

County Hall
Rhadyr
Usk
NP15 1GA

3rd December 2014

Notice of Meeting:

Strong Communities Select Committee

Thursday 11th December 2014 at 10.00am*
Steve Greenslade Conference Room
County Hall, Usk, NP15 1GA

* There will be a pre meeting for Committee Members in the
Conference Room at 9.30am

AGENDA

*The Council welcomes contributions from members of the public through the medium of
Welsh or English. We respectfully ask that you provide us with adequate notice to
accommodate your needs.*

Item No	Item
PART A – SCRUTINY OF CRIME AND DISORDER MATTERS	
1.	None.

PART B – STRONG COMMUNITIES SELECT COMMITTEE	
1.	Apologies for absence.
2.	Declarations of Interest.
3.	Public Open Forum.
4.	To confirm and sign the minutes of the special meetings of Strong Communities Select Committee held: <ul style="list-style-type: none">• Thursday 16th October 2014 (copy attached)• Monday 24th November 2014 (copy attached)

<p>5.</p> <p>6.</p> <p>7.</p> <p>8.</p> <p>9.</p> <p>10.</p> <p>11.</p>	<p>To consider the Revenue & Capital Budget Monitoring 2014/15 Month 6 Outturn Forecast Statement (copy attached)</p> <p>To scrutinise the draft Capital Budget Proposals 2015/16 to 2018/19 (copy attached).</p> <p>To scrutinise the Budget Proposals 2015/16 to 2018/19 (copy attached).</p> <p>To scrutinise service area budget mandates as follows (copies attached):</p> <ul style="list-style-type: none"> i) Transport Review and Fleet Rationalisation ii) Property Review iii) Community Hubs and Contact Centre iv) Waste Management – Efficiency and Realignment v) Waste Management – Modernising Trade Waste Services vi) Waste Management – Waste Collection Changes vii) Democracy and Regulation Services viii) Highways <p>To scrutinise the Whole Authority Risk Log (copy attached).</p> <p>Work Programming:</p> <ul style="list-style-type: none"> i) Strong Communities Select Committee Work Programme 2014 –15 ii) Cabinet Forward Work Planner Strong Communities Select <p>To note the date and time of the next meetings of Strong Communities Select Committee:</p> <p>Ordinary Meeting – Thursday 29th January 2014 at 10.00am</p>
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Paul Matthews

Chief Executive

Strong Communities Select Committee Membership

Councillors: D.L.S. Dovey
R. Edwards
A. Easson
S.G.M. Howarth
S. Jones
R.P. Jordan
V.E. Smith
K. Williams
S. White

Aims and Values of Monmouthshire County Council

Building Sustainable and Resilient Communities

Outcomes we are working towards

Nobody Is Left Behind

- Older people are able to live their good life
- People have access to appropriate and affordable housing
- People have good access and mobility

People Are Confident, Capable and Involved

- People's lives are not affected by alcohol and drug misuse
- Families are supported
- People feel safe

Our County Thrives

- Business and enterprise
- People have access to practical and flexible learning
- People protect and enhance the environment

Our priorities

- Schools
- Protection of vulnerable people
- Supporting Business and Job Creation

Our Values

- **Openness:** we aspire to be open and honest to develop trusting relationships.
- **Fairness:** we aspire to provide fair choice, opportunities and experiences and become an organisation built on mutual respect.
- **Flexibility:** we aspire to be flexible in our thinking and action to become an effective and efficient organisation.

- **Teamwork:** we aspire to work together to share our successes and failures by building on our strengths and supporting one another to achieve our goals.

**Minutes of the Special meeting of the Strong Communities Select
Committee held in the Steve Greenslade Conference Room, County Hall,
Usk on Thursday 16th October 2014 at 2.00 p.m.**

PRESENT: County Councillor S.G.M. Howarth (Chairman)

County Councillors: D.L.S. Dovey, A. Easson, R. Edwards, S. Jones, V.E. Smith, S. White and K. Williams

OFFICERS IN ATTENDANCE:

Ms. K. Beirne	- Chief Officer, Enterprise
Mr. P. Davies	- Head of Commercial and People Development
Mr. R. Hoggins	- Head of Operations
Mr B. Winstanley	- Estates and Sustainability
Ms. L. Knight-Davies	- Innovation Officer
Mr. M. Howcroft	- Assistant Head of Finance
Mr. S. Lane	- Area Engineer
Miss H. Ilett	- Scrutiny Manager
Mr. R. Williams	- Democratic Services Officer

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from County Councillors P.A.D. Hobson and R.P. Jordan.

2. DECLARATIONS OF INTEREST

Declarations of Interest are identified under the relevant minute.

3. PROPOSED ASSET MANAGEMENT PLAN

We undertook pre-decision scrutiny in respect of the proposed Asset Management Plan.

In doing so, the following points were noted:

- One Voice Wales should be added to the list of consultees.
- In response to a Members question, it was noted that safeguards had been established, i.e., the right of pre-emption had been built into the disposal of freehold properties.
- The District Valuer was responsible for undertaking the valuation of properties to be sold.
- £1.2 million had been generated from the sale of two holdings.

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- A rent review was undertaken every three years and was reviewed externally on an annual basis.
- Rents were determined by the amount of profit generated.
- Succession rights have been removed. However, in some cases tenants have requested to buy the farms that they rent from the Authority at the full commercial rate in order for their children to continue to farm the land.
- Affordable homes were sold at the commercial value.
- There had been no further update regarding the sale of the public toilets at Raglan.

We resolved that:

- (i) One Voice Wales would be added to the list of consultees.
- (ii) The Select Committee receives an update regarding the sale of the public toilets at Raglan.

4. PEOPLE AND ORGANISATIONAL DEVELOPMENT DRAFT STRATEGY 2014-17

We received a report and presentation by the Chief Officer, Regeneration regarding the draft People and Organisational Development Strategy 2014-17.

It was noted that that the Strategy had been approved by Cabinet on 15th October 2014. The next stage would be to present the Strategy to partners with a view to creating a dynamic, living document.

Members were informed of the following:

Purpose of the Strategy

- Connects, binds and aligns key components of people and organisational development.
- Means our people development is linked to, and supports, core purpose & business approach.
- Cultivates the capacity to develop solutions to problems and improve performance.

Some key principles

- 'People' – on & off payroll.
- Driving change through people.

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- Not about 'Employee Services'.
- Creating conditions in & out.
- Competitive advantage.
- From sound / solid public administration to nimble, light footed social business.
- Right skills to meet changing demands of organisation and society.

Opportunities the Strategy will provide

- Enable us to focus on 'what will good look like'.
- Enable us to connect people to purpose to improve performance.
- Give us a greater ability to adapt.
- Provide our workforce with the right skills to meet the changing demands of our organisation and society.
- Forge stronger relationships with those people off our payroll to unlock new ideas, opportunities and resources.
- Shared understanding across the whole authority.
- Shared ownership across the whole authority.
- An approach that belongs to the whole authority.

Barriers and issues

- Risk.
- Perceptions.
- Failure and low tolerance in times of austerity.
- Lack of shared ownership / delivery.
- 'Waste of time / money / resources / space'.
- Efficiency kills effectiveness.

How will we know?

- Transitioning the gap:
 - Improvement Plan tells us 'on course'.
 - Medium Term Financial Plan tells us 'on course'
 - Feedback: (staff survey, evaluation of initiatives, customer insights) – confidence, trust and participation increases.
 - ROI of People Services.
 - Numbers of new ideas (& into action).
 - Happiness and wellbeing rated highly.
 - Closer integration of performance & culture.
 - Improvements in absence rates.
 - Decision making is data-led.
 - Culture – intrinsic ability to adapt.

Themes and Priorities

1. **Our work environment** – composition of workforce, agile, accommodation, tools to do job, social media, the Hub, IT & creative spaces.

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2. **Engaging our people** – networks / groups, Monmouthshire Engages, employee engagement, induction, employee volunteering, staff survey & dialogue with leadership.
3. **Training, coaching and development** – RESULT, ILM, NVQs, ideas sessions, inspirational speakers.
4. **Systems leadership** – service reviews, invest to redesign, systems thinking & commercial development
5. **People development policies, procedures**
6. **Building careers** – recruitment, work experience, mentoring, apprenticeships (Y-Prentis, Ways into Work, Jobs Growth Wales).
7. **Diversity inclusion and wellbeing** – equalities, health and safety, employee welfare, sickness and absence, Time to Change Wales Pledge.
8. **Driving improvement and performance** – check-in check-out appraisal, budget link, 121s, connected planning to purpose, self-evaluation & future-proofing.

Next 12 months?

- Scheduled approach to delivery and penetration of strategy.
- Evaluation of agile working & ROI.
- People Toolkit / Handbook.
- Monmouthshire Engages 2.0.
- Recruitment Drive: 'Information Days'.
- Additions to policy suite – employee volunteering, work experience, talent management.
- Leadership Development Programme.
- Data – quality, reporting, systems, infrastructure and people.
- Staff survey.
- Continue roll-out of Check-in Check-out.
- Continue mandatory roll-out of RESULT.
- Work experience and mentor programme.
- Embed self-evaluation.

Having received the report and presentation, the following points were noted:

- In response to a Member's question, it was acknowledged that staff stress was evident.
- Staff were given the opportunity to attend the Intrapreneurship School to embrace a new skills set.
- Staff have identified the majority of savings that the Council has had to make.
- A need to recognise when the authority does not have the particular expertise and therefore knows when to bring in specialist services to work with staff and to launch ideas.

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- External expertise advises on how vulnerable services might be protected.
- Grow and develop ideas quickly via pilots to full implementation.
- Working with the community.
- In response to a Member's question regarding duty of care to staff, the Committee was informed that the County Council's Human Resources Team and Occupational Health were available to support staff. Staff could also access the Check in Check out Staff Appraisal System.
- Currently working with colleagues in the Children and Young People Directorate, Head Teachers and school clusters to deliver significant savings. Schools were being offered training to further develop their skills.
- A Member of the Committee considered that the Authority should follow Torfaen County Borough Council's example by providing residents with a magazine similar to the 'Torfaen Talks' in order to better engage with Monmouthshire residents.
- Public meetings and road shows have been held to engage with the public. Online platforms and the use of the one stop shops and libraries have also been used.
- The Authority has been identifying and making savings for the previous four years. In this time it has overcome short term challenges but it was recognised that the Authority needed to do things differently, embrace change and adapt to new ways of thinking.

We resolved to receive the report and noted its content.

**5. REVENUE & CAPITAL BUDGET MONITORING 2014/15 MONTH 3
OUTTURN FORECAST STATEMENT**

County Councillor A. Easson declared a personal, non-prejudicial interest as he was a governor at Ysgol Y Ffin and his grandson was a part of Y-Prentis.

We received a report by the Assistant Head of Finance in which the Committee received information on the forecast outturn position of the Authority at the end of month 3 for the 2014/15 financial year.

Members were informed that a potential £219,000 overspend has been mitigated significantly by anticipated Council Tax receipts and treasury considerations. Therefore, net cost of services exhibits an overspend of £1,029,000. Whilst still a significant challenge, this was a favourable position

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over that calculated at quarter 1 2013/14 of a £1,700,000 overspend on net cost of services.

Having received the report, the following points were noted:

- Details of the original budget should be included in future reports (additional column required).
- In response to a Member's question regarding the Operations Budget - Waste forecast overspend of £235,000, it was noted that there was likely to be an additional cost from the tendering of the recycling contract.
- The School Meals budget now fell under the remit of the Operations Budget and efforts were being made for this budget to break even.
- It was noted that in the region of £1.4 Million of the Home to School Transport Budget was spent on fuel. Therefore, a 5% increase / decrease in fuel costs would have a significant impact upon this budget. Currently, fuel costs equated to £20,000 of the budget overspend.
- Concern was expressed regarding the Special Educational Needs (SEN) Transport costs. Details were requested.
- Managers throughout the Authority were in the process of identifying ways to balance their budgets. It was noted that savings made in some directorates might need to be made in order to help balance budgets in other directorates.
- Schools Budgets were forecast to be overspent by £375,000 by the end of the financial year.
- The Future Schools (Monmouth and Caldicot) schemes (£751,000) and the proposed new Abergavenny Library scheme (£3,433,000) were forecasted to slip into 2015/16. This slippage will delay the need to call on unsupported borrowing.
- It was noted that the Abergavenny Regeneration (£82,000) and the Caldicot School Drainage scheme (£53,000) was forecast to overspend and that financing needed to be identified to fund this expenditure.
- In response to a Member's question regarding Abergavenny Cattle Market, it was noted that there were still some issues to be addressed and the Authority would not take up ownership until these matters had been resolved.

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We resolved:

- (i) to receive the report and note its content;
- (ii) that future reports include details of the original budget (additional column required);
- (iii) that details of Special Educational Needs (SEN) transport costs be presented to the Committee in the next report.

6. MANAGEMENT OF COMMERCIAL OBSTRUCTION IN THE HIGHWAY POLICY

We received a report by the Area Engineer regarding the management of commercial obstruction on the Highway Policy. The Committee was invited to review the draft revised policy before it was presented to Cabinet.

Having considered the report, the following points were noted:

Static Advertising Policy

- Trunk Roads were not permitted to display advertising boards.
- Advertising boards were placed on straight sections of road but not at junctions or roundabouts.
- The Directorate was looking to manage this policy internally in future but to not burden current staff. Early consultation has indicated that the Authority needs to be mindful not to litter the County with advertising boards.
- All advertising signs have the Monmouthshire County Council logo on the bottom right hand corner of the sign.

A Board Policy

- The majority of A Boards were illegal. The revised policy would introduce charges.
- Some Members considered that the introduction of charging might have a detrimental effect on businesses and consultation with local communities would need to be undertaken if the policy was adopted.
- A Boards had to be placed within a half metre of the frontage of the premises. This was a Monmouthshire wide policy.
- The revised policy did not allow for remote advertising (businesses located along side roads). Therefore, negative feedback was

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anticipated from businesses within these locations. It was considered that town and community councils needed to be made aware of this issue.

Flay Posting Policy

- It was noted that little change had been made to this policy, with the introduction of two sentences.

We noted the remainder of the policies, as identified in the report.

We resolved:

- (i) to receive the report and note its content;
- (ii) that the report be presented to Cabinet for consideration.

7. WORK PROGRAMME

The Scrutiny Manager updated the Committee on their future workload:

- A special meeting of the Strong Communities Select Committee would be held on 18th November 2014 at 1.30pm (1.00pm pre-meeting). The items for scrutiny would be:
 - The Recycling Review.
 - Community Hubs and One Stop Shops.
 - The Rights of Way Policy.
- The ordinary meeting of the Strong Communities Select Committee had been postponed to the 20th November 2014 at 2.00pm (1.30pm pre-meeting). The items for scrutiny would be:
 - Performance Review of Public Protection.
 - Monmouthshire Local Development Plan.
 - Supplementary Planning Guidance - Affordable Housing (considered jointly with the above item)
 - Improvement Plan and Outcome Agreements.
- Due to excessive workload pressure and frequent scrutiny having taken place in respect of the Pollinator Policy, it was agreed that Alison Howard would be asked to provide an update on the progress of the Policy, which would be circulated to the committee via email rather than tabled as a future agenda item.
- The Head of Operations would check on progress regarding the sale of the public toilets at Raglan.

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- The Scrutiny Manager would check with Democratic Services that a letter had been sent to the Cabinet Member in respect of the Park Street Project, as an action arising from the previous meeting which discussed this matter.

The meeting ended at 5.20pm.

**Minutes of the Special Meeting of the Strong Communities Select Committee
held at County Hall, Usk on
Monday 24th November 2014 at 10.00 a.m.**

PRESENT: County Councillor S.G.M. Howarth (Chairman)

County Councillors: A. Easson, D. Dovey, R. Edwards, P. Jordan, M. Powell, V.E. Smith, S. White and K. Williams

County Councillors P. Farley, R. Harris, P. Murphy and P. Hobson attended the meeting by invitation of the Chairman.

OFFICERS IN ATTENDANCE:

Ms. K. Beirne	- Chief Officer, Enterprise
Ms. D. Hill-Howells	- Head of Community Delivery
Mr. I. Saunders	- Head of Leisure, Tourism and Heritage
Mr. P. Davies	- Head of Commercial and People Development
Mrs. T. Harry	- Head of Democracy and Regulatory Services
Miss H. Ilett	- Scrutiny Manager
Mrs. N. Perry	- Democratic Services Officer

APOLOGIES FOR ABSENCE

1. Apologies for absence were received from County Councillors S. Jones.

DECLARATIONS OF INTEREST

2. There were no declarations of interest.

CALL-IN OF CABINET DECISION REGARDING 'BUILDING THE ESTABLISHMENT AND CAPACITY FOR ENTERPRISE'

3. The Chairman advised that the Strong Communities Select Committee meeting had been arranged in order to consider a call in request in respect of the decision taken by Cabinet on 5th November 2014 regarding the 'To Support Building the Establishment and Capacity for Enterprise'.

The purpose of the meeting was to consider the appropriateness of the decision that had already been taken by the Council's Executive.

The reasons for the call in were noted, as follows:

- Reasons for the restructure were flawed. No or little emphasis had been made to retain or improve front line resource, opposed to a heavy reliance on creating a top level management structure.

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The Chairman invited the members who had called in the Cabinet decision to provide reasons for doing so.

The Chairman invited officers to address the Select Committee and the Members who had called in the Cabinet decision. Members were informed of the following:

- The report dealt with more than just the libraries and One Stop Shops.
- Resources were needed in the necessary places to ensure that the required savings could be made.
- The aim was to develop a different service delivery, and creating the capacity.
- Talks were held with the Town Team to develop the best solution.
- Managers were the front line staff, each manager was operational.

The Chairman invited Members of the Committee to ask questions. We noted the following:

- Members felt ill-informed regarding the decisions in the report. Over the course of the past year Strong Communities had a sub group for libraries until the officer had left the Authority.
- The Chair suggested that a separate discussion was needed to clarify the situation with the libraries and One Stop Shops.
- The One Stop Shop in Abergavenny had presented a paper on alternative ways of working, to be taken into consideration.
- A Member felt that combining libraries and One Stop Shops would be a difficult process resulting in the loss of experienced staff.

The Chairman invited Cabinet Members to address the committee, we heard the following:

- The Cabinet Member for Resources explained that the current structure was too expensive and if the process was delayed it would result in more closures. It was stressed that we needed to consider the proposals in terms of survival or closure of the services.
- The Cabinet Member for Community Development agreed that in the financial climate services needed to be reconfigured to make savings. If the services of libraries and One Stop Shops did not combine it was feared that the service would suffer. By agreeing to a hub system there would be a better chance of saving as many jobs as possible.

We heard from the Head of Community Delivery who explained that the structure would not be implemented until the budget mandate had been scrutinised. The items were included in the report to provide a likely scenario. We were told that a strong team of staff were capable of providing the services of libraries and one stop shops.

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It was stressed that even though the concept of hub systems were new to Monmouthshire they were working effectively in other authorities and businesses.

Further clarity was requested in regards to the details of increasing and decreasing numbers of posts

The Chairman informed Select Committee Members that in terms of the call in procedure, three options were available:

1. Accept the Cabinet's Decision.
2. Refer the matter back to Cabinet for re-consideration (with reasons).
3. Refer the matter to Council for consideration.

It was therefore proposed to remove (f) and (g) of the report from this decision, the Committee would then agree the report. Items (f) and (g) should be subject to a separate report when the options for Libraries and One Stop Shops had been through the Budget Mandate and Consultation processes.

Upon being put to the vote the following votes were recorded:

For the proposal	-	7
Against the proposal	-	1
Abstentions	-	0

The proposition was carried.

The Committee were asked to receive a report deferred from the meeting of Strong Communities on Thursday 20th November 2014.

QUARTER 2 PERFORMANCE REPORT: IMPROVEMNET OBJECTIVE AND OUTCOME AGREEMENT

The purpose of the report was to present the quarter 2 performance data for the Improvement Objective and Outcome Agreement Objectives which were under the remit of Strong Communities Select Committee. It was recommended that Members scrutinise the performance achieved and the impact made, and to assess progress and performance against the objectives

We noted the following:

- Page 12 of the report: the percentage of municipal waste sent to landfill – the figure would be adjusted regarding Project Gwyrdd.
- Integration with businesses within the communities was a developing and emerging piece of work.

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- Members required further information on an ongoing basis with regards to the sale of assets.
- The number of days to issue a Disabled Facilities Grant was thought to be a high figure but was said to be in the top quartile in Wales.
- Members requested that a new staff directory should be issued. This would be followed up with the Democratic Services Committee.

The meeting terminated at 12.00 noon.



REPORT

SUBJECT	REVENUE & CAPITAL BUDGET MONITORING 2014/15 MONTH 6 OUTTURN FORECAST STATEMENT
DIRECTORATE	Chief Executive's Unit
MEETING	Strong Communities Select
DATE	11th December 2014
DIVISIONS/WARD AFFECTED	All Authority

1. PURPOSE

- 1.1 The purpose of this report is to provide Members with information on the forecast outturn position of the Authority at the end of month 6 for the 2014/15 financial year.
- 1.2 It also seeks to provide summary performance indicator information alongside financial data to allow Members a better opportunity to consider how services are provided and whether resources are being utilised efficiently.

2. RECOMMENDATIONS AS AGREED BY CABINET ON 3RD DECEMBER 2014

- 2.1 That Members consider the position concerning 2nd quarter revenue monitoring and seek assurance of the action Chief Officers are taking to address the over spends in their service areas.
- 2.2 That Members approve the decommitment of specific reserve funded expenditure in current year evidenced in para 3.1.4, and re-introduction in 2015-16.
- 2.3 That Members consider the position concerning school balances and note the potential for in year withdrawal of school improvement grant by Welsh Government.
- 2.4 That Members approve a revision in school governor practice to require any governing body that anticipates a deficit reserve position to submit a recovery plan prior to the Council agreeing to the school moving into a deficit reserve position, rather than in arrears of the decision reached by the governing body as currently. The change would have the effect of withdrawing the automatic right of any governing body to incur a deficit reserve position without prior consultation and agreement of the Council.
- 2.5 Members note the variances in approach and progress concerning the mandates identified in para 3.3.3, and endorse the alternate savings and virements proposed by Directors to replace original proposals where it is unlikely that savings will be manifest during 2014-15 as per para 3.3.4..
- 2.6 That Members consider the position concerning 2nd quarter capital monitoring and concerns over the limited actual expenditure incurred to date, and note the slippage identified, and net underspends forecast by managers.

2.7 That Cabinet approves the change in approach advocated in para 3.5.3 that the balance of LCHO capital receipts should be made available to fund the additional costs (arising from differences in equity from purchase to resale) in relation to Castlewood and Home Finder schemes as and when they come up.

2.8 That Members reflect upon the comparative information included alongside traditional financial data to consider whether it assists them in providing a better link between inputs and outputs and allows them to better consider whether resources are being economically and efficiently utilised.

3. MONITORING ANALYSIS

3.1 Revenue Position

3.1.1 Revenue budget monitoring information for each directorate's directly managed budgets is provided together with information on corporate areas.

3.1.2 Responsible Financial Officer's Summary of Overall Position

Summary Position	Appendix	Annual Forecast @ Month 6	Annual Budget @ Month 3	Virements and Revisions since month 3	Annual Budget @ Month 6	Forecast Over/(Under) Spend @ Month 6	Comparative Forecast Over/(Under) Spend @ Month 3
		£'000	£'000		£'000	£'000	£'000
Social Care & Health	4&5	37,401	36,604		36,604	797	613
Children & Young People	5	52,347	52,302		52,302	45	26
Enterprise	3	10,340	10,252	33	10,285	55	232
Operations	2	18,089	17,849	8	17,857	232	385
Chief Executives Unit	2	7,168	7,425	(49)	7,376	(208)	(133)
Corporate Costs & Levies	2	17,825	17,941		17,941	(116)	(94)
Net Cost of Services		143,170	142,373	(8)	142,365	805	1,029
Attributable Costs – Fixed Asset Disposal	2	177	224		224	(47)	1
Interest & Investment Income	2	(87)	(29)		(29)	(58)	(48)
Interest Payable & Similar Charges	2	3,538	3,769	4	3,773	(235)	(231)
Charges Required Under Regulation	2	5,575	5,606	4	5,610	(35)	(35)
Capital Expenditure Financed from Revenue	2	16	16		16	0	0
Contributions to Reserves	2	72	70		70	2	5
Contributions from Reserves	2	(2,318)	(2,700)		(2,700)	382	0
Amounts to be met from Government Grants and Local Taxation		150,143	149,329	0	149,329	814	721
General Government Grants	2	(69,340)	(69,340)		(69,340)	0	0
Non-Domestic Rates	2	(28,984)	(28,984)		(28,984)	0	0
Council Tax	2	(57,195)	(56,780)		(56,780)	(415)	(348)
Council Tax Benefits Support	2	5,838	6,071		6,071	(233)	(154)
Council Fund (Surplus)/Deficit		462	296	0	296	166	219
Budgeted contribution from Council Fund		(296)	(296)		(296)	0	0

166

0

0

0

166

219

- 3.1.3 The bottom line situation, a £166,000 potential overspend, has been mitigated significantly by anticipated Council Tax receipts. The net cost of services pressure of £805,000, simplistically indicates an improvement of £224,000 since month 3, however this masks a budgeted use of reserves totalling £382,000 which is not anticipated to be progressed this year, so the accurate position concerning net cost of services is actually an additional pressure of £158,000 since month 3.
- 3.1.4 Consequently it is proposed that the following priority investment budgeted reserve funding is decommitted from net cost of services budgets in 2014-15 and reinstated in 2015-16, to aid transparency and avoid the need to report comparable over and underspends for the remainder of the year.

Scheme	£'000	Reason
Raising Education Standards	256	Review of the approach's effectiveness being considered, alongside consideration of revised EAS funding prior to re-comittment
Local Development Plan expenditure	100	Profile of expenditure changed from originally presumed
Total	356	

- 3.1.5 There are costs, such as redundancy payments, that aren't generally a budgeted expense. Such expenses will, during quarterly monitoring, appear as an overspend in comparison to the annual budget. This is a little different in schools where a budget of £300,000 has been provided against current costs of £378,000. The traditional expectation is that services bear such costs, that they are mitigated where possible through the year, and for any net balance to be considered and borne through a use of reserves during the outturn process.
- 3.1.6 Currently (excluding schools) the financial ledger indicates £196,000 costs incurred to date and forecast commentaries indicate a full year estimate of redundancy costs pressures to be circa £327,000, which are included in the £166,000 adverse balance above.

Directorate	Forecast	Service
Children & Young People	98,000	School library service – mix of redundancy and winding up costs
Chief Executive office	71,000	Policy & partnership
Enterprise	23,000	Tourism Life and Culture
Operations	135,000	Waste & Streetscene
Social Care & Health	0	
Total	327,000	

- 3.1.7 Since month 6 the national pay award for local government officers has been agreed. This arrangement does not affect teachers' costs. The effect of this agreement will be worked through in more detail for month 9 despite not being manifest until the last quarter of the financial year but the likely upshot is the original budgets allowed for 1% increase in rates where as the agreed award will be 2.2% starting in January 15. So for 2014-15 there is anticipated to be a beneficial effect, being the difference between a 1% increase in costs for 12 months in favour of a 2.2% increase over 3 month period. Conversely there will be a greater pressure in 2015-16 and beyond.

Indicatively this annual saving against budget is anticipated to be of the order of £290,000.

3.1.8 Given the financial challenges that will continue to face the Authority for the foreseeable future, Chief Officers are tasked with ensuring that services live within the budgets and savings targets set for the current financial year. Monitoring reports will seek to contain the information on what is being done to manage the overspends identified and the positive action that is required to ensure that the budget is not breached.

3.1.9 Summary pressures and underspends within the net cost of services include:

Service area	Indicative Forecast Position exclusive of savings not yet achieved Red=Adverse Green = Favourable £'000	2014-15 savings not yet made £'000	Forecast Position net of savings not achieved Red=Adverse Green = Favourable £'000	Headline Cause
Social Care & Health (SCH)				
Children's Services	714	32	746 (worsening of 163)	Looked after children activity and additional team and conveyance of client costs
Adult Services	-70	121	51 (worsening of 21)	Most notably historic Monnow Vale partnership cost apportionments and residential care costs exceeding recovery due to means testing considerations
Sub Total	644	153	797	
Children and Young People (CYP)				
Standards	250	0	250 (worsening of 212)	Reduced income expectation – Mounton House placements, Breakfast club income presumption, and the cost of Schools library service closure
Individual schools budget	-225	0	-225	Predominantly reflective of reserve funded initiatives of Raising Education Standards not progressing as budgeted. This underspend in balanced against equivalent overspend on contribution from reserves.
Resources and Performance	-8	53	45 (worsening of 57)	Net effect of unbudgetted transport costs and recovery board costs plus additional support costs to schools
Youth Services	-25	0	-25 (improvement of 25)	Additional income and reduced transport costs
Sub Total	-8	53	45	

Enterprise (ENT)				
Community Led Delivery	-190	260	70 (improvement of 37)	Net effect of restructure changes not fully implemented within Libraries and new agreement between Community Education and Coleg Gwent not according with budget
Commercial & People Development	-66	50	-16 (improvement of 95)	Reduced shortfall in savings target presumed on SRS, in house reduced IT costs, reduced HR and training costs
Tourism, Life & Culture	69	31	100 (worsening of 54)	Redundancy costs at Caldicot Castle, reduced income anticipation, employee cost pressures at Old Station, and reduced rental following Brecon Beacons National Park moving to tithe barn, additional costs from Cycling event falling on the leisure budget,
Development Plans	-100	0	-100	Reflective of reserve funded initiative not progressing as budgetted. This underspend in balanced against equivalent overspend on contribution from reserves.
Sub Total	-287	341	54	
Operations (OPS)				
Highways	-431	131	-300	Extra agency income
Property	-92	169	77 (improvement of 31)	Schools meals service transfer from CYP with significant pressure, main improvement in schools cleaning area caused by removing unbudgetted contract consultancy costs
Home to school transport	191	80	271 (improvement of 83)	Past budget saving reviews of home to school and SEN haven't taken place. Overspends are in Council provided transport in employee and transport maintenance costs. External transport provider costs tenders are anticipated to provide net savings to compensate for Council's SEN transport overspend. A bad debt assumption has been made in respect of historic debts of £50,000
Transport	129		129 (worsening of 41)	Car parking income deficit

Waste	80	25	105 (improvement of 130)	Net effect of redundancy costs anticipated from restructure of the service. Improvement since mth3 are reflective of MRF contract concerns not materialising and savings in supplies and services costs
Raglan training	50		50 (worsening of 50)	Mixture of redundancy costs, additional training costs and reduced income anticipated
Grounds	-100		-100	Additional income
Sub Total	-173	405	232	
Regulation & Central Support Services				
Chief Executives Office (CEO)	-208	0	-208 (improvement of 75)	Staff savings and increased income predictions in democratic services. Savings in audit and revenues team costs and housing benefit activity below budget levels
Corporate (CORP)	-115		-115 (improvement of 21)	Predominantly an underspend on external audit fees and small saving in precepts exhibited at mth 3, plus the saving effect from minor revisions in insurance cover
Sub Total	-323	0	-323	
Total	-147	952	805	Net overspend position is £805,000 on net cost of services

3.1.10 More detailed monitoring information together with a narrative of more significant variance over £25,000 is provided in the Select Appendices 2 to 5.

