principles, bases, conventions, rules & practices applied by the Council in preparing & presenting its financial statements.

ACCRUALS - Amounts included in the final accounts to recognise revenue and capital income and expenditure earned or incurred in the financial year, but for which actual payment had not been received or made as at 31 March.

ACTUARIAL GAINS AND LOSSES - For a defined benefit pension scheme, the changes in actuarial surpluses or deficits that arise because:

- events have not coincided with the actuarial assumptions made for the last valuation (experience gains and losses); or
- the actuarial assumptions have varied.

AGENCY ARRANGEMENTS - An arrangement between two organisations where one will act as an agent, collecting money on behalf of the other party, to whom the money is then paid over. An example of this is NNDR collections, where the Council is acting as the billing agent for central government, collecting money from tax payers on behalf of central government and then paying it over to them.

AMORTISATION - The gradual elimination of a liability, such as a loan, in regular payments over a specified period of time. Such payments must be sufficient to cover both principal & interest.

ASSET - An item having value to the authority in monetary terms. Assets are classed as either current or non current:

- A **current** asset will be consumed or cease to have material value within the next financial year (e.g. cash and stock);
- A **non current** asset provides benefits to the Authority and to the services it provides for a period of more than one year and may be **tangible** e.g. a school building, or **intangible**, e.g. computer software licences.

AUDIT OF ACCOUNTS - An independent review of the Authority's financial affairs.

BALANCE SHEET - A statement of the recorded assets, liabilities and reserves at the end of the accounting period.

BUDGET - The anticipated net revenue and capital expenditure over the accounting period.

CAPITAL EXPENDITURE - Expenditure on the procurement of a non current asset, which will be used in providing services beyond the current accounting period or expenditure that adds to, and not merely maintains, the value of an existing non current asset.

CAPITAL FINANCING - Funds obtained to pay for capital expenditure. There are various methods of financing capital expenditure including borrowing, leasing, direct revenue financing, usable capital receipts, capital grants, capital contributions, revenue reserves and earmarked reserves.

CAPITAL PROGRAMME - The capital schemes the Council intends to carry out over a specified period of time.

CAPITAL RECEIPT - The income from the disposal of land or other non current assets. Proportions of Housing capital receipts can be used to finance new capital expenditure,

within rules set down by the Government, but they cannot be used to finance revenue expenditure except for Revenue Expenditure Funded from Capital Under Statute.

CASH - Comprises cash on hand & demand deposits.

CASH EQUIVALENTS - Short-term, highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value.

CASH FLOWS - Inflows & outflows of cash & cash equivalents.

CIPFA - The Chartered Institute of Public Finance and Accountancy.

COMMUNITY ASSETS - Assets that the Council plans to hold in perpetuity, that have no determinable useful life, and that may have restrictions on their disposal. Examples of community assets are parks and historical buildings.

CONTINGENT ASSET - A contingent asset is a likely asset arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the Authority's control.

CONTINGENT LIABILITY - A contingent liability is either:

- a potential obligation arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the Authority's control; or
- a present obligation arising from past events where it is not probable that a transfer of economic benefits will be required, or the amount of the obligation cannot be measured with sufficient reliability.

CREDITOR - Amount owed by the Council for works done, goods received or services rendered within the accounting period, but for which payment has not been made by the end of that accounting period.

CURRENT SERVICE COST (PENSIONS) - The increase in the present value of a defined benefit pension scheme's liabilities, expected to arise from employee service in the current period.

DEBTOR - Amount owed to the Council for works done, goods received or services rendered within the accounting period, but for which payment has not been received by the end of that accounting period.

DEFINED BENEFIT PENSION SCHEME - Pension schemes in which the benefits received by the participants are independent of the contributions paid and are not directly related to the investments of the scheme.

DEPRECIATED REPLACEMENT COST (DRC) - A method of valuation which gives a recognised approximation for the market value of specialised properties. It is an estimate of the market value for the existing use of the land, plus the current gross replacement costs for the building less an allowance for physical deterioration of the asset to its current equivalent physical state.

DEPRECIATION - The measure of the cost of the wearing out, consumption or other reduction in the useful economic life of the Authority's non current assets during the accounting period, whether from use, the passage of time, or obsolescence through technological or other changes.

DISCRETIONARY BENEFITS (PENSIONS) - Retirement benefits which the employer has no legal, contractual or constructive obligation to award and are awarded under the Authority's discretionary powers such as The Local Government Pension Scheme (Benefits, Membership & Contributions) Regulations 2007.

EFFECTIVE INTEREST RATE - This is the rate of interest needed to discount the estimated stream of principal and interest cash flows through the expected life of a financial instrument to equal the amount at initial recognition.

EMPLOYEE BENEFITS - All forms of consideration given by the Council in exchange for service rendered by its employees.

EVENTS AFTER THE BALANCE SHEET DATE - Events after the balance sheet date are those events, favourable or unfavourable, that arise between the balance sheet date and the date when the Statement of Accounts is authorised for issue.

EXCEPTIONAL ITEMS - Material items which derive from affairs or transactions that fall within the ordinary activities of the Authority and which need to be disclosed separately by virtue of their size or incidence to give fair presentation of the accounts.

EXISTING USE VALUE (EUV) - The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing wherein the parties had acted knowledgeably, prudently and without compulsion. It assumes that the buyer is granted vacant possession of all parts of the property required by the business and disregarding potential alternative uses and any other characteristics of the property that would cause its market value to differ from that needed to replace the remaining service potential at least cost.

EXPECTED RETURN ON PENSION ASSETS - For a funded defined benefit scheme, this is the average rate of return, including both income and changes in fair value but net of scheme expenses, which is expected over the remaining life of the related obligation on the actual assets held by the scheme.

EXTRAORDINARY ITEMS - Material items, having a high degree of abnormality, which derive from events or transactions that fall outside the ordinary activities of the authority and which are not expected to recur. They do not include exceptional items, nor do they include prior period items merely because they relate to a prior period.

FAIR VALUE - The fair value of an asset is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's-length transaction.

FINANCE LEASE - A lease that transfers substantially all of the risks and rewards of ownership of an asset to the lessee.

FINANCIAL INSTRUMENT - Any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another. The term covers both financial assets and financial liabilities, from straightforward trade receivables (invoices owing) and trade payables (invoices owed) to complex derivatives and embedded derivatives.

FINANCING ACTIVITIES - Activities that result in changes in the size & composition of the principal received from or repaid to external providers of finance.

GOING CONCERN - The concept that the statement of accounts are prepared on the assumption that the Council will continue in operational existence for the foreseeable future.

GOVERNMENT GRANTS - Grants made by the government towards either revenue or capital expenditure in return for past or future compliance with certain conditions relating to the activities of the Council. Grants may be specific to a particular scheme or may support the revenue or capital spend (respectively) of the Authority in general.

HOUSING BENEFITS - A system of financial assistance to individuals towards certain housing costs administered by authorities and subsidised by Central Government.

HOUSING REVENUE ACCOUNT (HRA) - A separate account to the Council Fund that includes the expenditure and income arising from the provision of housing accommodation by the Authority.

IMPAIRMENT - A reduction in the value of a non current asset to below its carrying amount on the balance sheet. Impairment may be caused by a consumption of economic benefit (economic benefit impairment) or a general fall in prices.

INCOME - Amounts that the Council receives or expects to receive from any source, including fees, charges, sales and grants.

INCOME AND EXPENDITURE ACCOUNT - The revenue account of the Council that reports the net cost for the year of the functions for which it is responsible, and demonstrates how that cost has been financed from precepts, grants and other income.

INFRASTRUCTURE ASSETS - Non current assets belonging to the Authority that cannot be transferred or sold, on which expenditure is only recoverable by continued use of the asset created. Examples are highways, footpaths and bridges.

INTANGIBLE ASSETS - An intangible asset is an identifiable non-monetary asset without physical substance. Intangible assets most frequently found in local authorities are computer software.

INTEREST COST (PENSIONS) - For a defined benefit scheme, the expected increase during the period in the present value of the scheme liabilities because the benefits are one period closer to settlement.

INVENTORIES - Items of raw materials and stores an authority has procured and holds in expectation of future use.

INVESTING ACTIVITIES - The acquisition & disposal of long-term assets & other investments not included in cash equivalents.

INVESTMENT PROPERTY - Property that is held solely to earn rentals or for capital appreciation or both.

INVESTMENTS (PENSION FUND) - The investments of the Pension Fund will be accounted for in the statements of that fund. However, authorities are also required to disclose, as part of the disclosures relating to retirement benefits, the attributable share of pension scheme assets associated with their underlying obligations.

LEASE - An agreement whereby the lessor conveys to the lessee, in return for a payment or series of payments, the right to use an asset for a period of time.

LIABILITY - A liability is where the Council owes payment to an individual or another organisation.

- A **current liability** is an amount which will become payable or could be called in within the next accounting period, e.g. creditors or cash overdrawn.
- A **deferred liability** is an amount which by arrangement is payable beyond the next year at some point in the future or to be paid off by an annual sum over a period of time.

MATERIALITY - The concept that the Statement of Accounts should contain all amounts which, if omitted, or misstated, could be expected to lead to a distortion of the financial statements and ultimately mislead a user of the accounts.

MINIMUM REVENUE PROVISION (MRP) - The minimum amount, which must be charged to the revenue account each year in order to provide for the repayment of loans and other amounts borrowed by the Council.

NET BOOK VALUE - The amount at which non current assets are included in the balance sheet, i.e. their historical costs or current value less the cumulative amounts provided for depreciation and impairment.

NON-DOMESTIC RATES (NDR) - The Non-Domestic Rate is a levy on businesses, based on a national rate in the pound set by the government and multiplied by the assessed rateable value of the premises they occupy. It is collected by the Council on behalf of central government and then redistributed back to support the cost of services.

OPERATING ACTIVITIES - The activities of the Council that are not investing or financing activities.

OPERATING LEASE - A lease where the ownership of the non current asset remains with the lessor.

PAST SERVICE COST (PENSIONS) - For a defined benefit pension scheme, the increase in the present value of the scheme liabilities related to employee service in prior periods arising in the current period as a result of the introduction of, or improvement to, retirement benefits.

PENSION SCHEME LIABILITIES - The liabilities of a defined benefit scheme for outgoings due after the valuation date. Scheme liabilities measured using the projected unit method reflect the benefits that the employer is committed to provide for service up to the valuation date.

PRECEPT - The levy made by precepting authorities on billing authorities, requiring the latter to collect income from council taxpayers on their behalf.

PRIOR YEAR ADJUSTMENT - Material adjustments relating to prior years arising from changes in accounting policies or from the correction of fundamental errors. This does not include normal recurring corrections or adjustments of accounting estimates made in prior years.

PROJECTED UNIT METHOD - An accrued benefits valuation method in which the pension scheme liabilities make allowance for projected earnings. The accrued benefits are the benefits for service up to a given point in time, whether vested rights or not.

PROVISION - An amount put aside in the accounts for future liabilities or losses which are certain or very likely to occur, but the amounts or dates of when they will arise are uncertain.

PUBLIC WORKS LOAN BOARD (PWLB) - A Central Government Agency, which provides loans for one year and above to authorities at interest rates only slightly higher than those at which the government itself can borrow.

RATEABLE VALUE - The annual assumed rental value of a property, which is used for NDR purposes.

RELATED PARTIES - Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions.

RELATED PARTY TRANSACTIONS - The Code of Practice on Local Authority Accounting requires the disclosure of any material transactions between the Authority and related parties to ensure that stakeholders are aware when these transactions occur and the amount and implications of such.

REMUNERATION - All sums paid to or receivable by an employee and sums due by way of expenses allowances (as far as those sums are chargeable to UK income tax) and the money value of any other benefits received other than in cash.

RESERVES - The accumulation of surpluses, deficits and appropriations over past years. Reserves of a revenue nature are available and can be spent or earmarked at the discretion of the Council. Some capital reserves such as the Revaluation Reserve cannot be used to meet current expenditure.

RESIDUAL VALUE - The net realisable value of an asset at the end of its useful life.

RETIREMENT BENEFITS - All forms of consideration given by an employer in exchange for services rendered by employees that are payable after the completion of employment.

REVENUE EXPENDITURE - The day-to-day expenses of providing services.

REVENUE EXPENDITURE FUNDED FROM CAPITAL UNDER STATUTE (REFCUS) - Expenditure which can be classified as capital for funding purposes when it does not result in the expenditure being carried on the Balance Sheet as a non-current asset. This is to enable it to be funded from capital resources. Examples of REFCUS are grants of a capital nature to voluntary organisations.

REVENUE SUPPORT GRANT - A grant paid by Central Government to authorities, contributing towards the general cost of their services.

SERVICE CONCESSION ARRANGEMENT - A service concession agreement generally involves the grantor (usually a public sector body) conveying to the operator (usually a private sector entity), for the period of the concession, the right to provide services that give the public access to major economic & social facilities.

SOFT LOAN - A loan made interest free or at a rate less than the market rate, usually for policy reasons. Such loans are often made to individuals or organisations that the Council considers benefits the local population.

TEMPORARY BORROWING - Money borrowed for a period of less than one year.

TRUST FUNDS - Funds administered by the Authority for such purposes as prizes, charities, specific projects, and on behalf of minors.

USEFUL ECONOMIC LIFE (UEL) - The period over which the Council will derive benefits from the use of a non current asset.

WORK IN PROGRESS - The cost of work performed on an incomplete project at the balance sheet date, which should be accounted for.

Adroddiad i'r:	Pwyllgor Llywodraethu Corfforaethol
Dyddiad y Cyfarfod:	10 Gorffennaf 2019
Aelod / Swyddog Arweiniol:	Y Cynghorydd Julian Thompson-Hill
Awdur yr Adroddiad:	Steve Gadd, Prif Gyfrifydd
Teitl:	1. Adroddiad Blynyddol ar Reoli Trysorlys (RhT) 2018/19 (Atodiad 1) 2. Adroddiad Diweddarau ar Reoli Trysorlys 2019/20 (Atodiad 2)

1 Am beth mae'r adroddiad yn sôn?

- 1.1 Mae'r Adroddiad Blynyddol ar Reoli Trysorlys 2018/19 (Atodiad 1) yn sôn am weithgarwch buddsoddi a benthycar Cyngor yn ystod 2018/19. Mae hefyd yn rhoi manylion yr hinsawdd economaidd ar yr adeg honno ac yn dangos sut y cydymffurfiodd y Cyngor â'i Ddangosyddion Darbodus. Mae'r Adroddiad Diweddarau ar Reoli'r Trysorlys (Atodiad 2) yn rhoi manylion gweithgareddau RhT y Cyngor hyd yma yn 2019/20.
- 1.2 Mae'r term 'rheoli trysorlys' yn cynnwys rheoli benthyciadau, buddsoddiadau a llif arian y Cyngor. Mae tua £0.5bn yn mynd drwy gyfrifon banc y cyngor bob blwyddyn. Swm benthyciadau'r cyngor heb eu talu ar 31 Mawrth 2019 oedd £228.14m ar gyfradd gyfartalog o 4.21% ac roedd gan y cyngor £9.7m mewn buddsoddiadau ar gyfradd gyfartalog o 0.55%.

2 Beth yw'r rheswm dros lunio'r adroddiad hwn?

- 2.1 Cytunwyd gan y Cyngor ar 27 Hydref 2009 y dylai'r gwaith o lywodraethu RhT gael ei archwilio gan y Pwyllgor Llywodraethu Corfforaethol. Rhan o'r rôl hon yw cael diweddariadau am weithgarwch RhT ddwywaith y flwyddyn ac adolygu'r Adroddiad Blynyddol ar Reoli Trysorlys 2018/19 sydd ynghlwm.
- 2.2 **Rôl y Pwyllgor Llywodraethu Corfforaethol**
 - 2.2.1 Bydd y tîm Rheoli Trysorlys yn darparu adroddiadau i'r Pwyllgor Llywodraethu Corfforaethol yn unol â'r amserlen isod:

Pwyllgor	Dyddiad	Teitl yr Adroddiad	Cynnwys yr Adroddiad
Llywodraethu Corfforaethol	Ionawr	Adroddiad Diweddarau RhT	- Amgylchedd allanol - Risgiau - Gweithgarwch - Rheolaethau - Gweithgarwch i ddod
Llywodraethu Corfforaethol	Ionawr	Strategaeth RhT	- Polisi - Strategaeth - Dangosyddion Darbodus
Cyngor	Chwefror	Strategaeth RhT	Fel yr uchod
Llywodraethu Corfforaethol	Gorffennaf	Adroddiad Diweddarau RhT	Fel Adroddiad Diweddarau RhT uchod
Llywodraethu Corfforaethol	Gorffennaf	Adolygiad RhT	- Adolygiad o weithgarwch RhT yn ystod y flwyddyn flaenorol - Perfformiad swyddogaeth RhT
Cabinet	Medi	Adolygiad RhT	Fel yr uchod

2.2.2 Mae Rheoli Trysorlys yn faes cymhleth sy'n cymryd amser i'w ddeall yn llwyr, a darperir diweddariadau rheolaidd. Felly, ystyriwyd ei bod yn fwy priodol i'r Pwyllgor Llywodraethu Corfforaethol gael y diweddariadau hyn na'r Cyngor, er mwyn gallu neilltuo'r amser a'r ymrwymiad angenrheidiol i'r maes hwn.

2.2.3 Mae gofyn i'r Pwyllgor gael lefel benodol o ddealltwriaeth yn y maes hwn a chaiff hyn ei gyflawni drwy ddiweddariadau rheolaidd. Bydd cynghorwyr trysorlys y Cyngor, sef Arlingclose Ltd, hefyd yn darparu sesiwn hyfforddi i aelodau cyn bo hir, er mwyn trafod y meysydd hyn yn fwy trylwyr.

2.2.4 Mae rôl y Pwyllgor yn cynnwys y canlynol:

- Deall y Dangosyddion Darbodus
- Deall effaith benthyca ar y sefyllfa refeniw
- Deall y cymhellion ehangach sy'n cael effaith ar weithgarwch Rheoli Trysorlys y Cyngor
- Sicrhau bod y Cyngor bob amser yn gweithredu mewn modd darbodus mewn perthynas â'i weithgarwch Rheoli Trysorlys

3 Beth yw'r Argymhellion?

3.1 Bod aelodau'n nodi perfformiad swyddogaeth Rheoli Trysorlys y Cyngor yn ystod 2018/19 a'i gydymffurfiaeth â'r Dangosyddion Darbodus gofynnol fel y nodir yn yr Adroddiad Blynyddol ar Reoli Trysorlys 2018/19 (Atodiad 1).

- 3.2 Bod aelodau'n nodi Adroddiad Diweddaru RhT (Atodiad 2) ar berfformiad hyd yma yn 2019/20.
- 3.3 Bod y Pwyllgor yn cadarnhau ei fod wedi darllen, deall ac ystyried yr Asesiad o'r Effaith ar Les (Atodiad 3) fel rhan o'i ystyriaethau.

4 Manylion yr adroddiad

- 4.1 Dyma ddibenion yr Adroddiad Blynyddol ar Reoli'r Trysorlys (Atodiad 1):
- cyflwyno manylion am gyllid cyfalaf, benthyca, ad-drefnu dyledion a thrafodion buddsoddi yn 2018/19;
 - adrodd am oblygiadau risg penderfyniadau a thrafodion y trysorlys;
 - cadarnhau cydymffurfiaeth â therfynau'r trysorlys a Dangosyddion Darbodus.
- 4.3 Mae Adroddiad Diweddaru RhT (Atodiad 2) yn rhoi manylion y canlynol:
- Yr amgylchedd economaidd allanol
 - Risgiau
 - Gweithgarwch
 - Rheolaethau
 - Gweithgarwch i ddod

5 Sut mae'r penderfyniad yn cyfrannu at y Blaenoriaethau Corfforaethol?

- 5.1 Mae penderfyniadau buddsoddi a benthyca da yn galluogi i adnoddau ychwanegol gael eu cyfeirio at wasanaethau eraill y Cyngor.

6 Faint fydd hyn yn ei gostio a sut y bydd yn effeithio ar wasanaethau eraill?

- 6.1 Amherthnasol.

7 Beth yw prif gasgliadau'r Asesiad o Effaith ar Les?

- 7.1 Dylai cynllunio ariannol a gwneud penderfyniadau sicrhau y rhoddir ystyriaeth briodol i ofynion Deddf Llesiant Cenedlaethau'r Dyfodol ac yn benodol, y rhoddir ystyriaeth briodol i effaith hirdymor penderfyniadau ariannol. Mae hyn yn cynnwys cyfnod ad-dalu a chostau oes gyfan penderfyniadau buddsoddi cyfalaf, cynigion cyllideb y mae eu heffaith wedi'i asesu'n briodol a strategaethau dyled a buddsoddiad hirdymor (rheoli trysorlys). Mae egwyddorion pwyll, fforddiadwyedd a chynaliadwyedd eisoes wedi'u cynnwys o fewn gofynion y Cod Darbodus, a dylent fod yn sail i gynllunio ariannol a gwneud penderfyniadau.
- 7.2 Yng nghyd-destun rheoli'r trysorlys, mae'r gofynion presennol i asesu ac adrodd ar ganlyniadau hirdymor penderfyniadau buddsoddi a benthyca, gan ddefnyddio dangosyddion darbodus a chynllunio dyled hirdymor, yn cefnogi nodau cynaliadwyedd y Ddeddf Llesiant.

- 7.3 Mae adroddiad yr Asesiad o'r Effaith ar Les wedi'i gynnwys yn Atodiad 3, ac mae'n dangos sut y mae strategaeth Rheoli Trysorlys effeithlon yn hyrwyddo nodau lles y Ddeddf.

8 Pa ymgynghoriadau a gynhaliwyd gyda Chraffu ac eraill?

- 8.1 Mae'r Cyngor wedi ymgynghori â'i gynghorwyr trysorlys, sef Arlingclose Ltd.

9 Datganiad y Prif Swyddog Cyllid

- 9.1 Mae Rheoli Trysorlys yn golygu gofalu am symiau sylweddol o arian parod, felly mae'n rhan hanfodol o waith y Cyngor. Mae'n gofyn am strategaeth gadarn a rheolaethau priodol i ddiogelu arian y Cyngor, er mwyn sicrhau enillion rhesymol ar fuddsoddiadau a bod dyledion yn cael eu rheoli'n effeithiol ac yn ddoeth.
- 9.2 Cyhoeddodd SSCCCh ei argraffiad newydd o God Ymarfer ar Reoli Trysorlys ar ddiwedd 2017. Mae'r Cod hwnnw'n ei gwneud yn ofynnol i'r pwyllgor hwn gael diweddariadau am weithgarwch Rheoli'r Trysorlys ddwywaith y flwyddyn ac adolygu'r Adroddiad Blynyddol ar Reoli'r Trysorlys.
- 9.3 Mae gan y Cyngor ymrwymadau parhaus i'r Cynllun Corfforaethol a gymeradwywyd yn 2012. Er bod disgwyl i'r cynllun redeg am 5 mlynedd, bydd rhai o'r prosiectau yn dod i ben yn 2020/21 a rhagwelir y bydd angen i'r Cyngor fenthycu er mwyn ariannu'r buddsoddiad hwn.
- 9.4 Cymeradwyodd y Cyngor y Cynllun Corfforaethol newydd ar gyfer 2017 – 2022 ym mis Hydref 2017. Mae unrhyw gynigion newydd wedi cael eu hystyried yn y strategaeth RhT, gan ei bod yn hanfodol bod gan y Cyngor swyddogaeth RhT gadarn ac effeithiol fel sail i'r buddsoddiad hwn a phob gweithgarwch arall.