3.2 Schools

3.2.1 Each of the Authority's Schools is directly governed by a Board of Governors, which is responsible for managing the school's finances. However, the Authority also holds a key responsibility for monitoring the overall financial performance of schools. Below is a table showing the forecast Schools' balances position for the year-end at month 6.

Draft Council Fund
Outturn 2014/15 –
Summary
Forecast Year-end
School Balances
Position at Month
6

	Opening Reserves (Surplus)/ Deficit 14-15	In year forecast at Month 3 (Surplus)/ Deficit	Difference reported from Month 6 to Month 3 (Surplus)/ Deficit	In year forecast at Month 6 (Surplus)/ Deficit	Anticipated Reserves to be carried forward to 2015-16 (Surplus)/ Deficit
	£'000	£'000	£'000	£'000	£'000
Clusters					
Abergavenny	(285)	226	24	249	(35)
Caldicot	(242)	76	27	103	(139)
Chepstow	(14)	214	52	266	252
Monmouth	(394)	70	2	72	(322)
Special	(54)	27	(16)	11	(43)
	(988)	612	88	700	(288)

3.2.2 School balances at the beginning of the financial year amounted to £988,000 credit. The budgeted draw on balances has been identified as being £734,000 resulting in closing school balances budgeted to be £254,000 credit.

3.2.3 At month 6, the current forecast suggests that the contribution required from school balances will be £700,000, a decrease from budget of £34,000, and would result in closing school balances of £288,000 credit. This is an improvement on month 3 and is despite schools picking up the net overspend on their schools based redundancies of combined £78,000.

3.2.4 Within these summary figures, of particular note, is the deficit reserve position experienced in the Chepstow cluster, caused by a significantly worsening position at Chepstow comprehensive school, whose deficit is anticipated to be £373,000 by the end of year, up by £21,000 on the position reported at month 3. The school has prepared a recovery plan which has been approved by Governors, but has been asked to re-look at it, as it doesn't adequately address the costs over that period or indicate the resourcing for priority appointments at the moment. This level of deficit balance remains a risk to the Council going forward in the interim.

3.2.5 6 schools exhibited a deficit position at the start of 2014/15, and alongside Chepstow Comprehensive, Llandogo is predicted to exhibit a worsening position. However Deri View, Llanvihangel Crocorney, Castle Park are all forecast to improve their deficit balance position by the end of the year. Ysgol Gymraeg Y Ffin is predicting to come out of deficit by the end of the year

3.2.6. Of concern, King Henry Comprehensive and Llanfair Kilgeddin are anticipated to move into deficit by the end of year.

3.2.7 Schools balances exhibit a reducing trend, and by definition can only be used once

Year	Net level of school balances
2011-12	(965)
2012-13	(1,240)
2013-14	(988)
2014-15 forecast	(288)

3.2.8 There has been a significant reliance on reserve balances to supplement school spending plans in the last 2 years, and no indication of significant replenishment evident. This isn't a sustainable prospect. As a rough guide, prior to 2010, Welsh Government advocated that school balance levels equated to 5% of budget share. Using 2014/15 delegated budget levels, this would equate to £2.2 million. Members may wish to seek a comfort that balances aren't being used to subsidise and sustain core costs such as staffing.

3.2.9 Since month 3, the Council has received confirmation from Welsh Government that they do need to adjust downwards the level of grants paid to schools by £4.3 million across the Principality within the current year. The effect to Gwent based EAS will be of the order of £823,000, with MCC indicative effect being circa £80,000, before EAS seeks to mitigate the effect on schools improvement. This will necessitate schools reviewing and revising their improvement programmes and may introduce a further pressure to schools balances as schools accommodate the change.

3.2.10 The Fair Funding policy adopted by the Council in 2003 precludes any school from planning for a deficit. However recent examples indicates that schools governors are able to significantly adversely affect Council balances by utilising more reserves than the school has, in favour of producing a subsequent recovery plan that can take up to 4 years to recover from, which again is not consistent with Fair Funding policy. The application of the policy would seem to exhibit weaknesses, and the policy itself would have reflected a time of more beneficial financial settlements to the public sector. Collective school balances are at a level that won't sustain the same level of additional annual spending as presently incurred

It is understood that the Fair Funding policy is due review. It is advocated that an interim condition be adopted to amend the recovery plan practice to require that such documents must be submitted and agreed with the Council prior to the Council agreeing for schools to move into an interim deficit reserve position.

3.2.11 Further information on Schools is provided in Children & Young People Select appendix 5.

3.3 **2014/15 Savings Progress**

3.3.1 The monitoring above reflects the progress in achieving necessary savings agreed as part of the 2014/15 budget process. Appendix 1 provides details of specific savings initiatives and progress made in delivering them in full by the end of 2014/15 financial year.

In summary they are as follows,

DIRECTORATE	Saving included in 2014/15 Budget	Savings achieved month 3	Savings achieved month 6	% progress in achieving savings	Delayed savings	Savings not achievable
	£'000	£'000	£'000		£'000	£'000
Children & Young People	722	639	669	93%	0	53
Social Care & Health	1,030	877	877	85%	0	153
Enterprise	1,366	1,126	1,025	75%	177	164
Operations	1,412	990	1,007	71%	156	249
Chief Executive's	923	923	923	100%	0	0
Total Budgeted Service Savings 2014-15	5,453	4,555	4,501		333	619

3.3.2 Overall there has been very little change between month 3 and month 6 in the savings that have demonstrably been delivered (a worsening of £54,000).

3.3.3 The savings appendix also indicates a risk score as to whether savings are likely to be achieved or otherwise. The following savings mandates are reported to be high or medium risk.

Operations (OPS)

- School meals -increase price, market and expand service – none of saving anticipated has materialised (£69,000).
- Street scene and pest control - £25,000 short of requirement relating to work with Town & Community Councils
- Facilities - transfer functions to other providers – none of the work with Town & Community Councils likely to realise £100,000 saving
- Transport review and fleet rationalisation, £40,000 short of mandate requirements

Enterprise (ENT)

- Sustainable energy initiatives – a worsening shortfall of £68,000 against mandate requirements.
- Museums, Shirehall & Castles and Tourism – net additional salary costs evident in Countryside of £31,000
- Strategic Property Review (phase 2) - shortfall in savings of £15,000 caused predominantly by move of SCH Children's services into 2nd floor of Magor. Original intention was to rent this space out.
- Additionally the Adult Education mandate (£90,000) is unlikely to be delivered in the way originally expected, and requires a more fundamental consideration of sustainability of service due to the extent of funding withdrawal (from £607,000 to £400,000) by Coleg Gwent for courses run from September 2014.

Children and Young People (CYP)

- School library service – shortfall of £30,000 against target. Cabinet has subsequently received and agreed a report pertaining to cessation of this service, and so this saving has moved from savings not achievable to made but in a different fashion than originally intended.
- Grants to micro finance and rationalise numerous grants to single organisations – none of savings required have materialised (£37,000)

Social Care & Health (SCH)

- Community meals increase take-up – meal numbers are 200 below the 1,450 target introducing a £26,000 shortfall

- SCH children's staff restructuring – Innovation facilitated work has proposed re-introduction of post volunteered by the service for deletion introducing a £32,000 shortfall on savings target

All

- Review of additional payments – Social Care and Health exhibit challenges in meeting any of their saving requirements of £95,000, CYP report making £16,000 of £31,000 requirement, CEO and Operations report intention to make their £163,000 in other ways but haven't specified how, ENT report having made their £48,000 in full.

3.3.4 It is a common aspect of annual budget setting that there will always be some savings that are more challenging to achieve in the timescale originally required such that Directorates will attempt to make alternate savings elsewhere. Previously such actions have been reported as compensatory over and underspends throughout the year. Given the shift in budget management reporting and to aid that transparency, Directors have been encouraged to formalise these underspends where practical as budget virements and replace the budget savings that exhibit higher risk of not being achieved. Consequently the following virements are intended.

Original Saving proposal	Saving amount not achievable £'000	Alternative proposal
Transfer functions to other providers	100	Additional income generated from Grounds Maintenance works
Highways – various	15	Additional income generated from Highways agency
Street scene and pest control	25	Additional income generated from Highways agency
Transport review	40	Additional income generated from Highways agency
Sustainable energy	68	Other compensatory underspends in Estates and Sustainability of £33k reduce this to £35k
Strategic Property review	15	Additional income from Cemeteries
Total	263	

3.3.5 It is stressed that these adjustments will not alter the bottom line pressure being reported, but instead simplifies reporting, to allow a better focus on highlighting those challenging areas for resolution.

3.4 Capital Position

3.4.1 The summary Capital position as at month 6 is as follows

Select Portfolio	Annual Forecast	Slippage B/F plus Budget 14-15	Budget Virements & Revisions since last quarter	Total Approved Budget	Provisional Budget Slippage C/F to 2015-16	Revised Budget 2014-15	Annual Overspend / (Underspend) Month 6	Annual Overspend / (Underspend) Month 3
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Children and Young people	8,246	7,112	5,972	13,084	4,782	8,301	(55)	(68)
Adult	288	59	200	259		259	29	35
Economy & Development	723	732	82	814		814	(92)	82
Stronger Communities	9,897	14,199	127	14,327	4,289	10,037	(140)	(14)
Grand Total	19,154	22,102	6,381	28,483	9,072	19,412	(258)	35

3.4.2 Revisions to the capital programme since the last quarter reporting reflect the inclusion of 21c schools initiative in the 14-15 capital programme (£5.95million), funding the overspends identified at month 3 in respect of overspends to Abergavenny regeneration (£82,000), Caldicot 3g pitch (£53,000) and saving in respect of County Farms maintenance (£100,000), temporary capital funding of Swift IT system within Social Services (£200,000 to be repaid in first instance from revenue IT licence savings), and additions to development schemes initiatives (£195,000), a mixture of photovoltaic schemes, skate park (predominantly grant funded) and town team funding. There have also been £21,000 virements within property maintenance schemes between Children and Young People and Stronger Communities schemes.

3.4.3 Expenditure on capital schemes in the first 3 months of the year was reported as not being significantly higher than the provisions for work carried forward from 2013/14. That trend continues at month 6; with only £4.3million of an estimated £19.4 million having been incurred by the end of month 6 i.e. circa 22% of intended spend. This profile wouldn't normally be one associated with a full spend by the end of financial year, as earmarking capital expenditure to the winter months generally increases the risk that inclement weather could adversely affect progress.

3.4.4 However managers remain confident that projects are on track and indicate an outturn forecast spend consistent with the revised budget. Reported slippage to 2015-16 has increased by £4,887,000, in addition to 21c schools feasibility and Abergavenny library reported at month 3, and predominantly reflects the slippage in the newly created 21c schools budget together with £146,000 on fixed asset disposal costs due to receipt reprofiling, £200,000 access for all, £92,000 CRM IT scheme, £30,000 slippage in respect of infrastructure projects and £469,000 in respect of various section106 schemes.

3.4.5 The capital programme for 2014-15 evidences a forecast underspend of £258,000, largely the consequence of,

Children and Young People – **underspend** in Property Maintenance costs (£55,000)

Adult – **overspend** in Property Maintenance cost at Mardy Park (£29,000)

Economy & Development – **underspend** in development schemes (£92,000)

Stronger Communities – **underspend** of a grant based highways scheme (£215,000), and minor net underspends (£2,000), compensating for an **overspend** in Property maintenance costs (£27,000) and “old” County Hall costs (£50,000). The latter being 50:50 funded with Torfaen County Borough Council.

Whilst there are forecast over and underspends in respect of Property maintenance across Select areas, traditionally property maintenance have been viewed collectively and overall exhibits a largely balanced position.

3.5 Capital Financing and Receipts

3.5.1 Given the anticipated capital spending profile reported in para 3.4.1, the following financing mechanisms are expected to be utilised.

Financing Stream	Annual Forecast Financing	Approved Slippage B/F	Original Budget	Budget Revisions & Virements	Total Approved Budget	Provisional Budget Slippage C/F to 2015-16	Revised Budget 2014-15	Increased / (Reduced) Financing
Supported Borrowing	2,420	0	2,420	0	2,420	0	2,420	0
General Capital Grant	1,473	0	1,473	0	1,473	0	1,473	0
Grants and Contributions	3,477	53	1,246	4,315	5,614	1,950	3,664	-187
S106 Contributions	510	556	0	396	952	442	510	0
Unsupported borrowing	6,134	6,710	3,492	116	10,319	4,185	6,134	0
Earmarked reserve & Revenue Funding	781	656	0	230	886	92	794	-13
Capital Receipts	4,299	2,956	1,707	2,096	6,759	2,402	4,357	-58
Low cost home ownership receipts	60	60	0	0	60	0	60	0
Grand Total	19,154	10,991	10,338	7,153	28,483	9,071	19,412	-258

3.5.2 The effect of slippage and underspends identified above are anticipated to predominantly delay the need to access unsupported borrowing and capital receipts.

3.5.3 The low cost home ownership/homefinder capital receipts reserve is ring-fenced to contain receipts from the redemption of capital loans on these properties and will continue to receive new receipts as properties are sold and loans returned to the Council. The reserve balance is currently circa £216,000. As part of the 2014-15 capital programme this reserve funds a budget of £60,000 to afford any new low cost home ownership loans and any potential differences in equity share of these LCHO properties.

It is proposed that Cabinet extends the current delegation to Council's Head of Finance such that the balance of LCHO receipts can be used more holistically to also fund the additional costs (arising from differences in equity from purchase to resale) in relation to Castlewood and Home Finder schemes as and when they come up.

Useable Capital Receipts Available

3.5.4 In table 2 below, the effect of the changes to the forecast capital receipts on the useable capital receipts balances available to meet future capital commitments is shown. This is also compared to the balances forecast within the 2014/18 MTFP capital budget proposals.

Table 2: Movement in Available Useable Capital Receipts Forecast

GENERAL RECEIPTS	2014/15	2015/16	2016/17	2017/18
	£000	£000	£000	£000
Balance b/f 1 st April	7,854	14,614	11,252	19,695
Receipts forecast to be received in year as 2014/18 MTFP	21,165	13,556	4,000	2,000
Increase / (decrease) in forecast receipts forecast at month 3	(10,109)	(3,431)	21,220	150
Deferred Capital Receipts	4	4	4	4
Less: Set aside Capital Receipts	0	0	(11,452)	0
Less: Receipts to be applied	(4,299)	(1,100)	(76)	(538)
Less :21C Schools programme		(12,391)	(5,252)	(11,207)
TOTAL Actual / Estimated balance c/f 31st March	14,614	11,252	19,695	10,104
TOTAL Estimated balance reported in 2014/18 MTFP Capital Budget proposals	14,062	26,923	30,851	32,317
Increase / (Decrease) compared to MTFP Capital Receipts Forecast	552	(15,671)	(11,155)	(22,213)

3.5.5. Since the month 3 report, it appears more likely that a receipt will be generated in respect of old County Hall site sale during the current MTFP window. This has been factored into 2016-17 predictions, alongside an equivalent set aside for the repayment of debt.

3.5.6 Also the Council has agreed to the inclusion of 21c schools initiative within the capital programme. This relies on utilising £29 million receipts during this next 4 year MTFP window, and a further £600,000 in 2018-19. Consequently the balance of capital receipts available at the end of 2014/15 has reduced compared to the original 2014/18 MTFP predictions due to the anticipated resourcing of the 21st Century Schools programme.

3.5.7 Despite changes in the timing of individual receipts, which remains a risk to the Council to ensure it has sufficient receipts to fund its expenditure aspirations in the years necessary and avoid temporary borrowing costs, the balance of capital receipts available to fund capital expenditure, at the end of this next MTFP window has been revised to circa £10 million, as a consequence of additional receipts predominantly LDP related.

4 REASONS

4.1 To improve budget monitoring and forecasting information being provided to Senior Officers and Members.

5 RESOURCE IMPLICATIONS

5.1 As contained in the report.

6 EQUALITY AND SUSTAINABLE DEVELOPMENT IMPLICATIONS

- 6.1 The decisions highlighted in this report have no implications, the budgets are being vired for the purpose they were agreed.

7 CONSULTEES

Strategic Leadership Team
All Cabinet Members
All Select Committee Chairman
Head of Legal Services
Head of Finance

8 BACKGROUND PAPERS

- 8.1 Month 6 monitoring reports, as per the hyperlinks provided in the Select Appendices

9 AUTHORS

Mark Howcroft – Assistant Head of Finance

10 CONTACT DETAILS

Tel. 01633 644740
e-mail. markhowcroft@monmouthshire.gov.uk

Appendices

Appendix 1	Savings Summary
Appendix 2	Strong Communities Select Committee portfolio position statement
Appendix 3	Economy and Development Select Committee portfolio position statement
Appendix 4	Adult Select Committee portfolio position statement
Appendix 5	Children and Young People Select Committee portfolio position statement

Savings Summary

Appendix
1

2014/15 Budgeted Service Savings Mandates Progress at Month 6

DIRECTORATE	Saving included in 2014/15 Budget £'000	Savings achieved month 3 £'000	Savings achieved month 6 £'000	% progress in achieving savings	Delayed savings £'000	Savings not achievable £'000
Children & Young People	722	639	669	93%	0	53
Social Care & Health	1,030	877	877	85%	0	153
Enterprise	1,366	1,126	1,025	75%	177	164
Operations	1,412	990	1,007	71%	156	249
Chief Executive's	923	923	923	100%	0	0
Total Budgeted Service Savings 2014-15	5,453	4,555	4,501		333	619

2014/15 Budgeted Service Savings Mandates Progress at Month 6

							Agenda Item 5
CHILDREN & YOUNG PEOPLE							
Budget proposals 2014/15	Narrative	Saving included in 2014/15 Budget £'000	Value of Saving Forecast at Month 6 £'000	Delayed savings £000s	Savings not achievable £000s	Assessment of progress as at Month 6	Risk of current forecast saving NOT being achieved (High / Medium / Low)
Schools delegated budgets	Proposal is about finding opportunities to reduce costs in schools. Schools budgets will be protected at cash limit, this means no pay inflation and or non pay inflation is provided for in funding,	434	434	0	0	Fully Achieved	Low
Review ISB - ALN contingency	Currently a contingency budget is held centrally, proposals to reduce this budget by £75k and reduce staffing in the service by £65,000	140	140	0	0	On Target	Medium
Grants to micro finance and rationalise numerous grants to single organisations	Reducing the amount of grants paid annually to third sector bodies. Options will include reduction, micro-finance and introducing business plans. SCH mandate for £100k in 2014/15, R & C/CEO target of £100k. Further £300k in 2015/16 is not now considered feasible	37	0	0	37	These savings cannot be found from the grant areas as our grants cover a statutory provision.	High
School library service - combine with general library service	£50k is MCCs contribution to full year running costs of school library service, changes to service needs to be considered with TCBC	30	30	0	0	MCC savings have been achieved. Torfaen alongside MCC schools have now decided to withdraw from service, which will introduce additional severance costs (unquantified at present). These together with assets and deficit reserve balance of £100k, will need to be apportioned between MCC and TCBC	High

2014/15 Budgeted Service Savings Mandates Progress at Month 6

CHILDREN & YOUNG PEOPLE							Agenda Item 5
Budget proposals 2014/15	Narrative	Saving included in 2014/15 Budget £'000	Value of Saving Forecast at Month 6 £'000	Delayed savings £000s	Savings not achievable £000s	Assessment of progress as at Month 6	Risk of current forecast saving NOT being achieved (High / Medium / Low)
School Music service - reduction in subsidy	Total MCC contribution to schools music service is £260k, exploration of alternative models to reduce the subsidy required	50	50		0	Saving achieved, working with the service to achieve future savings identified within the budget mandate.	Low
Review of additional payments	Target a 10% reduction in additional payments made eg overtime, standby etc	31	15	0	16	Working with cost centre managers to identify savings	Medium
		722	669	0	53		

2014/15 Budgeted Service Savings Mandates Progress at Month 6

Agenda Item 5

SOCIAL CARE & HEALTH

Budget proposals 2014/15	Narrative	Saving included in 2014/15 Budget £'000	Value of Saving Forecast at Month 6 £'000	Delayed savings £000s	Savings not achievable £000s	Assessment of progress as at Month 6	Risk of current forecast saving NOT being achieved (High / Medium / Low)
ADULT SELECT							
Community meals increase take-up	Mainly about increasing customer base	30	4	0	26	Weekly sales are 1,250, 200 below target	High
Grants to micro finance and rationalise numerous grants to single organisations	Reducing the amount of grants paid annually to third sector bodies. Options will include reduction, micro-finance and introducing business plans. SCH mandate for £100k in 2014/15, R & C/CEO target of £100k. Further £300k in 2015/16 is not now considered feasible	100	100	0	0		Low
Redesign day provision in line with My Day/My Life	Reconfiguring day provision for people with Learning disability	160	160	0	0		Low
SCH restructuring: Direct care (£89k), Children's/Adults teams (£50k), Commissioning team (£31k)	Staffing efficiencies	163	163	0	0		Low
SCH Transition project staff transfer to Bright New Futures	Combining our initiative with Bright new futures to establish a shared service model	14	14	0	0		Low
Review of additional payments	Target a 10% reduction in additional payments made eg overtime, standby etc	95	0	0	95	Mechanisms not put in place to realise savings	High

2014/15 Budgeted Service Savings Mandates Progress at Month 6

Agenda Item 5

SOCIAL CARE & HEALTH

Budget proposals 2014/15	Narrative	Saving included in 2014/15 Budget £'000	Value of Saving Forecast at Month 6 £'000	Delayed savings £000s	Savings not achievable £000s	Assessment of progress as at Month 6	Risk of current forecast saving NOT being achieved (High / Medium / Low)
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ADULT SELECT

Sustaining Independent Lives in the community	Cabinet report and business case presented on 2nd Oct 2013, aim is to divert people from needing statutory services through Local Area Co-ordination and small local enterprises	123	123	0	0		Low
Practice change - reduction in flexible budget/contingency	Working with individuals, families and communities to find sustainable solutions	277	277	0	0		Low
TOTAL ADULTS SELECT		962	841	0	121		

CHILDREN & YOUNG PEOPLE SELECT

SCH children's staff restructuring	Rationalising service delivery within children's services	68	36	0	32	Due to external consultants work with the Directorate one of the two posts was reinstated.	High
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1,030 877 0 153

2014/15 Budgeted Service Savings Mandates Progress at Month 6							Agenda Item 5
ENTERPRISE							
Budget proposals 2014/15	Narrative	Saving included in 2014/15 Budget £'000	Value of Saving Forecast at Month 6 £'000	Delayed savings £000s	Savings not achievable £000s	Assessment of progress as at Month 6	Risk of current forecast saving NOT being achieved (High / Medium / Low)
DEVELOPMENT OF LEISURE SERVICES	Income maximisation and staff review, developing the cycling offer, broaden leisure offer and explore new service provision options and models in the context of 'whole place'	125	125			Savings forecast to be achievable	Low
Collaboration on housing services and development of careline services	Commercialisation of careline service, one housing solutions service with TCBC focussed on enabling wider access to housing options and providing greater scope for increasing the resources with which to address housing need and homelessness	30	30			Savings forecast to be achievable	Low
Sustainable energy initiatives	Investing in biomass boilers, solar farms and reduction in Carbon Reduction Commitment budget	133	65		68	Saving partly made. Reduction from month 3 due to the inability to achieve savings from some projects as previously projected, income forecasts needs to be monitored closely. Still awaiting planning approval for solar farm not achievable during this financial year	Medium
Museums, Shirehall & Castles and Tourism	Consolidation of tourism and culture offer throughout the County through considering shared services models; making attractions self-sustainable and income generation. This relates to the museum business plan and explores roll-out of some community ownership models. Member consultation has indicated that the aspect of merging of museums and TIC (£150,000 in 2014/15) was not a preferable model, and will necessitate driving even further savings on other aspects of this mandate	245	214		31	Museums are on target to make the full 78k savings at M6. Shirehall are on target to achieve their 33,500 savings. TIC's 90k savings forecast. Countryside 36,500 - Castle savings of 24k will not be met. 12,500 within countryside looks as though it will be met, but current underspends are offsetting overspends within the Castle and Old Station. The forecast overspend at M6 for Countryside is 94k.	Museums - Medium Shirehall - Low TIC's medium

2014/15 Budgeted Service Savings Mandates Progress at Month 6

ENTERPRISE							Agenda Item 5
Budget proposals 2014/15	Narrative	Saving included in 2014/15 Budget £'000	Value of Saving Forecast at Month 6 £'000	Delayed savings £000s	Savings not achievable £000s	Assessment of progress as at Month 6	Risk of current forecast saving NOT being achieved (High / Medium / Low)
Grants to micro finance and rationalise numerous grants to single organisations	Reducing the amount of grants paid annually to third sector bodies. Options will include reduction, micro-finance and introducing business plans. SCH mandate for £100k in 2014/15, R & C/CEO target of £100k. Further £300k in 2015/16 is not now considered feasible	50	50			Third sector bodies have already been made aware that their grant will be less this year and this was reflected in the budget.	Low
Strategic Property Review (phase 2)	Target to be achieved by the Accommodation working group and reduction in office accommodation, consolidate in Usk	75	60		15	Savings achieved through closure of Coed Glas and other methods, inability to make full saving due to still needing to pay Rates on Coed Glas to sale of property along with loss of rental income due to change in accommodation strategy at Magor Innovation House	Low
R & C Staffing restructures	Senior management restructure to include new service groupings and alignments and green space concept	70	70			Achieved	Low
R&C - OSS and libraries - 10% reduction in staff budget	The aim is to have one access point for customer service in each of the 4 towns and create efficiencies through a management restructure	116	29	87		Delay in implementing staffing restructure, part year saving realistic.	Medium
Additional Libraries and communications saving	Libraries driver redundancy and media position deleted	80	80			Achieved	Low
Review of additional payments	Target a 10% reduction in additional payments made eg overtime, standby etc	48	48			Achieved	Low
ICT	Staffing efficiencies, integrate enterprise agreement, reduce supplies and services budget	300	250	0	50	No plans to close Ty Cyd 3 means that savings will not be achieved. Additional CCTV income used in year 1 to purchase additional equipment. Its likely that staff vacancies will cover the additional shortfall in year.	Medium

2014/15 Budgeted Service Savings Mandates Progress at Month 6

ENTERPRISE							Agenda Item 5
Budget proposals 2014/15	Narrative	Saving included in 2014/15 Budget £'000	Value of Saving Forecast at Month 6 £'000	Delayed savings £000s	Savings not achievable £000s	Assessment of progress as at Month 6	Risk of current forecast saving NOT being achieved (High / Medium / Low)
Adult Education	Cost reduction through reducing overheads and premises costs	90	0	90	0	High	High
Planning, place and enterprise	Increase in income from development plans (part of combined £32k savings)	4	4	0	0	Achieved	Low
		1,366	1,025	177	164		

CHIEF EXECUTIVE'S UNIT & OPERATIONS								
Budget proposals 2014/15	Savings Proposal Narrative	Saving included in 2014/15 Budget £'000	Value of Saving Forecast at Month 6 £'000	Delayed savings £000s	Savings not achievable £000s	Assessment of progress as at Month 6	Assessment of progress as at Month 6	Risk of current forecast saving NOT being achieved (High / Medium / Low)
OPERATIONS								
School meals -increase price, market and expand service	Increase in school meal to £2.00, currently £1.65 infants and £1.80 junior based on an estimated 397,058 meals	69	0		69	Saving based on increased sales is unlikely in first 12 months due to A4L menu compliance, reduced take up due to price increase and increased cost of providing meals. In addition any additional saving will be offset against cost of running a client/contractor joint service provision to the standards required to achieve WG compliance status	Saving based on increased sales is unlikely in first 12 months due to A4L menu compliance, reduced take up due to price increase and increased cost of providing meals. In addition any additional saving will be offset against cost of running a client/contractor joint service provision to the standards required to achieve WG compliance status	High
Grants to micro finance and rationalise numerous grants to single organisations	Reducing the amount of grants paid annually to third sector bodies. Options will include reduction, micro-finance and introducing business plans. SCH mandate for £100k in 2014/15, R & C/CEO target of £100k. Further £300k in 2015/16 is not now considered feasible	13	13	0	0	Achieved	Achieved	Low
Highways - review of management arrangements, gritting schedules, verge maintenance, use of sub contractors	Reduction in management team and operate from 2 depots, reducing stand by payments and gritting frequencies. Reduce sub contractors and biodiversity policy on verges	405	274	116	15	Restructure of R&C will not allow whole year savings. Pressure from community groups are delaying savings in 2014/15. Some whole year savings predicted for 15/16 as mandate. Simpson review may not permit savings for MCC in Duty Officer mandate. Other offsetting savings will be made within Highways to meet the unachievable savings and the delayed savings.	Restructure of R&C will not allow whole year savings. Pressure from community groups are delaying savings in 2014/15. Some whole year savings predicted for 15/16 as mandate. Simpson review may not permit savings for MCC in Duty Officer mandate. Other offsetting savings will be made within Highways to meet the unachievable savings and the delayed savings.	Low
Street Light savings	Review of turning off street lights at designated times	180	180			Achievable	Achievable	Low

CHIEF EXECUTIVE'S UNIT & OPERATIONS							
Budget proposals 2014/15	Savings Proposal Narrative	Saving included in 2014/15 Budget £'000	Value of Saving Forecast at Month 6 £'000	Delayed savings £000s	Savings not achievable £000s	Assessment of progress as at Month 6	Assessment of progress as at Month 6
OPERATIONS							
Street scene and pest control	Reduction in sweepers and number of cleaning rounds, opportunity for Town & Community Councils to contribute to service and full withdrawal of subsidy for pest control.	195	170		25	£25k is not being delivered from the Street Scene budget saving mandate due to lack of funding support from Town and Community Councils and therefore delays in implementing the reduction in manual sweeping capacity.	£25k is not being delivered from the Street Scene budget saving mandate due to lack of funding support from Town and Community Councils and therefore delays in implementing the reduction in manual sweeping capacity.
Home to School Transport - fundamental review of policy	Fundamental policy change - £420k - based around nearest school policy. Withdrawal of subsidy for post 16 transport.	47	47			These savings should be achievable as no travel grants will be issued to new applicants from sept 14	These savings should be achievable as no travel grants will be issued to new applicants from sept 14
Facilities - transfer functions to other providers	Engaging with town and community councils, friends clubs to take on service related costs - Linda Vista, Bailey Park, Public Conveniences	100	0	0	100	Although some engagement has taken place the take up from Tc's and CC's not forthcoming hence the saving is unlikely to be achieved.	Although some engagement has taken place the take up from Tc's and CC's not forthcoming hence the saving is unlikely to be achieved.
Transport review and fleet rationalisation	Increased income from private hire (Passenger Transport Unit), management and staff reduction	105	25	40	40	Budget problems within the PTU will require fundamental review of budget.	Budget problems within the PTU will require fundamental review of budget.
Property services and procurement	Staff efficiencies, systems review and procurement savings	115	115	0	0	Saving Realised.	Saving Realised.
Cost neutral waste service	Route optimisation, green waste charges up from £8 to £10 and reduce spend on	60	60	0	0	Saving Realised	Saving Realised