10 Pa risgiau sydd ac a oes unrhyw beth y gallwn ei wneud i'w lleihau?

- 10.1 Mae Rheoli Trysorlys ynddo'i hun yn risg, ond mae'r Cyngor yn monitro ac yn rheoli'r risgiau hyn fel yr amlinellir yn y prif adroddiad. Fodd bynnag, mae'n amhosibl cael gwared ar y risgiau hyn yn gyfan gwbl. Caiff strategaeth a gweithdrefnau rheoli trysorlys y cyngor eu harchwilio'n flynyddol ac roedd adolygiad yr archwiliad mewnol diwethaf yn gadarnhaol, ac ni chodwyd unrhyw faterion sylweddol.

11 Pŵer i wneud y Penderfyniad

- 11.1 Mae Rheoliadau Awdurdodau Lleol (Cyllid Cyfalaf a Chyfrifyddu) (Cymru) yn ei gwneud yn ofynnol i awdurdodau lleol ystyried Cod Ymarfer Sefydliad Siartredig Cyllid Cyhoeddus a Chyfrifyddiaeth ar Reoli Trysorlys, sy'n pennu'r gofyniad i'r Cyngor baratoi'r diweddariadau RhT rheolaidd a pharatoi adroddiad blynyddol ar weithgarwch y trysorlys am y flwyddyn ariannol flaenorol.

Appendix 1

DENBIGHSHIRE COUNTY COUNCIL

ANNUAL TREASURY MANAGEMENT REPORT 2018/19

Steve Gadd
Chief Accountant

CONTENTS

Section	Title
1	Background
2	Economic Background
3	Borrowing Activity
4	Investment Activity
5	Compliance with Prudential Indicators
6	Money Laundering Update
	Annex A - PWLB borrowing rates and UK Money Market rates
	Annex B – Compliance with Prudential Indicators 2018/19
	Annex C – Glossary

1. Background

- 1.1 The Council's treasury management activity is underpinned by CIPFA's Code of Practice on Treasury Management ("the Code"), which requires local authorities to produce Prudential Indicators annually and a Treasury Management Strategy Statement on the likely financing and investment activity. The Code also recommends that members are informed of treasury management activities at least twice a year. Reports are presented twice a year to the Corporate Governance Committee which is the committee with responsibility for the scrutiny of the Council's treasury policy, strategy and activity, as well as the annual report made to cabinet and the report to full council for approval of the annual treasury strategy.
- 1.2 Treasury management is defined as: "The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."
- 1.3 The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. This report covers treasury activity and the associated monitoring and control of risk.

2. Economic Background

- 2.1 UK Consumer Price Inflation (CPI) for February 2019 was up 1.9% year/year, just above the consensus forecast but broadly in line with the Bank of England's February Inflation Report. The most recent labour market data for the three months to January 2019 showed the unemployment rate fell to a new low 3.9% while the employment rate of 76.1% was the highest on record. The 3-month average annual growth rate for pay excluding bonuses was 3.4% as wages continue to rise steadily and provide some upward pressure on general inflation. Once adjusted for inflation, real wages were up 1.4%.
- 2.2 After rising to 0.6% in the third calendar quarter from 0.4% in the second, fourth quarter economic growth slowed to 0.2% as weaker expansion in production, construction and services dragged on overall activity. Annual GDP growth at 1.4% continues to remain below trend. Following the Bank of England's decision to increase Bank Rate to 0.75% in August, no changes to monetary policy have been made since.

3. Borrowing Activity

3.1 The table below shows the level of the Council's borrowing from the Public Works Loan Board (PWLB) at the start and the end of the year.

	Balance at 01/04/2018 £000	Maturing loans £000	Premature repayments £000	New Borrowing £000	Balance at 31/03/2019 £000
Fixed rate loans – Public Works Loan Board (PWLB)	180,192	5,057	0	35,000	210,135
Total borrowing	180,192	5,057	0	35,000	210,135

3.2 In line with its TM strategy and following advice from its treasury consultants, the Council has locked in a proportion of its debt at very low rates with the Public Works Loan Board (PWLB) to fund the capital programme. Four new loans for £35m were undertaken during 2018/19 over a 15 year period on an Equal Instalment of Principal (EIP) basis.

3.3 The Council has also been accessing temporary borrowing from other local authorities at very low rates to cover short-term cash flow requirements.

3.4 As a result of this borrowing, the average rate on the Council's debt decreased from 4.41% at 1 April 2018 to 4.21% at 31 March 2019.

3.5 Annex A shows how interest rates for borrowing have moved over the course of the year.

4. Investment Activity

4.1 The Council held cash balances of £9.7m at the end of 2018/19. These represent the Council's Balances and Reserves (after internal borrowing and working cash balances are accounted for) and also where money has been borrowed before capital expenditure is incurred.

4.2 The Welsh Government's Investment Guidance requires local authorities to focus on security (keeping the money safe) and liquidity (making sure the Council never runs out of cash) as the primary objectives of a prudent investment policy. The Council's aim was to achieve a return on investments in line with these principles. The return is important but is a secondary consideration and the priority is the security of the sums invested.

4.3 The table below shows the level of the Council's investments at the start and the end of the year.

	Balance at 01/04/2018 £000	Investments Raised £000	Investments Repaid £000	Balance at 31/03/2019 £000
Investments	12,600	319,750	322,650	9,700

- 4.4 Security of capital remained the Council's main investment objective. This was maintained by following the Council's counterparty policy as set out in its Treasury Management Strategy Statement for 2018/19 which defined "high credit quality" organisations as those having a long-term credit rating of A- or higher if domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher.

Unsecured Bank Deposits

- 4.5 Conventional bank deposits have become riskier because of a lower likelihood that the UK and other governments will support failing banks. As the Banking Reform Act 2014 was implemented in the UK from January 2015, banks were no longer able to rely on government bail-outs if they got into difficulty. They would be required instead to bail themselves out by taking a proportion of investors' deposits to build up their capital. This new risk has been termed 'bail-in' risk and is potentially a greater risk to investors than the 'bail-out' risk of the past.
- 4.6 Given the increasing risk and continued low returns from short-term unsecured bank investments, the Council has only held a minimal amount of investments for short-term cash flow purposes and has placed a far greater emphasis on investing with the UK Government's Debt Management Office and other local authorities in order to minimise these risks.

Credit Risk Management

- 4.7 Counterparty credit quality was assessed and monitored with reference to the following:
- credit ratings (minimum long-term counterparty rating of A- across rating agencies Fitch / S&P / Moody's);
 - analysis of funding structure and susceptibility to bail-in;
 - credit default swap prices;
 - financial statements;
 - information on potential government support;
 - share prices.

Liquidity Management

- 4.8 In keeping with the WG's Guidance on Investments, the Council maintained a sufficient level of liquidity through the use of overnight deposits and instant access call accounts. The Authority uses purpose-built cash flow forecasting software to determine the maximum period for which funds may prudently be committed.

Yield

- 4.9 The Council sought to achieve the best return balanced against its objectives of security and liquidity. The UK Bank Rate was increased from 0.50% to 0.75% on 2 August 2018. Short term money market rates also remained at very low levels which had a significant impact on investment income.
- 4.10 All investments made during the year complied with the Council's agreed Treasury Management Strategy, Prudential Indicators, Treasury Management Practices and prescribed limits. Maturing investments were repaid to the Council in full and in a timely manner.

5. Compliance with Prudential Indicators

- 5.1 The Council can confirm that it has complied with its Prudential Indicators for 2018/19, which were set in February 2018 as part of the Council's Treasury Management Strategy Statement. Details can be found in Annex B.
- 5.2 In compliance with the requirements of the CIPFA Code of Practice this report provides members with a summary report of the treasury management activity during 2018/19. None of the Prudential Indicators have been breached and a prudent approach has been taken in relation to investment activity with priority being given to security and liquidity over yield.

6. Money Laundering Update

- 6.1 The Council is alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money. Accordingly, it has a Money Laundering Policy and maintains procedures for verifying and recording the identity of counterparties and reporting suspicions, and will ensure that relevant staff are properly trained. This policy is due to be reviewed and updated in view of new regulations.
- 6.2 The Section 151 Officer has been appointed as the Money Laundering Reporting Officer. There haven't been any cases of money laundering reported since the start of Denbighshire to date and the risk to the Council is considered to be minimal.

Interest Rates 2018/19

Public Works Loan Board (PWLB) borrowing rates and UK Money Market rates during the year were:

Example PWLB Borrowing rates (The rate at which the Council could borrow money from the Government)

Start Date	Length of Loan		
	1yr %	19½-20 yrs %	49½-50 yrs %
03-Apr-18	1.68	2.73	2.47
28-Sep-18	1.75	2.91	2.76
29-Mar-19	1.68	2.55	2.43

Example Bank Rate, Money Market rates (The rate at which the Council could invest with banks)

Date	Bank Rate %	7-day Investment Rates %	1-month Investment Rates %	6-month Investment Rates %
03-Apr-18	0.50	0.36	0.39	0.72
28-Sep-18	0.75	0.59	0.60	0.78
29-Mar-19	0.75	0.57	0.61	0.83

Compliance with Prudential Indicators 2017/18

1 Estimated and Actual Capital Expenditure

- 1.1 This indicator is set to ensure that the level of proposed investment in capital assets remains within sustainable limits and, in particular, to consider the impact on the Council Tax and in the case of the HRA, housing rent levels.

Capital Expenditure	2018/19 Estimated February 2018 £000	2018/19 Revised February 2019 £000	2018/19 Outturn March 2019 £000
Non-HRA	51,137	54,269	53,316
HRA	10,233	11,579	8,632
Total	61,370	65,848	61,948

- NB The figures for the February estimate were produced early in January but due to the nature of capital expenditure, some of the major schemes have slipped and this expenditure will now be incurred in 2019/20.

2 Estimated and Actual Ratio of Financing Costs to Net Revenue Stream

- 2.1 This is an indicator of affordability and demonstrates the revenue implications of capital investment decisions by highlighting the proportion of the revenue budget required to meet the borrowing costs associated with capital spending. The financing costs include existing and proposed capital commitments.

Ratio of Financing Costs to Net Revenue Stream	2018/19 Estimated February 2018 £000	2018/19 Revised February 2019 £000	2018/19 Outturn March 2019 £000
Financing Costs	11,005	11,361	11,427
Net Revenue Stream	194,418	194,418	194,418
Non-HRA Ratio	5.66%	5.84%	5.88%
Financing Costs	6,757	6,473	5,936
Net Revenue Stream	15,535	15,739	15,739
HRA Ratio	43.50%	41.13%	37.72%

3 Capital Financing Requirement

- 3.1 The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow for a capital purpose. In order to ensure that over the medium term net borrowing will only be for a capital purpose, the Council ensures that net external borrowing does not, except in the short term, exceed the CFR in the preceding year plus the estimates of any additional CFR for the current and next two financial years. Performance during 2018/19 is demonstrated in the following table:

Capital Financing Requirement	2018/19 Estimated February 2018 £000	2018/19 Revised February 2019 £000	2018/19 Outturn March 2019 £000
Non-HRA	208,906	201,640	204,310
HRA	74,271	73,593	69,589
Total	283,177	275,233	273,899
Borrowing	220,802	223,135	228,135

NB The outturn figures are taken from the pre-audited Statement of Accounts 2018/19 so they may be subject to change.

4 **Authorised Limit and Operational Boundary for External Debt**

Summary Table:

2018/19	31/03/2019 £000
External Borrowing	228,135
Internal Borrowing	45,764
Operational Boundary	245,000
Authorised Limit	250,000

- 4.1 **Operational Boundary:** This limit is set to reflect the Council's best view of the most likely prudent (i.e. not worst case) levels of borrowing activity.
- 4.2 **Authorised Limit:** This is the maximum amount of external debt that can be outstanding at one time during the financial year. The limit, which is expressed gross of investments, is consistent with the Council's existing commitments, proposals for capital expenditure and financing and with its approved treasury policy and strategy and also provides headroom over and above for unusual cash movements.
- 4.3 The levels of debt are measured on an ongoing basis during the year for compliance with the Authorised Limit and the Operational Boundary. The Council maintained its total external borrowing and other long-term liabilities within both limits; at its peak this figure was £228.1m. In addition to external borrowing, the Council uses its own reserves and balances to fund capital expenditure and this is known as internal borrowing as shown in the table above.

5 Upper Limits for Fixed Interest Rate Exposure and Variable Interest Rate Exposure

- 5.1 These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates. The exposures are calculated on a net basis i.e. fixed rate debt net of fixed rate investments. The upper limit for variable rate exposure allows for the use of variable rate debt to offset exposure to changes in short-term rates on the portfolio of investments.

	2018/19 Estimated %	2018/19 Actual Peak Exposure %
Upper Limit for Fixed Rate Exposure	100	100
Upper Limit for Variable Rate Exposure	40	0

6 Maturity Structure of Fixed Rate borrowing

- 6.1 This indicator is to limit large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates and is designed to protect against excessive exposures to interest rate changes in any one period, in particular in the course of the next ten years.
- 6.2 It is calculated as the amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate.

Maturity structure of fixed rate borrowing	Upper limit %	Lower limit %	Actual Borrowing as at 31/03/2019 £000	Percentage of total as at 31/03/2019 %
under 12 months	30	0	24,705	10.83
12 months and within 24 months	30	0	5,924	2.60
24 months and within 5 years	30	0	18,867	8.27
5 years and within 10 years	30	0	23,557	10.32
10 years and above	100	50	155,082	67.98
Total			228,135	100.00

7 Total principal sums invested for periods longer than 364 days

- 7.1 This indicator is set in order to allow the Council to manage the risk inherent in investments longer than 364 days. For 2018/19 this limit was set at £10m. The Council did not have any investments which exceeded 364 days during 2018/19 because the policy was to limit investments to a shorter period than 1 year.

8 Adoption of the CIPFA Treasury Management Code

- 8.1 The Council confirms its adoption of the CIPFA Code of Treasury Management at its Council meeting on 26 March 2002. The Council has incorporated the changes from the revised CIPFA Code of Practice into its treasury policies, procedures and practices.

GLOSSARY - Useful guide to Treasury Management Terms and Acronyms

BANK OF ENGLAND	UK's Central Bank
BANK RATE	Bank of England Interest Rate (also known as Base Rate)
CPI	Consumer Price Index – a measure of the increase in prices
RPI	Retail Price Index – a measure of the increase in prices
DMO	Debt Management Office – issuer of gilts on behalf of HM Treasury
FSA	Financial Services Authority - the UK financial watchdog
GDP	Gross Domestic Product – a measure of financial output of the UK
LIBID	London Interbank Bid Rate - International rate that banks lend to other banks
LIBOR	London Interbank Offer Rate – International rate that banks borrow from other banks (the most widely used benchmark or reference for short term interest rates)
PWLB	Public Works Loan Board – a Government department that lends money to Public Sector Organisations
MPC	Monetary Policy Committee - the committee of the Bank of England that sets the Bank Rate
LONG TERM RATES	More than 12 months duration
SHORT TERM RATES	Less than 12 months duration
BOND (GENERAL)	An investment in which an investor loans money to a public or private company that borrows the funds for a defined period of time at a fixed interest rate
GOVERNMENT BOND	A type of bond issued by a national government generally with a promise to pay periodic interest payments and to repay the face value on the maturity date
CORPORATE BOND	A type of bond issued by a corporation to raise money in order to expand its business

COVERED BOND	A corporate bond issued by a financial institution but with an extra layer of protection for investors whereby the investor has recourse to a pool of assets that secures or “covers” the bond if the financial institution becomes insolvent
GILT	A bond that is issued by the British government which is classed as a low risk investment as the capital investment is guaranteed by the government
REPO	A repurchase agreement involving the selling of a security (usually bonds or gilts) with the agreement to buy it back at a higher price at a specific future date For the party selling the security (and agreeing to repurchase it in the future) it is a REPO For the party on the other end of the transaction e.g. the local authority (buying the security and agreeing to sell in the future) it is a reverse REPO
FTSE 100	Financial Times Stock Exchange 100 - An index composed of the 100 largest companies listed on the London Stock Exchange which provides a good indication of the performance of major UK companies

Mae tudalen hwn yn fwriadol wag

Treasury Management (TM) Update Report

1 Changes in the external environment

Economic Outlook

- 1.1 The political backdrop to the UK remains uncertain as the Brexit negotiations continue ahead of Britain's planned withdrawal from the EU. In view of this uncertainty, the Council will continue to take a cautious approach in relation to its investments.

2 Investment Strategy

- 2.1 Conventional bank deposits have become riskier because of a lower likelihood that the UK and other governments will support failing banks. As the Banking Reform Act 2014 was implemented in the UK from January 2015, banks were no longer able to rely on government bail-outs if they got into difficulty. They would be required instead to bail themselves out by taking a proportion of investors' deposits to build up their capital. This new risk has been termed 'bail-in' risk and is potentially a greater risk to investors than the 'bail-out' risk of the past.
- 2.2 Given the increasing risk and continued low returns from short-term unsecured bank investments, the Council has only held a minimal amount of investments for short-term cash flow purposes and has placed a far greater emphasis on investing with the UK Government's Debt Management Office and other local authorities in order to minimise these risks.

3 Borrowing Strategy

- 3.1 In line with its TM strategy and following advice from its treasury consultants, the Council has locked in a proportion of its debt at very low rates with the Public Works Loan Board (PWLB) to fund the capital programme. A new loan for £10m was undertaken in May 2019 over a 15 year period on an Equal Instalment of Principal (EIP) basis at a rate of 1.73%.
- 3.2 The Council has continued to undertake temporary borrowing from other local authorities as required to cover short-term cash flow requirements as this is a good source of readily available cash at historically low rates.
- 3.3 At the same time, the Council will also continue to monitor its cash position and interest rate levels to ensure that further long term borrowing is undertaken from the PWLB at the optimal time to fund on-going Capital commitments.

4 Controls

Prudential Indicators

- 4.1 The Council sets prudential indicators which set boundaries within which its treasury management activity operates. The indicators are calculated to demonstrate that the Council's borrowing is affordable and include measures that show the impact of capital and borrowing decisions over the medium term. The Council has remained within all of its borrowing and investment limits for 2019/20 agreed by Council in February 2019. The Council has not deviated from the Capital related indicators either.
- 4.2 From 2019/20, the Capital related Prudential Indicators have been excluded from the Treasury Management Strategy Statement (TMSS) and included in the Capital Strategy Report which is a new report introduced by the 2017 edition of the Prudential Code. It is intended to give a high level, concise and comprehensible overview to all elected members of how capital expenditure, capital financing and treasury management activity contribute to the provision of the Council's services.
- 4.3 The Capital Strategy Report was included with the Capital Plan report to Council in February 2019 and included the following Capital related Prudential Indicators:

Estimates of Capital Expenditure and Financing
Ratio of Financing Costs to Net Revenue Stream
Capital Financing Requirement
Authorised Limit and Operational Boundary for External Debt

4.4 Audit Reviews

Following a positive internal audit review in November 2017, another audit review was undertaken in February 2019, the results of which are awaited.

5 Future

5.1 TM Strategy for next six months

As the Corporate Plan is progressing, the Council will continue to review its cash position to ensure that borrowing is undertaken if required. The Council will also monitor market conditions and interest rate levels to ensure that external borrowing is undertaken at the optimal time in line with the TM strategy.

5.2 **Reports**

This report will be submitted to Cabinet in September following a review by the Corporate Governance Committee. The next reports to the Corporate Governance Committee will be the Treasury Management Strategy Statement and Prudential Indicators 2020/21 and the TM Update Report 2019/20 in January.

Mae tudalen hwn yn fwriadol wag

Annual Treasury Management Report 2018/19

Well-being Impact Assessment Report

This report summarises the likely impact of the proposal on the social, economic, environmental and cultural well-being of Denbighshire, Wales and the world.

Assessment Number:	148
Brief description:	A review of the Treasury Management activities for 2018/19
Date Completed:	04/06/2019 16:24:16 Version: 12
Completed by:	Rhys Ifor Jones
Responsible Service:	Finance
Localities affected by the proposal:	Whole County,
Who will be affected by the proposal?	Proposals have little or no direct impact on the vast majority of residents as the strategy involves managing the Council's investments and borrowing.
Was this impact assessment completed as a group?	No

IMPACT ASSESSMENT SUMMARY AND CONCLUSION

Before we look in detail at the contribution and impact of the proposal, it is important to consider how the proposal is applying the sustainable development principle. This means that we must act "in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs."

Score for the sustainability of the approach

★ ★ ★ ★ (3 out of 4 stars) Actual score : 20 / 30.

Implications of the score

An efficient Treasury Management strategy ensures that the Council is maximising the use of its resources in order to guarantee the sustainability of the approach in the long term.

Summary of impact

Well-being Goals

- A prosperous Denbighshire
- A resilient Denbighshire
- A healthier Denbighshire
- A more equal Denbighshire
- A Denbighshire of cohesive communities
- A Denbighshire of vibrant culture and thriving Welsh language
- A globally responsible Denbighshire

- Positive
- Positive
- Neutral
- Neutral
- Neutral
- Neutral
- Neutral



Main conclusions

An effective Treasury Management strategy ensures that the Council's investment and borrowing decisions will contribute towards the goal of maximising income and minimising costs which supports efficient service delivery.

Evidence to support the Well-being Impact Assessment

- We have consulted published research or guides that inform us about the likely impact of the proposal
- We have involved an expert / consulted a group who represent those who may be affected by the proposal
- We have engaged with people who will be affected by the proposal

THE LIKELY IMPACT ON DENBIGHSHIRE, WALES AND THE WORLD

A prosperous Denbighshire

Overall Impact	Positive
Justification for impact	An effective Treasury Management strategy ensures that the Council's investment and borrowing decisions will contribute towards the goal of maximising income and minimising costs which supports efficient service delivery.
Further actions required	Sound financial planning and efficient long term treasury management strategies ensure that the positive impact of this report on the County's prosperity is maximised.