CHIEF EXECUTIVE'S UNIT & OPERATIONS								
Budget proposals 2014/15	Savings Proposal Narrative	Saving included in 2014/15 Budget £'000	Value of Saving Forecast at Month 6 £'000	Delayed savings £000s	Savings not achievable £000s	Assessment of progress as at Month 6	Assessment of progress as at Month 6	Risk of current forecast saving NOT being achieved (High / Medium / Low)
OPERATIONS								
Review of additional payments	Target a 10% reduction in additional payments made eg overtime, standby etc	123	123	0	0	£24k will be made in accordance with the mandate. In general managers have seen this saving as just a straight cut in budget and have reorganised spend patterns accordingly. E.g. £41k Highways/Swtra – by reducing service or increasing income. £9k Grounds – by reducing service or increasing income. £32k Waste – reductions in other manpower budgets.	£24k will be made in accordance with the mandate. In general managers have seen this saving as just a straight cut in budget and have reorganised spend patterns accordingly. E.g. £41k Highways/Swtra – by reducing service or increasing income. £9k Grounds – by reducing service or increasing income. £32k Waste – reductions in other manpower budgets. All these savings are now forecast	Medium
TOTAL		1,412	1,007	156	249			

CHIEF EXECUTIVE'S UNIT								
Budget proposals 2014/15	Savings Proposal Narrative	Saving included in 2014/15 Budget £'000	Value of Saving Forecast at Month 3 £'000	Value of Saving Forecast at Month 6 £'000	Delayed savings £000s	Savings not achievable £000s	Assessment of progress as at Month 6	Risk of current forecast saving NOT being achieved (High / Medium / Low)
CEO Staffing restructures	Senior management restructure to include new service groupings and alignments and green space concept	70	70	70	0	0	Achieved	Low
CEO - efficiencies, including on line services, staffing structures	Staffing efficiencies and improving on line services, reduction in democratic services will mean that only decision making committees can be serviced, merging of roles supporting area work	595	595	595	0	0	Achieved	Low
CEO - Restructure (Customer Access) - 10% reduction in staff budget	The aim is to have one access point for customer service in each of the 4 towns and create efficiencies through a management restructure	64	64	64	0	0	Achieved	Low
Review of additional payments	Target a 10% reduction in additional payments made eg overtime, standby etc	40	40	40	0	0	Achieved. In general managers have seen this saving as just a straight cut in budget and have reorganised spend patterns accordingly.	Low
Public protection	Service Reductions in Public Protection Division	89	89	89	0	0	Achieved	Low
Legal	Reduction in Legal Services employee hours and Commons and Village Green Inquiries – Inspectors' fees	37	37	37	0	0	Split £30k Legal & Land Charges, £7k Emergency Planning	Low

2014/15 Budgeted Service Savings Mandates Progress at Month 6

Agenda Item 5

CHIEF EXECUTIVE'S UNIT								
Budget proposals 2014/15	Savings Proposal Narrative	Saving included in 2014/15 Budget £'000	Value of Saving Forecast at Month 3 £'000	Value of Saving Forecast at Month 6 £'000	Delayed savings £000s	Savings not achievable £000s	Assessment of progress as at Month 6	Risk of current forecast saving NOT being achieved (High / Medium / Low)
Planning, place and enterprise	Increase in income from building control & development control (part of combined £32k savings)	28	28	28	0	0	Achieved	Low
TOTAL		923	923	923	0	0		

1. Revenue Outturn Forecast

1.1 The combined budget and outturn forecast for this portfolio is,

Service Area	Budget Mth 3	Virements	Budget Mth 6	Forecast Outturn	Variance Mth 6	Variance Mth 3
	£'000	£'000	£'000	£'000		£'000
Chief Executive's office	7,425	(50)	7,375	7,168	(207)	(133)
Operations	17,849	8	17,857	18,089	232	385
Corporate	17,941		17,941	17,825	(116)	(94)
Appropriations	6,956	8	6,964	6,972	8	(307)
Financing	(149,032)		(149,032)	(149,680)	(648)	(502)
Total	(98,861)	(34)	(98,895)	(99,626)	(731)	(651)

1.2 The more significant over and underspends are,

	Overspend predicted £'000	Underspend predicted £'000	Cause
Chief Executives Office		208 (75 improvement)	Policy Division net overspend of £28,000 compensated in extra income and reduced cost in Democracy Division (£87,000) and £148,000 savings in Finance division's, through reduced salary costs and reduced housing benefit (£57,000) activity below budget levels
Operations – Highways		300	Extra agency income
Operations – Property	77 (31 improvement)		Pressures from schools meals (£99,000), cleaning mainly conveniences (£34,000), additional call charges (£20,000) compensated in part by procurement team savings (£42,000) and accom costs (£33,000)
Operations – Home to school transport	271 (83 improvement)		Overspends in employee costs £133,000, fuel and repair £36,000 and reduction in income £67,000. Whilst past budget saving reviews of home to school and SEN haven't taken place, the rolling tender of external transporter costs exhibit a compensatory saving.
Operations – Transport	129 (41 worsening)		Predominantly car parking income deficit
Operations – Waste	105 (130 improvement)		Predominantly redundancy costs. The improvement on month 3 is caused by a greater degree of certainty around the recycling contract renewal in Jan 15
Training Unit	50 (50 worsening)		Mixture of redundancy costs, increasing costs and reduced income predictions
Operations – Grounds		100	Additional income

Corporate		115 (22 improvement)	Predominantly saving in external audit fees
Appropriations	9 (317 worsening)		Reduced budgeted draw from reserves compensated by anticipated savings in interest payable, combined with improved interest receivable, and reduction in charges due to 2013-14 capital slippage
Financing		648 (146 improvement)	Predicted extra Council tax receipts and reduced CT benefits
Total		730	

2. 2014-15 Savings Progress

2.1 The savings required by 2014-15 budget process, identified in appendix 1, are not fully secured.

- Of Operations savings totalling £1,412,000, £1,007,000 (an increase of only £17,000 against that reported at month 3) are anticipated to be made, £156,000 deferred to 2015-16 (no change on month 3) and £249,000 not achievable.
- As at month 6, Operations Directorate are anticipating an adverse outturn £232,000, as deferred and not achievable savings total £405,000, the service is making adhoc savings of £173,000 to compensate in part for the level of savings that it has reported but has yet to make.
- Of Chief Executives savings totalling £923,000, £923,000 continues to be reported as delivered.

3. Capital Outturn Forecast

3.1 The capital budget for the year is £10,037,000. This was made up of £6,235,000 2014-15 allocation, £7,192,000 slippage from 2013-14 (although £3,433,000 relates to the new library provision and is anticipated to slip into 2015-16 consequently to further consultation and engagement). The budget has been increased between July and September by a further £127,000 on the previous revisions reported of £772,000. These latest revisions comprise

	£'000
Net virements approved by Cabinet – month 3 report	(47)
Town Team (to be funded from receipt)	10
Skatepark (net funding from grant)	69
Energy efficiency schemes	116
Reduction in property maintenance	(21)
Total	127

3.2 At the start of 2014-15 the Council accrued for £890,000 worth of work completed but not invoiced, as at the end of month 6 it had incurred only £3,054,000. This wouldn't normally be a profile that would indicate full spending by the end of the year but project officers are confident to predict a forecast outturn that only exhibits an underspend of £140,000 and the main cause of this is Transport grant expenditure (£212,000) that cannot be progressed or recycled to other schemes.

3.3 Slippage is proposed to increase by £856,000, to £4,289,000 and comprises

	£'000
Abergavenny Library	3,433
Fixed asset disposal	146
Access for all scheme	120
Infrastructure repairs	30
Customer relationship management IT system	92
Section 106 schemes	468
Total	4,289

3.4 The outturn forecast exhibits an underspend of £140,000, due to the net effect of a transport grant scheme not progressing, which masks an overspend of £50,000 in relation to old County Hall costs (to be shared with TCBC) and £25,000 in relation to Property maintenance overspend. The Property maintenance costs are managed holistically and will be funded by an equivalent underspend with CYP property maintenance schemes.

4. **Benchmarking**

4.1 The purpose of this section is to explore whether activity data, and comparison with other authorities provides members with an improved perspective of whether resources are being utilised in an efficient and effective fashion.

4.2 A condition of using Wales’s datasets in a public document has been a need to anonymise particular Council data. Comparison has been sought with Councils of a similar demographic and rural nature, together with neighbours.

4.3 The nature of the services provided as part of Stronger Communities Select portfolio is very diverse. Consequently the focus for analysis where possible has been those areas identifying a financial challenge as part of financial monitoring process.

4.4 **Waste services**

The first table seeks to ascertain whether there is anything particularly unusual about MCC activity that disproportionately influences costs incurred.

	Key Performance Indicator Information			The tonnage of local authority collected municipal waste prepared for reuse, recycled and/or collected as source segregated biowastes and composted or treated biologically in another way by the local authority	Proportion recycled of total collected	The total number of fly tipping incidents recorded by the authority during the year	The number of reported fly tipping incidents cleared within 5 working days	Proportion cleared within 5 days
	The tonnage of municipal waste collected by the local authority	The tonnage of local authority collected municipal waste sent to landfill by the local authority	Proportion sent to landfill of total collected					
A (Semi Rural)	33,828	10,706	32%	19,742	58%	317	310	98%
B (Semi Rural)	42,561	11,593	27%	26,901	63%	2,206	2,093	95%
C (City)	70,334	31,709	45%	36,361	52%	1,575	1,552	99%
D (Neighbour)	43,353	4,592	11%	22,665	52%	408	396	97%
E (Semi Rural)	61,527	26,569	43%	33,698	55%	1,331	1,068	80%
MCC	45,962	15,735	34%	28,927	63%	423	406	96%

It tends to exhibit a similar profile with comparator semi-rural authorities, and it is to be expected “City” profile exhibits a differing trend.

The second table considers the costs involved in provision for 2013-14.

Benchmarking Wales - Measuring Up data						
	Net cost of waste collection and disposal	Net Cost per tonnage collected	Cost of waste collection per household	Street Cleansing	Road Network	Street Cleansing Cost per Km
	£'000	£	£	£'000	Km	£
A (Semi Rural)	5998	177.31	63.96	800	2146	373
B (Semi Rural)	8072	189.66	63.78	1392	1415	984
C (City)	7546	107.29	41.69	1688	650	2,597
D (Neighbour)	8425	194.34	75.92	1332	430	3,098
E (Semi Rural)	8420	136.85	48.74	2813	1030	2,731
MCC	5770	125.54	49.99	2216	1481	1,496

The analysis indicates as expected that you get economies of in provision a “City” environment making that a more economic unit cost of than that of semi-rural Councils, but against those semi-rural comparators MCC compares favourably with most.

In terms of overall street cleansing costs, MCC cost of provision looks towards the top end of comparators but when the extent of road network is considered exhibits a far more economic unit cost of provision. It is perhaps “too simple” an analysis to draw any long term conclusions as it is anticipated that the rural network is likely to require less attention than those around sizeable residential and retail areas, but unfortunately that breakdown of network cost is not available.

4.5 Transport services

Unfortunately there is limited benchmarking information available on passenger transport considerations across Wales and particularly the split between concessionary fares and home to school transport provision as an example to draw any meaningful conclusions.

There is a perception that our Transport costs would be greater than that of others by virtue of MCC having to facilitate the likes of grass routes service and home to school provision that wouldn't be common features of urban Councils.

Given that context it was interesting to note for interest that the proportion of eligible customers to hold a concessionary pass appears about average against similar semi-rural comparators, but it should also be noted that the indicative net cost of transport provision per network km appears the lowest against those tested, including the “City” profile, which is particularly surprising, and bears closer subsequent analysis.

	The total number of adults aged 60+ who hold a concessionary bus pass	The total population aged 60+	Proportion of eligible population holding a concessionary pass	Road network (Km)	Gross Exp	Income	Net Cost	Cost per Network Km
					£'000	£'000	£'000	£'000
A (Semi Rural)	16269	21650	75%	2,146	3,408	- 1,153	2,255	1.05
B (Semi Rural)	22124	27396	81%	1,415	4,367	- 1,710	2,657	1.88
C (City)	28847	32595	89%	650	5,740	- 1,040	4,700	7.23
D (Neighbour)	22043	22779	97%	430	4,313	- 9	4,304	10.01
E (Semi Rural)	25950	32282	80%	1,030	4,289	- 955	3,334	3.24
MCC	20671	26682	77%	1,481	2,697	- 1,416	1,281	0.86

4.6 Highways & Road Planning & Maintenance

Financially this service has always assisted in meeting the wider challenges of the Directorate through its extra income generation.

		Transport planning, policy and strategy	Highways & roads	Total	Road Network (Kms)			Cost per Km
					Principal	Other	Total	
A (Semi Rural)	Ceredigion	128	9430	9558	158	1988	2146	4,454
B (Semi Rural)	Denbighshire	438	6416	6854	140	1275	1415	4,844
C (City)	Newport	82	5798	5880	51	599	650	9,046
D (Neighbour)	Torfaen	0	5509	5509	26	404	430	12,812
E (Semi Rural)	Vale	523	6350	6873	74	956	1030	6,673
MCC		581	4881	5462	59	1422	1481	3,688

The analysis indicates a very favourable economic unit cost of provision when compared to the road network. Although it is interesting to note that MCC planning, policy and strategy costs appears significantly different than others, and further analysis will be required to better understand what each authority chose to treat as such cost before any conclusion should be drawn concerning it.

4.7 Property management

The financial challenges facing property services stem mainly from managing services (e.g. school meals) which wouldn't traditionally be defined as "property services". So there is little comparable information on which to base an informed opinion.

In terms of analysis, given Council strategy towards office accommodation, it is little surprise that useable office accommodation per employee exhibits such economic provision of space. Equally the cost per square metre seems competitive against most comparators, what however is a little surprising is the reported cost of property management per useable metre squared. Whilst the inclusion of school meals provision to Property may adversely affect MCC's unit costs, I'm a little suspicious that such low unit costs reported by others suggests we are not comparing a like for like service, I intend to take further analysis in this area to confirm that the situations reported are comparable.

		Useable office accom per employee (m2)	Cost per m2	Cost of property mngt per useable m2
A (Semi Rural)	Ceredigion	8.5	208	0.41
B (Semi Rural)	Denbighshire	14.2	213	2.32
C (City)	Newport	No data	No data	No data
D (Neighbour)	Torfaen	8.8	134	No data
E (Semi Rural)	Vale	9.9	241	1.57
MCC		5.9	186	6.14

4.8 Corporate and Central Services

Corporate and central costs tend to be those that the electorate often have a perception are overinflated or provide limited value for money when considering the savings challenges facing local authorities.

Councils' corporate and democratic core (CDC) spending covers a number of activities and costs that contribute to good governance and public accountability, including:

- councillors' allowances and expenses;
- staff support to councillors, for example, to assist them in their committee roles;
- the functions of the head of paid service;
- statutory functions, such as financial reporting and maintaining a register of councillors' interests;
- costs related to external audit and inspection; and
- treasury management.

Councils' non distributable costs commonly has a restrictive definition to reflect the following,

- past service costs relating to retirement benefits
- the costs associated with unused shares of IT facilities
- the cost of shares of other long-term unused but unrealisable assets

In providing services to their local communities, councils do incur costs related to the management and governance of their organisations. Some of these, such as the costs of corporate and financial management, or of statutory reporting, arise in any large, multi-functional organisation with a multi-million pound budget. Others, such as the cost of support for democratically elected councillors, are unique to councils. These costs are unavoidable if councils are to operate effectively and within the law. It is essential, however, that councils carry out these activities as cost-effectively as possible. In the current period of public spending restraint, controlling spending on these management activities will maximise the resources councils have available to spend on frontline services.

	Corporate & democratic core costs	Non distributable costs	Other central services to public	Total	Operating Expenditure (Revenue outturn 2013-14)	Central costs as a proportion of Operating expenditure
	£'000	£'000	£'000	£'000	£'000	£'000
A (Semi Rural)	2,919	1,238	225	4,382	172,321	2.54%
B (Semi Rural)	4,548	2,400	369	7,317	238,749	3.06%
C (City)	4,579	138	887	5,604	337,643	1.66%
D (Neighbour)	4,626	-	525	5,151	231,719	2.22%
E (Semi Rural)	3,432	432	649	4,513	279,627	1.61%
Welsh Average	5,463	1,463	819	7,745	326,499	2.37%
MCC	2,169	798	702	3,669	183,254	2.00%

MCC costs are consistent with the comparator authorities, despite being one of the smaller authorities and not deriving the same economies of scale in provision that larger Councils do. Reassuringly it is below the indicative Welsh average for such costs.

5 **Director's Commentary (Head of Operations – Roger Hoggins)**

In broad terms the reduction in projected overspend from month 3 (£385k) to month 6 (£232k) is welcome and demonstrates a focus amongst the Operations services to work towards a balanced the budget overall. With reference to the major overspends further work needs to be done to improve custom for school meals. Production costs are cost effective given the size and geographical spread of primary schools so emphasis must be placed upon custom levels to improve the budget position overall.

The Home to School transport position has improved following the recent tender exercise although the benefits are only now becoming apparent as contractors 'hand back' contracts they are unable to service. Overspends in employee costs are improving as some one off costs associated with maternity leave and sickness absence come under control but the figure will always vary according to hire contracts and overtime that are service driven. Bus hire income is demand led but so far is disappointing.

The car park income deficit is being addressed since new charges were introduced at the start of November. This will not bring the budget back to balance but will see improvement by the end of the year. The wider review of car parking requires a revised car park order and statutory consultation but this will assist in refocusing the service to suit individual towns.

Waste and recycling has improved as confidence in our contractual position has allowed us to project to the end of the year with greater confidence. Costs associated with redundancies are estimated to be £105k by the end of the year and as such make up the month 6 overspend.

The Raglan Training Unit will incur some redundancy costs (estimated at £30k) and has a projected reduction in courses which is adding to the deficit. A refreshed course programme will be developed to recover market share for the new financial year.

Improved income is helping to address the budget position overall but the Winter period has the potential to affect the budget further depending upon weather and response. Officers will continue to seek to bring the budget to balance but will seek to balance with our Winter response service that has been well received in recent years.

6 Supporting Financial Monitoring Workbooks (ctrl click to access)

[Revenue Monitoring Chief Executives Office Qtr 2](#)

[Revenue Monitoring Operations Qtr 2](#)

[Revenue Monitoring Corporate Qtr 2](#)

[Revenue Monitoring Appropriations Qtr 2](#)

[Revenue Monitoring Financing Qtr 2](#)

[Capital monitoring Qtr 2](#)

1. Revenue Outturn Forecast

- 1.1 The revenue budget for 2014-15 equates to £10,285,000 (an increase of £33,000 on month 3 levels). Net forecast outturn expenditure is predicted as £10,340,000, of which £5,573,000 had been incurred at the end of 2nd quarter, resulting in an anticipated overspend of £55,000 (£232,000 overspend at month 3).

	Overspend predicted £'000	Underspend predicted £'000	Cause
Community led delivery	70 (37 improvement)		Net effect of restructure changes not fully implemented yet within libraries (£47,000), and net cost (£81,000) to Adult Education caused by Coleg Gwent franchise changes in September, both mitigated in part by savings within Housing Services (£61,000)
Commercial & people development		16 (94 improvement)	Savings in People Services (£18,000) and Business Growth & Enterprise (£9,000) compensating for shortfall in savings target presumed on SRS
Tourism, Life & culture	101 (54 worsening)		£32,000 overspend apparent in Leisure, net effect from summer cycling events, Saving mandate introducing redundancy costs at Caldicot Castle, employee cost pressures at Old Station, and reduced rental following Brecon Beacons National Park moving to tithe barn
Development Plans		100	Reduced draw upon reserve funded expenditure in 2014-15 to be undertaken in 2015-16
Total	55		

2. 2014-15 Savings Progress

- 2.1 The savings required by 2014-15 budget process, identified in Appendix 1, are not all fully secured. Of Enterprise savings totalling £1,366,000, (an increase since month 3 to reflect Adult Education savings which were part of CYP control total at Mth 3 £1,025,000 are anticipated to be made (a reduction of £9,000 since month 3 – which is the net reduction in sustainable energy initiatives £33,000 caused by solar farm not progressing as quickly anticipated compensating by an increase in savings delivered by Shire Hall/Museums of £14,000 and SRS £10,000. £177,000 is predicted to be deferred to 2015-16 (an increase of £30,000 since month 3) and £164,000 not achievable (an increase of £70,000 – sustainable energy and SRS initiatives compensated by reduction in Shire Hall, Museums, Castles and Tourism savings felt unachievable).

3. Capital Outturn Forecast

- 3.1 The capital budget for the year is £732,000. This was made up entirely of slippage from 2013-14. £82,000 worth of revisions have been made in the last quarter due to recommendations made in quarter 1 report concerning legal costs incurred in relation abergavenny regeneration. This prediction of costs does not include any compensation should the council lose the case.
- 3.2 At the start of 2014-15 the Council accrued for £232,000 worth of work completed but not invoiced in respect of cattle market commissioning. As at the end of month 6 it had incurred only £95,000,

and only £2,000 related to the cattle market. This wouldn't normally be a profile that would indicate full spending by end of the financial year. No slippage in budget to 2015-16 is proposed, and a net £92,000 underspend is evident in relation to development scheme spending.

4. **Benchmarking**

- 4.1 The purpose of this section is to explore whether activity data, and comparison with other authorities provides members with an improved perspective of whether resources are being utilised in an efficient and effective fashion.
- 4.2 A condition of using Wales's datasets in a public document has been a need to anonymise particular Council data. Comparison has been sought with Councils of a similar demographic and rural nature, together with neighbours.
- 4.3 The nature of the services provided as part of Economy & Development Select portfolio is very diverse and service models like whole place are pretty "new" considerations with very little comparator information available at the moment. Consequently the focus for analysis where possible has been those areas of a more discretionary nature to allow Members to consider how resources utilised compare to with other entities.

4.4 **Library Services**

	Libraries					
	Net Cost of library services 2013-14 revenue outturn stats	Total population	Indicative cost per head of population	The number of visits to Public Libraries during the year	Visits per Head of Population	Indicative Cost per visit
	£'000					£
A (Semi Rural)	1,272	76,046	16.73	309,001	4.06	4.12
B (Semi Rural)	1,843	94,066	19.59	736,289	7.83	2.50
C (City)	2,371	146,106	16.23	647,572	4.43	3.66
D (Neighbour)	1,907	91,372	20.87	371,337	4.06	5.14
E (Semi Rural)	2,535	126,831	19.99	864,874	6.82	2.93
Welsh Average	2,393	139,730	17.13	817,604	5.85	2.93
MCC	1,538	91,659	16.78	666,316	7.27	2.31

The analysis indicates an average economic unit cost of provision when compared to per head of population, and favourable unit cost of provision per head of population when compared to indicative Welsh average. Visits to libraries per head of population indicate a greater use than both the Welsh average and also comparator semi-rural Councils which will tend to exhibit activity above those of more municipal environments as it is commonly regarded as a community resource and tends to serve purposes other than just traditional book lending, and so MCC's cost per library visit exhibits a favourable comparison to other Councils assessed. However unlike other services, footfall usage historically will not realise a significant income source for Councils as library

provision tends to be regarded as free in nature although there has been a recent shift in terms of internet usage and technological changes that will introduce more of an income dimension than traditionally the case.

4.5 Leisure Services

	Leisure				
	Net Cost of leisure services 2013-14 revenue outturn stats	Indicative cost per head of population	Number of visits to sport and leisure centres during the year where the visitor will be participating in physical activity	Visits per Head of Population	Indicative Cost per visit
	£'000	£			£
A (Semi Rural)	2,226	29.27	529,758	6.97	4.20
B (Semi Rural)	1,976	21.01	631,462	6.71	3.13
C (City)	4,666	31.94	1,252,526	8.57	3.73
D (Neighbour)	3,410	37.32	694,148	7.60	4.91
E (Semi Rural)	2,113	16.66	830,021	6.54	2.55
Welsh Average	4,460	31.92	1,251,088	8.95	3.57
MCC	2,642	28.82	742,368	8.10	3.56

This indicates a very similar profile to that of Libraries above, in that the service exhibits a more economic unit cost of provision per head of population than the Welsh Council average and one circa average with the specific comparators. Also similar to Libraries the service exhibits an activity throughput per head of population that is greater than the majority of comparators, but different in that throughput activity is slightly less than the Welsh average but given the unit cost of provision is less the unit cost per visit appears to correlate very closely with the Welsh average.

4.6 Heritage & Tourism Services

	Culture & heritage services							
	Net Cost of culture & heritage services 2013-14 revenue outturn stats			Number of visits pa (2013 data)	Indicative net cost per visit	Indicative net cost per visit	Indicative net cost per visit	Tourism costs as a proportion of total culture and heritage costs
	Culture & heritage services	Tourism	Total		Culture & heritage services	Tourism	Total	
	£'000	£'000	£'000			£	£	
A (Semi Rural)	987	484	1,471	2,635,000	0.37	0.18	0.56	33%
B (Semi Rural)	2,563	531	3,094	Not avail				17%
C (City)	3,467	68	3,535	Not avail				2%
D (Neighbour)	715	894	1,609	942,000	0.76	0.95	1.71	56%
E (Semi Rural)	500	774	1,274	3,193,500	0.16	0.24	0.40	61%
Welsh Average	1,943	628	2,572	Not avail				
MCC	1,518	422	1,940	2,052,500	0.74	0.21	0.95	22%

It has been a particular challenge to obtain any comparative information in this area. I was hoping for some Museum specific activity data but costs of such tend to be included in culture and heritage service more generally when reported across Wales. Heritage and culture is also an area where costs tend to be rather unique to individual Councils based on their specific portfolio of heritage assets, the history of the area and attractions, and can be highly variable, making any direct meaningful comparison more tricky.

There will be more of a correlation in costs and activities between similar semi-rural Councils than City or neighbour comparison, and in this regard our culture and heritage costs per visit appear higher than others. However our tourism unit costs per visit appear proportionate and comparable with visitor numbers elsewhere and tourism facilitation costs as a proportion of culture and heritage services costs appear proportionately less than other semi-rural authorities examined that chose to publish such data, but it is a very small sample size from which to draw any forthright judgement.

4.7 People Development

Appreciating the Human Resources function also appears with Enterprise Directorate, one final table pertinent to assessing the general economy of provision of services or otherwise involves an analysis of staffing.

	Number of FTE staff, including teachers, as at March 14	Population	No of FTE staff per head of population	Cost of agency staff 2012-13
A (Semi Rural)	2,818	76,046	0.04	29
B (Semi Rural)	3,940	94,066	0.04	1820
C (City)	4,988	146,106	0.03	4168
D (Neighbour)	3,593	91,372	0.04	989
E (Semi Rural)	3,982	126,831	0.03	5169
Welsh Average	5,682	139,730	0.04	1915
MCC	2,693	91,659	0.03	1121

The volume of staff employed in providing MCC local authority services is significantly below the Welsh average, and whilst favourably comparable with comparator Councils, this situation is further enhanced when considering the cost of agency staff incurred by Councils as an alternative to directly employing staff (unfortunately only 2012-13 comparable information is available at present).

5 **Director's Commentary (Kellie Beirne)**

'I am pleased to see progress continues with the level of overall underspend at Month 6 now brought down to £55k. Within this however, there are some fluctuations that will require some concerted focus, especially in order to maintain as far as possible, the commitments made in the budget mandates for 14/15. Community-led delivery has shown improvements on the month 3 position; issues remain as a result of the structure changes made in-year, however these will now start to shift with the next layers of the wider establishment for Enterprise, developed. Community Education and issues around the service franchise agreement present difficulties that to our best ability, we will seek to mitigate both within the service area by making compensatory adjustment and within the wider CLD budget. Great progress continues to be made in Commercial and People with a higher than anticipated under-spend generated due to keeping vacancies open and a reversal of the SRS position. Tourism Leisure and Culture as anticipated is carrying some of the cost of the summer cycling events, as well as staff costs relating to structure changes not moving at the pace expected. As above, this is now starting to move and with expected income levels in leisure and the recent round of events, also set to make a contribution, I remain confident that the end position will be a neutral one.

In capital terms, whilst delays have continued on major programmes such as Abergavenny regeneration and library, with the commencement of consultation on 'Community Hubs', it seems clear that if the business case underpinning this is robust, a decision can be sought which will enable the programme to proceed in a clear direction.

The benchmarking analysis clearly demonstrates that the frontline service provided through Enterprise are operating at high levels of efficiency. Whilst this is good news, in the light of further budget reductions, it is clear that new ways of providing these services must be found if we are to derive new levels of effectiveness.'

6. **Supporting Financial Monitoring Workbooks (ctrl click to access)**

[Revenue Monitoring Enterprise Qtr 2](#)
[Capital monitoring Qtr 2](#)

1. Revenue Outturn Forecast

1.1 The revenue budget for 2014-15 equates to £29,648,000. The net forecast outturn expenditure is predicted as £29,699,000, of which £12,639,000 had been incurred at the end of 2nd quarter, resulting in an anticipated overspend of £50,000 (up from £30,000 overspend month 3).

	Overspend predicted £'000	Underspend predicted £'000	Cause
Social Care – Adults			
Disability Equipment (Gwices)		18 (20 worsening)	Reduced activity
Day Centres	9 (20 worsening)		
Residential care	112 (28 worsening)		Mainly Mardy Park partnership pressure
Community Meals	29 (3 worsening)		Shortfall in income
Domiciliary care	25 (8 improvement)		Increase in staff hours caused by training and reconfiguration
Transition cooperative partnership		47	Secondment cost borne by partner
Management team		14 (7 worsening)	
Monnow Vale partnership	65 (10 improvement)		Historic agreement precludes passing equitable cost to partner
Community Care		38	
Commissioning	10		
Resource and performance		83	Reduced premises and fleet cost, and net salary saving
Total	50		

2. 2014-15 Savings Progress

2.1 The savings required by 2014-15 budget process, identified in Appendix 1, are not fully secured. Of Social Care savings affecting Adults totalling £962,000, £841,000 are anticipated to be made, none deferred to 2015-16 but £121,000 not achievable. This exhibits no change in activity since month 3.