Positive impacts identified:

A low carbon society	
Quality communications, infrastructure and transport	Financial planning and decision making ensures that proper consideration of the long term impact of financial decisions is given, including the payback period and whole life costs of capital investment decisions, properly impact assessed budget proposals and long term debt and investment (treasury management) strategies.
Economic development	The Treasury Management strategy and Prudential Indicators ensure that the Council's cash is safeguarded as much as possible by making investments in banks recommended in the annual strategy statement.
Quality skills for the long term	The strategy ensures that the Council's borrowing is monitored and is within set limits and is affordable. It identifies current financing requirements for the Capital Plan and estimates the proposed capital requirements for the next three financial years.
Quality jobs for the long term	Sound investment and borrowing decisions relating to the Council's cash will maximise the Council's income within the guidelines set in the Treasury Management strategy.
Childcare	The Prudential Indicators are a statutory requirement which demonstrate the affordability of our plans and contribute towards the overall financial wellbeing of Denbighshire.

Negative impacts identified:

A low carbon society	
Quality communications, infrastructure and transport	
Economic development	
Quality skills for the long term	
Quality jobs for the long term	
Childcare	

A resilient Denbighshire

Overall Impact	Positive
Justification for impact	A sound Treasury Management strategy ensures that the Council's cash is secure and new borrowing is affordable. It also enables the Council to react quickly to market volatility by continual monitoring of the financial institutions throughout the year.
Further actions required	Good investment decisions will help the Council to develop more efficient working practices which will use less resources which will help to maximise the positive impact of this report on the County's resilience.

Positive impacts identified:

Biodiversity and the natural environment	
Biodiversity in the built environment	
Reducing waste, reusing and recycling	Good investment decisions will help the Council to develop more efficient working practices which will use less resources.
Reduced energy/fuel consumption	The strategy is set at the start of the financial year but it is monitored carefully throughout the year to ensure that the Council reacts quickly to any market volatility and the impact on the banking institutions.
People's awareness of the environment and biodiversity	
Flood risk management	

Negative impacts identified:

Biodiversity and the natural environment	
Biodiversity in the built environment	
Reducing waste, reusing and recycling	
Reduced energy/fuel consumption	
People's awareness of the environment and biodiversity	
Flood risk management	

A healthier Denbighshire

Overall Impact	Neutral
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Justification for impact	Proposals have little or no direct impact on the vast majority of residents as the strategy involves managing the Council's investments and borrowing.
Further actions required	The impact of this report is neutral in this particular area so this is not applicable.

Positive impacts identified:

A social and physical environment that encourage and support health and well-being	
Access to good quality, healthy food	
People's emotional and mental well-being	
Access to healthcare	
Participation in leisure opportunities	The strategy contributes to the overall financial health of Denbighshire and therefore supports the delivery of the annual budget.

Negative impacts identified:

A social and physical environment that encourage and support health and well-being	
Access to good quality, healthy food	
People's emotional and mental well-being	
Access to healthcare	
Participation in leisure opportunities	

A more equal Denbighshire

Overall Impact	Neutral
Justification for impact	A good treasury management strategy contributes to the overall financial resilience of the Council and supports the on-going work of the Authority without impacting on residents.
Further actions required	The impact of this report is neutral in this particular area so this is not applicable.

Positive impacts identified:

Improving the well-being of people with protected characteristics. The nine protected characteristics are: age; disability; gender reassignment; marriage or civil partnership; pregnancy and maternity; race; religion or belief; sex; and sexual orientation	
People who suffer discrimination or disadvantage	
Areas with poor economic, health or educational outcomes	
People in poverty	An efficient treasury management strategy contributes to the financial resilience of the Council and supports service delivery.

Negative impacts identified:

Improving the well-being of people with protected characteristics. The nine protected characteristics are: age; disability; gender reassignment; marriage or civil partnership; pregnancy and maternity; race; religion or belief; sex; and sexual orientation	
People who suffer discrimination or disadvantage	
Areas with poor economic, health or educational outcomes	
People in poverty	

Overall Impact	Neutral
Justification for impact	A good treasury management strategy contributes to the overall financial resilience of the Council and supports the on-going work of the Authority without impacting on residents.
Further actions required	The impact of this report is neutral in this particular area so this is not applicable.

Positive impacts identified:

Safe communities and individuals	
Community participation and resilience	
The attractiveness of the area	
Connected communities	
Rural resilience	

Negative impacts identified:

Safe communities and individuals	
Community participation and resilience	
The attractiveness of the area	
Connected communities	
Rural resilience	

A Denbighshire of vibrant culture and thriving Welsh language

Overall Impact	Neutral
Justification for impact	A good treasury management strategy contributes to the overall financial resilience of the Council and supports the on-going work of the Authority. It has no direct impact on the language and the culture because any treasury management decisions are based on the treasury strategy and advice from financial consultants.
Further actions required	The impact of this report is neutral in this particular area so this is not applicable.

Positive impacts identified:

People using Welsh	
Promoting the Welsh language	Tudalen 161

Culture and heritage	
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Negative impacts identified:

People using Welsh	
Promoting the Welsh language	
Culture and heritage	

A globally responsible Denbighshire

Overall Impact	Neutral
Justification for impact	A good treasury management strategy contributes to the overall financial resilience of the Council and supports the on-going work of the Authority. It has no direct impact on the local area.
Further actions required	The impact of this report is neutral in this particular area so this is not applicable.

Positive impacts identified:

Local, national, international supply chains	
Human rights	All investments are undertaken from national institutions in line with the strategy and financial advice. The strategy determines the institutions with the minimum credit rating which the Authority is permitted to invest with.
Broader service provision in the local area or the region	All borrowing is undertaken from central Government as detailed in the strategy and in line with other local authorities.

Negative impacts identified:

Local, national, international supply chains	
Human rights	
Broader service provision in the local area or the region	

Adroddiad i'r:	Pwyllgor Llywodraethu Corfforaethol
Dyddiad y Cyfarfod:	10 Gorffennaf 2019
Aelod / Swyddog Arweiniol: Cymunedol	Y Cyngorydd Richard Mainon, Aelod Arweiniol Isadeiledd Alan Smith, Pennaeth Gwella Busnes a Moderneiddio
Awdur yr Adroddiad:	Alan Smith, Uwch Berchennog Risg Gwybodaeth (SIRO)
Teitl:	Adroddiad SIRO ar gyfer 2018/19

1. Am beth mae'r adroddiad yn sôn?

Mae'r adroddiad yn cwmpasu'r cyfnod o fis **Ebrill 2018 i fis Mawrth 2019** ac yn rhoi manylion achosion o dorri'r ddeddf diogelu data gan y Cyngor sydd wedi bod yn destun ymchwiliad gan yr Uwch Swyddog Risg Gwybodaeth (SIRO - Pennaeth Moderneiddio a Gwella Busnes yng Nghyngor Sir Ddinbych). Mae hefyd yn ymdrin â chwynion am y Cyngor yn ymwneud â deddfwriaeth Rhyddid Gwybodaeth sydd wedi cael eu cyfeirio at Swyddfa'r Comisiynydd Gwybodaeth, ac yn rhoi rhywfaint o wybodaeth am geisiadau Mynediad at Wybodaeth/ Rhyddid Gwybodaeth a wneir i'r Cyngor.

2. Beth yw'r rheswm dros lunio'r adroddiad hwn?

Mae Polisi Diogelu Data'r Cyngor yn gofyn am adroddiad blynyddol ar gynnydd i'r Pwyllgor Llywodraethu Corfforaethol i ganiatáu'r Aelodau i oruchwyllo'r broses.

3. Beth yw'r Argymhellion?

3.1. Bod cynnwys yr adroddiad yn cael ei nodi gan y Pwyllgor.

4. Manylion yr adroddiad

Ochr yn ochr â'r Swyddog Diogelu Data, mae gan yr Uwch Berchennog Risg Gwybodaeth (SIRO) gyfrifoldeb penodol am sicrhau bod yr wybodaeth a gedwir gan y Cyngor yn cael ei rheoli'n ddiogel, yn effeithiol ac yn unol â'r ddeddfwriaeth. Mae'r systemau a gynlluniwyd i sicrhau bod y rolau hyn yn cael eu gwneud yn llwyddiannus yn dibynnu ar dryloywder ac ar fod yn agored, felly mae'n arbennig o bwysig bod Aelodau'n cael trosolwg o'r broses.

4.1 Torri Rheolau Diogelu Data

Rwy'n falch o adrodd **na fu unrhyw achosion difrifol o dorri'r Ddeddf Diogelu Data yn y Cyngor yn ystod 2018/19**. Bu 12 achos bychan o dorri'r rheolau yn ystod 2018/19. Mae'r rhain yn cynnwys:

- Anfonwyd llythyrau i'r cyfeiriad anghywir
- Anfonwyd e-bost i'r bobl anghywir
- Collwyd gwaith papur

Ymchwiliwyd i bob achos, ond ni ystyriwyd bod un ohonynt yn ddigon difrifol i'w hadrodd wrth Swyddfa'r Comisiynydd Gwybodaeth.

4.2 Rheoliadau Diogelu Data Cyffredinol (GDPR)

Daeth y Rheoliadau Diogelu Data newydd i rym ar 25 Mai 2018. Mae'r rheoliadau newydd yn darparu fframwaith gyda mwy o gwmpas a chosbau mwy llym o lawer i'r rhai sy'n methu cydymffurfio â rheolau newydd o ran storio a thrin data personol.

Mae'r gwaith i sicrhau bod systemau CSDd yn cydymffurfio bron wedi ei gwblhau'n llwyr bellach, yr eithriad yw'r adolygiad o gontractau i sicrhau eu bod yn cwrdd â gofynion GDPR. Sefydlwyd cofrestr gontractau gynhwysfawr ac mae pob contract newydd bellach yn cydymffurfio. Mae rhaglen waith ar asesu ac addasu'r contractau sy'n weddill yn parhau, yn ôl trefn blaenoriaeth.

4.3 Ceisiadau Rhyddid Gwybodaeth a Rheoliadau Gwybodaeth Amgylcheddol a cheisiadau Gwrthrych am Wybodaeth.

Cafwyd cyfanswm o 1,500 o geisiadau yn ystod y 12 mis hyd at 31 Mawrth 2019. Bu cynnydd mewn ceisiadau Rhyddid Gwybodaeth a Rheoliadau Gwybodaeth Amgylcheddol eleni. O ganlyniad, mae'r Gwasanaeth wedi ailddefnyddio adnodd presennol i gynyddu ein gallu yn y maes hwn.

	Rhyddid Gwybodaeth	Rheoliadau Gwybodaeth Amgylcheddol	Cyfanswm	DP/SAR	Cyfanswm pellach
14/15	880	127	1007	131	1138
15/16	871	183	1054	182	1236
16/17	955	128	1083	248	1331
17/18	1042	85	1127	240	1367

18/19	1175	94	1269	231	1500
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Tabl 1: Nifer y ceisiadau a gwblhawyd rhwng 2014/15 a 2018/19.

Prif categorïau o ymgeiswyr

Roedd y ceisiadau Rhyddid Gwybodaeth a Rheoliadau Gwybodaeth Amgylcheddol yn canolbwyntio ar rai meysydd penodol yn fwy nag eraill ac fel o'r blaen, roeddent yn ymwneud â busnesau neu gan unigolion yn bennaf. Mae'r rhai a gyflwynodd geisiadau amlaf dros y 12 mis diwethaf wedi'u nodi yn y tabl isod.

Math o Ymgeisydd	Nifer
Academaidd	21
AC/AS	43
Busnes	193
Elusen / Grŵp Lobiö	89
Corfforaethol	1
Cynghorydd	9
Unigolion	605
Arall ALI	22
Y Cyfryngau	258
GIG	3
Arall	4
Cyfreithiwr	10
Undebau	11

Tabl 2: Prif Ymholwyr dros y 12 mis diwethaf

Mewn rhai achosion, cafodd penderfyniadau am fynediad at wasanaeth eu herio gan yr ymholwr a chynhaliwyd adolygiad mewnol. Bu 13 o'r rhain dros y 12 mis diwethaf. DS Caiff unrhyw fynegiant o anfonlonrwydd gan ymholydd ei drin fel cais am adolygiad mewnol.

Cyfeiriwyd rhai adolygiadau mewnol, ac achosion cymhleth neu sensitif eraill, at y Panel Mynediad at Wybodaeth, a gadeirir gan Bennaeth y Gyfraith, Adnoddau Dynol a Gwasanaethau Democrataidd. Cyfarfu'r panel 5 gwaith yn ystod y flwyddyn ac adolygwyd 11 o achosion. Mae Atodiad 2 yn rhestr o'r rhain, ynghyd â chanlyniad pob adolygiad.

Yn 2017/18, ni ymchwiliodd Swyddfa'r Comisiynydd Gwybodaeth i unrhyw gwynion am y Cyngor o dan Ddeddf Rhyddid Gwybodaeth.

5. **Sut mae'r penderfyniad yn cyfrannu at y Blaenoriaethau Corfforaethol?**
Mae'r adroddiad hwn yn cefnogi amcan y Cyngor i foderneiddio, ond nid yw'n uniongyrchol gysylltiedig â blaenoriaeth gorfforaethol.
6. **Faint fydd yn ei gostio a sut fydd yn effeithio ar wasanaethau eraill?**
Mae'r adroddiad hwn er gwybodaeth yn unig.
7. **Beth yw prif gasgliadau'r Asesiad o'r Effaith ar Les?**
Nid oes angen Asesiad o Effaith ar Les
8. **Pa ymgynghoriadau a gynhaliwyd gyda Chraffu ac eraill?**
Amh
9. **Datganiad y Prif Swyddog Cyllid**
Dim ei angen.
10. **Pa risgiau sydd ac oes unrhyw beth y gallwn ei wneud i'w lleihau?**
Er mai er gwybodaeth yn unig mae'r adroddiad hwn, byddai risg i'r Cyngor pe na bai systemau rheoli gwybodaeth a diogelu data yn cael eu cynnal. Mae trosolwg gan Bwyllgor yn elfen bwysig o sicrhau bod ein systemau yn effeithiol.
11. **Pŵer i wneud y Penderfyniad**
Nid oes angen penderfyniad.

Atodiad 2 – Cyfarfodydd Panel 2017/18

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Dyddiad	Mater	Cyf Achos	Eithriad a hawliwyd	Cam y Cais	Canlyniad
17/04/2018	Cais hir – Kingdom Services	3572	S12 (dros 18 awr)	Ymateb cyntaf:	A12 gyda chyingor i'r ceisiwr
17/04/2018	Adolygiad mewnol hir - Kingdom Services	Lluosog	S14 (Blinderus) neu a ddylid ymateb yn llawn	Adolygiad mewnol	S1 Nid oes gennym y wybodaeth ac mae'r cais yn annilys dan Ryddid Gwybodaeth
18/09/2018	Adolygiad mewnol – heb ei gynnal	4046/3935	S1. (yn dechnegol nid oedd yn eithriad) nid oes gennym yr wybodaeth	Adolygiad mewnol	S1 Nid oes gennym yr wybodaeth – cefnogwyd y gŵyn yn rhannol
03/10/2018	Data Hawliau Tramwy Cyhoeddus – cywirdeb a ffurf	4058	S1. (yn dechnegol nid oedd yn eithriad) nid oes gennym yr wybodaeth	Ymateb cyntaf	S1 Cadarnhawyd nad oed gennym yr wybodaeth. Adran 22 (bwriad i gyhoeddi yn y dyfodol) - Cynigiwyd gwahanol ffurf addas ar gyfer y dyfodol.
08/11/2019	Datgelu adroddiad ac ymateb i sawl cais. Safleoedd Sipsiwn a Theithwyr	Lluosog a 4415/4264	S12 yn achos 4415/4264	Dau yn ymatebion cyntaf ac adolygiadau mewnol	Adroddiad wedi'i ddatgelu. Rheoliadau Gwybodaeth Amgylcheddol cyfatebol i S12 wedi'i gytuno (12 (4) (b)) ar gyfer 4415/4264
22/11/2019	Adroddiad Hylendid Bwyd pan roedd yr ymchwiliad yn mynd yn ei flaen	4307	S30 (ymchwiliadau)	Ymateb cyntaf	Cytunwyd ar S30 ond roedd y prawf lles y cyhoedd yn drech na'r eithriad

22/11/2018	Cwestiynwyd Sensitifrwydd Masnachol	4012/4364	S43 (sensitifedd masnachol)	Adolygiad mewnol	S43 yn berthnasol i ran o'r wybodaeth. Datgelwyd gwybodaeth arall gyda eithriad S40 (data personol)
26/03/2019	Datgelu negeseuon e-bost mewnol	4765	S36 (cyflawni materion cyhoeddus yn effeithiol)	Ymateb cyntaf	S36 wedi'i gadarnhau

Adroddiad i'r: **Pwyllgor Llywodraethu Corfforaethol**

Dyddiad y Cyfarfod: **10 Gorffennaf 2019**

Aelod / Swyddog Arweiniol: **Alan Smith**

Awdur yr Adroddiad: **Elaine Smith**

Teitl: **Heriau Gwasanaeth 2018/19:
Adolygiad o Fodelau Darparu Gwasanaeth Amgen (ASDMs)**

1. Am beth mae'r adroddiad yn sôn?

- 1.1. Darparu gwybodaeth ynghylch ASDMs sydd ar waith ledled yr Awdurdod; fel yr adroddwyd yn y papurau Herio Gwasanaethau a gynhyrchwyd ar gyfer pob un o wasanaethau'r cyngor, i gefnogi rhaglen Herio Gwasanaethau 2018/19.

2. Beth yw'r rheswm dros lunio'r adroddiad hwn?

- 2.1. Er mwyn mynd i'r afael â phryderon a godwyd gan Archwilio Mewnol a Swyddfa Archwilio Cymru ynghylch adrodd ar ASDMs i'r adran Llywodraethu Corfforaethol, ceisiodd Rhaglen Herio Gwasanaethau'r cyngor ar gyfer 2018/19 nodi pob ASDM arwyddocaol sydd ar waith. Mae'r adroddiad hwn yn cyflwyno anterth yr ymarferiad hwnnw i alluogi'r Pwyllgor Llywodraethu Corfforaethol i ystyried yr ASDMs mae'r cyngor yn ymwneud ag o a sicrhau bod trefniadau llywodraethu digonol ar waith ganddynt.

3. Beth yw'r Argymhellion?

- 3.1. Dylai'r Pwyllgor Llywodraethu Corfforaethol adolygu'r wybodaeth a ddarperir ynghylch ASDMs sydd ar waith ar draws y cyngor ac yn nodi unrhyw waith pellach sydd ei angen i fonitro trefn lywodraethu'r ASDMs presennol a rhai'r dyfodol.
- 3.2. Dylai Llywodraethu Corfforaethol ystyried pryd ac i ba bwyllgor y dylid darparu adroddiadau yn y dyfodol (er enghraifft, a ddylai adroddiadau fynd i'r pwyllgor Craffu a darparu trosolwg i'r Pwyllgor Llywodraethu Corfforaethol?)

4. Manylion yr adroddiad

- 4.1. Mae'r cyngor yn gwneud defnydd cynyddol o'r Modelau Darparu Gwasanaeth Amgen (ASDMs) i ddarparu gwasanaethau a fyddai wedi arfer cael eu darparu'n uniongyrchol gan yr Awdurdod Lleol. Mae bendithion a chyfleoedd i weithio mewn partneriaeth, ond gall risgiau godi ac mae'n rhaid i'r cyngor sicrhau trosolwg digonol i gynnal ymwybyddiaeth ddigonol, fel nad yw'n agored i risgiau annerbyniol.

- 4.2. Mae'r ddogfen 'Fframwaith ar gyfer Darparu Gwasanaethau gan Ddefnyddio Darparwyr Gwasanaeth Amgen', a gynhyrchwyd gan Archwilio Mewnol yn 2015, yn amlinellu y dylai ASDMs ddarparu adroddiadau cyfnodol ar gyfer y Pwyllgor Llywodraethu Corfforaethol.
- 4.3. Nododd adolygiadau gan Archwilio Mewnol o Gyngor Ar Bopeth Sir Ddinbych a'r Gydbartneriaeth TCC nad yw'r adroddiadau cyfnodol uchod yn cael eu cynhyrchu. Amlygwyd hyn gan Swyddfa Archwilio Cymru yn y Pwyllgor Llywodraethu Corfforaethol, fel gwendid arwyddocaol, yr oedd angen mynd i'r ag o.
- 4.4. Er mwyn dechrau mynd i'r afael â'r pryder hwn, mae adroddiadau a gynhyrchwyd i gefnogi rhaglen Herio Gwasanaethau 2018/19 wedi ceisio sefydlu pa ASDMs sydd ar waith ar hyn o bryd gan y cyngor, gan ddefnyddio templed adolygu a ddatblygwyd mewn cydweithrediad â'r Prif Archwilydd Mewnol.
- 4.5. Darperir manylion pellach am dempledi ASDM a gwblhawyd ar gyfer rhaglen Herio Gwasanaethau 2018/19 yn Atodiad 1 yr adroddiad hwn:
 - **Atodiad 1:** Atodiad 1 templedi ASDM wedi eu cwblhau 2018_19
- 4.6. Mae'r Tîm Cynllunio Strategol a Pherfformiad wrthi'n datblygu Fframwaith Llywodraethu Mewn Partneriaeth newydd, a fydd yn cael ei strwythuro o amgylch sut orau i weithredu'r ASDMs. Bydd y canllaw hwn yn helpu gwasanaethau i sefydlu unrhyw ddarpariaeth amgen drwy waith ar y cyd / partneriaeth, a bydd yn cael ei gylchredeg i gael cyfraniad a chymeradwyaeth Aelodau'n ddiweddarach yn y flwyddyn.

5. Sut mae'r penderfyniad yn cyfrannu at y Blaenoriaethau Corfforaethol?

- 5.1. Yn gynyddol, mae'n rhaid i'r cyngor ystyried trefniadau ASDM i ddarparu gwasanaethau cynaliadwy ar gyfer ei drigolion. Bydd nifer o'r rhain yn cyfrannu, naill ai'n uniongyrchol neu'n anuniongyrchol, wrth ddarparu neu gefnogi Blaenoriaethau Corfforaethol. Bwriad yr adroddiad hwn yw helpu llywio gwaith y Pwyllgor Llywodraethu Corfforaethol i gryfhau trefniadau monitro'r ASDM, a ddylai arwain at well atebolrwydd, dealltwriaeth fwy clir ynghylch perfformiad, ac o ganlyniad, yn ôl y gobaith, gwell gwasanaethau i'n cymunedau.

6. Faint fydd yn ei gostio a sut fydd yn effeithio ar wasanaethau eraill?

- 6.1. Amherthnasol – nid oes costau yn gysylltiedig â'r adroddiad hwn.

7. Beth yw prif gasgliadau'r Asesiad o'r Effaith ar Les?

- 7.1. Nid oes angen penderfyniad na chynnig ar gyfer newid mewn perthynas â'r adroddiad hwn, felly nid oes unrhyw effaith.

8. Pa ymgynghoriadau a gynhaliwyd gyda Chraffu ac eraill?

8.1. Mae cynrychiolwyr diogelwch wedi eu cynnwys fel aelodau panel ar gyfer pob Her Wasanaeth. Mae cyfle i'r panel Herio Gwasanaethau godi unrhyw faterion pryder ynghylch ASDMs yn y cyfarfod Trywyddau Ymholi Herio Gwasanaethau.

9. Datganiad y Prif Swyddog Cyllid

9.1. Nid oes goblygiadau ariannol arwyddocaol o ganlyniad i'r adroddiad hwn.

10. Pa risgiau sydd ac oes unrhyw beth y gallwn ei wneud i'w lleihau?

10.1. Mae'r cynnig hwn yn lleihau lefel y risg ynghylch ASDMs.

11. Pŵer i wneud y Penderfyniad

11.1. Amherthnasol - nid oes angen gwneud penderfyniad gyda'r adroddiad hwn.

Mae tudalen hwn yn fwriadol wag

Appendix 1: Completed Alternative Service Delivery Model (ASDM) Templates

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1. Example Template including guidelines for Services

SERVICE (name) CONTRACTS, PARTNERSHIPS AND OTHER ASDM ARRANGEMENTS; RESILIENCE STATEMENT 2018/19

Please complete the template below for all functions within your Service which are delivered by any type of alternative service delivery model

Compliance rating (for each area reviewed)	
R (Red)	Critical concerns
O (Orange)	Major areas to be addressed
Y (Yellow)	Some areas to be addressed
G (Green)	Excellent

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
List functions within the Service	How function is currently delivered e.g. commissioned / collaboration		Description of legal duties if mandatory	Narrative (list)	ROYG	Narrative to describe mechanisms in place. a) Who commissions the function? b) How is performance reported? c) What scrutiny is applied? d) What is the scrutiny frequency?	Narrative to explain resilience against each of the following criteria a) Value for money b) Levels of demand (volume and complexity) c) Capacity d) Safety and compliance	a) ROYG b) ROYG c) ROYG d) ROYG

Guidance notes for completion of ASDM template

It is up to the service to determine what is significant, whether it be the financial value or the criticality of the service (e.g. statutory duty) that it is being delivering on the Council's behalf.

Definitions for a range of ASDMs (with the alternative being any other model that councils may have in place):

- **Outsourced / contracted to an external organisation** – outsourcing the provision of services to an organisation separate from the council, e.g. private sector / not for profit sector.
- **Delivered through an Arm's Length External Organisation (ALEO)** – An ALEO can be set up by a local authority to deliver services on its behalf. While being a separate legal entity, ALEO's governance arrangements enable local authorities to retain some control and oversight in the organisation. This may be through arrangements such as local authority representation on the board or as a shareholder, or through means such as providing assets or funding agreements. ALEOs can be set up as trading companies, trusts or other legal bodies.
- **Partnership / Shared Service Agreements** – Local authorities sharing services and / or working on a partnership basis with other public, private and / or not for profit sector organisations.
- **Joint Venture** – A partnership between two or more organisations to pool together resources with a focus on a particular initiative. Joint ventures tend to be more contractual and formal than other partnership agreements, and often involve the setting up of company structures.
- **Social Enterprise or Community-led Companies** – A service is developed by organisations with an invested interest / objective (often social or environmental). Any profits are usually reinvested in the service.

2. Summary of ASDM's in place within each Service at time of their respective Service Challenge, 2018/19

Service	Function	Description/Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Current risk profile
Community Support Services	Provision of Day Services	The provision of day services was commissioned following a tender exercise	D	Risk of Business Failure	Y (Contract is newly awarded)
	Housing Register	Hosting and administration of Common Housing register (SARTH) for the council and RSL's is delivered in partnership with Flintshire County Council	M	Council has a duty to maintain a register of housing need. (Housing Act 1996)	G
Facilities, Assets and Housing	Financial & energy advice	Delivery of independent specialist advice service for housing tenants	D	None	G
	Welsh language youth work provision	Joint partnership collaboration between the Youth Service and the Urdd	M	LA has a duty to secure appropriate youth work delivery	G
	Contractors for major construction works	Commissioning of contractors for major constructions works Client employed technical advisors essential to ensuring quality, value for money and compliance are delivered by external contractors / consultants.	M	Building projects designed in accordance with statutory requirements	G

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Service	Function	Description/Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Current risk profile
Facilities, Assets and Housing	<u>Mechanical & engineering consultants, structural engineers, architects, quantity surveyors, Construction Design and Management (CDM)</u>	Commissioned on individual project basis	M	Building projects designed in accordance with statutory requirements	G
	<u>Legionella testing</u>	Legionella testing of residential properties managed by Denbighshire Housing. Annual order with teams	D	No legal duty to test individual residential properties, however HSE L8 applies social housing under water services	G
	<u>Gas Servicing, repairs and maintenance, water Hygiene, (Housing)</u>	Commissioning of services for gas servicing, repairs and maintenance and water hygiene (Denbighshire Housing) from external contractor.	M	Gas Safety (Installation and Use) Regulations 1998.	G
	<u>Service and compliance testing: non-housing</u>	Commissioning of services for service and compliance testing (non-Housing)	M	H&SWA – legislation for gas, water hygiene etc.	Y
	<u>Housing grounds maintenance contract</u>	Commissioned - Delivery of Housing Grounds Maintenance contract to Housing tenants / residents (currently by a private sector contractor)	M	Council has a duty to maintain Housing green space per the Housing Act 1996	G

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Service	Function	Description/Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Current risk profile
Education and Children's Services	Provision for learners; and provision to ensure that learners attain.	The school improvement function is delegated to the regional school improvement service (GwE) to carry out on its behalf. GwE is hosted by Gwynedd LA.	M	The duty to ensure that the curriculum offer is appropriate and that pupils achieve an appropriate level of attainment is a statutory requirement within the Education Act.	Y
	Adoption services	North Wales Adoption Service was formed approximately five years ago. It is led by the operational management group chaired by Marian Hughes, Head of Service in Gwynedd. It is hosted by Wrexham LA.	M	The Social Services and Wellbeing Act places a duty on local authorities to provide adoption services for children.	Y
Finance Service	Civica – Revenues/ Benefits contract	Contracted service – working in partnership 7 year contract started April 2015	M	To deliver Benefits services and NNDR, council tax collection and sundry debtors.	Y
	Citizens Advice Denbighshire	Consumer and financial advice contract. Current 4 year contract started February 2019	D	Offering DCC residents free independent consumer and financial advice	G
	Gaia- Schools ICT Admin contract	Contracted service - Contract Framework currently being tendered for 4 years starting Sept 2019 – Schools' ICT Networks contract (including Admin and Curriculum)	D	ICT Admin network to all DCC schools	Y

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Service	Function	Description/Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Current risk profile
Legal, HR & Democratic Services	Coroner Service North Wales (East and Central)	Formal Service Level Agreement in place between Conwy, Denbighshire, Flintshire and Wrexham – Denbighshire is Lead Authority	M	Provision of Coroners Service across the 4 LA areas	G
	Welsh Translation Service	A formal collaborative agreement between Denbighshire and Conwy CBC	M	Compliance with the Council's Welsh Language Standards	G
	Employee Assistance Programme	The service is in the process of implementing an Employee Assistance Programme to replace its counselling service. The chosen provider is CareFirst which is part of the NPS Framework for Occupational Health.	D	There is a legal duty under the Health and Safety at Work Act 1974 to look after the health and wellbeing of our employees.	G
	Occupational Health Physician	OH Physician Provision is being delivered on an as and when required basis by Caer Health who are par to the NPS Framework for Occupational Health.	D	There is a legal duty under the Health and Safety at Work Act 1974 to look after the health and wellbeing of our employees.	G
	Legal Prosecutions partnership with all NW Councils	Informal collaboration with DCC as the lead Council.	M	Wide range of criminal enforcement matters from fly-tipping to fraud	G

Tudalen 180

Service	Function	Description/Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Current risk profile
Legal, HR & Democratic Services	Joint Procurement Service with Flintshire County Council	Formal collaboration agreement for procurement services	M	EU based legal duties (Public Contracts Regulations 2014)	Y
	North Wales Construction Framework (six North Wales Authorities)	Formal collaboration agreement for procurement of major construction projects	M	Procurement of major construction projects	G
Highways & Environmental Services	Waste collection (textiles)	Informal Partnership. Co-Options (third sector partner) collect textiles from households kerbside and process in accordance with waste hierarchy (re-use/recycling)	D	Separate collection not mandated but may be in future	G
	Operating household waste and recycling centres	Outsourced - Contract with CAD Recycling. In two year extension period due to expire in March 2021. Operation of 3 recycling parks and pop up recycling parks, including all treatment and disposal.	M	Environmental Protection Action (1990) Section 51 Civic Amenities Act 1967	G

Tudalen 181

Service	Function	Description/Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Current risk profile
Highways & Environmental Services Highways & Environmental Services Highways & Environmental Services	Waste treatment (food waste)	Outsourced contract With Biogen. Long term Collaborative Partnership Procurement with Flintshire and Conwy Council, with WG funding. Anaerobic Digestion facility based on Council owned land in Denbighshire.	M	Regulation 15(1) of waste (England and Wales) Regulations 2011 Towards Zero Waste Statutory Recycling Target To be WG blueprint compliant we must collect Food waste separately	G
	Residual waste treatment and haulage (from June 2019)	Outsourced by North Wales Residual Waste Treatment Partnership Contractor WTI – waste sent to energy from waste facility Deeside (Parc Adfer)	M	Environmental Protection Act (1990)	G
	Residual waste reception, bulking (North)	Outsourced contract for 2 years to March 2021 (with one year extension option) Residual households waste collected in the North of the county is delivered to this facility and bulked for ongoing transport to Parc Adfer	M	Environmental Protection Act (1990)	G

Service	Function	Description/Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Current risk profile
Highways & Environmental Services	Bulky waste collection and treatment	In house kerbside collection – with all waste delivered to CAD recycling for treatment or disposal.	M	Environmental Protection Act (1990) Controlled Waste Regulation (1992) (definition)	Y
	Trade waste collection and disposal (residual)	Veolia 2 year contract August 2018-August 2020	M	Environmental Protection Act 1990 Section 45	G
	Co-mingled recycling treatment	Outsourced to UPM, Deeside. Into final contract extension period due to expire in March 2020.	M	Regulation 15(1) of waste (England & Wales) Regulations 2011 Towards Zero Waste Statutory Recycling Target Necessary to meet 70% statutory recycling target	Y
	Supply of wheeled bins, food caddies, sacks and liners	Regular purchases are required to maintain stock levels. Historically this has been done through use of frameworks and mini competitions or the three quote process depending on value, resulting in a range of suppliers being used.	M/D	Section 45 EPA 1990 – LA's must provide if needed containers/sacks for waste. Liners are discretionary.	O

Service	Function	Description/Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Current risk profile
Highways & Environmental Services	Public transport	Commissioned (outsourced to external organisations) Some services by social enterprise/community-led companies	D	n/a	Y
	Education transport	Commissioned (outsourced to external organisation)	M (some D)	Learner Travel (Wales) Measure (2008) Safety on Learner Transport (Wales) Measure 2011	O
	Free concessionary transport	Provision of free concessionary transport	M	Transport Act 2000 Travel Concessions (Eligibility Order) 2002	G

Tudalen 184

Service	Function	Description/Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Current risk profile
<p>Highways & Environmental Services</p> <p>Highways & Environmental Services</p>	<p>CRDV AONB National Protected Area</p> <p>Landscape scale Management and Conservation</p> <p>Community Resilience</p> <p>Access and Recreation</p> <p>Sustainable Tourism</p> <p>Visitor Management</p> <p>Planning and Development</p> <p>Biodiversity and Nature Conservation</p>	<p>Partnership</p>	<p>Mainly D</p> <p>Statutory function is 'development of Management Plan'</p>	<p>Legal Agreement</p> <p>Participation from all partners</p> <p>TOR guides governance</p>	G
	<p>Tyre replacement and repairs</p>	<p>Delivered by a national tyre company ATS</p>	<p>D</p>	<p>n/a</p>	G

3. ASDM's by Service

3.1. BUSINESS IMPROVEMENT & MODERNISATION

No identified ASDM's within Service at time of Service Challenge

3.2. CUSTOMERS, COMMUNICATIONS & MARKETING

No identified ASDM's within Service at time of Service Challenge

3.3. PLANNING & PUBLIC PROTECTION

No identified ASDM's within Service at time of Service Challenge

3.4.COMMUNITY SUPPORT SERVICES

CONTRACTS, PARTNERSHIPS AND OTHER ASDM ARRANGEMENTS; RESILIENCE STATEMENT 2018/19

Tudalen 186

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
The provision of Day Services	Commissioned following a tender exercise	D	Risk of Business Failure		Y (Contract is newly awarded)	<ul style="list-style-type: none"> a) Community Support Services b) Performance is reported by the provider via a quarterly Performance Monitoring Return. c) Allocated Contracts Officer will conduct on site visits to monitor against agreed performance indicators d) Monitoring visits are scheduled for quarterly for the first year of the contract. Frequency for subsequent years will be determined by performance in the first year. 	a) The Provider has taken on a 25 year lease for the building. Therefore the Authority receives a rental income as well as relinquishing many responsibilities for the building's upkeep. Also, staff have TUPE'd over to the new provider, reducing the Authority's liability. The Authority has agreed to cover the costs for existing Users to access the centre for a period of 3 years. After this time, it is expected that the provider will have developed services enough to be self-supporting.	a) G

Tudalen 187

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
							<p>b) Due to the Authority's intention to externalise the service, attendance levels were kept low in order to enable the successful bidder to be able to develop a vision for future service delivery. It was a condition of the Tender that bidders demonstrated their competence to develop services on site.</p> <p>c) It is expected that capacity will grow as services develop. The Tender exercise tested bidder's business cases and ensured as far as possible that they had the financial stability and investment in order to achieve this.</p> <p>d) Safety of operation, and compliance with legislation, codes of practice and regulations were examined during the Tender process</p>	<p>b) Y</p> <p>c) Y</p> <p>d) Y</p>

3.5. FACILITIES, ASSETS & HOUSING

CONTRACTS, PARTNERSHIPS AND OTHER ASDM ARRANGEMENTS; RESILIENCE STATEMENT 2018/19

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Tudalen 188 Housing Register	Hosting and administration of Common Housing register (SARTH) for the Council and RSL's is delivered in partnership with Flintshire County Council	M	Council has a duty to maintain a register of housing need. (Housing Act 1996)	Reliant on partner to deliver. Exit strategy required.16	G	Function is commissioned by Denbighshire Housing on behalf of Denbighshire County Council	Cost is £52k per annum. This is less than cost of 2 staff which we would need additional as a minimum to carry out this function internally.	G
						Performance is reported through the Partnership Agreement monitoring.	This includes contact centre as first point of contact, dedicated staff to assess housing applications in accordance with policy, ICT hosting, reviews and appeals processes. Currently there are 1,400 housing applications live. Interviews with customers can tend to be lengthy (up to an hour)	G
						Subject to Internal Audit and annual MAG agenda for member updates.	Dedicated staff are employed by Flintshire who were already carrying out this function themselves so we benefit from	G

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Tudalen 189							their expertise and economies of scale.	
						Internal Audit planned February 2019	There is a policy which allows for a regional panel to review decisions on request and applicants can appeal decisions which includes escalation to Denbighshire's complaints Policy. We retain responsibility for all member, MP or AM enquires relating to Housing Applications.	G
Financial & Energy Advice (Key to Advice)	Delivery of independent specialist advice service for housing tenants	D	None	Risks managed by contract	G	Function is commissioned by Denbighshire Housing	Contract was procured and the cost of £30k per annum is less than cost of providing this in-house and avoids additional responsibility around qualification and case review in accordance with financial regulations.	G
						Performance is managed through quarterly monitoring meetings in accordance with contract.	Service requires specialist qualified staff and case managers to audit detailed financial and energy advice case load.	G

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Tudalen 190						Quarterly monitoring meetings with provider	Contract allows for 150 cases per annum as a minimum	G
						Quarterly monitoring meetings with provider	Compliance is the responsibility of the provider in accordance with the contract.	G
	Welsh Language Youth Work provision	Joint partnership collaboration between the Youth Service and the Urdd	M	LA has a duty to secure appropriate youth work delivery.	WG funding is reduced. WG committed to Welsh language youth work provision	G	<p>The agreement is between the Welsh Government, the Youth Service and the Urdd through the annually agreed work programme</p> <p>The 20k partnership is considered to be value for money. This allows the YS to engage with welsh speaking communities. This is a WG award winning partnership. Both services value the arrangements and the Urdd and YS are exploring the appetite / opportunity to build on current arrangements in preparation for the YS prioritisation review work in 2019.</p>	G
						Performance is reported through quarterly monitoring and 6 monthly reporting to Welsh Government	Welsh language youth workers are in short supply. This partnership contributes to addressing that need in both community provision and targeted work. This also includes updating the 'map' of Welsh Language Youth Work activity through the	G

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria	
Tudalen 191					G		Welsh Language Reference Group. Currently demand is meeting expectations although this can fluctuate.	G	
						The Regional Director for the Urdd meets with Youth Service lead for monitoring and performance is annually reviewed through self-assessment process.	The Urdd contribute to the partnership through other funding that they bring to this activity. This is WG direct funding and through other sources too. Capacity is greater than the grant funding in this partnership. The YS benefits from this additionality.		G
						Monitoring meetings are held 4 times per year and in additional the annual review.	The Urdd train their own staff to Occupational standards and have effective DBS / Safeguarding policies in place.		G
Contractors for Major Construction Works	Commission	M	Building projects designed in accordance with statutory requirements	Client employed technical advisors essential to ensuring quality, value for money and compliance are delivered by external	G	Commissioned by Design and Construction in accordance with the DCC CPR's.	Projects tendered through the QS team, ensures VFM is achieved + quality evaluation criteria is set.	G	
						Performance monitored through daily site inspections, Monthly project progress	Demand is driven by the building works programme (including the 21 st Century Schools programme) Complexity of design and	G	

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Tudalen 192				<p>contractors / consultants, particularly following the Independent Inquiry into</p> <p>The Edinburgh Schools and Grenfell Tower disaster.</p>		<p>meetings; fortnightly D&C management meeting, Client reporting on Verto.</p>	<p>individual project drivers will dictate specific demands on the contractors.</p>	
						<p>Contract administration carried out in-house by qualified and experienced D&C employees to ensure the projects are delivered in accordance with the contract conditions and DCC CPR's whilst also ensuring the projects deliver the correct quality, within budget and on time.</p> <p>Robust financial control mechanisms are deployed to monitor, control and report on project cost in a timely manner.</p>	<p>Contractors frameworks are in place to ensure adequate capacity is available to deliver the programme</p>	G

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Tudalen 133						Contract Management / Administration are in place and executed constantly for the duration of the project until project closure, which maybe several years after handover depending on project complexity.	CDM and Statutory compliance requires for all building projects (planning, building regulations, funding requirements i.e. BREEAM); All contractors are pre-approved from a financial, capacity, capability and H&S perspective.	G
	Mechanical & Engineering Consultants	M	Building projects designed in accordance with statutory requirements	Market forces dictate the cost of the service provided General Industry shortage of construction professionals which could impact on the quality and cost of the service provided.	G	Commissioned by Design and Construction in accordance with the DCC CPR's.	Mini competition carried out through the Consultants Framework ensures VFM is achieved and also quality evaluation criteria is set to ensure capability and capacity are maintained on a project by project basis.	G
	Structural Engineers					Performance monitored through Design review meetings	Demand is driven by the building works programme (including the 21 st Century Schools programme) Complexity of design and individual project drivers will dictate specific demands on each discipline. Ability to stipulate specific needs on a project by	G
	Architects							
Quantity Surveyors	Commission on individual project basis							

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Construction Design and Management (CDM) Tudalen 194				Reliant on consultant HR management and Professional organisations such as the RICS and RIBA to address any shortcomings in quality / quantity of output.			project basis ensures mini competitions are targeted at relevant consultants.	
	CDM (Principal Designer) and Technical Advisor (PTL) review of quality, compliance and fit for purpose. QS's monitor cost and value for money. Regular Client and Stakeholder engagement events to ensure compliance with project brief.	Increases in the regional construction programme will increase demand on the external consultants which could impact on the ability for the regional consultants to deliver a good quality and cost effective service. Ability to stipulate specific needs on a project by project basis ensures mini competitions are targeted at relevant consultants.	G					
	Scrutiny provided at a minimum of monthly but may increase to weekly depending on complexity of the project and other drivers	CDM and Statutory compliance required for all building projects (planning, building regulations, funding requirements i.e. BREEAM) – H&S competence is measured at framework tender stage and monitored via framework management (not DCC). Any commissioning outside the framework will include H&S	G					

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
							competency stipulations and measures.	
Tudalen 195 Legionella Testing	Annual order with teams	D	There is no legal duty to test individual residential properties, however HSE L8 does apply to social housing under water services	Denbighshire housing completes a 10% rolling sample check each year to demonstrate good practice. There are no high risk sites within the housing stock	G	Commissioned by Principal Investment Delivery Officer	Specifications and procurement processes satisfy any best practice/statutory requirements.	G
						After Legionella reports have been completed all remedial works will be completed reactively. As part of the Councils compliance checks the Legionella policy and procedure for the management and control of Legionella is reviewed. All Legionella certificates and documentation is kept in an accessible location for auditing.	No legal duty but carry out 10% sampling of residential properties as best practice.	G
						Regular review meetings with the contractor Compliance	No issues with contractor capacity	G

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Tudalen 196						Officer monitors any change in legislation.		
						Scrutiny is provided on a quarterly basis.	There is no legal duty to test individual residential properties, however HSE L8 does apply to social housing under water services.	G
Gas Servicing & R&M, Water Hygiene, (Housing)	External Contractor Liberty Gas 3 plus 2	M	The Gas Safety (Installation and Use) Regulations 1998, deals with the safe installation, maintenance and use of gas systems, including gas fittings, appliances and flues, mainly in domestic and commercial premises.	Other than gaining access to properties (which has its own protocol) there are no perceived risks at present as all installations are serviced in line with current regulation	G	Commissioned by Principal Investment Delivery Officer	Rates are set either from a relevant national framework or fixed costs based on contracts.	G
						Performance is reported through weekly supervisor meetings with the delegated officer and Liberty Contracts Manager. Regular progress meeting with Liberty Gas also occur. Additionally, performance is monitored against monthly KPI's from the F21 Framework.	We have a set number of households with gas installations.	G