3. Capital Outturn Forecast

3.1 The capital budget for the year is £59,000. There was no slippage from 2013-14. An additional £200,000 revisions has occurred since month 3 to reflect Cabinet approval to replace SCH software ultimately funded from IT licence revenue savings within SCH.

3.2 At the start of 2014-15 the Council accrued for £3,000 worth of work completed but not invoiced. As at the end of month 6 it has incurred £88,000 costs, and forecasts an overspend of £29,000 due to the deficient standard of existing boiler plant. This is due to be funded by an underspend in Property Maintenance within the CYP Select portfolio.

4. **Benchmarking**

- 4.1 The purpose of this section is to explore whether activity data, and comparison with other authorities provides members with an improved perspective of whether resources are being utilised in an efficient and effective fashion.
- 4.2 The first table in respect of SCH Adult services seeks to ascertain whether there is anything particularly unusual about MCC presentations that influence costs incurred. It is often remarked that Monmouthshire exhibits a disproportionate elderly demographics that introduces disproportionate social care costs, particularly given a rural dimension, in comparison with other Councils. A condition of using Wales's datasets in a public document has been a need to anonymise particular Council data.

Authority	Key Performance Indicator Information										
	Total population	Total population > 75	Proportion of population > 75	Total population aged 65 or over	Proportion of population 65 and over	Number of people aged 65 or over supported in the community	Percentage of people supported in the community as a proportion of population 65 and over	Number of people aged 65 or over supported in care homes	Percentage of people supported in care homes as a proportion of population 65 and over	Number of people aged 65 or over supported	Percentage of people supported as a proportion of population 65 and over
A (Semi Rural)	76,046	7,473	10%	16,370	21.5%	862	5.3%	360	2.2%	1,222	7.5%
B (Semi Rural)	94,066	9,332	10%	20,579	21.9%	1,036	5.0%	429	2.1%	1,465	7.1%
C (City)	146,106	11,467	8%	24,575	16.8%	1,556	6.3%	398	1.6%	1,954	8.0%
D (Neighbour)	91,372	7,810	9%	16,980	18.6%	2,221	13.1%	366	2.2%	2,587	15.2%
E (Semi Rural)	126,831	11,020	9%	24,217	19.1%	1,150	4.7%	357	1.5%	1,507	6.2%
MCC	91,659	9,284	10%	20,038	21.9%	1,134	5.7%	227	1.1%	1,361	6.8%

- 4.3 MCC over 65 and over 75 demographic data doesn't appear to evidence a significantly different population mix than other Authorities. The proportion of elderly residents does seem to evidence a correlation with the semi-rural nature of MCC and comparator Councils in that there is some basis to conclude these areas can be pleasant environments to retire to.
- 4.4. MCC's strategic approach to support people where possible in communities proportionately more than through care home provision is evident, although MCC do appear to be dealing with an activity base slightly below the norm indicated above.
- 4.5 The second table indicates the costs associated with service provision of the above Councils, and has been drawn from the 2013-14 revenue outturn returns, which is the latest all wales comparator data available.

Authority	Revenue Outturn Information											
	Total Social Care spend 2013/14 £'000	Total social care cost 13-14 per head of population	Adult Spend on >65 provision	Social care Cost 13-14 per >65 population	Adult Spend on <65 provision	Adult Strategy	Proportionate spend between >65 provision against <65 provision	Sub Total Adult Services Costs	Proportion of Spend on Adult Services	Spend on Childrens & Family Services	Social care Cost 13-14 per looked after child	Proportion of Spend on Childrens & Family Services
	£'000	£'000	£'000	£'000	£'000	£'000		£'000		£'000	£'000	
A (Semi Rural)	39,568	5,295	14,901	910	14,787	39	1.01	29,728	75%	9,840	127,792	25%
B (Semi Rural)	52,131	5,586	18,528	900	21,475	196	0.86	40,199	77%	11,932	72,756	23%
C (City)	85,208	7,431	21,814	888	24,040	9,840	0.91	55,694	65%	29,514	103,558	35%
D (Neighbour)	46,268	5,924	15,835	933	13,121	829	1.21	29,785	64%	16,483	55,686	36%
E (Semi Rural)	57,679	5,234	19,575	808	19,250	611	1.02	39,436	68%	18,243	99,689	32%
MCC	42,275	4,554	14,148	706	17,584	-	0.80	31,732	75%	10,543	102,359	25%

- 4.6 MCC spends less per head of population on Social Care than comparator authorities, and the mix between how the Social Care budget is attributed between and Adult and Children's Services doesn't indicate a particular skew, and the unit cost per Adult case will always be significantly less than that for Children's services.

- 4.7 When comparing Adult unit costs between Councils, it does appear that the Your Life Your Way strategy adopted evidences the additional benefit of reducing the unit cost of provision. It may also explain why MCC evidences a greater proportionate spend for under 65s rather than the more normal spend profile, but it would be my intention to test this further to establish whether MCC is potentially incurring care costs earlier than it needs to.

5. Director's Commentary (Social Care & Health – Simon Burch)

Adults Services continue to perform well in budgetary terms and are predicting a small overspend at Month 6. The service has achieved all of the SCH Mandate savings for 2014/15 and the overspend reflects the impact of whole authority pressures in the budget that will need to be managed in year.

The big achievement for the service is to be in a break-even position despite the demographic and other demand pressures exerted on it. The new approaches are bearing fruit and the service is well placed to deliver the significant savings required in 2015/16 onwards.

6. Supporting Financial Monitoring Workbooks (ctrl click to access)

[Revenue monitoring Social Care and Health Qtr 2](#)

[Capital monitoring Qtr 2](#)

1. Revenue Outturn Forecast

1.1 The combined revenue budget for 2014-15 is made up of SCH Children's services £6,956,000 and CYP Directorate £52,302,000, totalling £59,258,000. The net forecast outturn expenditure is predicted as £60,049,000, of which £55,072,000 had been incurred by end of 2nd quarter (skewed by the effect of delegating annual budget to schools in 1st quarter), resulting in an anticipated overspend of £746,000 (£583,000 at month 3) in Social Care and £45,000 (£26,000 at month 3) in CYP, combined £791,000.

	Overspend predicted £'000	Underspend predicted £'000	Cause
Social Care – Children			
Looked after children	502 (122 worsening)		Additional case volume
Joint adoption	4 (35 improvement)		Reflective of anticipated activity
Fostering & allowances	45 (10 worsening)		Foster carers travel allowances – no budget
Disability equipment (Gwices)		23 (10 worsening)	
Therapeutic services		11 (9 worsening)	
Counsel costs	56 (10 improvement)		Anticipated in line with 2013-14 activity
Young person's accommodation		55 (17 improvement)	Reduced activity
Respite home		55 (9 improvement)	Premise closed whilst new carers identified and assessed
Team Costs	304 (80 worsening)		Staffing costs and conveyance of client pressure
Unaccompanied asylum seeking children, local safeguarding board and misc. underspends		22 (1 improvement)	
Total	745		

	Overspend predicted £'000	Underspend predicted £'000	Cause
Children and Young People			
Resources delegated to schools		225 (225 improvement)	
Standards	250 (212 worsening)		Shortfall on income targets
Resources	45 (57 worsening)		Net salary saving
Youth services		25 (25 improvement)	
Total	49		

2. 2014-15 Savings Progress

- 2.1 The savings required by 2014-15 budget process, identified in Appendix 1, are not fully secured.
- Of Social Care - Children savings totalling £68,000 £36,000 are anticipated to be made, none deferred to 2015-16 but £32,000 are regarded as not achievable. This exhibits no change since month 3.
 - This exhibits no change since month 3.
 - Of Children & Young people Directorate savings totalling £812,000, £729,000 are reported to be made none deferred but £83,000 regarded as not achievable.
 - This exhibits no change since month 3.

3. Schools reserves

- 3.1 Schools balances, as indicated in the main report from para 3.3 onwards exhibit a declining trend, such that the forecast outturn balance would not accommodate the same level of expenditure as the 2014/15 financial year.

4. Capital Outturn Forecast

- 4.1 The capital budget for the year is £12,252,000 after slipping the £751,000 21st Century feasibility underspend and part of the Access for all (£80,000) budget to 2015-16. This was made up of £4,044,000 2014/15 allocation and £3,067,000 slippage from 2013/14. Since month 3 the Council have indicatively approved the creation of 21c school main project budget, pending approval from WG concerning their share. This amounts to £5,972,000 in 2014-15.
- 4.2 At the start of 2014/15 the Council accrued for £509,000 worth of work completed but not invoiced. As at the end of month 6 it had incurred only net £2,781,000. This wouldn't normally be a profile that would indicate full spending by the end of the year but project officers are confident to predict a forecast outturn that exhibits a net £55,000 underspend caused by anticipated property maintenance costs. As is usual the Property Maintenance aspect is balanced across all Directorates and so the net underspend in school spending compensates for additional Property Maintenance pressures in the Strong Communities and Adult Select areas.

5. Benchmarking

- 5.1 The purpose of this section is to explore whether activity data, and comparison with other authorities provides members with an improved perspective of whether resources are being utilised in an efficient and effective fashion.
- 5.2 The first table in respect of Children's services seeks to ascertain whether there is anything particularly unusual about MCC presentations that influence costs incurred. A condition of using Wales's datasets in a public document has been a need to anonymise particular Council data.

Authority	Key Performance Indicator Information								
	Total population	The total number of children who were looked after at 31 March	The number of children of compulsory school age looked after at 31 March	Proportion of caseload that involves children of school age	Looked after children activity per head of population	The number of children of compulsory school age looked after at 31 March who have experienced one or more changes of school, which were not due to transitional arrangements, in the 12 months to 31 March	Proportion of looked after children experiencing more than 1 change of school per total LAC of school age	Total number of looked after children who had been looked after for more than 12 months at 31 August of the current financial year and were aged 15 at 31 August of the previous financial year	Looked after children for more than 1 year as proportion of looked after children activity
A (Semi Rural)	76046	77	48	62%	0.06%	4	8%	6	13%
B (Semi Rural)	94066	164	99	60%	0.11%	8	8%	11	11%
C (City)	146106	285	163	57%	0.11%	17	10%	26	16%
D (Neighbour)	91372	296	202	68%	0.22%	24	12%	15	7%
E (Semi Rural)	126831	183	110	60%	0.09%	18	16%	11	10%
MCC	91659	103	73	71%	0.08%	8	11%	8	11%

The volume of presentations per population in MCC doesn't appear to exhibit a material difference from similar Councils, appreciating that Authority C and D will have a differing demographic and level of social deprivation than appears common in a semi-rural authority.

Interestingly the proportion of caseload involving children of school age appears skewed in MCC even against the indicated City authority, which would indicate that 15+ caseload is proportionately lower.

There's no obvious extra volatility in terms of multiple changes to schools, and no long term looked after liabilities outside of a similar pattern to comparator Councils.

The second table indicates the costs associated with service provision of the above Councils, and has been drawn from the 2013-14 revenue outturn returns, which is the latest all wales comparator data available.

	Revenue Outturn Information						
Authority	Total Social Care spend 2013/14 £'000	Social care Cost 13-14 per head of population	Sub Total Adult Services	Proportion of Total Social Care Spend on Adult Services	Spend on Childrens & Family Services	Childrens Social care Cost 13-14 per capita looked after child	Proportion of Total Social Care Spend on Childrens & Family Services
	£'000	£'000	£'000		£'000	£'000	
A (Semi Rural)	39568	520	29728	75%	9840	127,792	25%
B (Semi Rural)	52131	554	40199	77%	11932	72,756	23%
C (City)	85208	583	55694	65%	29514	103,558	35%
D (Neighbour)	46268	506	29785	64%	16483	55,686	36%
E (Semi Rural)	57679	455	39436	68%	18243	99,689	32%
MCC	42275	461	31732	75%	10543	102,359	25%

MCC spends less per head of population on Social Care than comparators, and the mix between how the Social Care budget is attributed between and Adult and Children's Services doesn't indicate a particular skew. However, when you compare the spend against the looked after activity for each Council, acknowledging that looked after children may not be the entire customer base, but as an indication, our Children's Service costs per looked after activity would appear to evidence a unit cost indication that is greater than the norm. It would appear MCC activity is most closely aligned to Authority B, and it is proposed to understand their data in more detail to establish commonality and differences.

5.3 In respect of schools based performance this unit costing approach above has been extended to indicate a cost per pupil based on 2014 school rolls and 2014-15 gross expenditure per school. This unit cost is compared against the internal average (external unit costing being unavailable), and the resources utilised compared against attainment data which is also benchmarked against other schools in the form of a family average, which seeks to indicate the level of attainment that should be expected in a comparable school of similar size, demographics and social mix. Much of this information has been gathered using “My Schools” website which is WG data unit’s summary analysis of individual school performance across Wales.

<http://mylocalschool.wales.gov.uk/index.html?iaith=eng>

The results of that exercise are provided in the following table overleaf,

It proved an interesting study, but I’d stress it is still a very simple tool on which to be a sole basis of judgement but it did indicate a couple of trends that weren’t anticipated which are worth highlighting namely,

There was little direct correlation evident between small class size and attainment results, which would seem counter intuitive to expectation.

Neither do the resources allocated i.e. the unit cost per pupil appear to have a direct correlation with attainment, in that there are schools with above the average unit cost that struggle to meet attainment standards and ones significant below the average that are the better/best performing ones within clusters.

Similar sized schools appear to exhibit quite different pupil:teacher ratios.

MCC schools tend to exhibit better performance at interim results e.g. Foundation and key stage 3, than they do with “final” results e.g. key stage 2 and 4.

Reassuringly there do appear to be good examples across each cluster where above average economy of provision equates with above average attainment, which endorses the approach to share practice and work more cohesively within clusters.

There isn’t as direct a link as I would have perceived between resources and results. I’ve tested this conclusion with CYP colleagues who confirm that detailed studies indicate there is only a limited link, which is an interesting factor when approaching forthcoming budget considerations. So whilst resourcing has to be sufficient for the purpose, the main difference in school attainment wouldn’t appear to be a financially driven one, and would instead suggest that the cultural aspects within each school to promote learning and success to be more important in influencing improvement.

School	No of Pupils on Roll	Pupil : teacher ratio	Average MCC cost per pupil (excluding reserve usage)	Gross Expenditure Budget 14/15	Gross Expenditure Budget 14/15 (including use of reserves)	School budget per pupil (excluding reserves usage)	School budget per pupil (including reserves usage)	Average Family Benchmark (external comparator)	KS3 - pupils attaining expected level in core subjects	Data Year	Difference to benchmark	Average Family Benchmark (external comparator)	KS4 - pupils achieving A-C grade GCSE including English/Welsh & Maths	Data Year	Movement in Performance KS4 between 2013 and 2014
Secondary Schools															
E001 Caldicot Comprehensive	1285	17.4	4,873	6,178,322	6,231,323	4,808	4,849	86.7	87.8	14	1.1	65.1	64.7	13	
E004 Monmouth Comprehensive	1635	14.7	4,873	6,878,291	6,878,291	4,207	4,207	90.7	89.7	14	-1	71.9	57.1	13	
E002 Chepstow Comprehensive	909	14.8	4,873	4,495,243	4,653,327	4,945	5,119	86.7	79.4	14	-7.3	65.1	60.2	13	
E003 King Henry VIII Comprehensive	1002	14	4,873	4,817,922	5,057,537	4,808	5,047	82.9	81.4	14	-1.5	60.7	49.8	13	
	1911			9,313,165	9,710,864										
Primary Schools															
	No of Pupils on Roll	Pupil : teacher ratio	Average LA cost per pupil	Gross Expenditure Budget 14/15	Gross Expenditure Budget 14/15 (including use of reserves)	School budget per pupil (excluding reserves usage)	School budget per pupil (including reserves usage)	Average Family Benchmark	Foundation - pupils attaining expected level in core subjects			Average Family Benchmark	KS 2 - pupils achieving A-C grade GCSE including English/Welsh & Maths		Movement in Performance KS2 between 2013 and 2014
Abergavenny cluster															
E073 Cantref Primary	235	25.7	3,979	860,612	881,290	3,662	3,750	90.1	96.7	14	6.6	93.6	100	14	↗
E044 Llantillio Pertholely Jnr & Inf	199	24.9	3,979	726,000	742,980	3,648	3,734	86.7	96.6	14	9.9	88.3	88.9	14	↘
E045 Llanvihangel Crocomey Jnr & Inf	54	17.4	3,979	299,983	282,000	5,555	5,222	93.1	100	14	6.9	89.6	100	14	↔
E035 Gilwern Jnr & Inf	181	15.7	3,979	730,303	746,364	4,035	4,124	90.7	96	14	5.3	91.9	100	14	↔
E093 Llanfoist Fawr	204	21.5	3,979	843,919	836,998	4,137	4,103	89.1	93.3	14	4.2	87.7	92.9	14	↗
E067 Ysgol Gymraeg Y Fenni	187	18	3,979	752,864	757,488	4,026	4,051	90.1	92.9	14	2.8	90.8	95.8	14	↗
E037 Goytre Fawr Jnr & Inf	171	22.2	3,979	682,162	669,273	3,989	3,914	91.6	91.3	14	-0.3	92.9	96.7	14	↗
E072 Deri View Primary	337	19.9	3,979	1,554,039	1,511,336	4,611	4,485	82.8	93.3	14	10.5	82.1	78.6	14	↘
E090 Our Lady and St Michael's RC Primary School	185	23.2	3,979	768,881	755,635	4,156	4,085	90.7	81.8	14	-8.9	91.9	89.7	14	↘
E041 Llanfair Kilgeddin CV Jnr & Inf	29	12.1	3,979	198,683	243,699	6,851	8,403	89.7	80	12	-9.7	92.6	83.3	11	↘
	1782														

Primary Schools (continued)	No of Pupils on Roll	Pupil : teacher ratio	Average LA cost per pupil	Gross Expenditure Budget 14/15	Gross Expenditure Budget 14/15 (including use of reserves)	School budget per pupil (excluding reserves usage)	School budget per pupil (including reserves usage)	Average Family Benchmark (external comparator)	Foundation - pupils attaining expected level in core subjects			Average Family Benchmark (external comparator)	KS 2 - pupils achieving A-C grade GCSE including English/Welsh & Maths		
Caldicot cluster															
E048 Magor Vol Aided Jnr & Inf	359	21.5	3,979	1,296,320	1,291,080	3,611	3,596	95.7	100	14	4.3	94.7	96.2	14	///
E068 Archbishop Rowan Williams Primary	193	22.4	3,979	756,448	751,500	3,919	3,894	90.7	82.1	14	-8.6	91.2	93.1	14	///
E094 Castle Park	193	24.1	3,979	759,895	723,282	3,937	3,748	91.6	81	14	-10.6	92.9	94.1	14	///
E069 Ysgol Gymraeg Y Ffin	155	18.5	3,979	649,794	614,489	4,192	3,964	89.7	91.3	14	1.6	86.7	64.7	14	///
E063 Undy Jnr & Inf	330	23.7	3,979	1,220,274	1,215,923	3,698	3,685	95.7	92.5	14	-3.2	94.7	88.6	14	///
E034 Durand Jnr & Inf	233	23.6	3,979	813,898	828,948	3,493	3,558	91.6	86.2	14	-5.4	92.9	83.3	14	///
E056 Rogiet Jnr & Inf	191	19.9	3,979	801,925	845,897	4,199	4,429	84.5	69.2	14	-15.3	89.9	85.7	14	///
E075 Dewstow Primary School	237	23.4	3,979	933,934	1,010,977	3,941	4,266	83.8	66.7	14	-17.1	87.4	82.1	14	///
	1891														
Chepstow cluster															
E057 Shirenewton Jnr & Inf	203	25.4	3,979	749,620	763,616	3,693	3,762	94.2	96.7	14	2.5	96.4	96.6	14	///
E058 St Mary's Chepstow RC Jnr & Inf	204	25.5	3,979	751,798	750,812	3,685	3,680	92	100	14	8	95.1	92.3	14	///
E060 The Dell Jnr & Inf	410	26.5	3,979	1,355,889	1,357,969	3,307	3,312	95.7	98.3	14	2.6	94.7	91.4	14	///
E061 Thornwell Jnr & Inf	256	22	3,979	1,007,860	1,036,319	3,937	4,048	90.4	84.6	14	-5.8	88.6	91.9	14	///
E091 Pembroke Primary School	275	17.6	3,979	1,302,849	1,366,839	4,738	4,970	89	87.9	14	-1.1	91	72.4	14	///
	1348														
Monmouth cluster															
E062 Trellech Jnr & Inf	160	20.4	3,979	682,946	667,100	4,268	4,169	92	95.8	14	3.8	95.1	95.5	14	///
E055 Raglan Jnr & Inf	198	24.8	3,979	783,140	786,337	3,955	3,971	94.2	86.7	14	-7.5	96.4	96.7	14	///
E074 Osbaston Church In Wales Primary	202	25.4	3,979	740,256	730,600	3,665	3,617	93.7	96.7	14	3	96.1	92.3	14	///
E039 Llandogo Jnr & Inf	86	17.2	3,979	415,729	434,457	4,834	5,052	88.1	100	14	11.9	91	87.5	14	///
E064 Usk CV Jnr & Inf	218	19.8	3,979	898,590	922,538	4,122	4,232	90.7	100	14	9.3	91.2	87	14	///
E092 Kymin View Primary School	183	20.1	3,979	785,739	794,773	4,294	4,343	91.6	95.5	14	3.9	92.9	83.3	14	///
E032 Cross Ash Jnr & Inf	186	22.6	3,979	709,487	728,613	3,814	3,917	94.2	89.7	14	-4.5	96.4	93.1	14	///
E051 Overmonnow Jnr & Inf	416	19.5	3,979	1,704,171	1,727,385	4,097	4,152	90.9	87.3	14	-3.6	88.5	80	14	///
	1649														
Primary School Sub Total	6670		3,979	26,538,008	26,776,517										

It would have been helpful if the comparable unit cost of provision was available in respect average family benchmarks to be able to assess whether the resources allocated to schools in MCC is more, less or comparable to the resources available to family benchmark schools.

As an alternative and applying a similar convention of comparing unit costs with the other Welsh authorities above, the latest position I've been able to ascertain relates to 2012-13 and includes LEA costs which are excluded from the delegated analysis above so are not directly comparable but do indicate amongst these comparable Councils that the resources available per pupil in MCC was more than average in similar Councils. The median position for all Welsh authorities was £5,682 per pupil for that year.

	Unit Cost per pupil	
A (Semi Rural)	6578	
B (Semi Rural)	5580	
C (City)	5256	
D (Neighbour)	5488	
E (Semi Rural)	5065	
MCC	5849	

6. Directors' Commentaries

6.1 Social Care & Health (Simon Burch)

The significant strain on the children's services budget continues and indeed has increased from the Month 3 position. The main issue is increased volume and complexity of cases, particularly those relating to Looked After Children in external placements. This increased work pressure also impacts on two other key areas namely Counsel costs as a result of legal proceedings and staffing costs as we strive to maintain appropriate staffing levels.

In response we now undertake detailed monthly monitoring to identify pressures and trends early on and are reviewing our complex cases on a regular (in some cases weekly) basis. We are also developing invest-to-save business cases in order to manage those pressures differently.

The recognition by Cabinet of the need for an increase to the base budget for 2015/16 is a significant help but will not fully resolve the issue or assist the position in year. Consequently we continue to improve our practice and systems to ensure we are as efficient and effective as possible whilst also analysing data to identify what is an appropriate base budget for this service.

The new benchmarking data in this report builds usefully on our existing analysis and proposes further analysis regarding our expenditure.

6.2 Children & Young People (Sarah McGuinness)

The month 6 results, while pleasing, highlight some of our more vulnerable areas of our budgets. The major variance since month 3 focuses around the Additional Learning Needs budgets where we have seen a reduction in recoupment income at Mounton House as a result of less pupils being placed from out of county and more day placement as opposed to residential. However I am pleased to note that we have started to see an increase in enquiries for out of county placements which may result in additional income. The closure of the School

Library Service has been approved by both LA partners with funding coming from reserves to support the process.

The reserve approved by cabinet to be used for raising standards is primarily being used to support training in our schools for Read, Write Inc, while this funding will be used in total to support this, the timing of the spend will result in some of the expenditure falling into 15-16.

The costs for the recovery board fall under resources and some of these costs are being offset with staffing savings.

The level of school balances are forecast to fall by £700,000 from the beginning of the financial year. The number of schools in a deficit position has also grown by 2. The majority of the schools are making good progress against their plans, and it is pleasing to see that some schools have made significant progress to address their deficits.

It remains a concern that schools are still funding some core staff from their surpluses and given the pressures going forward this will need to be reviewed.

The benchmarking data provides a useful insight to attainment and funding, and will allow better school to school comparisons.

7. Supporting Financial Monitoring Workbooks (ctrl click to access)

[Revenue monitoring Social Care and Health Qtr 2](#)

[Revenue monitoring Children & Young People Qtr 2](#)

[Capital monitoring Qtr 2](#)

**AGENDA ITEM TBC**

SUBJECT: CAPITAL BUDGET PROPOSALS 2015/16 TO 2018/19

MEETING: Strong Communities Select Committee

DATE: 11th December 2014

DIVISION/WARDS AFFECTED: Countywide

1. PURPOSE:

- 1.1 To outline the proposed capital budget for 2015/16 and the indicative capital budgets for the three years 2016/17 to 2018/19.

2. RECOMMENDATIONS:

- 2.1 That Select Committee scrutinises the draft capital budget proposals for 2015/16 to 2018/19 for consultation purposes as set out and referred to in Appendix 2.

3. RECOMMENDATIONS AGREED BY CABINET ON 5TH NOVEMBER 2014

- 3.1 That Cabinet affirms the capital strategy, linked to the Asset Management Plan, which seeks to work towards a financially sustainable core capital programme without recourse to further prudential borrowing or use of capital receipts so that these resources can be directed towards the Council's priority of 21st Century Schools Programme, whilst recognizing the risks associated with this approach.
- 3.2 That Cabinet reviews the priorities in the Capital programme in the light of the Asset Management Plan and other demands for capital resources
- 3.3 That Cabinet approves the principle that new schemes can only be added to the programme if the business case demonstrates that they are self financing or the scheme is deemed a higher priority than current schemes in the programme and therefore displaces it.
- 3.4 That Cabinet agrees to the sale of the assets in accordance with the Asset Management Plan and identified in the exempt background paper in order to support the capital programme, and that once agreed, no further options are considered for these assets.

3.5 That Cabinet agrees to the associated costs of disposal outlined in appendix 7 required to process the sale of assets identified in the exempt background paper.

4. KEY ISSUES:

Capital budget strategy

4.1 Last year a capital MTFP strategy was put in place in the face of an ever reducing resource base from Welsh Government. This strategy had the following key components:

- The core MTFP capital programme needed to be financially sustainable without further draw on either prudential borrowing or capital receipts.
- Capital receipts and any further prudential borrowing will be needed to match fund the Council's priority of 21st century schools (currently estimated at £40 million).
- Budgets for Disabled Facilities Grants and Access for all schemes will be maintained in line with the Council's priority of protecting services to vulnerable adults and children.
- No inflation increases will be applied to any of the capital programme
- The property maintenance budget and Infrastructure maintenance budget were reset at a financially sustainable level

It should be noted that the Highways infrastructure funding from Welsh Government (£1.81 million) will cease in 2015/16, further reducing the capital budget available for highways works in the latter years of the medium term programme.

- The County farms maintenance and reinvestment programme is based on the revised asset management plan for County farms, supported by the latest condition survey data
- School kitchens budget to be ceased from 2015/16 on the basis that the project to upgrade school kitchens can be completed by then.
- Budget for Area Management was reduced from £60k to £20k in the programme
- Use of the capital investment reserve to ease the transition to a balanced budget
- Budget to enhance or prepare assets for sale will be maintained and funded through the capital receipt regeneration reserve in order to maximize this funding stream for the 21st century schools programme priority

Capital MTFP update

4.2 The four year capital programme is reviewed annually and updated to take account of any new information that is relevant. The following updates are available:

- The draft Asset Management Plan (AMP) (elsewhere on this agenda) provides the overall context for the capital MTFP
- The list of capital pressures falling upon the Authority's fixed assets has been updated and these form the backdrop to the programme presented here. Capital pressures of over £158 million are outlined in Appendix 1A.
- The provisional capital settlement was received on 8th October 2014. The capital MTFP had projected no increase in funding for 2015/16, however the provisional settlement has identified a very small decrease of £11,000 on 2014/15 levels.
- £1m unsupported prudential borrowing per annum has been contained in the programme for a number of years and this will continue in the current 4 year programme
- The rolled forward capital programme identified a deficit in year 4, the small surpluses caused by the settlement have enable Authority funding to be rolled forward to fund the deficit in the final year.

4.3 The major development schemes of the 21st century schools will dominate the programme over the next couple of years. The remaining capital programme from 2014/15 is essentially made up of the underlying core programme of works:

- To maintain existing assets such as highways, infrastructure (including the final year of WG supported highways infrastructure investment), property and county farms.
- Inclusion schemes – Access for all, Disabled facilities grants
- Other – school kitchens, area management, enhancements or preparation of assets for sale
- IT schemes – these are funded from the IT reserve and work is progressing on establishing the future IT demands, so there are no schemes currently identified for the medium term programme.

4.4 **Issues for the underlying programme**

Whilst a strategy has been set that links with the AMP and enables the programme to be balanced (including 21st century schools), this does not mean that there is no risk associated with it. The huge pressures outlined in Appendix 1A are not being addressed in the current strategy and the current maintenance programmes are barely sufficient to maintain existing assets or deal with the backlog. Given the pressures outlined, Cabinet have confirmed acceptance of this risk.

In addition, there are a number of revenue savings proposals that will require capital investment to achieve. Whilst these schemes may have been classed as invest to save schemes in the past, with revenue savings paying for the additional prudential borrowing required, revenue savings are now needed to balance the revenue budget. Therefore any additional investment will either need to be self-

financing (without using the savings or income streams already captured in the revenue MTFP) or **displace** existing schemes/funding in the capital MTFP.

Details of such issues are provided in Appendix 1B together with any indicative costs. Given the early stage or evolving nature of some of these developments quantifying the financial consequence has not been possible at this stage, but they are provided with a view to highlighting a potential impact upon the current capital programme within this next MTFP window.