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Tudalen 197						Scrutiny is applied by Third Party Audit checks (10%); Contract & Compliance Officer spot checks (registered Gas Safe Engineer); Tenant Satisfaction Data obtained; HSE Inspections & Internal Audit/	We have a contractor that is resourced to complete.	G
						Third party audits are completed weekly, spot checks are also completed regularly in-house, however their frequencies are increased when installations are being completed by the contractor.	Other than gaining access to properties (which has its own protocol) there are no perceived risks at present as all installations are serviced in line with current regulations.	G
Servicing and Compliance	Commission	M	H&SWA – legislation for	Lack of project management and	Y	Gas, Electric and Water are Commissioned out by the Principal Energy Officer. FRA is	Works are tendered every three years.	G

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Testing – Non Housing Tudalen 198			gas, water hygiene etc.	up to date information		commissioned by the Strategic Assets team.		
			Every job is CDM compliant and we work to all current, relevant regulations.			Performance is monitored through a set of KPIs	Capacity is dependent on the Council's asset list at any one time.	G
						These are reviewed by the Project Officer daily, and the Principal Energy Officer on a monthly basis.	Under-resourced currently and additional work picked up by other officers.	Y
						Scrutiny is provided by the Principal Energy Officer, as noted above.	As detailed in relevant legislation noted within the Legal Duties section.	G
Housing Grounds Maintenance Contract	Commission - Delivery of Housing Grounds Maintenance contract to Housing tenants / residents	M	Council has a duty to maintain Housing green space per the Housing Act 1996	Requires on site/effective operational management/contract delivery.	G	Function is commissioned by Housing but managed on their behalf by C&F Department via the Housing Green Space team.	Process follows the Council's CPR's. The process of re-tendering is currently underway with both Housing and C&F involved in the Procurement process.	G

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Tudalen 199	(currently by a private sector contractor)					<p>The contract management function is carried out by both Housing & C&F, via bi weekly meetings and monthly contract meetings with the contractor. Reports are provided to local members as required, either via a 'local' report for a particular locality or by a general members update.</p>	<p>The contract management function has been in place since 2015 and has worked with the existing contractor. There is a level of operational complexities of delivering this contract; weather, Housing Department requirements and changes to the Green Space environment.</p>	G
						<p>No formal scrutiny has been applied except for the initial requirement to move the operational management of this contract to C&F in 2015 due to failures in the operational delivery of contract management. This has seen a reduction in customer complaints from 12-15 a</p>	<p>Dedicated staff are employed to manage the contract both from an operational contract delivery level and from a strategic contract management level. The existing Housing Green Space Team, Lead Officer C&F and Housing staff have been sufficient to deliver this contract.</p>	G

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Tudalen 200						day in 2015 to 11 in total in 2018.		
						Monthly contract meetings between Housing/C&F and the contractor. Regular site and operational meetings as required at operational level. Also ad hoc as required by the operational requirements of the contract at any given time in the contract schedule(s).	The contract is delivered under all existing DCC Procurement and H&S Policies, and via the Private Contractors own Risk Assessments and H&S Policy.	G

3.6. EDUCATION AND CHILDREN'S SERVICES

CONTRACTS, PARTNERSHIPS AND OTHER ASDM ARRANGEMENTS; RESILIENCE STATEMENT 2018/19

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
<p>The Local authority has a statutory duty to ensure provision for learner; and that learners attain.</p>	<p>The school improvement function is delegated to the regional school improvement service (GwE) to carry out on its behalf. This arrangement was directed by WG in 2013. The statutory duty remains with the Local authority, but all operational duties are carried out by GwE.</p>	M	<p>The duty to ensure that the curriculum offer is appropriate and that pupils achieve an appropriate level of attainment is a statutory requirement within the Education Act.</p>	<p>The current model is based on a level of funding. If the level of funding is reduced there will be an impact on service delivery.</p> <p>As the current model is largely directed by WG, lack of flexibility in approach also presents a risk.</p>	Y	<p>The current agreement is between the Local authority and GwE. However, this is not a commissioned service because this has been directed by Welsh Government.</p> <p>Performance is reported annually to Performance Scrutiny; and is reported on a regular basis to the GwE Joint Committee. All Lead Members for Education sit on this committee.</p>	<p>The service is audited and inspected by Estyn. As an organisation focussed on regional delivery it has been judged as provided value for money.</p> <p>Overall, the resilience of the service is dependent on whether or not it is able to meet demand from each LA individually; and whether or not it can respond to accommodate changing policy directives.</p> <p>The service currently has the capacity to meet the demand and is compliant with health and safety requirements e.g. DBS checking processes.</p>	G

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Tudalen 202	<p>GwE is hosted by Gwynedd LA.</p> <p>These duties include the following: support and challenge; leadership; professional development.</p>							

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
The Local authority has a duty to provide adoption services Tudalen 203	North Wales Adoption Service was formed approximately five years ago. It is led by the operational management group chaired by Marian Hughes, Head of Service in Gwynedd. It is hosted by Wrexham LA.	M	The Social Services and Wellbeing Act places a duty on LA's to provide adoption services for children.	The current model is not funded adequately and not solvent going forward. Amendments to adoption regulation will mean that children will have to be placed on a national waiting list. This could have a negative impact on service delivery and will have cost implications.	Y	Current arrangements are subject to the scrutiny of the Management Board.	The financial viability of the service going forward is being addressed and arrangements are in place.	O

3.7. FINANCE SERVICE

CONTRACTS, PARTNERSHIPS AND OTHER ASDM ARRANGEMENTS; RESILIENCE STATEMENT 2018/19

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Civica - Revenues/Benefits Contract Updated 2024	Contracted service – working in partnership 7 year contract started April 2015	M	To deliver Benefits services and NNDR, council tax collection and sundry debtors.	Potentially challenges around making future saving	Y	a) Commissioned by Finance- Legal on behalf of Denbighshire County Council	The Civica contract allowed the authority to make £220,000 savings and the guarantee of no redundancies of former DCC colleagues.	A) Y
						b) Monthly operation board meetings with provider and Quarterly strategic board meetings Weekly service meeting with Civica	Demand is monitored though our operation board including call statistics and the KPI's.	B) Y

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Tudalen 205						c) Annual internal audit & Annual Wales Audit office review	Civica has the ability to call on additional resource if required from other Civica location across the UK including their "on demand" facility. This resilience was noted by internal audit as a strength of the operating model.	C) Y
						d) Scrutiny through the monthly operational board, quarterly Strategic board and annually through internal and external Audits	The Civica contract was develop in conjunction with DCC legal services and offers the relevant protection. DCC develop policy and strategic thinking in the service and follow the DCC complaints procedures.	D) Y

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
CAD – Consumer and financial advice contract Tudalen 206	Contracted service - 4 year contract starting Feb 2019	D	Offering DCC residents free independent consumer and financial advice	Provider does not meet the required service delivery	G	a) Commissioned by Contracts & Performance Team in Finance on behalf of Denbighshire County Council	The CAD contract has offered savings to the authority from the original £260,000 PA down to £234,000 PA in the current contract.	A) G
						b) Monthly operation board meetings with provider and Quarterly finance board meetings with provider and finance officer	Demand is monitored and managed through our operation board including call statistics, referrals and the KPI's.	B) G
						c) Internal audit	CAD Contract ensures that adequate capacity is available to deliver the support that is required	C) G
						d) Monthly and quarterly	The CAD contract was developed on the Authority's standard terms in conjunction with DCC Legal Services and Procurement and offers the relevant protection. DCC work with the CAD to develop policy and strategic thinking in this area.	D) G

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Tudalen 207	Contracted service - Contract Framework currently being tendered for 4 years starting Sept 2019 – Schools' ICT Networks contract (including Admin and Curriculum)	D	ICT Admin network to all DCC schools	Provider does not meet the required service delivery	Y	a) Commissioned by Contracts and Performance on behalf of schools/ DCC Education	In 2013 Cabinet elected to tender the schools admin network. The driver for the process was to support the WG delegated budget process and improve schools choice and quality of service.	A) Y
						b) Monthly operation board meetings with provider and Quarterly schools ICT strategic group meetings for schools feedback	Demand is monitored and managed through our operation board including call statistics, referrals and the KPI's.	B) Y
						c) Internal audit, a schools ICT Group	The contract and KPI are scrutinise at review meeting and by school representatives at the ICT board	C) Y
						d) Monthly and quarterly	The Admin contract was developed on the Authority's standard terms in conjunction with DCC Legal Services and Procurement and offers the relevant protection.	D) Y

**3.8. LEGAL, HR & DEMOCRATIC SERVICES
CONTRACTS, PARTNERSHIPS AND OTHER ASDM ARRANGEMENTS; RESILIENCE STATEMENT 2018/19**

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Coroner Service North Wales (East and Central) Tuesdays 208	Formal Service Level Agreement in place between Conwy, Denbighshire, Flintshire and Wrexham – Denbighshire is Lead Authority	M	Provision of Coroners Service across the 4 LA areas	The new Coroner Area has been in place since 2013 and working very well	G	Formal agreement to create new full-time Coroner Area has been agreed by respective Councils since 2013.	<p>a) Senior Coroner keeps expenditure to a minimum. Inquests held in LA Chambers across all 4 LA areas, resulting in no cost. Other associated costs have remained fairly static. Costs apportioned based on population</p> <p>b) With an increase in demand for Courtroom facilities at County Hall, Ruthin, this is impacting on the time taken to list inquests due to unavailability of the Chamber. Agreement reached to explore feasibility of providing dedicated courtroom</p> <p>c) No issues with capacity</p> <p>d) No safety or compliance issues</p>	a) G
						Senior Coroner commissions all related services and investigations.		b) Y
						Close working relationship exists between Senior Coroner and Business Support Team		c) G
						Senior Coroner is required to produce an Annual Report which is submitted to the Chief Coroner		d) G

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Tudalen 209						<p>Regular budget monitoring takes place and recharges made to each LA on a quarterly basis.</p> <p>Annual meetings with Senior Coroner and LA representatives</p> <p>Excellent communication in place and authority sought prior to any changes</p>		

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Welsh Translation Service Tudalen 210	A formal collaborative agreement between Denbighshire and Conwy CBC	M	Compliance with the Council's Welsh Language Standards	The collaboration has been in place & successful since 2013 & is being renewed for a further 3 years.	G	<p>A formal agreement governs the collaboration which has been considered by the Scrutiny Chairs & Vice Chairs Group and was a line of enquiry at the 2018 Service Challenge.</p> <p>A business case for renewing the agreement for a further 3 years was circulated to SLT and the appropriate lead members. No negative comments were received from SLT & a meeting held with lead members led to their endorsement.</p>	<p>a) Value for money. The agreement is not a profit-making operation for CCBC, it operates on economies of scale and a specialism. In 2013 the costs were below market prices and have remained at 2013 levels. Resources to support the system have been streamlined over the last two years to achieve savings.</p> <p>b) Levels of demand (volume and complexity). Over 3 million words are translated per year from thousands of individual orders placed from throughout the Council requiring different response times.</p> <p>c) Capacity. The capacity to meet the existing demand is proven. Increases in DCC demand would require an increase in DCC investment in the collaboration.</p> <p>d) Safety and compliance. No issues.</p>	<p>a) G</p> <p>b) G</p> <p>c) G</p> <p>d) G</p>

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
<p>Employee Assistance Programme</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Tudalen 211</p>	<p>The service is in the process of implementing and Employee Assistance Programme to replace its counselling service. The chosen provider is CareFirst which is part of the NPS Framework for Occupational Health.</p>	<p>D</p>	<p>There is a legal duty under the Health and Safety at Work Act 1974 to look after the health and wellbeing of our employees.</p>	<p>The main risk associate with the EAP is accessibility and capacity of the new Company to meet our needs. This has been tested as part of the procurement process.</p>	<p>G</p>	<p>a) Who commissions the function? The EAP Provider is part of the NPS Framework for Occupational Health in Wales and the service is commissioned by HR with support from Procurement.</p> <p>b) How is performance reported? – The new provider will supply quarterly Management Information reports which will show the usage levels broken down per department; reason for referral; outcome etc.</p> <p>c) What scrutiny is applied? – this will be undertaken by HR</p>	<p>a) Value for money – The proposed service will deliver an enhanced, more accessible service for a ¼ of the cost of the current service. It is anticipated that there will be a £60k saving across the authority including schools.</p> <p>b) Levels of demand (volume and complexity) - Currently we only provide Face to Face Counselling Service. AS the EAP will deliver a support service on-line; via telephone and face to face as well as an extended advice service similar to the CAB. It is difficult to know at this point what the demand will be.</p>	<p>a) G</p> <p>b) G</p>

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Occupational Health Physician Tudalen 212	OH Physician Provision is being delivered on an as and when required basis by Caer Health who are par to the NPS Framework for Occupational Health.	D	There is a legal duty under the Health and Safety at Work Act 1974 to look after the health and wellbeing of our employees.	There are no identified risk associate with this provision	G	<p>a) Who commissions the function? Caer Health is part of the NPS Framework for Occupational Health in Wales and the service is commissioned by HR with support from Procurement.</p> <p>b) How is performance reported? – This is monitored on a case by case basis through the scrutiny of the report supplied.</p> <p>c) What scrutiny is applied? – This is undertaken by the OH Advisor.</p> <p>d) What is the scrutiny frequency? – This will be done each time an employee is referred to the Physician Service.</p>	<p>a) Value for money – as we are only paying for appointments as and when we need to this has delivered in the region of £7k saving per annum.</p> <p>b) Level of demand – this various but is in the region of 15 cases per annum for attendance management as well as 12 Ill Health Retirement Applications.</p> <p>c) Capacity – Caer Health has a number of OH Physician and therefore they are more than able to meet our demands.</p> <p>d) Safety and Compliance – No issues.</p>	<p>a) G</p> <p>b) G</p> <p>c) G</p> <p>d) G</p>

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Legal Prosecutions partnership with all NW Councils Tudalen 213	Informal collaboration with DCC as the lead Council.	M	Wide range of criminal enforcement matters from fly-tipping to fraud	Administrative function is supported by DCC but other Councils provide additional legal officer support so it balances out. This has been the subject of an internal audit which has provided assurance	G		a) Reduces travel costs and legal officer time as no two prosecutors in court at the same time. Shares the prosecution resources. b) No of cases for 2018 across the region = 240 non fixed penalty prosecutions across NW. 315 FPN across NW. c) Capacity is an issue even with the collaboration in place. Occasionally it is not possible to attend court at all or to obtain a barrister. This is a reality of the market and all Councils reduction in staffing levels to deal with demand. d) The prosecutions partnership supports council priorities of cleaning up the streets and H&S compliance including employment practices, food safety and trading standards.	a) G b) G c) G d) G

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Joint Procurement Service with Flintshire County Council Wadalen 214	Formal collaboration agreement	M	EU based legal duties (Public Contracts Regulations 2014)	Risk that one partner may derive a greater benefit from staff resources than the other.	Y	a) - All DCC and FCC services b) - A joint procurement board with representation from Lead Member for Finance and the Monitoring Officer. KPIs are reported onto Verto b) - Each board meeting will cover the corporate KPIs, level of collaborative procurements, missed opportunities, budget, procurement strategy, resources split is also monitored via the time recordings of business partners so VfM is monitored. d) - A minimum of quarterly meetings take place	a) Business partners are shared across a category; one manager covers both councils; collaborative procurement should produce efficiencies and savings due to economies of scale; close links with legal function means less likelihood of successful challenges in this litigious area. b) Total combined spend for 2018 = DCC is £128,000,000, FCC is £147,000,000. Complex procurement matters have been kept in house saving a considerable amount if the council outsourced the activity; some services have expressed a desire for dedicated procurement support. c) Capacity remains an issue for the manager in particular but this has been addressed to some degree with a dedicated legal officer support on the DCC side. d) There are non-compliance issues with services from time to time. This results in unnecessary time and efforts being put in to make something fit or put it right.	a) Y b) Y c) Y d) Y

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
North Wales Construction Framework (six North Wales Authorities) Tudalen 215	Formal collaboration agreement	M	Procurement of major construction projects	Lack of collaboration and cooperation between the six partner authorities impacts on delivery	G	Inter authority agreement between authorities Terms of reference for all boards and groups Strategic Board meets every 6 months for decisions and updates Forum including clients and contractors Review of KPI's KPI methodology and engine	a) Delivery of targeted Community Benefits on each project, with continuous audits on delivery. b) Mini tender competitions ensuring we have competitive cost and service in line with the type of projects. c) The current Framework is setup to let up to £500m worth of projects across six authorities and other public sector bodies. d) Capacity remains an issue and it is intended to increase it by recruiting half an officer to support the new larger Framework. The Framework team oversees every mini tender to ensure there is compliance on the process, after that each authority is responsible to make sure it meets their own internal procedures.	a) G b) G c) G d) G

3.9. HIGHWAYS AND ENVIRONMENTAL SERVICES

CONTRACTS, PARTNERSHIPS AND OTHER ASDM ARRANGEMENTS; RESILIENCE STATEMENT 2018/19

3.9.1. Waste and Recycling

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Waste Collection (textiles) T306/216	<p>Informal Partnership</p> <p>Co-Options (third sector partner) collect textiles from households kerbside and process in accordance with waste hierarchy (re-use/recycling)</p> <p>Low/neutral cost/value</p>	D	Separate collection not mandated but may be in the future	<p>Reliance on viability of third sector organisation. Value of textiles can impact on deliverability.</p> <p>Only partial coverage of service due to viability in more rural locations (Will be address through New Waste operating Model)</p>	G	<p>Informal arrangement managed by Senior Technical Officer. No contract, we just supply the bags in return for reporting the tonnage diversion.</p> <p>Tonnage data supplied quarterly for waste data flow returns No Scrutiny on service reliability applied as</p>	<p>a) Value for money Corporately it has been accepted that the third sector provide best value and wider economic benefits (Cabinet 2018)</p> <p>b) Levels of demand (volume and complexity) range of choice for public (charity collections) mean low risk/low demand of service but more behaviour change required to divert textiles from residual waste stream (LA responsibility)</p>	<p>a) G</p> <p>b) G</p>

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Tudalen 217							<p>c) Capacity Co-Options have ability to expand and even work with neighbouring third sector orgs if required</p> <p>d) Safety and compliance Comply with DCC reporting requirements. H and S not monitored by DCC</p>	<p>c) G</p> <p>d) Y (not monitored)</p>

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Operating Household Waste and Recycling Centres Tudalen 218	Outsourced - Contract with CAD Recycling. In two year extension period due to expire in March 2021. Operation of 3 recycling parks and pop up recycling parks, including all treatment and disposal.	M	Environmental Protection Action (1990) Section 51 Civic Amenities Act 1967	Long term existing contract means the VfM through alternative commissioning not been tested for some time. Ageing infrastructure at 2/3 sites requiring replacement / investment (Contractual obligation to Council) Extremely reliable and high performing local provider means there are no operational or reputational risks.	G	Waste and Recycling service responsible for commissioning. Tonnage data supplied monthly and performance linked to payment mechanism via bonus payment. Quarterly contract meetings held. Service reviewed regularly to identify/ deliver savings	a) Value for money Services cost more than Welsh median but also achieve higher diversion rates. Not tendered since 2009 so markets not recently tested. Extension granted to give time for the WG Collaboration Project (North Wales).	a) Y
							b) Levels of demand (volume and complexity) Volumes / traffic flows are consistent/ predictable	b) G
							c) Capacity Population size requires 2 sites only but geographical spread means 3 sites better serve the public.	c) G
							d) Safety and Compliance Quarterly meetings held to monitor performance and safety but no KPI framework in place other than pay mechanism related to recycling performance. Spot checks to be built into Technical Team role 19/20 onwards. Riddor and accident reporting not previously discussed but to be added as standard agenda item from 19/20	d) Y

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Waste Treatment (Food Waste) Tudalen 219	Outsourced contract With Biogen Long term Collaborative Partnership Procurement with Flintshire and Conwy Council, with WG funding. Anaerobic Digestion facility based on Council owned land in Denbighshire.	M	Regulation 15(1) of waste (England and Wales) Regulations 2011 Towards Zero Waste Statutory Recycling Target Necessary to meet 70% statutory recycling target To be WG blueprint compliant we must collect Food waste separately	Low risk. Long term arrangement with option to extend, or renegotiate more favourable terms with early extension award Reliable/ experienced operator incentivised to ensure plant operates optimally	G	DCC lead authority for Partnership. Monthly analysis of tonnage / costs and LA apportionment/ reconciliation. Waste and Recycling service responsible for commissioning. Quarterly contract meetings held. Annual review/ report, overseen by Welsh Government.	a) Value for money One of first AD plants in Wales to be provided so tied into a gate fee arrangement that is higher than the median until the contract review period. Opportunity to offer early contract extension for more favourable gate fee price should be explored. b) Levels of demand (volume and complexity) Admin capacity funded through FCC and CCC contribution. c) Capacity Steady shifts in tonnages are afforded as spare capacity at plant. LA's given priority over commercial contracts. d) Safety and compliance Monitored through contract management and reporting arrangements	a) G b) G c) G d) G

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Residual Waste Treatment and Haulage <small>from Tuedalen 220 (June 2019)</small>	Outsourced by North Wales Residual Waste Treatment Partnership Contractor WTI – waste sent to energy from waste facility Deeside (Parc Adfer)	M	Environmental Protection Act (1990)	Low Risk	G	Flintshire lead commissioning authority. Governance structure in place with elected members and senior officers. Joint Committee for decision making. Contract monitored at various levels. Project board, technical officer group and Flintshire based contract manager/supporting team	a) Value for money Government incentives and collaboration will ensure LA VfM compared to alternative provision	a) G
							b) Levels of demand (volume and complexity) Contribution of approx. £35K pa towards contract management, £20K pa community benefit contribution. Pay mechanism complex and requires weekly reconciliation/population	b) G
							c) Capacity Capacity on W and R team and back up (for resilience) to be sought in wider departmental resources to ensure timely and robust contract management/reconciliation	c) Y
							d) Safety and compliance Risk register KPI framework and H and S monitoring actively monitored	d) G

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Residual Waste reception, bulking (North) Tudalen 221	<p>Outsourced contract for 2 years to March 2021 (with one year extension option)</p> <p>Residual households waste collected in the North of the county is delivered to this facility and bulked for ongoing transport to Parc Adfer</p>	M	Environmental Protection Act (1990)	<p>Low Risk</p> <p>This is an interim arrangement to enable Conwy and Denbighshire Council time to identify an in-house option, through IAA2 funding.</p> <p>Reliable contractor, previously operating for council.</p>	G	Recently awarded but DCC previously used Thorncliffe's, who have performed very reliably with no issues recorded.	<p>a) Value for money Recent tender – work carried out to establish this cheaper option than in-house provision at Kinmel Depot. Interim arrangement only until suitable in house location identified.</p> <p>Joint tender with Conwy did not result in better value (gate fee price)</p> <p>b) Levels of demand (volume and complexity) Waste flows and tasks predictable.</p> <p>c) Capacity Thorncliffe's site large enough to take all waste and fluctuations. Client team sufficient to manage contract for DCC and CCC.</p> <p>d) Safety and compliance To be monitored through quarterly meetings, annual report and day to day contact. No formal KPIs but very low risk contract.</p>	<p>a) G</p> <p>b) G</p> <p>c) G</p> <p>d) G</p>

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Bulky Waste collection and treatment Tudalen 222	In house kerbside collection – with all waste delivered to CAD recycling for treatment or disposal.	M	Environmental Protection Act (1990) Controlled Waste Regulation (1992) (definition)	There is currently no separate contract in place for the reception and treatment/disposal of this waste. Therefore there is a procurement risk as not complying with CPR's. This waste is unsuitable for the Parc Adfer Contract. CAD extract white goods, mattresses and other suitable bulky items for	Y	Management of waste stream discussed through HWRC contract meetings as required – low risk non-customer facing service element.	a) Value for money Fixed fee paid to CAD for bulky waste. Further work required to test markets, especially with new collection charge implanted April 2019. b) Levels of demand (volume and complexity) Tonnages and quality of items will fluctuate depending on DCC collection charge. c) Capacity No issues under current CAD arrangement as they handle large tonnages from HWRC contract. d) Safety and compliance Quarterly HWRC meetings held to monitor performance and safety but no KPI framework in place other than pay mechanism related to recycling performance. Spot checks to be built into Technical Team role 19/20 onwards. Riddor and accident reporting not previously discussed but to be added as standard agenda item from 19/20. Recycling performance monitored	a) O
						Fixed fee paid to CAD for bulky waste		b) G
						Opportunity to review service and benefits of commissioning third sector to collect and re-use/deconstruct. CREST have expressed interest informally. Other providers may also be interested (CAD, Co-options)		c) G
								d) Y

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Tudalen 223				recycling as it is a similar composition to HWRC waste. But out of scope of HWRC contract. Needs addressing.				