21st Century Schools

- 4.5 The 21st century schools programme is the most significant investment programme in the authority's schools for a generation. In order to achieve this ambition, the capital strategy outlined above is necessary to create an underlying core programme that is financially sustainable and therefore enable the Authority to concentrate its own resources on the priority of 21st century schools. The budget proposals include the 21st Century schools programme subject to Welsh Government confirming that match funding of circa £40 million is available. Final business cases are being worked on for further consideration by WG and final approval of funding that will come on stream in 2014/15. To this end a core funding commitment to the education programme has been maintained in the last 2 years to enable preparation work to continue. (See Appendix 3).

Available capital resources

- 4.6 The capital strategy identified above establishes that the core programme will be financially sustainable through supported funding from Welsh Government and use of the Capital Investment Reserve. This is required in order to enable the Council's own resources of prudential borrowing and capital receipts to be prioritised for the 21st Century Schools Programme.
- 4.7 In light of the current pressures on the Authority's medium-term revenue budget, and the principles on which any prudential borrowing must be taken of affordability, prudence and sustainability, the use of prudential borrowing for the 21st Century Schools Programme has been carefully assessed.
- 4.8 In the light of the above, the Council needs to make a concerted effort to maximize its capital receipts generation over the next few years. The table below illustrates the balance on the useable capital receipts reserve over the period 2015/16 to 2018/19 taking into account capital receipts forecasts provided by Estates and balances drawn to finance the existing programme. Further detail is provided in Appendix 4.

<u>GENERAL RECEIPTS</u>	2015/16	2016/17	2017/18	2018/19
	£000	£000	£000	£000
Balance as at 31st March	7,443	14,737	5,675	4,521

- 4.9 The above table illustrates that the capital receipts balance is set to reduce over the MTFP. This is dependent on the capital receipts forecasts provided materializing which in itself is a significant risk, then being used to fund the 21st century schools capital programme. Experience suggests that there is often significant slippage in gaining receipts which may be due to factors outside the control of the Authority. The risk assessment on the receipts projected is contained in Appendix 5. It is crucial that once assets are identified and approved for sale that this decision is acted upon. Exploration of any alternative use of surplus assets needs to be undertaken before Council approves them for sale in order to assist in the capital planning process.
- 4.10 Opportunities to generate further receipts and funding streams in line with the AMP are continuously being sought, these are outlined below:
- Review of accommodation/building in use by the council, with a view to further rationalization – will potentially release buildings for sale and this is also key in identifying revenue savings
 - Identification of services that can be combined as part of the whole Place agenda and establishment of community Hubs, and therefore release buildings for sale
 - Authority's role in low cost home ownership scheme – a business case is being prepared to identify the options available to maximize the receipt to be gained from this scheme.
 - Community Infrastructure Levy – this will be relevant to sites after July 2015 and can include funding for more general 'place-making' schemes that support the growth proposed in the LDP e.g. sustainable transport improvements, upgrade/provision of Broadband connectivity, town centre improvements, education, strategic sports/adult recreation facilities and green infrastructure.

5. REASONS:

- 5.1 To provide an opportunity for consultation on the capital budget proposals.

6. RESOURCE IMPLICATIONS:

- 6.1 Resource implications are noted throughout the report both in terms of how the core programme is financially sustainable, but also the risks associated with not addressing the pressures outlined in Appendix 1.

7. EQUALITY AND SUSTAINABILITY IMPLICATIONS:

- 7.1 Capital budgets which impact on individuals with protected characteristics, most notably renovation grants and access for all budgets are being maintained at their current levels.
- 7.2 The equality impact of the mechanism to allocate maintenance budgets to individual schemes should be in place and being used to aid allocation of funding

7.3 The actual impacts from this report's recommendations will be reviewed on an ongoing basis by the Capital Working Group.

8. CONSULTEES:

Senior Leadership Team
 All Cabinet Members
 Head of Legal Services
 Head of Finance

9. APPENDICES:

Appendix 1 – Capital MTFP pressures and list of issues
 Appendix 2 – Capital budget summary programme 2015 to 2019
 Appendix 3 – Schools programme (including 21st Century Schools)
 Appendix 4 – Forecast capital receipts 2015/16 to 2018/19
 Appendix 5 – Capital receipts risk factors
 Exempt Appendix 6 – Forecast receipts
 Exempt Appendix 7 - Cost of Disposal
 Appendix 8 - Equality Impact Assessment

10. BACKGROUND PAPERS:

List of planned capital receipts and County Farms costs of disposal: Exempt by virtue of s100 (D) of the Local Government Act 1972

11. AUTHOR:

Joy Robson – Head of Finance

12. CONTACT DETAILS:

Tel: (01633) 644270
 Email: joyrobson@monmouthshire.gov.uk

Appendix 1A - Anticipated Capital Pressures

Current Pressures

Description of Pressure	Forecast Cost
<p>ACM and Abergavenny regeneration - legal costs/compensation costs/completion of Aber regeneration project Overspend forecast 14/15 - £82,000 Potential extent of Compensation costs High house farm - £6,000,000</p>	6,082,000
<p>Shirenewton sewerage treatment plant - Estimate increased from £50k to £75k. Last service /inspection report received in Sept 2014 stated 'very poor general condition and system in desperate need of replacement'.</p>	75,000
<p>Penyrhiw, Llanwenarth Citra sewerage treatment plant – is being reactively managed and remedially repaired, but is well past economic repair.</p>	75,000
<p>Itton Common Sewerage treatment plant - There is currently £10k in the capital programme but anticipated cost of works suggests a requirement for an additional £15k due to the need to acquire an additional area of land.</p>	25,000
<p>Llanfoist Bridge - The failure of the stone blockwork on the River Usk by Llanfoist bridge in Castle Meadows, Abergavenny – This continues to get worse and whilst we occasionally fill the resulting voids as it slumps it will eventually fail more fundamentally probably associated with a major flooding event. Given its the likely site for the Eisteddfod this is becoming a much higher corporate risk.</p>	50,000
<p>Current Rights of Way issues (Whitebrook byway) - Engineering assessments have been completed on landslip / collapse of byway at Whitebrook, estimated cost of repairs in the region of £70-£80k.</p>	75,000
<p>Current Rights of Way issues (Wye and Usk Valley Walks) - Engineering assessments have been completed on river erosion / landslips on the Wye and Usk Valley Walks. [Monmouth Viaduct] (Wye Valley Walk) £23,925, [Clytha] (Usk Valley Walk) £46,725, [Coed Y Prior] (Usk Valley Walk) £9,900, site investigations/design £5,500</p>	86,000
<p>Current Rights of Way issues (Closed Dangerous Bridges) - part of the wider rights of way bridges pressure (see major pressures) but specifically relating to those bridges in such poor condition that they have been legally closed on health and safety grounds</p>	29,000

Monmouth Sportsground - The Monmouth Sports Pavilion is part of the land leased to the Monmouth Sports Association. The drain was diverted direct into the River Monnow when the second Monnow Bridge was constructed. However this needs to be reviewed to ensure it complies with all requirements. Capital costs are likely to be £10,000 for the sewer re-routing and connection works plus fees, the cost of a Section 104 Agreement with Welsh Water (DCWW) and the cost of adopting the sewer connection once the work is completed.	25,000
Radon Gas Surveys	30,000
Tree Risk Assessments	30,000
Caldicot Castle - Kitchen Modifications (£40k) to bring up to date and comply with environmental health requirements and to allow banquets to take place and provide additional income to the castle. Consolidation of fire and security alarms (£20k)	60,000
School Kitchen H&S Works - Gas safe interlock valves are now required to all school kitchens to comply with Gas safe regulations. Also required to these kitchens are replacement cookers as some of the units present do not have gas flame safety devices	36,000
Caldicot 3G pitch - Unanticipated ground conditions, electrical connection capacity and retention of original pitch by school are anticipated to increase costs.	55,000

Sub Total Current Pressures

6,733,000

Major Pressures	
Description of Pressure	Forecast Cost
The major review of the waste Mgt and recycling service is ongoing and will report in late Winter 2014 to Members with a proposal to delay revisions to the service until further analysis has been done. Proposals are likely to include consideration of receptacles rather than bags (anticipated cost of between £0.3-1.3m) To accommodate the change at kerbside, developments will be needed at our transfer stations at an indicative cost of £800k depending on the scale of works required. Options may be limited if WG insist on certain scheme components. The quoted capital costs exclude new vehicle costs which are modelled as being leased currently.	2,100,000
Monmouth Community Amenity site upgrade - indicative costs are £1.5-2m if built and run by the Council. The transfer station and CA capital costs could be avoided if the Council decided it was best value to procure a build, finance, operate contract for its sites in future. The work to evaluate these options will follow on after kerbside collection.	2,000,000

<p>Bringing County highways to the level of a safe road network. This backlog calculation figure has been provided by Welsh Government.</p> <p>The Authorities Capital Programme is not addressing the backlog significantly as the annual level of funding available is not of sufficient magnitude to address this.</p> <p>The annual programme is set in relation to the approved budget and this programme is shared with all members. Routes are selected on the basis of their significance within the overall highway network and their condition. Programmes are reviewed annually around December and then distributed to members.</p>	80,000,000
<p>Investing in infrastructure projects needed to arrest road closures due to whole or partial bank slips. Without additional expenditure there is the potential for deterioration, increased scheme costs, disruption to communities and the travelling public and road closures.</p>	5,000,000
<p>Backlog on highways structures including old culverts, bridges and retaining walls. With existing budget this backlog will take 23 years to cover and there will be increased likelihood of loss of network availability.</p>	12,700,000
<p>Reprovision or repair of Chain Bridge - Cost prediction is indicative at present. Detailed estimates will be available Jan 2015. The bridge is currently under special management measures and inspection. Repair/ reprovision will remove / minimise the need for these measures. Without remedial work, the structure will continue to deteriorate. The current 40T maximum limit will have to be further reduced restricting access to the Lancayo area especially for heavy vehicles.</p>	2,500,000
<p>Property Maintenance requirements for both schools & non-schools as valued by condition surveys carried out some years ago. The existing £2m annual budget mainly targets urgent maintenance e.g. health & safety, maintaining buildings wind & watertight, etc., and is insufficient to address the maintenance backlog. A lack of funding means maintenance costs will rise; that our ability to sell buildings at maximum market rates will be affected ; Our ability to deliver effective services will be affected and a Loss of revenue and poor public image.</p>	25,000,000
<p>Disabled adaptation works to public buildings required under disability discrimination legislation.</p>	7,600,000
<p>Maintenance and H&S works to historic buildings. Little progress has been made to date as the only budget available is the already overstretched capital maintenance programme. Without remedial works, Health and Safety risks become higher, long term maintenance costs become higher and potential revenue is lost from e.g. tourism, bookings, exhibitions, use of the locations for large events i.e. Food festival. CADW and landlords could force authority to carry out emergency repairs.</p>	4,000,000
<p>School Traffic Management Improvements at Castle Park and Durand Primary Schools - based on works carried out on similar buildings.</p>	450,000
<p>Refurbishment of all Public Toilets</p>	250,000

<p>Modification works to school kitchens to comply with Environmental Health Standards. Without additional funding school kitchens may have to be closed and additional costs for transporting meals in incurred, possibly causing disruption to the education process.</p>	400,000
<p>Remedial works to deal with Radon gas issues. Once the surveys are completed, where high levels of radon gas are established action has to be taken. Without this action, buildings will need to be closed and costs may be incurred for moving and relocating staff or schools.</p>	250,000
<p>Removal of Asbestos containing materials (ACM's) from buildings</p>	2,000,000
<p>Caldicot Castle remedial works - longer term pressures given the condition of the curtain walls / towers etc. The £2-3m estimate is a ball part figure ranging from just the backlog of maintenance to also including improvements to bring the visitor facilities up to modern standards. An RDP grant is paying for a condition survey / outline conservation plan. The current condition of buildings constrains current operations and will impact on future management options including the assessment of viability of potential Cultural Services Trust. Heritage Lottery Funding is possible (but very competitive) Substantial match funding would still be required.</p>	3,000,000
<p>Countryside Rights of Way work needed to bring network up to statutorily required and safe standard. This should be taken as a provisional figure as surveys and assessments of bridges and structures are on-going and the rights of way prioritisation system which includes risk assessment will more accurately define and rank the backlog. Bridge management report on 787 bridges completed in October 2013 identifies 254 known bridge issues of which 77 need repair, 31 replacement & 80 are missing. 68 have 'other' issues including 51 bridges which require full inspection to further ascertain requirements/costs. 13 bridges are 10m+ and require replacement or repair. It is not possible to cost all of these currently but a ball park figure of £288k has been identified for the first tranche of issues.</p>	2,200,000
<p>Transportation/safety strategy –Air Quality Management, 20 m.p.h legislation and DDA (car parks)</p>	1,200,000
<p>Disabled Facilities Grants (DFGs) - The DFG's budget has remained unchanged for the last ten years. Each year the fully committed/spent date falls earlier in the financial year. This year we expect the budget to be fully committed by end October.</p>	500,000
<p>Sub Total Major Pressures</p>	151,150,000

Appendix 2 - Capital Budget Summary 2014 to 2019				
	Indicative Budget 2015/16	Indicative Budget 2016/17	Indicative Budget 2017/18	Indicative Budget 2018/19
Asset Management Schemes	1,929,278	1,929,278	1,929,278	1,929,278
School Development Schemes	42,998,450	22,446,500	3,644,000	2,350,000
Infrastructure & Transport Schemes	2,240,740	2,240,740	2,240,740	2,240,740
Regeneration Schemes	3,433,302	0	0	0
Sustainability Schemes	0	0	0	0
County Farms Schemes	300,773	300,773	300,773	300,773
Inclusion Schemes	850,000	850,000	850,000	850,000
ICT Schemes	0	0	0	0
Vehicles Leasing	1,500,000	1,500,000	1,500,000	1,500,000
Other Schemes	20,000	20,000	20,000	20,000
TOTAL EXPENDITURE	53,272,543	29,287,291	10,484,791	9,190,791
Supported Borrowing	(2,420,000)	(2,420,000)	(2,420,000)	(2,420,000)
Unsupported (Prudential) Borrowing	(15,242,302)	(6,804,000)	7,613,000	(1,000,000)
Grants & Contributions	(21,780,250)	(12,746,250)	(2,462,000)	(3,112,000)
Reserve & Revenue Contributions	(489,541)	(489,541)	0	0
Capital Receipts	(11,840,450)	(5,327,500)	(11,715,791)	(1,158,791)
Vehicle Lease Financing	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)
TOTAL FUNDING	(53,272,543)	(29,287,291)	(10,484,791)	(9,190,791)
(SURPLUS) / DEFICIT	0	0	0	0

Appendix 3 - Schools capital programme	Financial Year 2015/16	Financial Year 2016/17	Financial Year 2017/18	Financial Year 2018/19
(includes Raglan)	Indicative Budget £	Indicative Budget £	Indicative Budget £	Indicative Budget £
Expenditure:				
Access For All	50,000	50,000	50,000	50,000
Thornwell Primary				
Raglan Primary	1,326,450	112,500		
Monmouth Comprehensive School - 1600 Place	19,171,000	11,167,500	1,797,000	1,150,000
Caldicot Comprehensive School - 1500 Place	18,700,000	9,116,500	1,797,000	1,150,000
Welsh Medium Secondary Schools	3,000,000	2,000,000		
Total Expenditure	42,247,450	22,446,500	3,644,000	2,350,000
Financing:				
Future schools funding - Raglan Primary	(647,250)	(56,250)		
21c schools project (grant and annuity)	(19,671,000)	(11,228,000)	(1,000,000)	(1,650,000)
External Grant Funding	(647,250)	(56,250)	0	0
MCC Capital Receipts	(679,200)	(56,250)		
21c schools project	(10,391,000)	(5,252,000)	(11,207,000)	(650,000)
Capital Receipts	(11,070,200)	(5,308,250)	(11,207,000)	(650,000)
Supported Borrowing	(50,000)	(50,000)	(50,000)	(50,000)
Unsupported Borrowing	(10,809,000)	(5,804,000)	8,613,000	0
Total Financing	(42,247,450)	(22,446,500)	(3,644,000)	(2,350,000)
(Surplus) / Deficit	0	0	0	0

Appendix 4 - Forecast Useable Capital Receipts				
Amounts in excess of £10,000 are categorised as capital receipts. The balance of receipts is required to be credited to the Useable Capital Receipts Reserve, and				
The forecast movement on the reserve based on forecast capital receipts and the budgeted application of capital receipts to support the financing of the Authority's capital				
GENERAL RECEIPTS	2015/16	2016/17	2017/18	2018/19
	£000	£000	£000	£001
Balance as at 1st April	12,555	7,443	14,737	5,675
Less: capital receipts used for financing	(1,449)	(76)	(509)	(509)
Less: capital receipts used for financing Monmouth, Caldicot and Welsh medium 21c school provision	(10,391)	(5,252)	(11,207)	(650)
	715	2,116	3,021	4,517
Capital receipts forecast	6,725	23,070	2,650	0
Deferred capital receipts	4	4	4	4
Less: capital receipts set aside:		(10,452)		
Balance as at 31st March	7,443	14,737	5,675	4,521
LOW COST HOME OWNERSHIP RECEIPT	2015/16	2016/17	2017/18	2018/19
	£000	£000	£000	£001
Balance as at 1st April	109	109	109	109
Less: capital receipts used for financing	0	0	0	
	109	109	109	109
Capital receipts forecast	-	-	-	
Balance as at 31st March	109	109	109	109

Appendix 5 - Capital Receipts Summary and Risk Factors						
The analysis below provides a summary of the receipts and the respective risk factors:						
Risk Factor	2015/16	2016/17	2017/18	2018/19	Total	
	£	£	£	£	£	
Education Receipts						
Low	0	0	0	0	0	85%
Medium	850,000	250,000	0	0	1,100,000	10%
High	225,000	120,000	0	0	345,000	6%
	1,075,000	370,000	0	0	1,445,000	
County Farm Receipts						
Low	0	0	0	0	0	51%
Medium	0	0	0	0	0	0%
High	100,000	0	0	0	100,000	49%
	100,000	0	0	0	100,000	
General Receipts						
Low	0	0	0	0	0	0%
Medium	250,000	16,000,000	0	0	16,250,000	97.0%
High	300,000	200,000	0	0	500,000	3.0%
	550,000	16,200,000	0	0	16,750,000	
Strategic Accommodation Review						
Low	0	0	0	0	0	0%
Medium	0	0	0	0	0	0%
High	2,500,000	0	150,000	0	2,650,000	100%
	2,500,000	0	150,000	0	2,650,000	
Dependent on Outcome of LDP						
Low	0	0	0	0	0	0%
Medium	0	0	0	0	0	0%
High	2,500,000	6,500,000	2,500,000	0	11,500,000	100%
	2,500,000	6,500,000	2,500,000	0	11,500,000	
TOTALS						
Low	0	0	0	0	0	23%
Medium	1,100,000	16,250,000	0	0	17,350,000	40%
High	5,625,000	6,820,000	2,650,000	0	15,095,000	37%
					0	
Total	6,725,000	23,070,000	2,650,000	0	32,445,000	
Risk Factor key:						
High - External factors affecting the potential sale that are out of Authority control						
Medium - Possible risk elements attached but within Authority ability to control						
Low - No major complications in forseen for the transaction						

**SCHEDULE 12A LOCAL GOVERNMENT ACT 1972
EXEMPTION FROM DISCLOSURE OF DOCUMENTS**

REPORT: Capital Budget Proposals 2015/16 to 2018/19
AUTHOR: Joy Robson
MEETING AND DATE OF MEETING: Strong Communities Select Committee – 11th December 2014

I have considered grounds for exemption of information contained in the report referred to above and make the following recommendation to the Proper Officer:-

Exemptions applying to the report:

Information relating to specific assets values of tenanted properties.

Factors in favour of disclosure:

Provides information on assets the Authority is proposing to sell.

Prejudice which would result if the information were disclosed:

Prejudice negotiations with tenants of County Farms.

My view on the public interest test is as follows:

Outweighed by need to exempt.

Recommended decision on exemption from disclosure:

To apply exemption.

Date: 14/11/14

Signed: *J Robson*

Post: Head of Finance

I accept/do not accept the recommendation made above.

Paul Matthews

Proper Officer

Date: 14/11/14

Appendix 8

The “Equality Initial Challenge”

Name: Joy Robson Service area: Finance Date completed: 28 th Oct 2014		Please give a brief description of what you are aiming to do. Present capital budget proposals for consultation	
Protected characteristic	Potential Negative impact Please give details	Potential Neutral impact Please give details	Potential Positive Impact Please give details
Age		X	
Disability		X	
Marriage + Civil Partnership		X	
Pregnancy and maternity		X	
Race		X	
Religion or Belief		X	
Sex (was Gender)		X	
Sexual Orientation		X	
Transgender		X	
Welsh Language		X	

Please give details about any potential negative Impacts .	How do you propose to MITIGATE these negative impacts
➤	➤
➤	➤
➤	➤
➤	➤

Signed Joy Robson Designation Head of Finance

Dated 28th Oct 2014

EQUALITY IMPACT ASSESSMENT FORM

What are you impact assessing	Service area
Capital budget proposals	Finance
Policy author / service lead	Name of assessor and date
Joy Robson	Joy Robson 28/10/14

1. What are you proposing to do?

Present capital budget proposals for consultation

2. Are your proposals going to affect any people or groups of people with protected characteristics in a **negative** way? If **YES** please tick appropriate boxes below.

Age		Race	
Disability		Religion or Belief	
Gender reassignment		Sex	
Marriage or civil partnership		Sexual Orientation	
Pregnancy and maternity		Welsh Language	

3. Please give details of the negative impact

4. Did you take any actions to mitigate your proposal? Please give details below including any consultation or engagement.

5. Please list the data that has been used to develop this proposal? eg Household survey data, Welsh Govt data, ONS data, MCC service user data, Staff personnel data etc..

There has been no significant change to the programme

Signed...Joy Robson.....**Designation**...**Head of Finance**.....**Dated**...28/10/14.....

The “Sustainability Challenge”

Name of the Officer completing “the Sustainability challenge” Joy Robson		Please give a brief description of the aims proposed policy or service reconfiguration Capital budget proposals	
Name of the Division or service area Finance		Date “Challenge” form completed 28/10/14	
Aspect of sustainability affected	Negative impact Please give details	Neutral impact Please give details	Positive Impact Please give details
PEOPLE			
Ensure that more people have access to healthy food		X	
Improve housing quality and provision		X	
Reduce ill health and improve healthcare provision		X	
Promote independence		X	
Encourage community participation/action and		x	

voluntary work			
Targets socially excluded		X	
Help reduce crime and fear of crime		X	
Improve access to education and training		X	
Have a positive impact on people and places in other countries		X	
PLANET		X	
Reduce, reuse and recycle waste and water		X	
Reduce carbon dioxide emissions		X	
Prevent or reduce pollution of the air, land and water		X	
Protect or enhance wildlife habitats (e.g. trees, hedgerows, open spaces)		X	
Protect or enhance visual appearance of environment		X	
PROFIT			
Protect local shops and		x	

services			
Link local production with local consumption		X	
Improve environmental awareness of local businesses		X	
Increase employment for local people		X	
Preserve and enhance local identity and culture		X	
Consider ethical purchasing issues, such as Fairtrade, sustainable timber (FSC logo) etc		X	
Increase and improve access to leisure, recreation or cultural facilities		X	

What are the potential negative Impacts	Ideas as to how we can look to MITIGATE the negative impacts (include any reasonable adjustments)
➤	➤
➤	➤
➤	➤

➤	➤
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The next steps

- If you have assessed the proposal/s as having a **positive impact please give full details** below

- If you have assessed the proposal/s as having a **Negative Impact** could you please provide us with details of what you propose to do to mitigate the negative impact:

Signed Joy Robson

Dated 28/10/14



SUBJECT: BUDGET PROPOSALS 2015/16 to 2018/19

MEETING: STRONG COMMUNITIES SELECT COMMITTEE

DATE: 11TH DECEMBER 2014

DIVISION/WARDS AFFECTED: All

1. PURPOSE:

- 1.1 To provide detailed proposals on the budget savings required to meet the gap between available resources and need to spend in 2015/16, for consultation purposes.
- 1.2 To consider the 2015/16 budget within the context of the 4 year Medium Term Financial Plan

2. RECOMMENDATIONS:

- 2.1 That Select scrutinises the budget savings proposals for 2015/16 released for consultation purposes
- 2.2 That Select Committee considers what alternative proposals, that have been Equality Impact assessed, can be submitted by 14th January 2015
- 2.3 That Select Committee notes Cabinet's intention to continue to work on the areas required to balance the Medium Term Financial Plan (MTFP)

3. KEY ISSUES:

Background

- 3.1 In February 2014, Cabinet approved an indicative MTFP position which used agreed assumptions to forecast the gap in resources over the four year period and identified significant savings targets of over £13 million to meet the gap. A balanced position was established with contingent use of reserve funding to smooth out the surpluses and deficits over the period.
- 3.2 Cabinet received a further report on the MTFP and budget position for next year in September. The report considered the significant financial challenge facing the Authority over the medium term following the receipt a letter from the LG Minister indicating that a planning assumption of a reduction of 4.5% should be considered for 2015/16, given the pressures in the Health budget, and that restrictions on public spending look set to continue for the foreseeable future. At that stage a number of possible scenarios were presented ranging from reductions in Aggregate External Finance (AEF) of -3% to -4.5% over the 4 year period causing gaps of between £8.1 million and £13.5 million.

- 3.3 The MTFP model used to develop the budget contains the base budgets for the Authority and is updated each year in the light of a revised set of assumptions that are identified to enable a gap between resources and expenditure to be highlighted. The model has been rolled forward a year and updated for the assumptions agreed in the September Cabinet report and the updated assumptions for the Treasury budget. The contingent use of reserve funding has been stripped out at this stage in order to work on the real gap in the model. The updated MTFP includes an assumed pay award of 1% for 2015/16. Cabinet will be aware that the pay settlement for the current financial year is still subject to agreement and this has the potential to impact on the level of savings required.
- 3.4 On the 8th October the results of the Provisional Settlement were announced, including the transfer of specific grants into and out of the Revenue Support Grant. The MTFP model had included a reduction of 2.3% in settlement funding for the Authority. The provisional settlement for Monmouthshire indicates a reduction of 4.3% and this has increased the gap to be closed by £2 million for 2015/16. Monmouthshire remains firmly at the bottom of the funding league table, with funding of £1018 per capita compared to the Welsh average of £1323.
- 3.5 Information on Specific Grants always lags behind the settlement figures and this year is no exception. However, the indications are that the 11 specific grants for education will be amalgamated into one Education Improvement Grant and be reduced by 9%. The Pupil Deprivation Grant, however, has seen an increase of 15.2%. In overall terms this could mean a reduction of grant funding for schools of £370k. There are other notable reductions to the Supporting People grant (7.5%) and the Sustainable Waste Management grant (3.0%). Whilst the Outcome Agreement Grant is in the list there is no individual authority breakdown provided as is normally the case in the provisional settlement. A draft response to the consultation on the provisional settlement is attached in Appendix 1. The MTFP model has been updated for this year's settlement and the transfers in and out of funding are passed directly to those services that they relate to. The model is now projecting forward reduced settlements of 4.3% across the remaining 3 years of the planning period.

Pressures

- 3.6 In addition to this, the pressures going forward have been reviewed and the changes to the pressures going into the model are:
1. Teachers pensions impact – **part year impact in 15/16 of £330k, full year impact in 16/17 of £566k**
 2. Children's social services - **£500k due to increasing numbers of looked after children** (subject of separate report Cabinet 3rd September 2014)
 3. Monmouth Leisure centre - **£150k due to a period of pool closure**, due to the need to reprovise the pool in conjunction with the 21st century school project
 4. The pressure for pensions auto enrolment has been reprofiled to start a year later than previously profiled.

5. Demographic pressure in social care – £250k in 2015/16 will be managed within social services and the savings from this area have been reduced in future years to reflect that this has been absorbed.
 6. No further pressures have been added for the last year of the model
- 3.7 The effect of the roll forward of the model, settlement projections and pressures revisions above is to create a revised gap of £13.5 million over the period of the plan. The previously agreed MTFP contained savings targets of £7.2 million in order to meet the gap identified on the assumptions used last year. Therefore in total the savings now required from 2015/16 onwards are £20.7 million. This is on top of the £7 million savings being delivered in 2014/15, and effectively means a 20% reduction on our controllable budget over a 5 year period.

Table: Summary position of MTFP

MTFP: Summary position statement	Revised 2015/16 £000	Revised 2016/17 £000	Revised 2017/18 £000	2018/19 £000	Revised Total £000
Roll forward MTFP Model (surplus)/deficit	(410)	410	(246)	(33)	(279)
Cumulative gap including:					
1. Impact of provisional settlement -4.3% all years	1,540	5,896	8,607	12,022	12,022
2. Revisions to pressures	2,670	6,212	9,999	13,530	13,530
Revised annual gap	2,670	3,542	3,787	3,531	13,530
Savings already indicated in MTFP	(3,102)	(2,805)	(1,310)	0	(7,217)
Total savings required	(5,772)	(6,347)	(5,097)	(3,531)	(20,747)

MTFP Strategy

- 3.8 Layering in these additional challenges in terms of the new gap on top of what the Authority was expecting to have to deliver is putting considerable strain on the capacity of the organisation. After several years of reducing budgets the means of achieving further savings becomes increasingly more challenging. The work streams and lead in times require sustained leadership and management capacity to ensure that the proposals can be worked up and the changes made to ensure required outcomes and savings are delivered. In the light of these circumstances, the approach adopted has been to work up next years proposals, whilst taking into account the medium term position. Therefore allowing some breathing space for further proposals to come forward for future years. Some work has been undertaken on the way the savings targets further out in the MTFP will be delivered and these are also included in this report. However much more work will be undertaken over the coming months to consider the remaining 3 years of the MTFP and what the future shape of the Authority needs to look like in the light of the emerging financial position.

3.9 This approach has been key to enabling a focus on the Council's Single Integrated Plan with its vision of sustainable and resilient communities and 3 themes of the County's Single Integrated Plan of; Nobody is left behind, People are capable, confident and involved, Our County thrives and their associated outcomes. This has also allowed the core priorities, as identified within the Administration's Partnership Agreement, to be maintained, namely:

- direct spending in schools,
- services to vulnerable children and adults and
- activities that support the creation of jobs and wealth in the local economy,

3.10 The budget proposals contained within this report have sought to ensure these key outcomes and priorities can be continued to be pursued as far as possible within a restricting resource base. This does not, however, mean that these areas will not contribute to meeting the financial challenges. The aim is to make sure everything is efficient so that as broad a range of service offer as possible can be maintained. Chief Officers in considering the proposals and strategy above have been mindful of the whole authority risk assessment.