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Trade Waste collection and disposal (Residual) Tudalen 224	Veolia 2 year contract August 2018-August 2020	M	Environmental Protection Act 1990 Section 45	Fixed prices with Veolia restrict DCC's ability to win new business and compete with other industry players. Contract reliability excellent	G	<p>KPI pay mechanism in place and quarterly contract meetings plus contact procedures working well for day to day management</p> <p>However, the contract has still not been sign – awaiting Veolia response currently.</p>	<p>a) Value for money Recent tender with several bidders suggests favourable market rate</p>	a) G
							<p>b) Levels of demand (volume and complexity) Number of overall clients relatively stable. Interface between DCC and contractor simple and well organised.</p>	b) G
							<p>c) Capacity Veolia well placed to expand if required. However, back office team not currently working within acceptable SLA's for resolving customer enquiries and training/vacancy filling needs to be prioritised.</p>	c) Y
<p>d) Safety and compliance Monitored quarterly through contract meetings. Monthly KPI Performance scorecard in place and contractually binding with deduction levels agreed. Scrutiny scheduled to examine contract Feb/March 2020</p>	d) G							

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Co-mingled Recycling Treatment Tudalen 225	Outsourced to UPM, Deeside Into final contract extension period due to expire in March 2020.	M	Regulation 15(1) of waste (England & Wales) Regulations 2011 Towards Zero Waste Statutory Recycling Target Necessary to meet 70% statutory recycling target	Financial Risk of £180K to £270K budget pressure certain from April 2020 until new waste operating model adopted Mid 2021/22 due to market trends. There is no option but to go to markets for this contract.	Y	Contract was extended April 2018. TD Requested support from procurement (HS) to locate contract extension report/signed agreement. Service only needs this type of treatment facility until 21/22 due to changes to waste collection model so there is no scope for delivering this service differently, despite costs of treatment (gate fee) set to double next year due to market trends. Re-procurement required Autumn 2019 for 2 year deal.	a) Value for money Very competitive gate fee likely to increase (by 50-80%) when securing new contract. b) Levels of demand (volume and complexity) Regular and predictable – no issues on contract management staffing or contractors ability to take more or less volume. c) Capacity No issues on contract management staffing or contractors ability to take more or less volume.	a) G b) G c) G

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Tudalen 226				Rated Y risk due to increase in contamination rates requiring intervention by DCC to ensure best price secured in future procurements		It is recognised high cost of treatment not acceptable going forward hence change to waste source segregated operating model	<p>d) Safety and compliance H&S not monitored as DCC staff do not deliver to site. Monthly tonnage and contamination report provided, along with final destination reporting required by Waste Data Flow. UPM Loss Time accident stats reported monthly – excellent record to date.</p> <p>Quarterly contract meetings to be held from April 2019.</p>	d) Y

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Supply of wheeled bins, food caddies, sacks and liners Tudalen 227	Regular purchases are required to maintain stock levels. Historically this has been done through use of frameworks and mini competitions or the three quote process depending on value, resulting in a range of suppliers being used.	M/D	Section 45 EPA 1990 – LA's must provide if needed containers/sacks for waste. Liners are discretionary.	DCC CPR's have historically not been followed (Contract Award report and contracts for over £10K value) due to high number of procurements each year. Procurement often delays delivery due to low stock levels.	O	Supply only contracts with low risk to public/trade	<p>a) Value for money Current route ensures value for money through regular tendering process.</p> <p>b) Levels of demand (volume and complexity) Fluctuates depending on live projects and many other factors</p> <p>c) Capacity Not enough capacity in team to follow CPRs and produce contracts/contract award reports. Need to consider longer term contracts (2-3 years) with ability to call off (one for bins, one for caddies and one for liners).</p> <p>d) Safety and compliance As supply only monitored through procurement process / warranties. H&S not monitored other than deliveries to site.</p>	<p>a) G</p> <p>b) G</p> <p>c) O</p> <p>d) G</p>

3.9.2. Passenger Transport

Tudalen 228

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Public Transport	Commissioned (outsourced to external organisations) Some services by social enterprise/community-led companies	D		Market place is not strong	Y	a) DCC H&ES b) Annual benchmarking. Monthly budget meetings c) Consultation at times of significant change (minor change proposals to individual members) e) When there are significant changes e.g. budget cuts	a) Value for money All but a small amount is tendered and awarded under tender MEAT b) Levels of demand (volume and complexity) No significant issues c) Capacity No significant issues but will fluctuate depending upon market changes. Any major change to supported delivery model will be resource heavy in early stages d) Safety and compliance Due diligence undertaken	a) G b) G c) Y d) G

Tudalen 229

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Education Transport	Commissioned (outsourced to external organisation)	M (some D)	Learner Travel (Wales) Measure (2008) Safety on Learner Transport (Wales) Measure 2011	Some parts of the market less robust Budgets under pressure	O	a) DCC H&ES b) Monthly budget meetings. Termly meetings with Education (for ALN) c) Other than scrutiny for policy changes, operations usually taken as "business as usual" e) N/A. Policy issues dealt with by Education	<p>a) Value for money Within a cycle of increasing costs, recent private/public benchmarking has indicated market versus in-house costs are comparable. A number of factors are outside H&ES' control</p> <p>b) Levels of demand (volume and complexity) Demand for mainstream education is stable but that for ALN/TRAC/LAC etc. growing, including demand for relatively expensive "solo" provision to wide range of establishments. As illustration, the number of required passenger assistants almost doubled in 15-year period.</p>	<p>a) Y</p> <p>b) O</p>

Tudalen 230

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
							<p>c) Capacity Owing to complex needs, ALN-type transport is resource hungry and contributes to additional staffing requirements/pressures</p> <p>d) Safety and compliance Due diligence undertaken. Driver enhanced DBS checks. Use of only licensed taxi drivers. Regulated market places for both taxis and buses. Regular H&ES monitoring</p>	<p>c) O</p> <p>d) G</p>

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Free Concessory Travel		M	Transport Act 2000 Travel Concessions (Eligibility Order) 2002	May be taken in-house by WG	G	a) DCC scheme uses prescribed WG systems to manage eligibility b) Demand steady and relatively routine for suitably trained staff c) National scheme requires no local scrutiny d) N/A	a) Value for money Highly prescribed scheme reimburses some 90% of costs b) Levels of demand (volume and complexity) Demand can vary dependent upon birth rates 60 years ago but in general is steady c) Capacity No capacity issues d) Safety and compliance N/A	a) G b) G c) G d) G

Tudalen 231

3.9.3. Clwydian Range and Dee Valley Area of Outstanding Natural Beauty (CRDV AONB)

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
<p>CRDV AONB National Protected Area</p> <p>Landscape scale Management and Conservation</p> <p>Community Resilience</p> <p>Access and Recreation</p>	Partnership	Mainly D Statutory function is 'development of Management Plan'	<p>Legal Agreement</p> <p>Participation from all partners</p> <p>TOR guides governance</p>	<p>Low overall</p> <p>Reduction in financial contribution/ no engagement</p> <p>Core grant cut</p>	G	<p>a) Who commissions the function? Denbighshire CC, Wrexham CBC, Flintshire CC, NRW.</p> <p>b) How is performance reported? Against statutory Management Plan actions and grant criteria</p> <p>c) What scrutiny is applied? Joint Committee and AONB Partnership</p> <p>d) What is the scrutiny frequency? 3 x year for both Joint Committee and partnership</p>	<p>a) Value for money Net budget c£200K. Brings in another £235K through grants from other LAs, NRW and WG for core operations. Functions within resources. Provides added value for DCC and other LA partners. Attracts HLF monies and high profile. DCC benefits from having a nationally recognised Protected Area. Delivers in Corporate Plan Environment Priority and other County Conversation highlights. Important for County tourism product.</p>	a) G

Tudalen 232

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Sustainable Tourism Visitor Management Planning and Development Biodiversity and Nature Conservation							b) Levels of demand (volume and complexity) The AONB has diverse functions to fulfil. Varied work areas and numerous stakeholder relationships to balance and serve. Often operating on complex and multi layered issues. Demand for service often outstrips supply and available resources. Balancing people against biodiversity/ nature conservation.	b) Y

Tudalen 233

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
							<p>c) Capacity Small core team and budget. Team working with DCC (and other LAs) Countryside team essential and fundamental to success. No distinction made in practice. High demand for functions at all levels but difficult to fulfil and provide service improvements too. Delivers to capacity but expectations are rising.</p> <p>d) Safety and compliance Governance robust. Operates within LA financial regulations. External audit requirement. Open and transparent processes. Stakeholder communication also robust.</p>	<p>c) Y</p> <p>d)</p>

Tudalen 234

3.9.4. Fleet Services

Function	Current position	Is Function mandatory (M) or Discretionary (D)	Legal duties	Risks of current model	Current risk profile	What reporting, accountability and control mechanisms are in place?	Resilience level criteria	ROYG against resilience level criteria
Tyre replacement and repairs	Delivered by a national tyre company ATS	D	Description of legal duties if mandatory	Risk if company goes bust but plenty of alternative suppliers	G	<p>Narrative to describe mechanisms in place.</p> <p>e) Who commissions the function? Fleet manager</p> <p>f) How is performance reported? Monthly Reports</p> <p>g) What scrutiny is applied? The company is monitored on a weekly basis with particular attention paid to tyre failures</p> <p>h) What is the scrutiny frequency? Weekly but is volume dependent, could be daily in some cases</p>	<p>Narrative to explain resilience against each of the following criteria</p> <p>a) Value for money Benchmarked against Industry standards</p> <p>b) Levels of demand (volume and complexity) Low</p> <p>c) Capacity No significant issues</p> <p>d) Safety and compliance Due diligence undertaken</p>	<p>a) G</p> <p>b) G</p> <p>c) G</p> <p>d) G</p>

Tudalen 235

Mae tudalen hwn yn fwiadol wag



WALES **AUDIT** OFFICE
SWYDDFA **ARCHWILIO** CYMRU

Adroddiad Gwella Blynyddol – **Cyngor Sir Ddinbych**

Blwyddyn archwilio: 2018-19

Dyddiad cyhoeddi: Mehefin 2019

Cyfeirnod y ddogfen: 1283A2019-20

Paratowyd yr Adroddiad Gwella Blynyddol ar ran Archwilydd Cyffredinol Cymru gan Gwilym Bury, Charlotte Owen a Jeremy Evans dan gyfarwyddyd Huw Rees.

Adrian Crompton
Archwilydd Cyffredinol Cymru
Swyddfa Archwilio Cymru
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Mae'r Archwilydd Cyffredinol yn annibynnol ar y llywodraeth a chaiff ei benodi gan Ei Mawrhydi y Frenhines. Mae'r Archwilydd Cyffredinol yn ymgymryd â'i waith gan ddefnyddio staff ac adnoddau eraill a ddarperir gan Fwrdd Swyddfa Archwilio Cymru, sef bwrdd statudol a sefydlwyd at y diben hwnnw ac er mwyn monitro a chynghori'r Archwilydd Cyffredinol. Mae Swyddfa Archwilio Cymru yn atebol i'r Cynulliad Cenedlaethol.

Mae'r Archwilydd Cyffredinol yn archwilio cyrff llywodraeth leol yng Nghymru, gan gynnwys awdurdodau unedol, yr heddlu, gwasanaethau prawf, awdurdodau tân ac achub, awdurdodau parciau cenedlaethol a chynghorau cymuned. Mae hefyd yn cynnal astudiaethau gwerth am arian llywodraeth leol ac yn asesu cydymffurfiaeth â gofynion Mesur Llywodraeth Leol (Cymru) 2009.

Y tu hwnt i lywodraeth leol, yr Archwilydd Cyffredinol yw archwilydd allanol Llywodraeth Cymru a'r cyrff a noddir ganddi a'i chyrrff cyhoeddus cysylltiedig, Comisiwn y Cynulliad a chyrrff y Gwasanaeth Iechyd Gwladol yng Nghymru.

Mae'r Archwilydd Cyffredinol a staff Swyddfa Archwilio Cymru yn ceisio darparu adroddiadau cymesur sy'n canolbwyntio ar y cyhoedd ar stiwardiaeth adnoddau cyhoeddus a thrwy wneud hynny, feithrin dealltwriaeth a hyrwyddo gwelliant.

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

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Adroddiad cryno

Gwaith archwilio perfformiad 2018-19

- 1 I benderfynu ar ystod a natur y gwaith y byddem yn ei wneud yn ystod y flwyddyn, fe wnaethom ystyried faint yr ydym yn ei wybod eisoes o'r holl waith archwilio ac arolygu blaenorol ac o ffynonellau gwybodaeth eraill, gan gynnwys dulliau adolygu a gwerthuso Cyngor Sir Ddinbych (y Cyngor) ei hun. Ar gyfer 2018-19, gwnaed gwaith asesu gwelliant, prosiect asesu risg a sicrwydd, a gwaith ar y Ddeddf Llesiant Cenedlaethau'r Dyfodol ym mhob cyngor. Mewn rhai cynghorau, gwnaethom ni ategu'r gwaith hwn ag archwiliadau lleol yn seiliedig ar risg, a nodwyd yn y Cynllun Archwilio ar gyfer 2018-19.
- 2 Mae'r gwaith a wnaed ers yr Adroddiad Gwella Blynyddol (AGB) diwethaf, gan gynnwys gwaith y rheoleiddwyr perthnasol, wedi'i nodi yn [Arddangosyn 1](#).

Mae'r Cyngor yn cyflawni ei ofynion statudol o ran gwelliant parhaus ond, fel gyda phob Cyngor yng Nghymru, mae'n wynebu heriau wrth symud ymlaen

- 3 Yn seiliedig ar y gwaith, ac yn gyfyngedig i'r gwaith, a wnaed gan Swyddfa Archwilio Cymru a rheoleiddwyr perthnasol, cred yr Archwilydd Cyffredinol fod y Cyngor yn debygol o gydymffurfio â gofynion Mesur Llywodraeth Leol (2009) yn ystod 2019-20. Fodd bynnag, mae pob cyngor yn wynebu pwysau ariannol sylweddol a fydd yn galw am sylw parhaus yn y tymor byr a chanolig er mwyn eu galluogi i fod mewn sefyllfa ariannol sefydlog a chynaliadwy.

Argymhellion a chynigion ar gyfer gwella

- 4 O ystyried yr amrywiaeth eang o wasanaethau a ddarperir gan y Cyngor a'r heriau y mae'n eu hwynebu, byddai'n anarferol pe na byddem yn dod o hyd i bethau y gellir eu gwella. Gall yr Archwilydd Cyffredinol:
 - wneud cynigion ar gyfer gwella – os gwneir cynigion i'r Cyngor, byddem yn disgwyl iddo weithredu arnynt a byddwn yn gwirio yr hyn sy'n digwydd;
 - gwneud argymhellion ffurfiol ar gyfer gwella – os gwneir argymhelliad ffurfiol, mae'n rhaid i'r Cyngor baratoi ymateb i'r argymhelliad hwnnw o fewn 30 diwrnod gwaith;
 - cynnal arolygiad arbennig, cyhoeddi adroddiad a gwneud argymhellion; ac
 - argymhell i weinidogion Llywodraeth Cymru eu bod yn ymyrryd mewn rhyw ffordd.
- 5 Yn ystod y flwyddyn, ni wnaeth yr Archwilydd Cyffredinol unrhyw argymhellion ffurfiol. Fodd bynnag, rydym ni wedi gwneud nifer o gynigion ar gyfer gwella ac

ailadroddir y rhain yn yr adroddiad hwn. Byddwn yn monitro cynnydd o'i gymharu â'r cynigion hyn ac argymhellion perthnasol a wnaed yn ein hadroddiadau cenedlaethol (**Atodiad 3**) yn rhan o'n gwaith asesu gwelliant.

Gwaith archwilio, rheoleiddio ac arolygu yr adroddwyd arno yn ystod 2018-19

Arddangosyn 1: gwaith archwilio, rheoleiddio ac arolygu yr adroddwyd arno yn ystod 2018-19

Disgrifiad o'r gwaith a wnaed ers yr Adroddiad Gwella Blynyddol diwethaf, gan gynnwys gwaith y rheoleiddwyr perthnasol, pan fo hynny'n berthnasol.

Dyddiad cyhoeddi	Disgrifiad byr	Casgliadau	Cynigion ar gyfer gwella
Chwefror 2019	<p>Asesiad Risg a Sicrwydd Prosiect i nodi lefel y sicrwydd archwilio a/neu pan fydd angen rhagor o waith archwilio yn y dyfodol o ran y risgiau i'r Cyngor:</p> <ul style="list-style-type: none"> • rhoi trefniadau priodol ar waith i sicrhau gwerth am arian wrth ddefnyddio adnoddau; • rhoi trefniadau ar waith i sicrhau gwelliannau parhaus; a • gweithredu yn unol â'r egwyddor datblygu cynaliadwy wrth bennu amcanion llesiant a chymryd camau i'w cyrraedd. 	<p>Yn deillio o'n hadolygiad a thrafodaethau â'r Cyngor nodwyd yr heriau canlynol i'r Cyngor i'w cynnwys yn ein rhaglen archwilio ar gyfer 2019-20:¹</p> <ul style="list-style-type: none"> • asesiad risg a sicrwydd: i nodi lefel y sicrwydd archwilio a/neu pan fydd angen rhagor o waith archwilio yn y dyfodol o ran y risgiau i'r Cyngor yn rhoi trefniadau priodol ar waith i sicrhau gwerth am arian wrth ddefnyddio adnoddau. • cynaliadwyedd ariannol: prosiect sy'n gyffredin i'r holl gynghorau lleol a fydd yn asesu cynaliadwyedd ariannol yn sgil heriau presennol a'r rhai y disgwylir yn y dyfodol. • pwysau cost a chyllidebol ar wasanaethau cymdeithasol: i asesu'r heriau sy'n gysylltiedig â chyllidebau gwasanaethau cymdeithasol. 	Amherthnasol

¹ Gallai'r rhain newid os byddai unrhyw faterion risg yn codi yn ystod y flwyddyn

Dyddiad cyhoeddi	Disgrifiad byr	Casgliadau	Cynigion ar gyfer gwella
		<ul style="list-style-type: none"> Archwiliadau Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015: Pwyslais ar wastraff trefol. 	
Mehfin 2019	<p>Archwiliadau Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015</p> <p>Archwiliad i ba raddau mae'r Cyngor wedi gweithredu yn unol â'r egwyddor datblygu cynaliadwy wrth gymryd y cam canlynol: Archwiliad o waith i leihau nifer yr eiddo sydd mewn peryg o lifogydd yn Sir Ddinbych.</p>	<p>Mae'r Cyngor yn cymryd camau calonogol i weithredu yn unol â'r egwyddor datblygu cynaliadwy wrth gymryd camau i leihau'r perygl o lifogydd, ond mae angen iddo ystyried ei gamau nesaf er mwyn gweithredu ar egwyddorion eraill Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015:</p> <ul style="list-style-type: none"> mae'r Cyngor yn cymryd camau i gydbwysu anghenion presennol a hirdymor trwy ganolbwyntio ar gamau hirdymor i atal llifogydd, ond mae angen iddo ystyried cynaliadwyedd gwaith yn y dyfodol; mae'r Cyngor yn deall heriau'r presennol a'r dyfodol o ran rheoli perygl llifogydd, ond, er ei fod yn cydnabod cyfleoedd i ddatblygu dulliau ategol mwy cynaliadwy, nid yw'n arddangos yn llawn hyd yn hyn ddull sy'n ceisio atal problemau rhag codi yn y dyfodol; mae'r Cyngor wedi defnyddio dull integredig o gyflawni'r gwaith rheoli llifogydd ac mae wedi ystyried sut y bydd canlyniadau'r prosiect o fantais i'w bartneriaid yn ogystal â'i amcanion llesiant ei hun, ond ceir cyfleoedd i'r Cyngor gryfhau ei ddull; mae cydweithredu yn elfen allweddol o ddull y Cyngor ac mae wedi gweithio'n agos gyda 	Dewisodd y Cyngor gymryd nifer o gamau o ganlyniad i'r arolwg ac mae manylion y rhain wedi'u nodi yn ein hadroddiad llawn .