3.11 The following table demonstrates the links at a summary level that have been made with the 3 priorities, Single Integrated Plan and the strategic risks:

Proposal	Link to Priority Areas / Single Integrated Plan	Link to Whole Authority Risk assessment
Schools budgets have been protected at 2014/15 levels, with a small reduction representing falling pupil numbers	Direct Spending in schools is maintained People are Capable, confident and Involved Our County Thrives	Budget proposals are mindful of the risk around children not achieving their full potential
The revenue impact of capital investment in the future schools programme has been factored into the plan. When this is taken into account the schools budget will meet the protection target required by Welsh Government	Direct Spending in schools is maintained People are Capable, confident and Involved Our County Thrives	An assessment of the risks around the timing and value of capital receipts has been undertaken in the capital budget proposals
Social care budgets will see additional resources going into the budget for Children's social services	Services to protect vulnerable people Nobody is left behind	These proposals seeks to address the risks around more people becoming vulnerable and in need and the needs of children with

<p>The plan allows for the lead in time on the service transformation projects in Adults social care and Children's services for special needs, to ensure that the focus can be on developing services that are sustainable and improve the lives of individuals such as the ALN strategy</p>	<p>Services to protect vulnerable people Nobody is left behind</p>	<p>additional learning needs not being met</p>
<p>Changes to the housing team seeks to support the vulnerable</p>	<p>Services to protect vulnerable people Nobody is left behind Our County Thrives</p>	<p>Seeking to mitigate the risks around homelessness and the impact of welfare reform</p>
<p>Work has started on reshaping the leisure and tourism offer to ensure it supports the creation of jobs and wealth in the local economy.</p>	<p>Activities that support the creation of jobs and wealth in the local economy Our County Thrives</p>	
<p>The drive for service efficiencies savings has continued across all service areas in order to avoid more stringent cuts to frontline services for example looking at how we rationalise and use our properties in the light of the Asset Management Plan, ICT in the light of iCounty strategy and vehicles more efficiently</p>	<p>This transition to new service models such as Community Hubs, contributes to the aims of creating a sustainable and resilient communities.</p>	<p>Addresses risks around the ability to sustain our priorities within the current financial climate</p>
<p>The need to think differently about what services should be delivered, how they should be delivered and what income can be generated has been a clear imperative in working up the proposals. Clear examples are the savings in Waste and Highways.</p>	<p>This transition to new service models contributes to the aims of creating a sustainable and resilient communities.</p>	

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- 3.12 The process adopted of capturing ideas through detailed mandates and business cases has sought to improve and formalise the links between individual budget proposals, the key priorities of the authority, key performance indicators and the strategic risks from the whole authority risk assessment.

Public Engagement

- 3.13 Since the September report, further work has been completed on the savings areas originally identified in the MTP and many of the savings have been extended where possible. Cabinet have considered the views coming from the Public engagement sessions.
- 3.14 Last year a series of community events identified a further 26 ideas that were immediately included in the budget proposals for 2014/15. In preparation for the budget development for the year 2015/16 and beyond, a significant amount of community engagement has recently taken place. The purpose of this engagement was threefold: to inform the public of the severity of funding reductions facing the organisation; to understand what services are valued by the communities in Monmouthshire and what their experiences of using those services are; and, are there any new ideas as to how we can reduce costs to maintain existing levels of service. As part of this work a simple survey was undertaken during the engagement 'roadshows' and on the internet which sought to identify the importance that communities placed on services and their experiences in using council services.

The three areas of council service ranked as the most important by our communities were:

- Keeping Children Safe (65%)
- Education and Skills (63%)
- Support for older people and people with disabilities (61%)

The three areas that were seen as the least important were:

- Highways and Street Lighting (28%)
- Trading Standards and Environmental Health (25%)
- Planning and Building Control (25%)

With regards to the experience that users have of our services the three most highly regarded were:

- Support for older people and people with disabilities (19%)
- Leisure, Culture and Libraries (17%)
- Waste, Recycling and Street Cleaning (16%)

The three areas where users had not experienced a positive experience were:

- Planning and Building Control (5%)
- Community Safety and Crime Prevention (5%)
- Attracting and Retaining Jobs (3%)

Some of the ideas that have emerged during the engagement process were already being considered in the proposals attached to this report or have helped to reshape the proposals. For instance there was a regularly stated view that community facilities i.e. libraries and one stop shops, should be collocated and that the continued provision of free recycling and waste bags was not necessary. Other ideas will require further investigation to establish if they are feasible for future years. There were in excess of 20 ideas generated by the community that did not feature in the current budget mandates. These included changes to the use of community assets, developing new technology solutions and reviewing terms and conditions to make services more efficient.

In order to promote community engagement and community animation this budget process saw the launch of an online digital platform 'Monmouthshire Made Open' that will allow for the continuation of the dialogue with communities beyond traditional engagement events. This platform will allow members of community to work together (with council staff if appropriate) to overcome local challenges and issues or promote community events and solutions.

- 3.15 The extent of the engagement so far has certainly been valuable in providing a base from which further engagement can be undertaken, a bank of individuals have expressed their interest in working further with us on the challenges being faced.

Savings Targets

- 3.16 It is recognised that more emphasis has been put on the 2015/16 proposals and figures in order to set the budget and close the gap for next year. The individual proposals are outlined in Appendix 4 and have been through an initial equality challenge, the results of which are linked to each proposal. The shaded columns in the appendix include the revised savings targets following the most recent review. The main headlines are:
- Holding funding for schools constant, whilst adjusting funding in relation to falling pupil numbers
 - Challenging targets for Leisure and cultural services
 - Blending council services such as libraries and OSSs into one venue in each town
 - Managing the increasing demand for social care by increasing the capacity for people to sustain independent lives within their own communities
 - Enabling children with additional learning needs to have those needs met as far as possible within Monmouthshire schools
 - Reducing spend on highways maintenance and waste collection services
- 3.17 Welsh Government is continuing to seek protection for education budgets in 2015/16 at 0.6%. The authority has more than met its target in this respect in previous years, see Appendix 2, and for 2015/16 is protecting funding at cash flatline (taking account of reducing pupil numbers).
- 3.18 Work is continuing on the need to address the longer term issue of a reducing resource base. It is expected that further mandates and business cases outlining the detail to address the savings targets in the latter years of the MTFP will continue to be worked up and submitted for scrutiny through select committees. This will ensure that the work needed to balance the MTFP is undertaken now in order to deliver savings in the later years of the plan. This longer term plan will need to link closely with the work on the

corporate Improvement Plan, so that the new shape of the Authority and its performance expectations are matched with the expected resource base for delivering services.

Impact of Capital MTFP

- 3.19 The Capital MTFP is also being considered by Cabinet elsewhere on the agenda. For the purposes of establishing the revenue impact of any changes to the capital MTFP it has been assumed that any additional schemes which are established as priorities will displace schemes or budget allocations already in the capital programme rather than add any additional pressure which would require financing and therefore potentially impact on the revenue budget.

Council Tax

- 3.20 The Council Tax increase in the budget has been retained at 3.95% per annum across the MTFP as a planning assumption.. The Council tax base will be formally set by Cabinet in December but early indications are that an additional £300,000 to £360,000 could be collected through new properties coming on stream in 2015/16. A figure of £110,000 has been projected already in the MTFP so an additional £250,000 has been included at this stage. This figure may need to be adjusted once the formal Council Tax calculation has been completed. In addition, the demand for Council Tax Reduction Scheme payments has been assessed as reducing by £200,000 next year based on the forecasts being projected forward from the current year activity.

Summary position

- 3.21 In summary, the 2015/16 budget gap is now £440k, if all the savings proposals contained in the Appendix 4 are approved.
- 3.22 However, this still leaves a gap of £10 million to be found over the following 3 year period. Part of the proposals for 2015/16 include setting aside a budget to provide some capacity to both consider the further options for meeting the gap that will be reported back through Cabinet and select committees and to ensure delivery can be sustained

Reserves strategy

- 3.23 Earmarked reserve usage over the MTFP is projected to decrease the balance on earmarked reserves from £13.2 million at the start of 2014/15 to £7.4 million at the end of 2018/19. Taking into account that some of these reserves are specific, for example relating to joint arrangements or to fund capital projects, this brings the usable balance down to £5.9 million.
- 3.24 Whilst every effort will be made to avoid redundancy costs and the Protection of Employment policy is used to ensure redundancy is minimised, it is expected there may be some that are inevitable and reserve cover may be required for this, possibly in the region of £500,000 per year. Over the MTFP this could require £2 million reserve funding cover, if services are unable to fund the payments from their budgets.
- 3.25 The volatility of the Children's social services budget is going to be supplemented for 2015/16 with further funding, however if it is proposed to earmark the Priority Investment Reserve for next year to cover further pressures if they are not able to be contained.

- 3.26 The resulting impact on earmarked reserves would be to take the usable balance down to below £4 million at the end of the MTFP period.

Next Steps

- 3.27 The information contained in this report constitutes the budget proposals that are now made available for formal consultation. Cabinet are interested in consultation views on the proposals and how the remaining gap over the MTFP may be closed. There is therefore a further opportunity for Members, the public and community groups to consider the budget proposals and make comments on them. Cabinet will not however, be prepared to recommend anything to Council that has not been subject to an EQIA and therefore a deadline to receive alternative proposals has been set as 14th January 2015.
- 3.28 Public engagement sessions (to include the formal requirement to consult businesses) and Select Committee Scrutiny of Budget proposals, will take place in first 2 weeks of December 2014. The scrutiny of and consultation on the budget proposals are key areas of this part of the budget process. The following dates have been set of the Select committees and work is continuing on providing dates for public consultation in the same timescales:

4th Dec 2014 10am Economy and Development

10th Dec 2014 2pm CYP

11th Dec 2014 10am Strong Communities

17th Dec 2014 10am Adults

- 3.29 The aim this year has been to establish the 2015/16 budget proposals and make progress earlier than in previous years so that slippage can be reduced and the next 3 years of the MTFP can also be worked on. Hence this budget report is a month earlier than last year. To that end it is proposed that the consultation timetable is also brought forward. The consultation will end on the 14th January 2015 to enable Council to consider the responses and approve final budget proposals on 22nd January 2015. Formal Council Tax setting will still take place at full Council on 26th February 2015 once the Police precept and all the Community Council precepts have been notified.

4. REASONS:

- 4.1 To agree budget proposals for 2015/16 through to 2018/19 for consultation purposes

5. RESOURCE IMPLICATIONS:

As identified in the report and appendices

6. SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS:

The equality impacts of each individual saving proposal have been initially identified in the assessment and are linked to the saving proposal document. No significant negative impact has been identified. Further consultation requirements have been identified and

are on going. Further assessment of the total impact of the all the proposals will be undertaken for the final budget report.

The actual equality impacts from the final budget report's recommendations will be reviewed and monitored during and after implementation.

7. CONSULTEES:

SLT
Cabinet
Head of Legal Services
Head of Strategic Personnel

8. BACKGROUND PAPERS:

Appendix 1: Draft response to Provisional Settlement
Appendix 2: Education protection
Appendix 3: Note of Pressures
Appendix 4: Summary list of budget savings
Appendix 5: Individual proposals – detailed mandates or business cases with attached equality impact assessments, numbered between 1 and 42

9. AUTHOR:

Joy Robson
Head of Finance

10. CONTACT DETAILS:

Tel: 01633 644270
E-mail: joyrobson@monmouthshire.gov.uk

Appendix 1 – Response to Welsh Government on the Provisional Settlement

Clare Smith
Local Government Funding and
Performance Branch,
Welsh Government,
Cathays Park,
Cardiff.
CF10 3NQ

Your Ref/Eich Cyf:
Our Ref/Ein Cyf:
Date/Dyddiad:
File Ref:
The Person dealing with
this matter is/ Y
Person sy'n delio gyda'r
mater yma yw:
Tel/Ffôn: 01633 644270
Fax/Ffacs: 01633 644260
e-mail address/ cyfeiriad
e-bost Monmouthshire.gov.uk

Dear Ms. Smith,

Re: Provisional Local Government Settlement 2015/16

Thank you for the opportunity to comment on the Provisional Settlement announced recently. This response has been endorsed by Monmouthshire County Council's Cabinet and provides the views of members.

Obviously, the All-Wales provisional settlement announcement is a matter of concern, coming as it does, after a difficult settlement last year and the prospect of still difficult times to come, particularly for Monmouthshire. The Council is very conscious of the pressures on household budgets and so the Council is doing its utmost to deliver a balanced budget but this will inevitably put pressure on Council Tax rises.

When comparing like for like, Monmouthshire's reduction is 4.3%. Even though protected by the floor the provisional settlement this has done nothing to alleviate our position as the worst funded Council in Wales per head of population. In addition, looking forward to 2016/17 and beyond, the prospect of continuing to receive one of the worst settlements in Wales each year for Monmouthshire, means that key services are facing extreme pressure.

Monmouthshire notes the protection afforded to education budgets and the reductions to specific education grants. There is a need to balance requirements for protection against the increasing pressures this puts on other local services at a time of already decreasing resource envelop, ever increasing service pressures, growing demands to protect existing assets and still rising inflation levels.

Monmouthshire supports and encourages the transfer of specific grants into the settlement and is disappointed that more progress has not been made in this regard. The provisional settlement announcement is again unaccompanied by many specific grants and this uncertainty is unhelpful to financial and service planning. Incorporation into RSG would avoid such problems but, as a minimum the WG should seek to make such announcements in a timely manner, so that all specific grant funding allocations are confirmed in the final settlement.

On capital account, the settlement does not address the previous reductions in capital funding and is still therefore a serious concern, especially as it comes at a time when councils are struggling to raise capital receipts from asset sales. It is not useful for service and financial

planning purposes that no indicative capital settlements have been made in the provisional settlement. The need to invest in priority areas such as 21st Century Schools, waste management, carbon reduction and infrastructure remains high, with WG support remaining a critical success factor.

Despite the fact that the reasons for the low settlement are both known and understood, it is difficult to reconcile the revenue and capital settlements with the increasing expectations and demands on local council services are continuing to grow. Councils will face difficult decisions in reconciling budgets next year and in the medium term and it is important that the WG recognises the need for difficult decisions, is supportive of local authorities facing difficult times and does not promote undeliverable policy expectations. This is a time for us all to work together to minimise the consequences of the downturn in public finances on the most vulnerable in society and to send clear and consistent expectations to the public we exist to serve.

Yours sincerely,

Councillor Philip Murphy – Cabinet Member

Appendix 2

Education protection

Year	Percentage Protection	MCC target £m	MCC Actual £m	Difference £m	Percentage difference
15/16	0.6	45.32	45.04	-0.28	-0.62
14/15	0.9	45.20	45.35	0.15	0.33
13/14	2.08	45.03	45.24	0.21	0.47
12/13	1.58	43.76	44.33	0.57	1.30
11/12	-0.33	41.35	41.92	0.57	1.38
Total		220.66	221.88	1.22	0.55

Draft

Appendix 3	Revised 2015/16 £000	Revised 2016/17 £000	Revised 2017/18 £000	2018/19 £000	Revised Total £000
NOTE : Pressures					
- demographics	-	250	500	-	750
- Teachers pensions	330	566			566
- Childrens Social services	500				500
- Monmouth Leisure Centre	150				150
- capacity to change budget	400				400
- corrected pension auto enrolment			913	92	1,005
Increase in employers national insurance		1,805			1,805
Cost of Local development plan		125			125
Total Pressures	1,380	2,746	1,413	92	5,301

Appendix 4 Summary list of budget savings

			Revised								
			Saving	Revised							
			2015/16	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	TOTAL	
No.	Dir	Description	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	Description of saving
1	ENT	Development of Leisure Services	(315)	(420)	(100)	(100)	0	0	0	(520)	Income maximisation and staff review, developing the cycling offer, broaden leisure offer and explore new service provision options and models in the context of 'whole place
2	ENT	Collaboration on housing services and development of careline services	(35)	(55)	(40)	0	0	0	0	(55)	Commercialisation of careline service, one housing solutions service with TCBC focussed on enabling wider access to housing options and providing greater scope for increasing the resources with which to address housing need and homelessness
4	SCH	Community meals - service transformation	0	0	(100)	0	(100)	0	0	0	Developing sustainable long term model for meals, target is to aim for a cost neutral service - this is not achievable and so the saving has been subsumed into proposal 34 below
5	ENT	Sustainable energy initiatives	(33)	(33)	(34)	(34)	0	0		(67)	Investing in biomass boilers, solar farms and reduction in Carbon Reduction Commitment budget covered by last years mandate

			Revised								
			Saving	Revised							
			2015/16	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	TOTAL	
No.	Dir	Description	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	Description of saving
6	ENT	Museums, Shirehall & Castles and Tourism	(190)	(190)	(145)	(10)	(200)	0	0	(200)	Integration of cultural services, tourism services and attractions within the Tourism, Leisure and Culture section to maximise synergies between services and achieve a sustainable long term footing to reduce the draw on MCC budgets, maximise the potential for external investment and to achieve the resulting cultural, community and economic benefits.
14	OPS	Home to School Transport - fundamental review of policy	(115)	(115)	(210)	(70)	(210)	(20)	0	(205)	2015/16 savings are full year effect of proposals agreed last year, a review of the existing policy will be undertaken to identify any further savings
15	OPS	Facilities - transfer functions to other providers	(100)	(100)	0	0	0	0	0	(100)	Engaging with town and community councils, friends clubs to take on service related costs - Linda Vista, Bailey Park, Public Conveniences covered by last years mandate
16	CYP	Schools delegated budgets	0	(1,124)		(779)		(549)	(556)	(2,452)	Schools budgets will be protected at cash limit, this means no pay inflation and or non pay inflation or teachers pension is provided for in funding, Reduction in pupil numbers is also factored in. Schools will be supported to seek opportunities to reduced their cost base over the period

			Revised								
			Saving	Revised							
			2015/16	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	TOTAL	
No.	Dir	Description	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	Description of saving
18	CYP	School library service - combine with general library service	(20)	(20)	0	0	0	0	0	(20)	This has been subject to a recent Cabinet report which sought approval to close the service, following indications from TCBC that they wished to withdraw from the service
20	CYP	School Music service - reduction in subsidy	(50)	(50)	(50)	(50)	0	0	0	(100)	Gwent Music are aware of future savings required and discussions have taken place resulting in the proposal to increase charges for music sessions.
21	CYP	Review of other Education collaborative arrangements - visually impaired/hearing	0	0	(70)	(70)	(100)	(100)	0	(170)	TCBC are doing a complete review of their collaborative services in an effort to make savings and this will be shared once complete. The support children receive currently is in proportion to the expenditure under the SLA. These are specialist services and we are not able to deliver this provision in house. Currently the SLA is providing us with very good value for money. Once the new service is in place we will be able to assess the savings required.
24	SCH	SCH Transition project staff transfer to Bright New Futures	(14)	(14)	(12)	(12)	0	0	0	(26)	Combining our initiative with Bright new futures to establish a shared service model has been completed and savings will be delivered
25	OPS	Transport review and fleet rationalisation	(40)	(62)	0	0	0	0	0	(62)	Reduction in operational fleet

			Revised								
			Saving	Revised							
			2015/16	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	TOTAL	
No.	Dir	Description	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	Description of saving
26	ENT	Strategic Property Review (phase 2)	(100)	(100)	(350)	(350)	0	0	0	(450)	In line with the Asset Management Plan the council's property estate will be rationalised to save money on running costs
26a	OPS	Property services/FM	0	0	0	(100)	0	0	0	(100)	In line with the Asset Management Plan the council's property estate will be rationalised, savings will be sought from Property services and facilities.
28	OPS /EN T	Community Hubs and Contact Centre	(240)	(250)	(200)	(50)	0	0	0	(300)	Rationalisation of libraries, OSS, telephony staff into community hubs and contact centre
31	ENT	ICT	(100)	(250)	0	0	0	0	0	(250)	Staffing efficiencies, cost efficiencies and income generation in the SRS, savings and income generated from custom built software solutions developed
33	SCH	Sustaining Independent Lives in the community	(260)	(260)	0	0	0	0	0	(260)	Local Area co-ordination business case, this now forms part of the same proposal as number 34 below
34	SCH	Adult Social Care Service Transformation	0	0	(728)	(628)	(700)	(600)	0	(1,228)	Building on the current integrated model as part of the wider redesign of social care

			Revised								
			Saving	Revised							
			2015/16	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	TOTAL	
No.	Dir	Description	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	Description of saving
35	CYP	Transformation of children's services for Special needs/additional needs/ Mounton House	(470)	(120)	(496)	(672)	0	0	0	(792)	Proposal will look at more effectively integrating and streamlining the current service offer, with what matters for the child and family being the core focus of the review.
36	OPS	Cost neutral waste service	(270)	(270)	(20)	(20)	0	0	0	(290)	Route optimisation as per last years mandate
37	OPS	Waste Management - Project Gwyrdd	(750)	(250)	(250)	(250)	0	0	0	(500)	Mandate not needed, work already done, needs watching brief on implementation
37a	OPS	Waste Management	0	(270)	0	(100)	0	0	0	(370)	Further efficiencies, Green waste charges, grey bags etc
40	CXE	Democracy and regulation	0	(109)	0	0	0	0	0	(109)	Staff, income generation and other efficiencies across the section
41	OPS	Highways rationalisation and income generation	0	(520)	0	0	0	0	0	(520)	Trading services to generate increased income - highways, markets , and highways rationalisation
42	CYP	Youth service	0	(200)	0	(200)	0	0	0	(400)	Income generation proposals to effectively half our contribution to the youth service
		OTHER									

			Revised	Revised	Revised	Revised	Revised	Revised	Revised		
		Saving	Saving	Saving	saving	Saving	Saving	Saving	Saving	Revised	
		2015/16	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	TOTAL		
No.	Dir	Description	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	Description of saving
		Council tax reduction scheme		(200)	0	0	0	0	0	(200)	Reducing demand for council tax benefit
		Council tax base		(250)	0	0	0	0	0	(250)	Additional income from additional properties on top of the £110k already in MTFP. Figure to be reviewed when Council Tax base formally completed
		Precepts and fees		(100)	0	0	0	0	0	(100)	Working with precepting & fee charging bodies to get early indications of budgets for 15/16
		Total savings	(3,102)	(5,332)	(2,805)	(3,495)	(1,310)	(1,269)	0	(10,096)	
		Required		(5,772)		(6,347)		(5,097)	(3,531)	(20,747)	

25 – REVISED TRANSPORT REVIEW AND FLEET RATIONALISATION

The Proposal Business Case enables the Cabinet to decide whether to proceed with the proposal.

This template provides guidance on how to complete the Proposal Business case.

Document Control

Version	Date	Status (draft, approved, signed off)	Author	Change Description
1	15/10/2014	Draft	Debbie Jackson	Fleet Review & Rationalisation

Approval

Cabinet sign off to proceed with proposal		Date	
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Distribution List

Name	Organisation	Job title / Dept

Executive Summary

To improve the utilisation and suitability of the Councils fleet of vehicles resulting in a reduction of vehicles, and the subsequent impact on the Transport Maintenance Staff.

Detailed Business Case

Vision

To reduce the number of vehicles on the fleet to make financial savings and increase better utilisation of the remaining fleet, the subsequent impact will result in the loss of one Vehicle Maintenance Fitter.

Outcomes

Improved utilisation and suitability of the vehicle fleet which will deliver significant environmental benefits through reduced CO2 emissions, and generate future financial savings for the authority.

Blue Print

The Future State

Ability to achieve greater financial savings by constantly reviewing the operational vehicle requirements.

New

Current state and gap analysis

Identify the extent and nature of the change required to achieve the Future State

Section	Description of current state and changes		
	Current State	Changes needed to Current state or actions needed to resolve outstanding issues	Assumptions/constraints
Process	Eg business processes, performance levels and operating costs		
Organisation structures	Eg should include staffing levels, roles, skills and culture	To delete one vehicle maintenance fitter post.	No assumptions or constraints
Technology/infrastructure	Eg.ICT systems, buildings and other assets needed for the Future State, as well as the required service arrangements		
Information and data	Eg Management information and data required to operate the Future State		

Options Appraisal

Identify the options being considered and how each will fulfil the blue print for the future state above. This will enable the Cabinet to be clear about the main features of the solution proposed and how it differs from the other options presented.

Cost-Benefit Analysis

A cost- benefit analysis, that includes both the financial and non-financial costs and benefits, is the heart of the **Business case**.

Each options needs to describe the costs and benefits of that option overtime.

Cost/Benefit Description	Current Budget	Target Saving	Timing 2015/16	2016/17	2017/18	2018/19
Cashable benefit						
<i>Reduce the number of vehicles currently operated</i>	<i>Service budget within operational departments £31k</i>	<i>£31k</i>	<i>£31k</i>	<i>£x</i>	<i>£x</i>	<i>£x</i>
<i>Reduce the Transport Vehicle Maintenance staff by the loss of one post.</i>	Transport Vehicle Maintenance Fitters Budget £281k	<i>£31K</i>	<i>£31K</i>			
<i>Non financial benefits</i>	Current performance	Target performance				
<i>Reduced CO2 emissions.</i>						
Cost	Current costs	Revised costs				

Impact

Job loss.

Key Risks and Issues

There are no negative risks or issues arising out of this proposal.

Risks - anticipated threats to the benefits

Description	Likelihood	Impact	Proximity (when it is likely to occur)	Risk Owner	Mitigating Action	Action Owner

Issues- current threats to the benefits

Description	Priority	Issue Owner	Action	Action Owner

Constraints

No constraints identified

Assumptions

No assumptions made

Recommendation

High level Plan for delivery

Staffing restructures in Waste & Street Services has resulted in better utilisation of vehicles, enabling the reduction of 3 vehicles in their fleet. Resulting in a saving for Waste of £7K.

Better utilisation of vehicles in Passenger Transport Unit has resulted in the ability to remove one vehicle. Resulting in a saving of £4K.

Better utilisation of vehicles in Fleet Transport has resulted in the ability to remove 7 vehicles. Resulting in savings of £20K

In addition to the above 14 vehicles have been disposed of in September and October 2014 from other sections within the authority, this will subsequently impact on the Transport Staff.

Sign-Off

25 EQIA – TRANSPORT REVIEW AND FLEET RATIONALISATION

The “Equality Initial Challenge”

<p>Name: Debbie Jackson</p> <p>Service area: Transport Department</p> <p>Date completed: 29/10/2014</p>		<p>Please give a brief description of what you are aiming to do.</p> <p>To improve the utilisation and suitability of the Councils fleet of vehicles resulting in the reduction of vehicles, and the subsequent impact on the Transport Maintenance Staff.</p> <p>The financial savings for the fleet rationalization will be £31K achieved by:</p> <ol style="list-style-type: none"> 1. Staffing restructures in Waste & Street Services has resulted in better utilisation of vehicles, enabling the reduction of 3 vehicles in their fleet. Resulting in a saving for Waste of £7K. 2. Better utilisation of vehicles in Passenger Transport Unit has resulted in the ability to remove one vehicle. Resulting in a saving of £4K. 3. Better utilisation of vehicles in Fleet Transport has resulted in the ability to remove 7 vehicles. Resulting in savings of £20K <p>In addition to the above reduction of vehicles a further 14 vehicles have been disposed of in September and October 2014 from other sections within the authority, this will subsequently impact on the Transport Staff.</p> <p>The financial savings for the Staff Restructure for Transport will be £31K achieved by:</p> <ol style="list-style-type: none"> 1. To Reduce the Transport Vehicle Maintenance staff by the loss of one post. 	
Protected characteristic	Potential Negative impact Please give details	Potential Neutral impact Please give details	Potential Positive Impact Please give details

Age		X	
Disability		X	
Marriage + Civil Partnership		x	
Pregnancy and maternity		x	
Race		x	
Religion or Belief		x	
Sex (was Gender)		x	
Sexual Orientation		x	
Transgender		x	
Welsh Language		x	

Please give details about any potential negative Impacts .	How do you propose to MITIGATE these negative impacts
➤	➤
➤	➤

➤	➤
➤	➤

Signed **Debbie Jackson**
Dated **29/10/2014**

Designation **Fleet Manager and H&S Lead**

EQUALITY IMPACT ASSESSMENT FORM

What are you impact assessing	Service area
The reduction of vehicles within the authority, the impact being the loss of one vehicle fitter.	Transport Department
Policy author / service lead	Name of assessor and date
Debbie Jackson	

1. What are you proposing to do?

To improve the utilisation and suitability of the Councils fleet of vehicles.

To reduce the number of vehicles on the fleet to make financial savings, and increase better utilisation of the remaining fleet, the subsequent impact will result in the loss of one Vehicle Maintenance Fitter.

Improved utilisation and suitability of the vehicle fleet which will deliver significant environmental benefits through reduced CO2 emissions, and generate future financial savings for the authority.

2. Are your proposals going to affect any people or groups of people with protected characteristics in a **negative** way? If **YES** please tick appropriate boxes below.

Age		Race	
Disability		Religion or Belief	
Gender reassignment		Sex	
Marriage or civil partnership		Sexual Orientation	
Pregnancy and maternity		Welsh Language	

3. Please give details of the negative impact

4. Did you take any actions to mitigate your proposal? Please give details below including any consultation or engagement.

5. Please list the data that has been used to develop this proposal? eg Household survey data, Welsh Govt data, ONS data, MCC service user data, Staff personnel data etc..

Signed.....Debbie Jackson...**Designation**... Fleet Manager and H&S Lead

Dated...29/10/2014

26 Revised Property Review

The Proposal Business Case enables the Cabinet to decide whether to proceed with the proposal.

This template provides guidance on how to complete the Proposal Business case.

Document Control

Version	Date	Status (draft, approved, signed off)	Author	Change Description
1	16/10/2014		BW	

Approval

Cabinet sign off to proceed with proposal		Date	
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Distribution List

Name	Organisation	Job title / Dept

Executive Summary

The councils Asset Management Plan (due Nov 14) identifies the rationalisation of the estate to minimise revenue expenditure as a priority for the authority.

- The proposal to reduce the property portfolio and running costs is borne from Monmouthshire County Councils requirement for property rationalisation.
- The primary focus of the proposal is to drive efficiency in the property portfolio.
- The property portfolio is required to be reduced in line with changing service requirements and corporate rationalisation.

- The solutions proposed will generate £100,000 of ongoing savings/income once achieved.
- The reduction in grants given to community groups may effect certain community groups which are unable to replace lost subsidy.

Detailed Business Case

Vision

The prevailing financial climate and on-going budget cuts in both revenue and capital have necessitated changes to the way that we deliver services and the capital projects that the Council is able to support. The councils asset management plan identifies that rationalisation is a priority that will be implemented alongside Whole Place using strategic local planning principles.

In 14/15 Members agreed that revenue savings amounting to £550,000 over a three year period would be achieved from property rationalisation this is a percentage of that overall total, these savings are now embedded within the Estates team Business Plan for the forthcoming years. These savings are predicated on the need to reduce our operational portfolio and maximise revenue streams from our investment holdings. Revenue savings are largely accrued through the reduction in utilities costs, rates, repairs and maintenance.

The concessionary rental grant policy encourages organisations to work collaboratively and where possible seek more sustainable ways of meeting the financial needs of their organisation.

Outcomes

- In line with the Asset Management Plan (due Nov 14) the Councils property estate will be rationalised which will save revenue on the associated running costs e.g. rates and utility bills. There may be changes to where services are provided when it is considered appropriate to amalgamate services into a single building.
- The generation of income from investment assets will also be maximised by rental to private sector tenants on appropriate tenancies. This will produce a rental income and reduce the running costs of the buildings.
- A review of the concessionary rental grants policy will be undertaken which is likely to reduce the existing maximum grant from the current 95%, this may adversely affect organisations who currently rent Council properties if they are unable to replace the lost grant.

Blue Print

The Future State

The Council holds property to enable service delivery and to generate an income. The investment portfolio is made up largely of commercial, industrial and agricultural properties. These are managed to ensure that we maximise value subject to the constraints of the lease agreement and prevailing legislation. The portfolio is regularly reviewed and when appropriate assets are sold to generate capital receipts to support the Capital Programme. This process is expected to continue so that we have a robust portfolio that continues to generate a surplus revenue stream to support front line service delivery.

The operational property portfolio was last reviewed in 2009 driven by the need to re-locate from County Hall in Cwmbran. Given the evolving needs of our service users, the ever increasing availability of technology, the move to area based service provision through our Whole Place

programme and the need to reduce revenue costs it is inconceivable that the current provision of a single building for a single user can continue unchallenged. It is anticipated that where appropriate we will move towards a “hub” style approach where service users will be able to visit one property to access multiple services.

The Council currently provides rental grant subsidies in the region of £109,000. Given the prevailing financial position it is unlikely that this can continue and tenants will be encouraged to work in a collaborative manner, where possible, sharing properties and operating costs.

Current state and gap analysis

Identify the extent and nature of the change required to achieve the Future State

Section	Description of current state and changes		
	Current State	Changes needed to Current state or actions needed to resolve outstanding issues	Assumptions/constraints
Process	<ul style="list-style-type: none"> - The Estate is too large for a reducing workforce and the implementation of a greater staff to desk ratio. - Grants are given out to community groups who require the subsidy with a maximum of 95% - A property asset is occupied by service areas and when they no longer require it for service delivery it is 	<ul style="list-style-type: none"> - Review of office accommodation and identify opportunities to reduce. - Review the method of assessing the grants and criteria. - Agreement for the release of operational property. 	<ul style="list-style-type: none"> - Marketplace exists for rental properties. - Services will accord with rationalisation. - Community groups can replace lost grant.

	declared surplus and transferred to Estates in accordance with the disposal policy that will either re-allocate it or dispose of it.		
Organisation structures	<ul style="list-style-type: none"> - Estates team manages the strategic direction of the portfolio to ensure it aligns with authorities core principals. 	<ul style="list-style-type: none"> - None, Estates team will use external advice and resource when required. 	<ul style="list-style-type: none"> - Teams will be rationalised.
Technology/infrastructure	<ul style="list-style-type: none"> - The buildings contain infrastructure which can be reused where appropriate. - The implementation of agile working supported by technology has significantly impacted on the way officers work. 	<ul style="list-style-type: none"> - None - Further opportunities for agile working need to be explored which may result in a further reduction in required office space. The centralisation of staff to County Hall would reduce operating costs through the disposal of Innovation House and reduce travelling time and expenses. 	<ul style="list-style-type: none"> - Users can integrate into other buildings or fund technology or infrastructure upgrades. - If floor space is further reduced the availability of meeting space becomes more essential. - Access to services cannot be reduced
Information and data	<ul style="list-style-type: none"> - We need to understand 	-None	-None

Option

This option will provide a smaller more efficiently run property portfolio which will result in financial savings.

Cost-Benefit Analysis

Cost/Benefit Description	Current Budget	Target Saving	Timing 2015/16	2016/17	2017/18	2018/19
Cashable benefit						
<i>Rates Savings on vacant buildings</i>	43,000	<i>Target saving in total £43,000 pa</i>	£43,000	£0	£0	£0
<i>Release of Boverton House</i>	27,000	£27,000	£27,000	£0	£0	£0
<i>Rental of buildings</i>	0	£20,000	£20,000	£0	£0	£0
<i>Rental Grant Reductions</i>	109,000	£10,000	£10,000	£0	£0	£0
Non financial benefits	0	0				
Eg improvements in service	Current performance	Target performance				
Cost	0	0				
	Current costs All costs can be met within the existing estates budget or highlighted through	Revised costs				

	separate reports.		
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Impact

Some community groups may not be able to replace grant.

Key Risks and Issues

Risks - anticipated threats to the benefits						
Description	Likelihood	Impact	Proximity (when it is likely to occur)	Risk Owner	Mitigating Action	Action Owner
Tenants and purchasers are not present in Marketplace	Low	Reduction in rental income	Before April 15	BW	Ensure marketing is comprehensive and effective.	BW
Rates savings cannot be achieved	Medium	Rates savings are reduced	Before April 15	BW	Work out alternative methods of saving.	BW
Community Grants reductions cannot be achieved	Medium	Current level of grant maintained.	Ongoing	BW	Monitor	BW
Delays in achieving sales of surplus assets delays revenue savings	Medium	Delay of savings	Ongoing	BW	Monitor and review disposal methods	BW

Issues- current threats to the benefits
--

Description	Priority	Issue Owner	Action	Action Owner
Grant reviews do not align	High	BW	Investigate and monitor	BW

Constraints

- The relocation of staff requires a reduction in working space and an acceptance of the changing work environment.
- Community groups will resist the reduction in funding.

Assumptions

- Staff can be relocated from buildings that are occupied.
- Rates saving schemes are acceptable to stakeholders and billing authority.
- Internal uses for the buildings are not found prior to disposal.

Recommendation

That a review of all the Councils operational properties is undertaken to identify further opportunities for savings and rationalisation.

That the Concessionary Rental Grant Policy is reviewed.

High level Plan for delivery

Describe how the organisation will provide the necessary resources and capability required to carry out the preferred option successfully:

- The savings and income will be driven and managed by the Estates team.
- Current building users will be contacted and consulted.
- Permission for disposals will be sought through the usual process.

Sign-Off

This section should be signed by the Cabinet portfolio holder to confirm acceptance of the preferred option for onward approval by Cabinet. Use the version and authority sign-off on the front page.

26. EQIA – PROPERTY REVIEW

The “Equality Initial Challenge”

Name: Ben Winstanley Service area: Estates and Sustainability Date completed: 17/10/14		Please give a brief description of what you are aiming to do. Rationalise the property portfolio and review current level of rental grants within community buildings.	
Protected characteristic	Potential Negative impact Please give details	Potential Neutral impact Please give details	Potential Positive Impact Please give details
Age	Reductions in rental grant may effect certain community groups who have protected characteristics.		
Disability	Reductions in rental grant may effect certain community groups who have protected characteristics.		
Marriage + Civil Partnership		No Impact	
Pregnancy and maternity		No Impact	
Race		No Impact	
Religion or Belief		No Impact	
Sex (was Gender)		No Impact	
Sexual Orientation		No Impact	

Transgender		No Impact	
Welsh Language		No Impact	

Please give details about any potential negative Impacts .	How do you propose to MITIGATE these negative impacts
➤ <i>Community groups may not be able to replace lost rental grant.</i>	<ul style="list-style-type: none"> ➤ Provide business development support. ➤ Tenants will be encouraged to work in a collaborative manner, where possible, sharing properties and operating costs
➤	➤
➤	➤
➤	➤

Signed

Designation

Dated

EQUALITY IMPACT ASSESSMENT FORM

What are you impact assessing	Service area
The rationalization of property and the creation of efficiency gains within the property portfolio.	Estates and Sustainability
Policy author / service lead	Name of assessor and date
Ben Winstanley	Ben Winstanley

1. What are you proposing to do?

Rationalise corporate property and create financial efficiency gains within the property portfolio.

2. Are your proposals going to affect any people or groups of people with protected characteristics in a **negative** way? If **YES** please tick appropriate boxes below.

Age	Yes	Race	No
Disability	Yes	Religion or Belief	No
Gender reassignment	No	Sex	No
Marriage or civil partnership	No	Sexual Orientation	No
Pregnancy and maternity	No	Welsh Language	No

3. Please give details of the negative impact

Community groups may not be able to replace lost rental grant.

4. Did you take any actions to mitigate your proposal? Please give details below including any consultation or engagement.

Work with the groups to provide business development support to increase financial sustainability.

5. Please list the data that has been used to develop this proposal? eg Household survey data, Welsh Govt data, ONS data, MCC service user data, Staff personnel data etc..

N/A

Signed.....**Designation**.....**Dated**.....

The “Sustainability Challenge”

Name of the Officer Ben Winstanley		Please give a brief description of the aims proposed policy or service reconfiguration Rationalise the property portfolio and review current level of rental grants within community buildings.	
Name of the Division or service area Estates and Sustainability		Date 17/10/2014	
Aspect of sustainability affected	Negative impact Please give details	Neutral impact Please give details	Positive Impact Please give details
PEOPLE			
Ensure that more people have access to healthy food		None	
Improve housing quality and provision		None	
Reduce ill health and improve healthcare provision		None	
Promote independence		None	
Encourage community participation/action and		None	

voluntary work			
Targets socially excluded		None	
Help reduce crime and fear of crime		None	
Improve access to education and training		None	
Have a positive impact on people and places in other countries		None	
PLANET			
Reduce, reuse and recycle waste and water		None	
Reduce carbon dioxide emissions			Reductions in property demand will result in reduced energy consumption.
Prevent or reduce pollution of the air, land and water		None	
Protect or enhance wildlife habitats (e.g. trees, hedgerows, open spaces)		None	
Protect or enhance visual appearance of environment		None	
PROFIT			

Protect local shops and services		None	
Link local production with local consumption		None	
Improve environmental awareness of local businesses		None	
Increase employment for local people		None	
Preserve and enhance local identity and culture		None	
Consider ethical purchasing issues, such as Fairtrade, sustainable timber (FSC logo) etc		None	
Increase and improve access to leisure, recreation or cultural facilities	Some sports groups may see reductions to funding.		

What are the potential negative Impacts	Ideas as to how we can look to MITIGATE the negative impacts (include any reasonable adjustments)
➤ Some sports groups may see reductions to funding.	<ul style="list-style-type: none"> ➤ Provide business development support to increase groups financial sustainability. ➤ Tenants will be encouraged to work in a collaborative manner, where possible, sharing properties and operating costs

➤	➤
➤	➤
➤	➤

The next steps

- If you have assessed the proposal/s as having a **positive impact please give full details** below

- If you have assessed the proposal/s as having a **Negative Impact** could you please provide us with details of what you propose to do to mitigate the negative impact:

Provide business development support, tenants will be encouraged to work in a collaborative manner, where possible, sharing properties and operating costs

Signed

Dated

28 REVISED (2nd) COMMUNITY HUBS AND CONTACT CENTRE

The Proposal Business Case enables the Cabinet to decide whether to proceed with the proposal.

This template provides guidance on how to complete the Proposal Business case.

Document Control

Version	Date	Status (draft, approved, signed off)	Author	Change Description
1	13/10/14	Draft	R Hoggins	First working draft
	24/10/14	2 nd draft	RHoggins, Deb H-H	Final draft

Approval

Cabinet sign off to proceed with proposal		Date	
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Distribution List

Name	Organisation	Job title / Dept

Executive Summary

This initiative will introduce major changes to how some front line services are delivered – it is about delivering services in a different way and aligning them with the Whole Place philosophy.

The scheme will create a place in each town (which so far we have termed as ‘hubs’ – *but is there a more descriptive name?*) where most, if not all, services that need to be provided face to face will be combined into one venue and as far as possible provided by one multi function team. Initially this will be by combining library and OSS front desk services into one venue with one integrated team.

The hub will increasingly become recognised as the place to go for Council services but similarly other public services will be invited to take advantage of a single ‘public service’ venue. Local Town Teams, Area Co-ordinators (social services project) and other community groups supporting the Whole Place agenda will be encouraged to share this space strengthening its role within the community and actively supporting local involvement in the delivery of these services and maximising the utilisation of this space.

Running alongside the Hub initiative will be the combining of existing dispersed resources to improve the telephony, email and social media function for the authority. The scheme will see those staff that presently provide first point of contact from different offices and services (predominantly by phone but email and social media will be included) being combined to create a single facility. The combined Contact team will improve the effectiveness of reduced resources and improve our performance and capacity to manage enquiries and complaints and general communications with the public. The Contact team brings together existing staff who are already dealing with customers and are familiar with the services that the county provide – this arrangement simply ensures that our staff resources are used to best effect which is more difficult when devolved to different offices.

It needs to be highlighted that this proposal is intended to maintain services whilst at the same time reducing costs. It does affect staff and which buildings we provide services from.

Detailed Business Case

Vision

The Hub will be the symbol of whole place in each town, providing a single venue where we will seek to concentrate council services provided by a multi skilled team. The financial forecast for councils is dire and the affordability of the future provision of non-statutory services is in question. This new arrangement reduces service costs but retains the service, albeit the availability of a service (in other words when the Hub might be open) and possibly the range of service enhancements (knitter natter, board games, children reading events etc.) may be less than is presently

the case. Opening times will be based upon proposed MCC staffing levels in the first instance but support will be sought from other groups ('friends of', Town Teams, volunteers, town and community councils etc.) to extend the availability of services.

Access to books and IT facilities will continue although the opening hours will be dependant upon the level of staff resource available. Front desk services from the One Stop Shops will move to the Hubs so there is no diminution in service, but it will be delivered from a different place. Other services that are provided from the One stop shops (e.g. credit union, benefits surgeries etc.) would continue although some alterations to the Hub to create rooms or at least space for confidential conversations will be required.

The Combined telephony/IT media service (Contact Team) will initially be based upon drawing together some staff from the OSS, telephony and Operations (who already provide such services) to create a resilient team of staff capable of sustaining a reliable and informed first point of contact for those contacting the Council, other than face to face or direct to officers. Other than calls going direct to staff (individuals or teams), all calls will be handled through the Combined team in the first instance. As far as possible enquiries will be answered at the Combined Team but those that cannot or complaints will be forwarded to the relevant officer/section to resolve; logging and chase ups will underpin the management and efficiency of the service.

Although the proposal talks of a single venue for the Hub(s) it is recognised that the Council has other buildings where services are provided (leisure centres and public buildings in particular). Other mandates make reference to developments in these areas but as a matter of principle all council outlets to the public should be equipped as far as possible to offer support to the public for a wider range of services and enquiries. Staff should be trained and encouraged to help the public with all their council enquiries.

Outcomes

The proposal will remove significant staff costs (from 43 FTE's to 30 FTE's with a subsequent revenue reduction of approximately £300k) and release property for disposal or alternate use (to support the asset management plan and current capital budget priorities/strategy).

Telephony software (already purchased and scheduled for implementation) will record the volume of calls received, calls lost etc. to measure the effectiveness of the Combined service.

The present OSS customer relations system (CRM) is HEAT. This is a relatively basic system with limited functionality. Budget has been put aside and work commenced to develop a new CRM system internally ('tailor made' for MCC plus potential for third party sales/income).

The CRM system will be common to the Hubs and Combined telephony team operating as the logging, management and follow up system for all first contacts whether face to face, letter or through telephony/IT based contact. It is accepted that the CRM system will not initially replace various pieces of service management software (e.g. Mayrise for highways matters) but will supply a link between the two to reduce or remove the need to enter information twice.

The CRM system will be used to monitor the number of contacts, trends, customer satisfaction levels etc. It is acknowledged that the proposal is likely to have a negative impact on the KPI's measured by the CyMAL framework, however the retention of the service albeit in a changed and potentially reduced format is preferable to having to cut services from communities to meet the financial pressures.

Blue Print

The Future State

Implementation of both the Hubs and Combined Team will be co ordinated to, as far as possible, avoid disruption to the public during a time of major upheaval to two front line services.

Staff establishments to the individual Hubs have been drafted and numbers of staff available to set up the Combined telephony team have been assumed.

Recruitment to the individual Hubs and Combined telephony team will be undertaken and physical alterations to buildings to facilitate the Hubs and if necessary the Combined Team will be carried out, ideally prior the new arrangements 'going live' in each area.

However it is acknowledged that drift associated with assumptions of improved facilities in new locations should not be allowed to delay implementation significantly and interim measures may be necessary to get the Hubs and Combined team operational (this is elaborated upon below).

The provisional plan upon which staff and union consultation will be based is outlined below:

The Combined Contact Team will be established in a vacant office in the Chepstow Library/OSS building. The office has space sufficient for 12 staff.

Provisional staffing establishment is assumed as 8 staff from the current OSS establishment plus switchboard staff with initially 1 member of staff being co-opted from the Operations Department (JD's may be revised to reflect the roles of the team). To improve the extent of services available at the first call and to improve the resilience of the service overall, other departments will be encouraged to transfer functions to the centre.

New telephony software has been purchased and is scheduled for test in MCC in November and may be ready for implementation in conjunction with the creation of the Combined Contact Team. If not then the team will continue to operate on the current telephony software. Similar to the CRM system, If the new telephony system is ready for implementation then this can be introduced in conjunction with the establishment of the arrangements. If not then the HEAT software and other service based software solutions will continue until such time as the new telephony system and CRM system are ready for implementation.
(All Hubs will be established on the same premise).

Works are already underway to establish the Usk Hub. In the other main towns the next Hub to be created will be in Chepstow. The Hub will be created by joining the OSS and library spaces together (relatively straightforward with the removal of an internal wall). The staff establishment is assumed to be 6 FTE's (to include site management/supervision). This establishment will be recruited from amongst existing library and OSS staff based upon new job descriptions that will reflect the wider role of the Hub staff. The actual number of hours that each Hub will be open has to be agreed but based upon this number of staff it is assumed that an 8 hour opening pattern on weekdays can be maintained but to open on a Saturday may require early closing on one day during the week or reliance upon volunteers to fill staff shortfalls.

It is anticipated that the Monmouth Hub will follow on. This will be created on a staff establishment of 5. The OSS is presently provided from the Market Hall and the library from the Rolls Hall. Both are important to the town but possibly the more 'iconic' and with least opportunity for alternative use is the Rolls Hall. As such officers would recommend that the Hub be created in the Rolls Hall and alternative uses for the Market Hall be investigated in line with the Asset Management plan. Some work will be required to create separate interview rooms or areas for confidential conversations (it is acknowledged that consultation may see this switched – i.e. Market Hall retained and Rolls Hall made surplus).

Caldicot will have an establishment of 5 staff.

There have been discussions about the benefits of moving the library and OSS functions from their present buildings. The benefits are several but in particular to do so creates opportunities for retail in these buildings or any new buildings that might be put on their foot prints. This helps to establish a stronger retail offer linking the new ASDA with the pedestrianized area whilst also creating some income by the release of the sites. Situating the Hub in the pedestrianized area also provides a draw for the public to visit the existing retail offer rather than just the superstore. Work is underway to examine the options to house the Hub in one of the empty shops in the pedestrianized area and creation of the Hub will ideally coincide with the acquisition and development of a new venue. However officers are conscious of work still to be done around this option and the lack of capital funding so this aspiration may have to go on hold in which case the Hub will be developed in the existing library building in the interim.

Abergavenny will have an establishment of 6 staff.

Where the Hub might be created in Abergavenny is presently the most involved and complex assessment amongst all of the towns.

Officers are charged with reporting back to members on options surrounding the use of capital to build a new library (the current decision of the authority) and other ideas/options about how the capital may be better invested to the overall benefit of the town/authority. This includes possible new sites to house a Hub in the town's main retail streets.

This makes the creation of detailed plans for the actual siting of a Hub impossible for the time being and timescales for implementation of any new proposal must also be in abeyance. Therefore officers will delay the full creation of a Hub until further work is done around sites and capital investment. However recruitment to the combined Contact Team from amongst Abergavenny OSS staff will continue in order that this aspect of the mandate is not delayed.

Section	Description of current state and changes		
	Current State	Changes needed to Current state or actions needed to resolve outstanding issues	Assumptions/constraints
Process	Library and OSS front desk services are well established. Telephony service is apparently weak on occasions with calls being lost or not being answered effectively.	Assessment of the range of essential versus 'added value' services needs to be undertaken along with working with service staff to understand what can be switched off or redirected elsewhere. With reduced resources in the Hubs it will be necessary to assist customers to access services in a different way – by phone, internet etc. to encourage a change in how they choose to communicate (face to face being the most expensive model)	Officers to be released to do this work. The potential loss of 'added value' services in libraries will inevitably generate criticism so a clear communication strategy is required.
Organisation structures	Staff included in these proposals are library staff	An assumed reduction of 13 FTE's is made (going from 43 staff so far identified to 30).	Overall reduction on revenue budget of £300k (excluding other

	<p>(excluding library managers who are included in a restructure elsewhere), OSS staff and managers (team leaders), telephony and reception staff and managers, some Operations administrative staff. Two Heads of service (Deb Hill-Howells and Rachel Jowitt) manage the Hubs and Contact centre respectively. Roger Hoggins is presently 'caretaker' manager of the OSS</p>	<p>New structures and JD's (evaluated) are required. Staff and union consultation to be co-ordinated to coincide with the proposal going public.</p>	<p>restructure exercises). Severance costs will be incurred.</p>
<p>Technology/infrastructure</p>	<p>Telephony software acquisition is already funded and implementation is underway. Development of CRM software is underway and a budget has already been created to fund it.</p>	<p>Installation of telephony software needs to be chased (albeit SRS has very recently indicated start of implementation in November). CRM software is being developed by CMC2 – progress needs to be monitored although creation of the Combined Contact Team or Hubs are not wholly reliant on new software being in place. To modify Chepstow Library/OSS building, Rolls Hall and Caldicot Library to create Hubs has to be assessed but an estimate of £50k is made at present – Funding has to be released to achieve this and it is not in the capital programme for 14/15. Possible diverting of Abergavenny Regeneration</p>	<p>As the Hubs become established other public sector services will be encouraged to share venues.</p>

		funding might be appropriate until such time as the Abergavenny option is resolved.	
Information and data	Current information from Heat records numbers of enquiries, complaints etc.. Libraries have visitor numbers to base comparisons upon. Telephony records are not comprehensive	'Old versus New' will indicate usage – recognising that part of the exercise is to redirect enquiries to telephony, email, social media etc. to reduce costs.	Gradually the public will use IT and telephony to contact the authority thereby reducing the demand upon staff resources to serve customers for 'routine' enquiries allowing greater time available for more involved matters (benefit enquiries , homeless interviews etc.)

Options Appraisal

Various options have been discussed and debated. The approach outlined above draws together the preferred option that has emerged through the numerous discussions on the various options and work done in other groups (e.g town teams, public meetings etc.)

Option 1

As above

Cost-Benefit Analysis

Cost/Benefit Description	Current Budget	Target Saving	Timing 2015/16	2016/17	2017/18	2018/19
Cashable benefit						

Reduction in employee costs	1,255,480 (exc library management)	£300k	£300k in total but only £200k actual due to speed of implementation	£100k	£x	£x
Non financial benefits	Current performance	Target performance				
See above						
Cost One off severance costs – not available at this stage Alterations to existing buildings to allow Hubs to proceed (as detailed above)	£50k – one-off costs	Nil	£50k – possibly in 14/15 depending upon the speed of decisions			

Impact

There is a reduction in staff resources which (without supplementary support from the voluntary sector) will mean that some 'added value' services offered in the libraries may no longer be available. There is probably a debate about the fundamental purpose of a library and whilst the lending of books and use of IT facilities will continue there is a potential loss of initiatives that others presently enjoy in the libraries and a reduction in performance against the CyMAL performance measures. The OSS front desk services should continue albeit amended to suit the new environs although it is true to say that the reason for a caller to a OSS may be to complain and occasionally members of the public may

wish to raise their voice – although infrequent it is a scenario probably unusual for visitors to libraries – the point will need to be made that the Hub is a venue for many services – not a library with a new desk in it.

Key Risks and Issues

Risks - anticipated threats to the benefits
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Description	Likelihood	Impact	Proximity (when it is likely to occur)	Risk Owner	Mitigating Action	Action Owner
Adverse reaction from service users	Very likely	Member decision	November		Strong communications package	
Staff reaction and subsequent dissipation to service users	Unknown	Union consultation, conflicting messages from different groups	November		Staff and union consultation, clear communications package	
Reduction in performance against CyMAL performance standards.	Very likely	Reduction in qualified staff and opening hours may result in reduced service	At point of implementation of hub model		Develop volunteer programme to support traditional “library” activities.	

Issues- current threats to the benefits
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Description	Priority	Issue Owner	Action	Action Owner
Funding	High		Release provisional £50k for building alterations	
Speed of software development	Unknown		Close progress monitoring	

EQIA

EqIA Challenge provided below

Recommendation

That the creation of Hubs and a Combined Contact Team based upon the proposals contained above be progressed through to a decision as soon as is practicable and in compliance with the relevant MCC policies and that this be done in order that implementation may be in place by April 2015.

High level Plan for delivery

Describe how the organisation will provide the necessary resources and capability required to carry out the preferred option successfully:

- Assigning clear responsibility for delivery
- Stakeholders involved and plan for engagement through implementation
- Authorisation route and monitoring arrangements e.g. reports to the Strategic Programme Board

Sign-Off

This section should be signed by the Cabinet portfolio holder to confirm acceptance of the preferred option for onward approval by Cabinet. Use the version and authority sign-off on the front page.

Appendix B**The “Equality Challenge” (Screening document)**

Name of the Officer completing “the Equality challenge” Debra Hill-Howells		Please give a brief description of the aims proposed policy or service reconfiguration Proposed re-alignment of the Community Delivery Service to achieve budget mandate savings and achieve a continuation of the services provided albeit through a reduced staff base which may result in reduced opening hours or activities.	
Name of the Division or service area Community Learning		Date “Challenge” form completed 21.10.14	
Protected characteristic affected	Negative impact Please give details	Neutral impact Please give details	Positive Impact Please give details
Age	Reduced / changed opening hours within the hubs may result in reduced service provision		Improved telephony and IT media contact service by centralising staff resources to offer greater resilience.
Disability	Reduced / changed opening hours within the hubs may result in reduced service provision		Improved telephony and IT media contact service by centralising staff resources to offer greater resilience
Marriage + Civil Partnership	Reduced / changed opening hours within the hubs may result in reduced service provision		Improved telephony and IT media contact service by centralising staff resources to offer greater resilience
Pregnancy and maternity	Reduced / changed opening hours within the hubs may result in reduced service provision		Improved telephony and IT media contact service by centralising staff resources to offer greater resilience
Race	Reduced / changed opening hours within the hubs may result in reduced service provision		Improved telephony and IT media contact service by centralising staff resources to offer greater resilience
Religion or Belief	Reduced / changed opening hours within the hubs may result		Improved telephony and IT media contact service by centralising staff

	in reduced service provision		resources to offer greater resilience
Sex (was Gender)	Reduced / changed opening hours within the hubs may result in reduced service provision		Improved telephony and IT media contact service by centralising staff resources to offer greater resilience
Sexual Orientation	Reduced / changed opening hours within the hubs may result in reduced service provision		Improved telephony and IT media contact service by centralising staff resources to offer greater resilience
Transgender	Reduced / changed opening hours within the hubs may result in reduced service provision		Improved telephony and IT media contact service by centralising staff resources to offer greater resilience
Welsh Language			

What are the potential negative Impacts.	Ideas as to how we can look to MITIGATE the negative impacts (include any reasonable adjustments or engagement with affected parties).
➤ <i>The development of the hub model may result in reduced operating hours which may impact on access to library and one stop services</i>	➤ Opening hours of the proposed hubs are not yet determined however we will seek to minimize any impact on service delivery by developing a volunteer programme and identifying opportunities for opportunities to access services from other locations e.g. leisure centres.
➤	➤
➤	➤
➤	➤

The next steps

- If you have assessed the proposal/s as having a **positive impact please give full details** below:

The existing telephony response service is devolved and feedback suggests that the service to customers becomes unreliable during heavy demand. The combined service improves staff management and ensures that staff are multi skilled thereby offering a more effective service using the staff available. Training, leave, and prioritisation of staff resources is much better through a combined team when resources are limited so a more effective and reliable service can be provided to callers and correspondents by email and IT media etc.

- If you have assessed the proposal/s as having a **Negative Impact** could you please provide us with details of what you propose to do to mitigate the negative impact:

We will work with colleagues to offer satellite services from other locations e.g. Leisure Centres when the hub model is implemented. Customers will also be encouraged to access Council services through other mediums e.g. telephone or digital services.

Signed

Designation

Dated

The “Equality Challenge” (Screening document)

Name of the Officer completing “the Equality challenge” Debra Hill-Howells		Please give a brief description of the aims proposed policy or service reconfiguration Proposed re-alignment of the Community Delivery Service to achieve budget mandate savings and achieve a continuation of the services provided albeit through a reduced staff base which may result in reduced opening hours or activities.	
Name of the Division or service area Community Learning		Date “Challenge” form completed 21.10.14	
0Protected characteristic affected	Negative impact Please give details	Neutral impact Please give details	Positive Impact Please give details
Age	Reduced / changed opening hours within the hubs may result in reduced service provision		Improved telephony and IT media contact service by centralising staff resources to offer greater resilience.
Disability	Reduced / changed opening hours within the hubs may result in reduced service provision		Improved telephony and IT media contact service by centralising staff resources to offer greater resilience
Marriage + Civil Partnership	Reduced / changed opening hours within the hubs may result in reduced service provision		Improved telephony and IT media contact service by centralising staff resources to offer greater resilience
Pregnancy and maternity	Reduced / changed opening hours within the hubs may result in reduced service provision		Improved telephony and IT media contact service by centralising staff resources to offer greater resilience
Race	Reduced / changed opening hours within the hubs may result in reduced service provision		Improved telephony and IT media contact service by centralising staff resources to offer greater resilience

Religion or Belief	Reduced / changed opening hours within the hubs may result in reduced service provision		Improved telephony and IT media contact service by centralising staff resources to offer greater resilience
Sex (was Gender)	Reduced / changed opening hours within the hubs may result in reduced service provision		Improved telephony and IT media contact service by centralising staff resources to offer greater resilience
Sexual Orientation	Reduced / changed opening hours within the hubs may result in reduced service provision		Improved telephony and IT media contact service by centralising staff resources to offer greater resilience
Transgender	Reduced / changed opening hours within the hubs may result in reduced service provision		Improved telephony and IT media contact service by centralising staff resources to offer greater resilience
Welsh Language			

What are the potential negative Impacts.	Ideas as to how we can look to MITIGATE the negative impacts (include any reasonable adjustments or engagement with affected parties).
➤ <i>The development of the hub model may result in reduced operating hours which may impact on access to library and one stop services</i>	➤ Opening hours of the proposed hubs are not yet determined however we will seek to minimize any impact on service delivery by developing a volunteer programme and identifying opportunities for opportunities to access services from other locations e.g. leisure centres.
➤	➤
➤	➤
➤	➤

The next steps

- If you have assessed the proposal/s as having a **positive impact please give full details** below:

The existing telephony response service is devolved and feedback suggests that the service to customers becomes unreliable during heavy demand. The combined service improves staff management and ensures that staff are multi skilled thereby offering a more effective service using the staff available. Training, leave, and prioritisation of staff resources is much better through a combined team when resources are limited so a more effective and reliable service can be provided to callers and correspondents by email and IT media etc.