Dyddiad cyhoeddi	Disgrifiad byr	Casgliadau	Cynigion ar gyfer gwella
		<p>phartneriaid i gynllunio a darparu amddiffynfeydd rhag llifogydd, ond gellid cryfhau'r cysylltiadau â'r gymuned ffermio a thirfeddianwyr eraill; ac</p> <ul style="list-style-type: none"> • mae'r Cyngor yn cynnwys rhanddeiliaid yn effeithiol yn y broses o gynllunio a chyflawni ei gynlluniau rheoli llifogydd ac mae'n ymateb i anghenion lleol, ond mae'n cydnabod bod angen gwneud rhagor o waith i gynnwys rhanddeiliaid a dysgu o'i ddull hyd yn hyn. 	
Tachwedd 2018	<p>Llythyr archwilio blynyddol 2017-18</p> <p>Llythyr yn crynhoi'r negeseuon allweddol a gyfyd o gyfrifoldebau statudol yr Archwilydd Cyffredinol o dan Ddeddf Archwilio Cyhoeddus (Cymru) 2004 a'i gyfrifoldebau adrodd o dan y Cod Ymarfer Archwilio. Mae'r Llythyr Archwilio Blynyddol ar gael yn Atodiad 2 yr adroddiad hwn.</p>	<ul style="list-style-type: none"> • Mae'r Cyngor wedi cydymffurfio â'i gyfrifoldebau o ran adrodd ariannol a defnyddio adnoddau; • Rwy'n fodlon bod gan y Cyngor drefniadau priodol ar waith i sicrhau darbodusrwydd, effeithlonrwydd ac effeithiolrwydd ei ddefnydd o adnoddau; • hyd yn hyn, nid yw fy ngwaith ardystio ceisiadau a ffurflenni grant wedi nodi materion sylweddol a fyddai'n effeithio ar gyfrifon 2018-19 neu systemau ariannol allweddol; ac • mae gan y Cyngor hanes o reoli ei gyllid, ond bydd yr her ariannol sylweddol yn parhau yn y tymor canolig. 	Dim
Archwiliad perfformiad lleol ar sail risg			
Rhagfyr 2018	Defnydd llywodraeth leol o ddata yn yr adroddiad lleol	Daeth yr adroddiad cenedlaethol a gyflwynir gyda'r adroddiad lleol i'r casgliad bod awdurdodau lleol ledled Cymru yn araf wrth ddatblygu diwylliant sy'n	C1 Mae safoni ei ddata yn faes y gall yr Awdurdod ei wella'n fwy. Dywedodd ymatebwyr i'n hoffer data fod angen integreiddio a

Dyddiad cyhoeddi	Disgrifiad byr	Casgliadau	Cynigion ar gyfer gwella
		gwerthfawrogi ac yn defnyddio data mewn modd effeithiol i wella gwasanaethau a chanlyniadau.	<p>gedwir mewn adrannau unigol. Bydd datblygu dull mwy unedig a chorfforaethol o ddefnyddio data yn helpu i ehangu buddion penderfyniadau sydd wedi'u seilio ar ddata i'r holl feysydd gwasanaeth. Bydd yn hanfodol newid y diwylliant er mwyn gwneud hyn a safoni, symleiddio ac integreiddio data. I ddechrau'r broses hon, dylai'r Awdurdod gynnal archwiliad data sy'n canolbwyntio ar fapio pa ddata sydd gan bwy, at ba ddiben a sut y defnyddir y data. Mae ymatebwyr i'r offer data yn cydnabod y gall GDPR helpu yn hyn o beth ond y cedwir data mewn gwahanol ffurfiau ar draws y sefydliad ar hyn o bryd, sydd wedi arwain at systemau anghydnaws a pherchnogaeth wasgaredig ar setiau data amrywiol.</p> <p>C2 Mae'r Awdurdod yn casglu data mewn bron pob achos o ryngweithio â'i ddinasyddion, boed mewn cyfarfodydd, dros y ffôn neu ar y cyfryngau cymdeithasol ac mae angen iddo sicrhau ei fod yn parhau i ddiogelu'r wybodaeth sydd</p>

Dyddiad cyhoeddi	Disgrifiad byr	Casgliadau	Cynigion ar gyfer gwella
			<p>ganddo a hefyd gwneud y defnydd gorau o'r data hyn. Bydd diweddarau gweithdrefnau rhannu data a sicrhau y cânt eu cyfleu i'r holl swyddogion perthnasol trwy hyfforddiant diweddarau – gan ganolbwyntio ar yr hyn y gall pobl ei wneud yn hytrach na'r hyn na allant ei wneud – yn helpu i sicrhau bod rheolwyr gwasanaethau yn gwybod beth y gallant ei rannu a phryd, gan helpu i osgoi unrhyw gamau diangen ac anghymesur i atal risg wrth rannu data.</p> <p>C3 Mae sicrhau adnoddau priodol a chapasiti digonol yn heriau parhaus i bob awdurdod lleol. Yn Sir Ddinbych, mae cyfran sylweddol o uwch swyddogion a ymatebodd i'n hoffer data o'r farn nad yw'r Awdurdod wedi buddsoddi digon o arian i ddadansoddi data yn effeithiol. Heb uwchsgilio staff i wneud gwell defnydd o ddata, gall yr Awdurdod gollu cyfleoedd i wella ei effeithlonrwydd a'i effeithiolrwydd yn y tymor hir. Bydd buddsoddi i wneud gwell defnydd o ddata yn arwain at well canlyniadau i ddinasyddion ac at arbedion</p>

Dyddiad cyhoeddi	Disgrifiad byr	Casgliadau	Cynigion ar gyfer gwella
			<p>hirdymor i'r Awdurdod. Mae Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015 yn darparu'r ysgogiad perffaith i'r Awdurdod feddwl am y tymor hir.</p> <p>C4 Dylai'r Awdurdod adolygu amrywiaeth ac ansawdd yr wybodaeth sydd ei hangen ar y rhai sy'n gwneud penderfyniadau a fformat cyflwyno'r wybodaeth honno. Bydd hyn yn galluogi'r Awdurdod i bennu safonau adrodd data corfforaethol i sicrhau bod y data a gyflwynir i uwch swyddogion ac Aelodau Etholedig ar gael yn rhwydd, yn hawdd eu deall ac yn cefnogi'r bobl hynny sy'n gwneud penderfyniadau i gyflawni eu cyfrifoldebau mor effeithiol â phosibl.</p>
Mehfin 2019	Gwasanaethau hamdden	Cefnogir buddsoddiad parhaus y Cyngor mewn cyfleusterau hamdden gan lefelau uchel o foddhad y cwsmer, ond roedd camau diweddarach yn ei drefniadau a oedd yn effeithiol fel arall ar gyfer ystyried dulliau cyflawni eraill wedi'u brysio, ac arweiniodd hyn at amharu ar drefniadau llywodraethu.	C1 Dylai'r Cyngor sicrhau nad yw'n cyfaddawdu ar Lywodraethu, trwy bennu digon o amser ar gyfer gwneud penderfyniadau da a sicrhau bod yr holl wybodaeth ar gael mewn da bryd. Er enghraifft, drwy ganiatáu digon o amser ar gyfer craffu cyn gwneud penderfyniadau.

Dyddiad cyhoeddi	Disgrifiad byr	Casgliadau	Cynigion ar gyfer gwella
Cynllunio ac adrodd ar welliant			
Ebrill 2018	Archwiliad Swyddfa Archwilio Cymru o welliant blynyddol Adolygiad o gynlluniau cyhoeddiedig y Cyngor ar gyfer cyflawni amcanion gwella.	Mae'r Cyngor wedi cydymffurfio â'i ddyletswyddau statudol o ran cynllunio gwelliant.	Dim
Hydref 2018	Archwiliad Swyddfa Archwilio Cymru o'r asesiad blynyddol o berfformiad Adolygiad o asesiad cyhoeddiedig o berfformiad y Cyngor.	Mae'r Cyngor wedi cydymffurfio â'i ddyletswyddau statudol o ran adrodd ar welliant.	Dim
Adolygiadau gan gyrff arolygu a rheoleiddio			
Arolygiaeth Gofal Cymru (AGC) ac Estyn	Ni chafwyd unrhyw arolygiadau yng Nghyngor Sir Ddinbych yn ystod y cyfnod hwn, ond yn unol â'r arfer, roedd ysgolion a gwasanaethau a arolygwyd gan Estyn sydd wedi'u cofrestru yn destun adolygiad rheolaidd.		Amherthnasol

Atodiad 1

Statws yr adroddiad

Mae Mesur Llywodraeth Leol (Cymru) 2009 (y Mesur) yn ei gwneud yn ofynnol i'r Archwilydd Cyffredinol gynnal asesiad gwella blynyddol sy'n edrych i'r dyfodol, a chyhoeddi adroddiad gwella blynyddol, ar gyfer pob awdurdod gwella yng Nghymru. Mae gan awdurdodau gwella (a ddiffinnir yn gynghorau lleol, parciau cenedlaethol ac awdurdodau tân ac achub) ddyletswydd gyffredinol i 'wneud trefniadau i sicrhau gwelliant parhaus wrth arfer [eu] swyddogaethau.'

Mae'r asesiad gwella blynyddol yn ystyried y tebygolrwydd y bydd awdurdod yn cydymffurfio â'i ddyletswydd i wneud trefniadau i sicrhau gwelliant parhaus. Yr asesiad hefyd yw'r prif ddarn o waith sy'n galluogi'r Archwilydd Cyffredinol i gyflawni ei ddyletswyddau. Mae staff Swyddfa Archwilio Cymru, ar ran yr Archwilydd Cyffredinol, yn llunio'r adroddiad gwella blynyddol. Mae'r adroddiad yn cyflawni dyletswyddau'r Archwilydd Cyffredinol o dan adran 24 y Mesur, trwy grynhoi ei waith archwilio ac asesu mewn adroddiad gwella blynyddol a gyhoeddir ar gyfer pob awdurdod. Mae'r adroddiad hefyd yn cyflawni ei ddyletswyddau o dan adran 19 i gyflwyno adroddiad sy'n ardystio ei fod wedi cynnal asesiad gwella o dan adran 18 ac yn nodi (o ganlyniad i'w archwiliad o'r cynllun gwella o dan adran 17) a yw'n credu bod yr awdurdod wedi cyflawni ei ddyletswyddau cynllunio gwelliannau o dan adran 15.

Gall yr Archwilydd Cyffredinol hefyd, dan rai amgylchiadau, gynnal arolygiadau arbennig (o dan adran 21), a gaiff eu hadrodd i'r awdurdod a Gweinidogion, ac y gall eu cyhoeddi (o dan adran 22). Gweithgaredd ategol pwysig i'r Archwilydd Cyffredinol yw cydlynu gwaith asesu a rheoleiddio (sy'n ofynnol o dan adran 23), sy'n ystyried rhaglen waith gyffredinol yr holl reoleiddwyr perthnasol mewn awdurdod gwella. Gall yr Archwilydd Cyffredinol hefyd ystyried gwybodaeth a rennir gan reoleiddwyr perthnasol (o dan adran 33) yn ei asesiadau.

Atodiad 2

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Cyfeirnod: 958A2018-19

Dyddiad **cyhoeddi:** 30 Tachwedd 2018

Annwyl Cynghorydd Evans a Judith Greenhalgh

Llythyr Archwilio Blynyddol - Cyngor Sir Ddinbych 2017-18

Mae'r llythyr hwn yn crynhoi'r negeseuon allweddol a gyfyd o fy nghyfrifoldebau statudol o dan Ddeddf Archwilio Cyhoeddus (Cymru) 2004 a fy nghyfrifoldebau adrodd o dan y Cod Ymarfer Archwilio.

Mae'r Cyngor wedi cydymffurfio â'i gyfrifoldebau o ran adrodd ariannol a defnyddio adnoddau

Cyfrifoldeb Cyngor Sir Ddinbych (y Cyngor) yw:

- rhoi systemau rheoli ar waith i sicrhau rheoleidd-dra a chyfreithlondeb trafodiadau a sicrhau bod ei asedau yn ddiogel;
- cynnal cofnodion cyfrifyddu cywir;
- paratoi datganiadau ariannol yn unol â gofynion perthnasol; a
- sefydlu trefniadau priodol i sicrhau darbodusrwydd, effeithlonrwydd ac effeithiolrwydd ei ddefnydd o adnoddau, ac adolygu hyn yn gyson.

Mae Deddf Archwilio Cyhoeddus (Cymru) 2004 yn ei gwneud yn ofynnol imi:

- roi barn archwilio ar y datganiadau cyfrifyddu;
- adolygu trefniadau'r Cyngor i sicrhau darbodusrwydd, effeithlonrwydd ac effeithiolrwydd ei ddefnydd o adnoddau;

- a chyflwyno tystysgrif yn cadarnhau fy mod i wedi cwblhau'r archwiliad o'r cyfrifon.

Mae awdurdodau lleol yng Nghymru yn paratoi eu datganiadau cyfrifyddu yn unol â gofynion Cod Ymarfer CIPFA/LASAAC ar Gyfrifyddu Awdurdodau Lleol yn y Deyrnas Unedig. Mae'r cod hwn wedi'i seilio ar y Safonau Adrodd Ariannol Rhyngwladol.

Cawsom y datganiadau ariannol drafft ar 15 Mehefin 2018, bythefnos cyn y dyddiad terfyn statudol. Er gwaethaf yr amserlen fyrrach, paratowyd y datganiadau ariannol drafft i safon dda ac fe'u hategwyd gan ddogfennau gweithiol cynhwysfawr ac amserol.

Adroddwyd y materion allweddol a oedd yn deillio o'r archwiliad o'r datganiadau ariannol i aelodau'r Pwyllgor Llywodraethu Corfforaethol yn fy adroddiad o'r Archwiliad o'r Datganiadau Ariannol ar 26 Medi 2018.

Ar 28 Medi 2018, cyflwynais farn archwilio ddiamod ar ddatganiadau ariannol y Cyngor yn cadarnhau eu bod yn cyflwyno darlun gwir a theg o sefyllfa a thrafodion ariannol y Cyngor. Cyflwynais y dystysgrif yn cadarnhau bod yr archwiliad o'r cyfrifon wedi'i gwblhau ar 28 Medi 2018.

Rwy'n fodlon bod gan y Cyngor drefniadau priodol ar waith i sicrhau darbodusrwydd, effeithlonrwydd ac effeithiolrwydd ei ddefnydd o adnoddau

Mae fy ystyriaeth o drefniadau'r Cyngor i sicrhau darbodusrwydd, effeithlonrwydd ac effeithiolrwydd wedi'i seilio ar y gwaith archwilio a wnaed ar y cyfrifon, yn ogystal â dibynnu ar y gwaith a wnaed o dan Fesur Llywodraeth Leol (Cymru) 2009. Cyhoeddodd yr Archwilydd Cyffredinol ei Adroddiad Gwella Blynyddol fis Medi 2018, a daeth i'r casgliad bod y Cyngor yn cyflawni ei ofynion statudol o ran gwella'n barhaus.

Hyd yn hyn, nid yw fy ngwaith ardystio ceisiadau a ffurflenni grant wedi nodi materion sylweddol a fyddai'n effeithio ar gyfrifon 2018-19 neu systemau ariannol allweddol

Nid yw fy ngwaith parhaus o ardystio ceisiadau a ffurflenni grantiau, wedi nodi unrhyw faterion sylweddol hyd yn hyn o ran y cyfrifon na systemau ariannol allweddol y Cyngor. Byddaf yn adrodd unrhyw faterion allweddol i'r Pwyllgor Llywodraethu Corfforaethol yn fy adroddiad Ardystio Grantiau blynyddol pan fydd rhaglen eleni wedi'i chwblhau.

Mae gan y Cyngor hanes o reoli ei gyllid, ond bydd yr her ariannol sylweddol yn parhau yn y tymor canolig

Cyni sy'n parhau i fod yr her fwyaf sylweddol i gyrff llywodraeth leol yng Nghymru ac mae'r pwysau ariannol hyn yn debygol o barhau yn y tymor canolig. Bydd setliad ariannol diweddar llywodraeth leol yn ostyngiad o 0.5% i gyllid y Cyngor.

Yn 2017-18 adroddodd y Cyngor danwariant o £1.1 miliwn, a gyflawnwyd yn rhannol trwy gyfraniad gwerth £2.1 miliwn a gyllidebwyd o gronfeydd wrth gefn a glustnodwyd, a ddefnyddiwyd i liniaru pwysau gwasanaethau. Ar 31 Mawrth 2018, cadwodd y Cyngor yr arian wrth gefn yn ei Gronfa Cyngor yn £7.5 miliwn a chadwodd £29.4 miliwn mewn cronfeydd a glustnodwyd (heb gynnwys y Cyfrif Refeniw Tai).

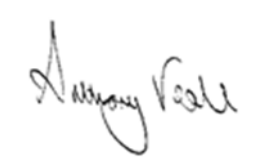
Er mwyn pennu cyllideb wedi'i mantoli ar gyfer 2018-19, bu'n rhaid i'r Cyngor nodi arbedion ac effeithlonrwydd gwerth £4.6 miliwn. Ym mis Hydref 2018, adroddodd y Cyngor fod mwyafrif yr arbedion ac effeithlonrwydd gofynnol wedi'u cyflawni a'i fod ar y trywydd iawn i gyflawni'r £4.6 miliwn. Serch hynny, roedd y Cyngor yn darogan gorwariant ar ddiwedd y flwyddyn gwerth £1.2 miliwn ar wasanaethau a chyllidebau corfforaethol, yn bennaf o ganlyniad i'r pwysau costau parhaus yn yr Adran Priffyrdd a'r Amgylchedd a'r Gwasanaeth Addysg a Phlant. Fe wnaeth y Prif Swyddog Cyllid gynnwys sylwadau yn yr Adroddiad Cyllid i'r Cabinet ym mis Hydref 2018 yn pwysleisio pwysigrwydd parhad gwasanaethau i reoli cyllidebau yn y flwyddyn ariannol bresennol a thu hwnt, yn arbennig yn sgil pwysau ariannol parhaus.

Mae rhagolygon ariannol y Cyngor yn parhau i fod yn heriol iawn ac yn y blaengynllun ariannol diweddaraf a gyhoeddwyd, rhagfynegwyd diffyg cyllid refeniw gwerth £6.4 miliwn yn 2019-20. Mewn ymateb i'r pwysau ariannol, sefydlodd y Cyngor ei Fwrdd Ail-lunio'r Cyngor ym mis Ionawr 2018 i fod yn gyfrifol am ddatblygu'r fersiwn nesaf o Strategaeth Ariannol Tymor Canolig y Cyngor, cefnogi cyflawniad blaenoriaethau Corfforaethol, llywio cyfeiriad strategol ehangach y Cyngor a sicrhau bod proses effeithiol ar waith i gyflawni cyllideb wedi'i mantoli yn flynyddol.

Mae'r sefyllfa ariannol heriol yn cyflwyno risg sylweddol i'r Cyngor. Mae rheoli'r sefyllfa ariannol yn 2018-19 a phennu cyllideb wedi'i mantoli ar gyfer 2019-20 yn flaenoriaethau allweddol ynghyd â diweddarau ei strategaeth ariannol tymor canolig. Byddwn yn parhau i fonitro cynnydd.

Disgwylir ar hyn o bryd y bydd y ffi archwilio ariannol ar gyfer 2017-18 yn unol â'r ffi y cytunwyd arni ac a nodir yn y Cynllun Archwilio Blynyddol.

Yn gywir



Anthony Veale
Cyfarwyddwr Ymgysylltu
Ar gyfer ac ar ran Archwilydd Cyffredinol Cymru

Atodiad 3

Argymhellion adroddiadau cenedlaethol 2018-19

Arddangosyn 2: argymhellion adroddiadau cenedlaethol 2018-19

Crynodeb o'r cynigion ar gyfer gwella sy'n berthnasol i lywodraeth leol, sydd wedi'u cynnwys mewn adroddiadau cenedlaethol a gyhoeddwyd gan Swyddfa Archwilio Cymru ers cyhoeddi'r AGB diwethaf.

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Dyddiad yr adroddiad	Teitl yr adolygiad	Argymhelliad
Hydref 2018	<u>Caffael Capasiti Trin Gwastraff Gweddilliol a Gwastraff Bwyd</u>	<p>A1 Mae'r rhagamcanion ar gyfer y tri phrosiect gwastraff gweddilliol yn y Rhaglen yn tybio y bydd cyfanswm y gwastraff gweddilliol yn cynyddu hyd ddiwedd y contractau, ar draws y 14 o gynghorau sy'n cymryd rhan. Os yw'r rhagamcanion hyn yn gywir, byddai angen i rywbeth mawr ddigwydd ar ôl 2040 er mwyn cyrraedd sefyllfa dim gwastraff ar draws yr ardaloedd cyngor hyn erbyn 2050. Os nad yw'r rhagamcanion yn gywir, ceir risg y bydd cynghorau'n talu am gapasiti na fydd ei angen arnynt. Rydym yn argymhell y dylai Llywodraeth Cymru:</p> <ul style="list-style-type: none">• wrth adolygu strategaeth Tuag at Ddyfodol Diwastraff, ystyried sut mae ei huchelgais o sicrhau na cheir unrhyw wastraff gweddilliol erbyn 2050 yn gyson â'r rhagamcanion cyfredol ar gyfer trin gwastraff gweddilliol; a• gweithio gyda chynghorau i ystyried effaith newidiadau mewn rhagamcanion ar gost debygol prosiectau gwastraff gweddilliol, ac unrhyw gamau lliniarol y mae angen eu cymryd i reoli'r costau hyn.

Dyddiad yr adroddiad	Teitl yr adolygiad	Argymhelliad
		<p>A2 Hyd yma, mae cymorth rhaglen Llywodraeth Cymru wedi canolbwyntio'n bennaf ar ddatblygu a chaffael prosiectau. Gan fod y rhan fwyaf o'r prosiectau bellach yn weithredol, mae'r sylw wedi troi tuag at reoli contractau. Rydym yn argymhell y dylai Llywodraeth Cymru barhau i oruchwylio prosiectau yn ystod y cam gweithredol drwy:</p> <ul style="list-style-type: none"> • adeiladu ar ei model presennol, lle mae'n darparu unigolion profiadol i gynorthwyo i ddatblygu a chaffael prosiectau, a gwneud yn siŵr bod mewnbwn ar gael er mwyn cynorthwyo i reoli contractau os oes angen; • nodi ei disgwyliadau gan gynghorau o ran rheoli contractau; • sicrhau bod partneriaethau'n ailystyried eu rhagamcanion gwastraff a'r risgiau cysylltiedig bob hyn a hyn, er enghraifft er mwyn adlewyrchu amcanestyniadau cyfredol o'r boblogaeth neu ragolygon economaidd; a • chael gwybodaeth reoli sylfaenol gan bartneriaethau ynghylch ffioedd clwyd a daladwy, faint o wastraff a anfonwyd i'r cyfleusterau ac ansawdd gwasanaeth y contractwr.
Tachwedd 2018	<u>Gwasanaethau Llywodraeth Leol i Gymunedau Gwledig</u>	<p>A1 O ganlyniad i newidiadau economaidd-gymdeithasol, seilwaith gwan a newidiadau yn y ffordd o ddarparu gwasanaethau a chyfleusterau allweddol, mae cymunedau yng Nghymru wledig wedi dod yn elfen weddilliol. Argymhellwn fod Llywodraeth Cymru yn cefnogi cyrff cyhoeddus i weithredu dull mwy integredig o ddarparu gwasanaethau mewn ardaloedd gwledig trwy:</p> <ul style="list-style-type: none"> • adfywio rhaglenni grant gwledig er mwyn creu strwythurau ariannol cynaliadwy, gyda dyraniadau aml-flwyddyn; a

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		<ul style="list-style-type: none"> • chynorthwyo pobl a busnesau i fanteisio i'r eithaf ar gysylltedd digidol trwy raglenni cymorth busnes ac addysg oedolion mwy effeithiol, wedi eu targedu. <p>A2 Mae rôl Byrddau Gwasanaethau Cyhoeddus yn esblygu ond mae yna gyfleoedd i fynegi cydweledigaeth gliriach a mwy uchelgeisiol ar gyfer Cymru wledig (gweler paragraffau 2.2 i 2.9 a 2.28 i 2.31). Argymhellwn fod gwasanaethau cyhoeddus sy'n bartneriaid i'r Byrddau Gwasanaethau Cyhoeddus yn ymateb yn fwy effeithiol i'r heriau y mae cymunedau gwledig yn eu hwyneb trwy:</p> <ul style="list-style-type: none"> • asesu cryfderau a gwendidau eu cymunedau gwledig gwahanol gan ddefnyddio Offeryn Prawfesur Gwledig Llywodraeth Cymru ac adnabod y camau lleol a strategol y mae arnynt angen eu cymryd i gefnogi cynaliadwyedd cymunedol a chytuno arnynt; a • sicrhau bod y Cynllun Llesiant Lleol yn cyflwyno gweledigaeth sy'n fwy gobeithiol ac uchelgeisiol ar gyfer 'lle' gyda chydflaenoriaethau a gydgyhyrchwyd gan bartneriaid, ar y cyd â dinasyddion, i roi sylw i heriau y cytunwyd arnynt. <p>A3 Er mwyn cynorthwyo i gynnal cymunedau gwledig, mae ar wasanaethau cyhoeddus angen meddwl yn wahanol yn y dyfodol (gweler paragraffau 3.1 i 3.12). Argymhellwn fod cynghorau yn darparu ymateb sy'n fwy effeithiol i'r heriau y mae cymunedau gwledig yn eu hwynebu trwy:</p> <ul style="list-style-type: none"> • sicrhau bod gan gomisiynwyr gwasanaethau ddata ar gostau a gwybodaeth ansoddol ar y dewis llawn o opsiynau sydd ar gael ar gyfer gwasanaethau; a • defnyddio barn dinasyddion am ba mor fforddiadwy, hygyrch, digonol, derbyniol ac 'ar

Dyddiad yr adroddiad	Teitl yr adolygiad	Argymhelliad
		<p>gael' y mae gwasanaethau'r cyngor i deilwra sut i ddarparu ac integreiddio gwasanaethau.</p> <p>A4 Er mwyn cynorthwyo i gynnal cymunedau gwledig, mae ar wasanaethau angen gwneud pethau'n wahanol yn y dyfodol (gweler paragraffau 3.1 i 3.12). Argymhellwn fod cynghorau yn gwneud mwy i ddatblygu cydnerthedd cymunedol a hunangymorth trwy:</p> <ul style="list-style-type: none"> • weithio gyda chyrrff perthnasol fel Canolfan Cydweithredol Cymru i gefnogi menter gymdeithasol a modelau busnes mwy cydweithredol; • darparu allgymorth cymunedol wedi'i deilwra ar gyfer y rheini sy'n wynebu rhwystrau niferus sy'n eu hatal rhag defnyddio gwasanaethau cyhoeddus a chael gwaith; • gwella ac adnabod rôl cynghorau tref a chymuned trwy fanteisio ar eu gwybodaeth leol a'u cefnogi i wneud mwy; • annog ymagwedd fwy integredig at ddarparu gwasanaethau mewn ardaloedd gwledig trwy sefydlu hybiau cymunedol sy'n rhychwantu gwasanaethau cyhoeddus, rhwydweithiau arbenigedd a chlystyrau o wasanaethau cynghori ac atal; • galluogi gweithredu lleol trwy gefnogi trosglwyddiad asedau cymunedol ac adnabod yr asedau hynny y byddai'n addas eu trosglwyddo, a sicrhau bod y systemau cywir ar waith i wneud i bethau ddigwydd; a • gwella arweiniad yn y gymuned trwy ddatblygu rhwydweithiau o ddiddordeb, hyfforddiant a choetsio ac annog unigolion i wirfoddoli.

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Tachwedd 2018	<u>Rheoli Gwastraff yng Nghymru: Ailgylchu Trefol</u>	<p>A1 O waith meincnodi, gwelwyd bod yr amrywiaeth yng nghost rhai gwasanaethau rheoli gwastraff yn destun syndod (paragraffau 1.31-1.39). Dylai Llywodraeth Cymru weithio gyda chynghorau i gael dealltwriaeth well o'r rhesymau wrth wraidd yr amrywio mewn gwariant ar wasanaethau rheoli gwastraff sydd i bob pwrpas yr un peth, a sicrhau y rhoddir cyfrif am gostau rheoli gwastraff mewn modd cyson.</p> <p>A2 Mae Llywodraeth Cymru o'r farn fod ei Glasbrint Casgliadau, o'i weithredu'n optimaidd, yn cynnig y dull mwyaf cost-ffeithiol yn gyffredinol o gasglu adnoddau ailgylchadwy, ond yn bwriadu gwneud gwaith dadansoddi pellach (paragraffau 1.40-1.51). Wrth ddadansoddi ymhellach er mwyn cael dealltwriaeth well o'r rhesymau wrth wraidd y gwahaniaethau yn y costau a adroddwyd gan gynghorau, a'r effaith ar gostau lle mabwysiadwyd y Glasbrint Casgliadau gan y cynghorau, argymhellwn y dylai Llywodraeth Cymru:</p> <ul style="list-style-type: none"> • archwilio sut y gallai'r gost o gasglu deunyddiau ailgylchadwy sych effeithio ar gyfanswm y gost o ddarparu gwasanaethau rheoli gwastraff ar garreg y drws i aelwydydd; a • chymharu'r costau gwirioneddol â'r costau a fodelwyd yn flaenorol yn rhan o'r adolygiad a gomisiynwyd gan Lywodraeth Cymru o'r Glasbrint Casgliadau, yn achos cynghorau sydd bellach yn gweithredu'r Glasbrint Casgliadau. <p>A3 Yn lle'r targedau ailgylchu cyfredol sy'n seiliedig ar bwysau, mae Llywodraeth Cymru wedi ymrwmo i ystyried opsiynau amgen a all ddangos yn well sut y mae'n cyrraedd y nod o ran ei hól troed ecolegol a lleihau allyriadau carbon (paragraffau 2.38-2.45). Argymhellwn y dylai Llywodraeth Cymru gyflwyno mesurau perfformiad i ddisodli neu ategu'r targed cyfredol i ailgylchu, compostio ac</p>

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		<p>aildefnyddio gwastraff. Pwrpas y mesurau hynny fyddai canolbwyntio o'r newydd wrth ailgylchu ar yr adnoddau gwastraff sy'n cael yr effaith fwyaf o ran lleihau carbon ac/neu sydd yn brin. Rydym yn cydnabod y gallai fod angen i Lywodraeth Cymru ystyried fforddiadwyedd casglu data ar gyfer unrhyw ddull arall o fesur.</p> <p>A4 Wrth ailwampio Tuag at Ddyfodol Diwastraff, mae angen i Lywodraeth Cymru ddangos bod y manteision cynaliadwyedd ehangach a geisir drwy ailgylchu trefol yn cynnig gwerth, ac na ellir defnyddio dulliau eraill rhwyddach a rhatach i'w sicrhau, gan gynnwys ymyraethau rheoli gwastraff eraill, ond heb gyfyngu i hynny o reidrwydd (paragraffau 2.52-2.53). Yn y strategaeth gwastraff ddiwygiedig, dylai Llywodraeth Cymru ddangos ei bod hi nid yn unig yn bosibl i ailgylchu cyfran fwy o wastraff trefol, ond y bydd gwneud hynny'n sicrhau'r cyfraniad mwyaf posibl ganddi tuag at gyflawni amcanion datblygu cynaliadwy.</p>
Tachwedd 2018	<p><u>Darparu Gwasanaethau Llywodraeth Leol i Gymunedau Gwledig: Trosglwyddo Asedau Cymunedol</u></p>	<p>A1 Mae angen i awdurdodau lleol wneud mwy i sicrhau bod y broses o Drosglwyddo Asedau Cymunedol yn symlach ac yn fwy deniadol, helpu i feithrin gallu Cyngorau Cymuned a Thref, rhoi rhagor o arweiniad iddynt o ran sicrhau cyllid, a gofalu eu bod yn cefnogi modelau datblygu cymunedol eraill, er enghraifft mentrau cymdeithasol sy'n cefnogi gwerth cymdeithasol a chyfranogiad dinasyddion. At hynny, rydym yn argymhell bod awdurdodau lleol yn monitro ac yn cyhoeddi nifer yr achosion o Drosglwyddo Asedau Cymunedol ac yn mesur effaith gymdeithasol trosglwyddiadau o'r fath.</p> <p>A2 Mae gan awdurdodau lleol gyfle sylweddol i ddarparu gwell help a chymorth, a hynny mewn modd mwy amlwg, cyn, yn ystod, ac ar ôl y broses o drosglwyddo asedau cymunedol. Down i'r casgliad bod yna gryn le i wella'r gwaith</p>

Dyddiad yr adroddiad	Teitl yr adolygiad	Argymhelliad
		<p>cynllunio busnes a pharatoi ar gyfer trosglwyddo asedau cymunedol, yn ogystal â'r ôl-ofal. Rydym yn argymhell bod awdurdodau lleol yn gwneud y canlynol:</p> <ul style="list-style-type: none"> • nodi rôl trosglwyddo asedau cymunedol wrth sefydlu canolfannau cymunedol, rhwydweithiau arbenigedd a chlystyrau o wasanaethau cynghori ac atal; • gweithio gyda chynghorau tref a chymuned i feithrin eu gallu i ymgymryd â rhagor o gynlluniau Trosglwyddo Asedau Cymunedol; • nodi'r asedau sy'n addas i gael eu trosglwyddo, ac egluro'r hyn y mae angen i'r awdurdod ei wneud i'w galluogi i gael eu trosglwyddo; • sicrhau bod eu polisiau o ran Trosglwyddo Asedau Cymunedol yn cwmpasu'r canlynol yn ddigonol: ôl-ofal, cefnogaeth hirdymor, cymorth ôl-drosglwyddo, cyfeirio at fynediad at gyllid, a rhannu'r dysgu ynghylch yr hyn sy'n gweithio'n dda; a • cefnogi arweinyddiaeth yn y gymuned trwy ddatblygu rhwydweithiau o ddiddordeb a hyfforddiant, ac annog unigolion i wirfoddoli.
Rhagfyr 2018	<u>Aeddfedrwydd llywodraeth leol o ran y defnydd o ddata</u>	<p>A1 Mae Rhan 1 o'r adroddiad yn amlygu pwysigrwydd creu diwylliant data cryf ac arweinyddiaeth eglur i wneud gwell defnydd o ddata. Rydym yn argymhell bod awdurdodau lleol yn gwneud y canlynol:</p> <ul style="list-style-type: none"> • sicrhau bod ganddynt weledigaeth eglur sy'n trin data fel adnodd allweddol; • sefydlu safonau a chodau data corfforaethol y mae pob gwasanaeth yn eu defnyddio ar gyfer eu data craidd;

Dyddiad yr adroddiad	Teitl yr adolygiad	Argymhelliad
		<ul style="list-style-type: none"> • ymgymryd ag archwiliad i bennu'r data sy'n cael eu cadw gan wasanaethau ac i nodi unrhyw gofnodion a cheisiadau am wybodaeth dyblyg; a • chreu cyfrif cwsmer integredig canolog fel porth i wasanaethau. <p>A2 Er ei bod yn bwysig bod awdurdodau'n cydymffurfio â'r ddeddfwriaeth diogelu data berthnasol, mae Rhan 2 o'r adroddiad yn nodi'r angen iddynt hefyd rannu data â phartneriaid er mwyn sicrhau bod dinasyddion yn cael gwasanaethau effeithlon ac effeithiol. Er nad yw hyn yn golygu bod y ddeupeth hyn yn annibynnol ar ei gilydd, mae ansicrwydd ynghylch cyfrifoldebau diogelu data yn golygu nad yw rhai swyddogion yn rhannu data, hyd yn oed lle bo cytundeb mewn bodolaeth i roi gwybodaeth i bartneriaid. Rydym yn argymhell bod awdurdodau yn gwneud y canlynol:</p> <ul style="list-style-type: none"> • darparu hyfforddiant diweddarau i reolwyr gwasanaethau i sicrhau eu bod yn gwybod pryd y gallant rannu data ai peidio, a'r math o ddata y gallant eu rhannu; ac • adolygu a diweddarau protocolau rhannu data er mwyn sicrhau eu bod yn cefnogi gwasanaethau i gyflawni eu cyfrifoldebau rhannu data. <p>A3 Yn Rhan 3 o'n hadroddiad, rydym yn dod i gasgliad bod adnoddau digonol a gallu digonol yn heriau parhaus. Fodd bynnag, heb uwchsgilio staff i wneud gwell defnydd o ddata, mae awdurdodau yn colli cyfleoedd i wella eu heffeithlonrwydd a'u heffeithiolrwydd. Rydym yn argymhell bod awdurdodau yn gwneud y canlynol:</p> <ul style="list-style-type: none"> • dynodi staff sydd â rôl yn y broses o ddadansoddi a rheoli data i gael gwared ar ddyblygu, ac i ryddhau adnoddau i feithrin a datblygu'r gallu i ddefnyddio data; a

Dyddiad yr adroddiad	Teitl yr adolygiad	Argymhelliad
		<ul style="list-style-type: none"> • buddsoddi yn sgiliau dadansoddi, cloddio a segmentu data y staff, a chefnogi eu datblygiad. <p>A4 Mae Rhan 4 o'n hadroddiad yn amlygu bod gan awdurdodau ragor i'w wneud mewn perthynas â chreu diwylliant gwneud penderfyniadau dan arweiniad data, ac o ran datgloi potensial y data y maent yn eu cadw. Rydym yn argymhell bod awdurdodau lleol yn gwneud y canlynol:</p> <ul style="list-style-type: none"> • gosod safonau adrodd ar ddata i sicrhau bod y safonau data gofynnol yn ategu'r broses o wneud penderfyniadau; a • sicrhau bod mwy o ddata agored ar gael.
Mawrth 2019	<u>Rheoli Gwastraff yng Nghymru – Atal Gwastraff</u>	<p>A1 Cynyddu'r pwyslais ar atal gwastraff er mwyn adlewyrchu amcanion cyffredinol Tuag at Ddyfodol Diwastraff</p> <p>Awgryma'r data sydd ar gael ar faint o wastraff a gynhyrchir bod cynnydd cymysg o ran cyflawni targedau atal gwastraff Llywodraeth Cymru. Argymhellwn fod Llywodraeth Cymru yn gwneud y canlynol:</p> <p>a) ailedrych ar y flaenoriaeth berthnasol y mae'n ei rhoi i ailgylchu ac atal gwastraff fel rhan o'i hadolygiad o Tuag at Ddyfodol Diwastraff;</p> <p>b) gosod y disgwyliadau ar wahanol sefydliadau a sectorau ar gyfer atal gwastraff yn eglur; ac</p> <p>c) ailedrych ar ei thargedau atal gwastraff cyffredinol a'r ffordd y mae wedi mynd ati i'w monitro, gan ystyried y cynnydd hyd yn hyn, enghreifftiau o wledydd eraill ac yng nghyd-destun yr amcanestyniadau cyfredol am wastraff a fydd yn cael ei gynhyrchu hyd at 2050.</p> <p>A2 Gwella data ar wastraff masnachol, diwydiannol, adeiladu a dymchwel</p>

Dyddiad yr adroddiad	Teitl yr adolygiad	Argymhelliad
		<p>Mae Llywodraeth Cymru yn bartner mewn gwaith cychwynnol i asesu dichonoldeb datblygu datrysiad digidol newydd i olrhain yr holl wastraff. Os na fydd yr opsiwn dewisol hwn yn llwyddo, argymhellwn fod Llywodraeth Cymru yn gweithio gyda Cyfoeth Naturiol Cymru i archwilio costau a buddion opsiynau eraill i wella'r data ar wastraff nad yw'n drefol yng Nghymru, gan gynnwys pwerau ychwanegol i ofyn am ddata gwastraff gan fusnesau.</p> <p>A3 Gwella cyfrifoldeb cynhyrchwyr a defnyddio ysgogiadau mwy cyfreithiol, ariannol a chyllidol</p> <p>Mae gan Lywodraeth Cymru gyfleoedd i ddylanwadu ar atal gwastraff drwy ddeddfwriaeth a chymelliadau ariannol. Gall hefyd ddylanwadu ar newidiadau ar lefel y DU, lle nad yw materion cyllidol wedi eu datganoli. Argymhellwn fod Llywodraeth Cymru yn ystyried a oes angen darpariaethau i ehangu cyfrifoldebau cynhyrchwyr ac oes angen defnyddio pwerau ariannol fel amodau grant, mesurau cyllidol a thaliadau a chymelliadau cwsmeriaid i hyrwyddo a blaenoriaethu'r gwaith o atal gwastraff.</p>

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Rhaglen Gwaith i'r Dyfodol y Pwyllgor Llywodraethu Corfforaethol

11 MEDI 2019		Eitemau Sefydlog	
	1	Materion a Gyfeiriwyd gan y Pwyllgorau Craffu (os oes rhai)	Cydlynnydd Craffu - Rhian Evans
	2	Adroddiadau Rheoleiddio Allanol Diweddar a Dderbyniwyd (os oes rhai)	Pennaeth Gwella Busnes a Moderneiddio - Alan Smith, Nicola Kneale
	3	Y diweddaraf am Archwilio Mewnol (diweddariad CIPFA)	Prif Archwilydd Mewnol – Lisa Lovegrove
	4	Rhaglen Gwaith i'r Dyfodol	Gwasanaethau Democrataidd
		Adroddiadau	
	5	Audit of Financial Statement Reports	WAO
	6	Cymeradwyo'r Datganiad o Gyfrifon	Pennaeth Cyllid - Richard Weigh
Tudalen 265	7	Adroddiad Iechyd a Diogelwch Blynnyddol	Pennaeth Iechyd a Diogelwch - Gerry Lapington
	8	Adroddiad diweddarau ar adroddiad yr archwiliad sicrwydd isel – y gwasanaeth cofrestru (gofynnir amdano yn 23/01/19)	Prif Archwilydd Mewnol – Lisa Lovegrove
	9	Adroddiad blynnyddol am y Cyfansoddiad	Gary Williams - Pennaeth y Gwasanaethau Cyfreithiol, Adnoddau Dynol a Democrataidd / Lisa Lovegrove - Prif Archwilydd
	10	Adroddiad Archwilio Mewnol - Adran 106 (diweddariad)	Prif Archwilydd Mewnol – Lisa Lovegrove
	11	Canllaw Rheoli Risg Wedi'i Ddiweddarau	Swyddog Cynllunio a Pherfformiad - Emma Horan
20 TACHWEDD 2019		Eitemau Sefydlog	
	1	Materion a Gyfeiriwyd gan y Pwyllgorau Craffu (os oes rhai)	Cydlynnydd Craffu - Rhian Evans
	2	Adroddiadau Rheoleiddio Allanol Diweddar a Dderbyniwyd (os oes rhai)	Pennaeth Gwella Busnes a Moderneiddio - Alan Smith, Nicola Kneale
	3	Y diweddaraf am Archwilio Mewnol (diweddariad CIPFA)	Pennaeth Archwilio Mewnol – Lisa Lovegrove

Rhaglen Gwaith i'r Dyfodol y Pwyllgor Llywodraethu Corfforaethol

	4	Rhaglen Gwaith i'r Dyfodol	Gwasanaethau Democrataidd
		Adroddiadau	
	5	Adroddiad Blynyddol ar Rannu Pryderon	Pennaeth y Gwasanaethau Cyfreithiol, Adnoddau Dynol a Democrataidd / Gary Williams
	6	Datganiad llywodraethu blynyddol	Prif Archwilydd Mewnol – Lisa Lovegrove
	7	Rheoli gwybodaeth mewn ysgolion	Prif Archwilydd Mewnol – Lisa Lovegrove
	8	Y diweddaraf am y gyllideb	Pennaeth Cyllid - Richard Weigh
	9	Cynllun cyfalaf ariannol	Pennaeth Cyllid - Richard Weigh
	10	Diogelu Costau Mewn Perthynas a Phrosiectau Mawr, Contractau a Chaffael	Pennaeth Cyllid - Richard Weigh
Tudalen 266	11	Adroddiad Cwynion Blynyddol a Llythyr Blynyddol yr Ombwdsmon	Pennaeth y Gwasanaethau Cyfreithiol, Adnoddau Dynol a Democrataidd / Gary Williams
	12	Adroddiad Diogelu	SAC
	13	Iechyd a Diogelwch mewn Ysgolion	Prif Archwilydd Mewnol – Lisa Lovegrove
Chwefror 2020		Eitemau Sefydlog	
	1	Issues Referred by Scrutiny Committees (if any)	Scrutiny Coordinator – Rhian Evans
	2	Recent External Regulatory Reports Received (if any)	Head of Business Improvement & Modernisation– Alan Smith, Nicola Kneale
	3	Rhaglen Gwaith i'r Dyfodol	Gwasanaethau Democrataidd
		Adroddiadau	
	4	Strategaeth Reoli'r Trysorlys	Pennaeth Cyllid - Richard Weigh
	5	Diweddariad Cynllun Gwella AGS	Pennaeth y Gwasanaethau Cyfreithiol, Adnoddau Dynol a Democrataidd / Gary Williams
Mawrth 2020		Eitemau Sefydlog	

Rhaglen Gwaith i'r Dyfodol y Pwyllgor Llywodraethu Corfforaethol

	1	Materion a Gyfeiriwyd gan y Pwyllgorau Craffu (os oes rhai)	Cydlynnydd Craffu - Rhian Evans
	2	Adroddiadau Rheoleiddio Allanol Diweddar a Dderbyniwyd (os oes rhai)	Pennaeth Gwella Busnes a Moderneiddio - Alan Smith, Nicola Kneale
	3	Y diweddaraf am Archwilio Mewnol (diweddariad CIPFA)	Prif Archwilydd Mewnol – Lisa Lovegrove
	4	Rhaglen Gwaith i'r Dyfodol	Gwasanaethau Democrataidd
		Adroddiadau	
	5	Ardystio Grantiau a Datganiadau 2017/18	Pennaeth Cyllid - Richard Weigh
	6	Proses y Gyllideb	Pennaeth Cyllid - Richard Weigh
	7	Strategaeth a Siarter Archwilio Mewnol	Prif Archwilydd Mewnol – Lisa Lovegrove

Tudalen 267

The exact date of publication of occasional reports by for example Wales Audit Office or Annual Reports by the Ombudsman are not presently known. They will be assigned a meeting date as soon as practicable.

Mae tudalen hwn yn fwiadol wag