- If you have assessed the proposal/s as having a **Negative Impact** could you please provide us with details of what you propose to do to mitigate the negative impact:

We will work with colleagues to offer satellite services from other locations e.g. Leisure Centres when the hub model is implemented. Customers will also be encouraged to access Council services through other mediums e.g. telephone or digital services.

Signed

Designation

Dated

37A – WASTE MANAGEMENT – EFFICIENCY AND REALIGNMENT

Document Control

Version	Date	Status (draft, approved, signed off)	Author	Change Description
1	17 th October 2014	Draft	Rachel Jowitt	

Approval

Cabinet sign off to proceed with proposal		Date	
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Distribution List

Name	Organisation	Job title / Dept
Nigel Leaworthy	MCC	Commercial & Operations Manager

Executive Summary

Over 2014 the new Waste & Street Services department is being formed through a major restructure which helps deliver the R&C 2014-15 budget mandate on staff restructures. This merger of 2 key departments, waste/cleansing and grounds maintenance gives the opportunity to remove duplication and ensure more efficient and effective delivery of core frontline services.

Over 2012-13 the Systems Review identified operational duplication between grounds and cleansing on litter bin emptying functions. Cleansing would empty bins from concrete and streets and grounds from parks. Small changes were made to the practice but it was not adopted across the County. In addition it has been identified that the services undertake other similar duties e.g. cleansing pick up fly tipping off public land whilst grounds teams will pick up fly tipping off private land if requested to do so by the landowner (e.g. Housing Associations) and make a charge.

It is proposed that more efficient practices can be instigated which will remove the duplication and ensure a more responsive, efficient service.

The changes will deliver a **£50k** saving which is delivered from the workforce being reduced by 2 operatives.

This change could identify further operational changes which could benefit the service and our customers and any further actions will then be initiated to reduce overall expenditure.

Detailed Business Case

Vision

For the cleansing/grounds service to re-align and to be as customer focused and as efficient as possible

To reduce duplication of services which will provide clarity on responsibility and service deliverability

Outcomes

For service operational changes to be introduced to remove duplication and ensure a better service is delivered

Blue Print

The Future State

This service realignment builds on work already started under the Systems Review. However it formalises this work and releases capacity which achieves financial savings.

In the future, where we currently have duplication (litter picking, fly tipping) and 2 distinct services undertaking the functions, the service will become one. The service will improve its capacity to respond and will have a more joined up approach whilst still ensuring that statutory data (e.g. fly tipping on public land) and potential impacts are managed e.g. if all grounds bin waste was collected by the Waste Collection Authority it would have a negative impact on the MCC recycling results.

Current state and gap analysis

Identify the extent and nature of the change required to achieve the Future State

Section	Description of current state and changes		
	Current State	Changes needed to Current state or actions needed to resolve outstanding issues	Assumptions/constraints
Staffing	Staff employed by grounds and waste separately for similar services	Review of staffing levels for the reviewed areas (litter picking & fly tipping) and new level determined e.g. numbers, location Due personnel process to be followed on reducing staffing levels	2 staff can be saved from this process

	Current State	Changes needed to Current state or actions needed to resolve outstanding issues	Assumptions/constraints
Legislation	Waste complies with Environmental Protection Act reporting e.g. litter, fly tipping Which needs to be adhered to in future service redesign	On reviewing operational practices need to ensure statutory requirements are met	
Systems	Different systems are used by the services	System redesign needs to take place to ensure work is commissioned and undertaken efficiently and effectively	

Options Appraisal

No other options are being considered. The only other operational alternative is “no change” which given the reasons for change, operational efficiency, reduced duplication and resource release is not being considered.

Cost-Benefit Analysis

Cost/Benefit Description	Current Budget	Target Saving	Timing 2015/16	2016/17	2017/18	2018/19
Cashable benefit						
<i>£50k</i>	<i>The overall street cleansing budget is £600k</i>	<i>£50k</i>	<i>£50k</i>	£0	£0	£0

Cost/Benefit Description	Current Budget	Target Saving	Timing 2015/16	2016/17	2017/18	2018/19
Non financial benefits	Current performance	Target performance				
improvements in service	<i>Duplication of services</i>	<i>Efficient and streamlined service delivery</i>				
Cost Redundancy costs of staff	Current costs	Revised costs To be determined				

IMPACT

This is one of 3 mandates which have operational impacts e.g. front line staff reductions. The others are:- change of frequency of nappy service and route optimisation. Overall in Waste & Street Services the workforce will need to reduce by about 13 to achieve the savings proposed. Therefore there will be individual staff impacts. First through the realignment process as colleagues are managed through the process and then secondly at the end when colleagues leave the organisation. There will be morale issues and this could lead to an impact on service performance.

Key Risks and Issues

List the potential threats (risks) and current issues to the benefits of the proposal as they are currently understood. Use the corporate approach to risk and issues management.

Risks - anticipated threats to the benefits
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Description	Likelihood	Impact	Proximity (when it is likely to occur)	Risk Owner	Mitigating Action	Action Owner
Individual impact on staff affected i.e. made redundant	H	H	2014-15	Rachel Jowitt Nigel Leaworthy	The process will be undertaken fairly and in line with the Protection of Employment Policy. MCC will also offer all support available to those affected, but recognises that the impact of losing your job can not be fully mitigated	Rachel Jowitt Nigel Leaworthy
Overall staff morale - reduction	H	M-H	2015	Rachel Jowitt Nigel Leaworthy	Communications and engagement with the workforce is a priority of the new WSS department. Continued engagement, regular meetings with the team and also an implementation of a fair process to reduce the workforce will be critical in ensuring a success of our wider service. Importantly engagement after the changes will be just as important to keep in touch with the workforce to check on morale and identify any measures that can be introduced to enhance performance within the service.	Rachel Jowitt Nigel Leaworthy
Impact on	M	M	2015 and beyond	Rachel Jowitt	The service system will be	Rachel Jowitt

Description	Likelihood	Impact	Proximity (when it is likely to occur)	Risk Owner	Mitigating Action	Action Owner
recycling performance If all the “grounds waste” came under the Waste Collection Authority residual waste tonnage would increase, thereby reducing the overall recycling performance				Nigel Leaworthy	redesigned with this risk integral to its design. An appropriate recording system will need to be developed to ensure that tonnage is reported appropriately	Nigel Leaworthy Amy Bowen

Assumptions

The actual review is yet to be initiated, so it is assumed that 2 posts can be released through this realignment. We are confident in the 2 posts, and if more staff/vehicles become surplus through this process these too will be released to offer more savings.

Recommendation

That approval is given to review the services and realign them for service efficiency and cost effectiveness.

High level Plan for delivery

Action	Timetable
Review existing processes for each service area	Nov-Dec 14

Action	Timetable
Identify staff/ vehicles assigned to these tasks	Nov-Dec 14
Develop new system	Jan 15
Pilot new system	Jan-Feb 15
Political approval for mandate	Feb 15
Staff reduction implementation	February 15
System implementation	April 15

Sign-Off

This section should be signed by the Cabinet portfolio holder to confirm acceptance of the preferred option for onward approval by Cabinet. Use the version and authority sign-off on the front page.

37a EQIA - WASTE MANAGEMENT – EFFICIENCY AND REALIGNMENT

The “Equality Initial Challenge”

Name: Rachel Jowitt Service area: Waste & Street Services Date completed: 17 th October 2017		Please give a brief description of what you are aiming to do. The mandate proposes to streamline cleansing/grounds services and make them more efficient and customer focused through changing working practices and systems.	
Protected characteristic	Potential Negative impact Please give details	Potential Neutral impact Please give details	Potential Positive Impact Please give details
Age	This mandate does not have an impact on protected characteristics as it is about service redesign. Whilst there are staff implications the Protection of Employment policy will be followed to ensure all staff are treated appropriately and fairly to avoid any form of discrimination.		
Disability	As above		
Marriage + Civil Partnership	As above		
Pregnancy and maternity	As above		
Race	As above		
Religion or Belief	As above		
Sex (was Gender)	As above		
Sexual Orientation	As above		

Transgender	As above		
Welsh Language	As above		

Please give details about any potential negative Impacts .	How do you propose to MITIGATE these negative impacts
➤	➤
➤	➤
➤	➤
➤	➤

Signed

A handwritten signature in black ink, appearing to read 'L. South'.

Dated 17th October 2014

Designation

Head of Waste & Street Services

37B – WASTE MANAGEMENT – MODERNISING TRADE WASTE SERVICES

The Proposal Business Case enables the Cabinet to decide whether to proceed with the proposal.

This template provides guidance on how to complete the Proposal Business case.

Document Control

Version	Date	Status (draft, approved, signed off)	Author	Change Description
1	14 th October 2014		Rachel Jowitt	

Approval

Cabinet sign off to proceed with proposal		Date	
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Distribution List

Name	Organisation	Job title / Dept
Peter Davies	MCC	Finance
Ruth Donavon	MCC	Finance
Emma Jackson	MCC	IT Systems

Executive Summary

Monmouthshire County Council currently provides a wheelie bin trade waste refuse service to 364 customers. Approximately 200 customers also buy trade bags from One Stop Shops and other outlets. This customer base amounts to an annual tonnage of residual waste of 2,066 tonnes. For 2014-15 the service is forecast to cover full costs (collection, haulage and disposal costs) with income targets built into the budget of £433k.

It is estimated that as a minimum c.250-300 customers make use for *free* of the red and purple householder recycling scheme. This figure is made up of businesses that also currently pay for a MCC provided refuse collection, but potentially also some businesses that are not paying for a refuse service. However it could be more, but it is difficult to determine, particularly through town centres where there are flats above shops and the crews are unable to differentiate between household and trade waste.

Under the Environmental Protection Act 1990 which governs the trade waste regime Council's should look to cover full costs of all waste and recycling services offered to the business sector. This is to implement the policy of Producer Responsibility as Business Rates are not used to cover costs for waste collections and disposal and householder rates should not be used to subsidise business activity. There is also a sometimes a lack of clarity over charging for trade waste, because the Controlled Waste Regulations 1992 stated that for certain businesses (such as charities, education establishments, hospitals and caravan and camping sites), Local Authorities can make a charge for collection, but not disposal of waste. A subsequent update to the regulations in 2012 reduced the types of businesses that this would apply to. MCC has not yet implemented the changes, but through this process MCC will look to update its charging regime to align with these regulations.

One of Monmouthshire's key priorities is to support enterprise, job creation and entrepreneurship. It is important that an introduction of a recycling charge and a re-alignment of the overall charging mechanism is seen within the context of producer responsibility but also as a means to ensure our businesses get a quality, reliable, cost effective recycling and waste disposal service.

The design of the overall scheme is yet to be defined and will need to go through a full consultation, Select Committee and Cabinet approval process. But it is intended that implementation of a scheme will deliver:

- | | |
|---|-------------|
| • Introduction of trade waste recycling | £40k |
| • Realignment of Schedule 2 changes
(through charging for the administration of transfer notes at £25 per customer). | £10k |
| TOTAL | £50k |

Detailed Business Case

Vision

That Monmouthshire based businesses will be able to access a cost effective recycling and waste disposal service.

That MCC fully implements the principle of Producer Responsibility so that the cost of business recycling/waste management is fully recovered in line with the law and Schedule 2 interpretations of commercial waste.

Outcomes

That MCC offers a comprehensive recycling and refuse services to MCC businesses

That the charging mechanism is appropriate to cover costs and fully apply the Schedule 2 changes on collection and disposal charges

Blue Print

The Future State

Businesses need a safe and reliable way to dispose of the waste they produce. Businesses are not obliged to come to a Council for a collection but a Council is required by law to undertake a collection where the businesses request it and the service can then make a charge. Due to the rurality of Monmouthshire some businesses would struggle to find a cost effective contractor to manage their waste and therefore the Council would always need to offer some level of service provision.

Given the importance of businesses to Monmouthshire's priorities it is important that the design of the modernised service is based on promoting recycling and the producer responsibility concept. This in turn may help businesses examine the amount of waste they produce, make them more environmentally aware resulting in waste reduction and reduced cost.

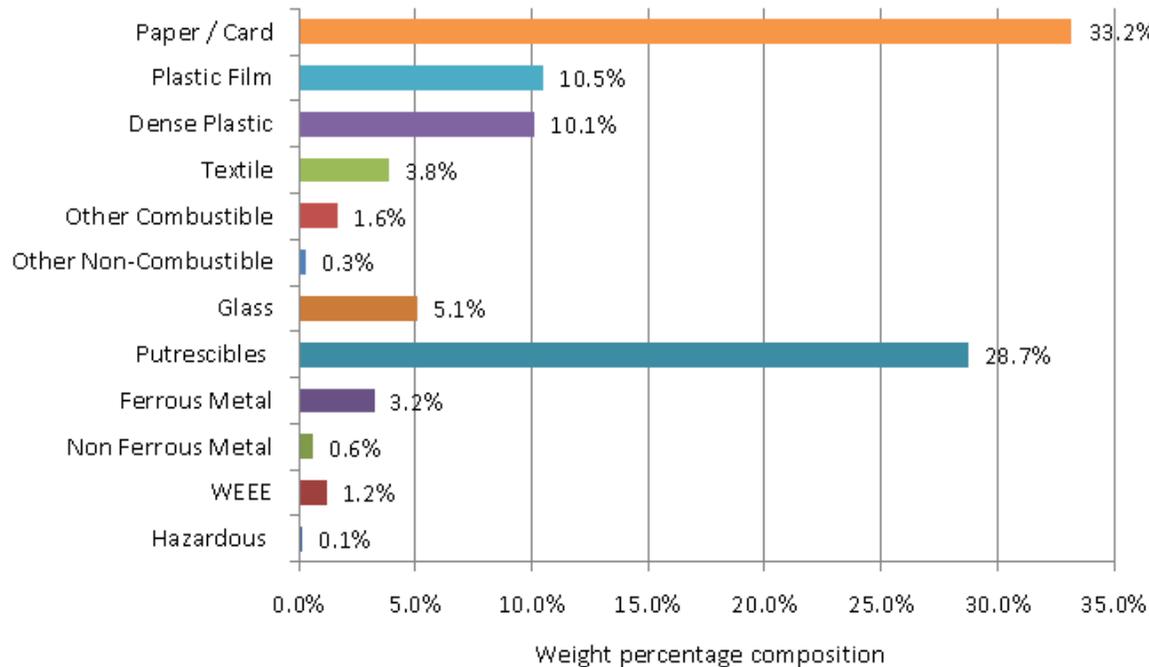
The overall objective is for MCC to fully implement a holistic chargeable trade waste service.

Recycling Rates

Currently trade waste amounts to 4.6% of total municipal waste managed by the authority. All of this waste currently goes for disposal. In 2012-13 an assessment was undertaken on the composition of the trade waste. This determined that businesses produced on average 6.62kg of waste per week (please note since 2012-13 overall tonnage on trade waste has reduced by 600 tonnes).

Importantly though the study determined that the vast majority of trade refuse was recyclable:

Figure 9.1 - Composition of residual collected commercial waste



The above demonstrates clearly that the top 4 material streams: cardboard, food, dense plastic and glass amounts to 75%. If 50% of this waste was recycled the recycling rate would increase by approximately 2%. If this was applied in 2013-14 MCC would have achieved a recycling rate of 65%.

We are currently unable to determine the existing level of business recycling from them making use of the red and purple bags. The benefit of a distinct trade recycling service will allow us to fully understand the contribution of trade recycling to the overall performance of the Council and help businesses communicate their environmental performance.

Charging for Administration of Transfer Notes

It is a legal requirement that Transfer Notes are produced by the collector of the waste and given to the producer of the waste (i.e. the business). This is to allow the business to prove that they have managed their waste responsibly and have given their waste to an NRW/EA approved body. Currently this administrative task of production, database management and postage is undertaken free of charge. It is however custom and practice that waste collecting bodies charge.

It is therefore proposed that a £25 annual charge is to be applied to the administration for a trade waste customer.

Current state and gap analysis

Identify the extent and nature of the change required to achieve the Future State

Section	Description of current state and changes		
	Current State	Changes needed to Current state or actions needed to resolve outstanding issues	Assumptions/constraints
Internal admin Processes	There is an established system for businesses to register and pay for a trade waste service.	The system will need to be reviewed and potentially changed to accommodate a more complex service design and charging	Capacity of IT to be able to design and implement a new system for 2015. No revenue

		system.	funding has been earmarked for this development work.
Design of service	There is no determined trade waste recycling service	<p>Research into trade recycling service options</p> <p>Consultation with businesses on service design</p> <p>Feasibility with existing fleet as one of the key assumptions is that there will not be investment in new fleet until the findings of the service review are complete</p>	<p>No new fleet</p> <p>Businesses have already indicated in the survey of 2012 that they would like to recycle but did not want to pay for it. Therefore a risk to overcome will be their understanding of the changes and the benefits.</p>
Technology/infrastructure	Basic database used for system at present	Modernisation to allow online registration and system	Capacity of IT to be able to undertake the work
Communications	Communications limited to when changes to their collection are required.	Introduction of a charge will require a comprehensive communications plan to be instigated	Internal staff resources and budget for communications.

Options Appraisal

There has been no option appraisal due to the only other option available is not to charge, and given the budget position, the importance of Producer Responsibility a charging mechanism is deemed to be the only appropriate solution.

Impact

It could be perceived by the businesses who already make use of the red and purple scheme that they are being treated unfairly with the introduction of a charge. However as outlined above the provision of the service has been a benefit for those businesses, but the Council must

not be using householder rates to subsidise business activity. The benefits therefore of introducing this charge will allow MCC to engage with businesses so they fully understand the trade waste regime and understand their responsibilities within it.

Key Risks and Issues

List the potential threats (risks) and current issues to the benefits of the proposal as they are currently understood. Use the corporate approach to risk and issues management.

Risks - anticipated threats to the benefits						
Description	Likelihood	Impact	Proximity (when it is likely to occur)	Risk Owner	Mitigating Action	Action Owner
Overall lack of income due to businesses opting to go elsewhere for their trade waste service	M	M	Over 2015	Rachel Jowitt Recycling Strategy Manager	Charging regime is proportionate to promote recycling	Rachel Jowitt
Criticism of the Council from businesses on introducing a charge when enterprise is one of the key priorities	M	L	With introduction of scheme	Rachel Jowitt	Effective communications plan drafted and implemented. Early engagement with businesses and MCC relevant officers to ensure all business communications avenue are utilised	Rachel Jowitt Recycling Strategy Manager
IT – system designed isn't fit for purpose	M	M	2015	Rachel Jowitt	Early work undertaken to determine need and clear specification developed with IT/cashiers	Rachel Jowitt Emma Jackson/ SRS/ Ruth Donavan

Description	Likelihood	Impact	Proximity (when it is likely to occur)	Risk Owner	Mitigating Action	Action Owner
The recycling service is such a success that the trade refuse service does not cover costs	M	H	2015 and beyond	Rachel Jowitt	Pricing schedule is appropriate and fit for purpose	Rachel Jowitt

Constraints

Timescales & capacity: It is anticipated that the scheme will be implemented from July 2015. There is a lot of service design work, consultation and engagement and system development to be undertaken. The team is already focused on the implementation of a £350k saving project (route optimisation which will incorporate the changes to the nappy service if accepted by Council) and therefore this work has to be fitted in with maintaining services and delivering other mandates.

IT: it is anticipated that a new system will have to be developed to give our businesses a modern and effective system for registering and paying for the service. Discussions with MCC systems leads and cashiers has already begun and meetings will take place soon to begin work on the scope and scale of the work so that it can be taken forward.

Assumptions

It has been assumed that the existing fleet (post route optimisation) will be used. The service is currently going through a review and the design of the service may change in future years. Therefore it is a possibility that the trade waste charging service changes in a few years

Recommendation

That approval is given for Officers to proceed with the design of a chargeable trade recycling service.

High level Plan for delivery

Action	Timescale
Design of recycling service	Nov 14
Initial meeting on IT – systems – scope, constraints etc	Nov 14 (after initial design of service has been undertaken)
Policy research into other LAs designs and charging regimes	Oct-Nov 14 (work as started)
First scope of service design for officers to challenge & review	December 14
Systems and IT specification confirmed	December 14
Meet with economic development to discuss business engagement	Dec 14
Policy design and system – presented to Select Committee	January/Feb 15
Communications and engagement with businesses	Jan 15
Charging regime and overall design of service – Cabinet approval	March 15
Implementation of service	April – July
Service starts	July 15

Sign-Off

This section should be signed by the Cabinet portfolio holder to confirm acceptance of the preferred option for onward approval by Cabinet. Use the version and authority sign-off on the front page.

37b EQIA – WASTE MANAGEMENT – MODERNISING TRADE WASTE SERVICES

The “Equality Initial Challenge”

Name: Rachel Jowitt Service area: Waste & Street Services Date completed: 17 th October 2014		Please give a brief description of what you are aiming to do. Modernise the trade waste service through the introduction of a collection charge for recycling, charge for the administration of transfer notes & realign Council policy to new WG regulations	
Protected characteristic	Potential Negative impact Please give details	Potential Neutral impact Please give details	Potential Positive Impact Please give details
Age	There is no impact on protected characteristics due to the changes being applied to businesses in Monmouthshire not individuals.		
Disability	As above		
Marriage + Civil Partnership	As above		
Pregnancy and maternity	As above		
Race	As above		
Religion or Belief	As above		
Sex (was Gender)	As above		
Sexual Orientation	As above		
Transgender	As above		
Welsh Language	As above		

Please give details about any potential negative Impacts .	How do you propose to MITIGATE these negative impacts
➤	➤
➤	➤
➤	➤
➤	➤

Signed 
Dated 17th October 2014

Designation head of Waste & Street Services

37C – WASTE MANAGEMENT – WASTE COLLECTION CHANGES – GREY BAGS & NAPPIES

The Proposal Business Case enables the Cabinet to decide whether to proceed with the proposal.

This template provides guidance on how to complete the Proposal Business case.

Document Control

Version	Date	Status (draft, approved, signed off)	Author	Change Description
1	13 th October 2013		Rachel Jowitt	

Approval

Cabinet sign off to proceed with proposal		Date	
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Distribution List

Name	Organisation	Job title / Dept

Executive Summary

Monmouthshire is a high performing recycling county, achieving 63% in 2013-14 due to the radical changes that were implemented in July 2013. Monmouthshire is also a highly efficient Council as demonstrated by recent benchmarking which evidenced that the average cost of a waste collection in Monmouthshire in 2012/13 was £50 per household as opposed to the Welsh average of £70 per household. Efficiency is to be optimised even more in 2015 with the introduction of the Route Optimisation Project which already sits in the MTFP to deliver a £250k (2 lorries and crews) saving. When looking at further efficiency's therefore the law (Environmental Protection Act) has been reviewed to determine what we *must* do and what is discretionary and therefore open for review and release of resources. Two such items have been identified:

- The removal of the free supply of grey refuse bags as agreed by Council in April 2013 with householders once more being asked to provide their own black bags, but would still be restricted to two per fortnight; and
- The removal of the nappy/hygiene collection service and householders advised they would be allowed an additional allocation of black bags for collection fortnightly.

The above actions would deliver:

• Grey bags	£80k
• Nappy service – change of frequency of collection	£100k
Total	£180k

It is recognised that these are high profile service changes with a potential impact on performance and customer satisfaction with the service. However given the budget pressures facing the authority, the proven efficiency of the collection service these services are not statutory and can therefore be removed whilst ensuring compliance with the law.

Detailed Business Case

Vision

As part of the Recycling Review Members have set four priorities for the recycling and waste service. These are:

1. Maximising the economic benefit/value of service;
2. Minimising the environmental impact of service;
3. Enabling and supporting communities, businesses and members of the public do more for themselves, and;
4. Having an informed and engaged public.

The service also an outlined purpose of:

To provide and promote a clean, safe, and sustainable Monmouthshire through the delivery of our services in a reliable, flexible and cost effective way that meets the needs of our residents, now and in the future

The service aspires to be the best at minimal cost to allow the Council to focus on its corporate priorities and outcomes.

Outcomes

The changes proposed, whilst recognising could be seen as a reduction in service provision will strive to deliver specific outcomes which align to the priorities determined by Members:

Maximising the economic benefit/value of the service

The grey bags were introduced to indicate to residents that a change was needed in the amount of general rubbish that was being thrown out to both reduce the amount and cost of landfill and to increase the County's recycling performance. The scheme has been

accepted as a success both on financial and recycling performance. Importantly performance is consistently being maintained which indicates that the change which the grey bags introduced has bedded down to a sufficient level to allow the provision of the grey bags to be removed and deliver a financial saving to aid the economic value of the service.

In terms of the nappy service, with the closure of the recycling facility in 2013 and market research determining no suitable alternative in principle support has been given to return the nappy/hygiene waste back to the residual waste stream permanently. With the introduction of energy from waste rather than landfill being the primary form of treatment for residual waste this will deliver a financial saving (which is already a MTFP mandate (Project Gwyrdd) to deliver this outcome.

Minimise the environmental impact of the service

Through the restriction of residual waste the environmental performance of the service has already been improved, and with the pending move to energy for waste for residual waste, there is no better environmental treatment method for this waste. The removal of the nappy/hygiene service will also reduce fleet delivering further environmental savings from CO2 emission reductions.

Enabling and supporting communities, businesses and members of the public do more for themselves, and

The community has raised at the recent consultation events the possibility of removing the provision of grey bags due to the success of the changes. We want the community to do more for themselves and to take responsibility for the waste they produce. By re-introducing householders supplying their own black bags, but maintaining the restriction it returns the onus on householders for their general rubbish collection service.

It is recognised that householders can do very little with nappy/hygiene waste produced and therefore it is proposed that the service be aligned with the residual waste service for fortnightly collections. In addition those who would have made use of this service it is proposed will be allowed an additional allocation of grey bags.

Having an informed and engaged public

Monmouthshire has high public satisfaction with its recycling and waste and the performance of the service is testament to the level of engagement from the public. The proposed changes should not have a negative impact on the overall engagement with the service albeit accepting that the changes would require a period of adjustment.

Blue Print

The Future State

The future will be one where residents still comply with the refuse restriction and only place out no more than 2 bags per fortnight and continue to recycling as much as possible. In relation to the nappy service the waste will be collected within the residual waste stream given the lack of future recycling capacity. If householders do need to dispose of nappy/hygiene waste on the weeks where this is not a refuse collection then the waste can be taken to the Household Recycling Centres and placed in the general waste skips.

No changes to processes are required for this change. Indeed the removal of the nappy service will save on processing of applications and release administration capacity which will aid the service given it has faced a 20% reduction in office staffing this year.

Current state and gap analysis

Identify the extent and nature of the change required to achieve the Future State

Section	Description of current state and changes		
	Current State	Changes needed to Current state or actions needed to resolve outstanding issues	Assumptions/constraints
Process for approval	Both services were introduced through the due political process	Changes are needed to Council policy to remove the nappy service and for householders to supply their own black bags once more	
Process for additional allocation of black bags	There is already a process and database in place for those householders who	The database and process to approve the additional allocation will need to be removed to ensure it is fit for purpose	IT is a constraint within the current service in terms of the databases operated and how

	require more than a 2 bag limit currently.	and can cope with approximately 4,000 new requests	they can be improved. Discussions and an action plan will need to be agreed with SRS to ensure the database can be updated easily and operational crews knowing with ease who is allowed an additional allocation of black bags.
Householder communications		A major communications initiative will have to be undertaken to inform householders of the change and how the service is expected to continue and still perform effectively	No constrains – communications plan will be devised and implemented following member approval.

Options Appraisal

Option 1

The first option is to:

- Request householders supply their own black bags again, but only 2 are allowed to be placed out for collection per fortnight
- Withdraw the nappy/hygiene collection service and advise householders that this waste is to be placed in the black bags and if they need an additional allocation of more than 2 bags per fortnight to apply to the Council

This would allow, with most effectiveness the financial saving to be met.

Cost-Benefit Analysis – Option 1

Cost/Benefit Description	Current Budget	Target Saving	Timing 2015/16	2016/17	2017/18	2018/19
Cashable benefit						
<i>Removal of grey bags £80k</i>	£80k	£80k	£80k	£0	£0	£0
<i>Removal of nappy/hygiene service £100k</i>	£100k	£100k	£100k	£0	£0	£0
Non financial benefits	Current performance	Target performance				
N/A	63% recycling rate and reduced expenditure on residual waste management.	63%	63%			
Cost	Current costs	Revised costs				
There will be a need to develop and implement a communications plan to ensure all householders know	The service has a communications budget of £10k.	£10-20k – it is proposed the existing budget is used to communicate the changes to residents				

of the changes						
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Option 2

The other option would be to introduce a charge for the bags (but bags only as refuse services cannot be charged for). However given the administrative burden this would introduce (with reduced resources to deal with the administration) and the fact that for the nappy service the £100k could not be saved it is not proposed that bags be charged for. Therefore a full options appraisal has not been undertaken.

Impact

There is a potential risk to the overall recycling performance of the service. The introduction of the grey bags was a visible tool to help householders with the change on restricting residual waste. Their removal could be portrayed as the Council placing less emphasis on the service but in fact it is an indication of the resident’s superb compliance with our requests that we feel confident to ask them to once more provide their own black bags.

The nappy/hygiene service change of collection frequency will probably have a negative impact on those who use the service, as there will be a period of change to adjust to. The introduction of this service in 2010, with the introduction of fortnightly refuse collections has allowed parents and those who require the hygiene service to dispose of smelly waste every week. The proposal will mean that the waste is collected fortnightly. However facilities are available at the Household Waste Recycling Centres if residents want to dispose of this waste more frequently. MCC recycling department already offers subsidised real nappy kits and will look to promote this scheme to reduce the impact of the change of collection frequency.

Key Risks and Issues

Risks - anticipated threats to the benefits
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Description	Likelihood	Impact	Proximity (when it is likely to occur)	Risk Owner	Mitigating Action	Action Owner
<p>Reduction in recycling performance and increased cost on residual waste treatment</p> <p>With householders providing their own black bags once more, they may feel that the Council is not as committed as it was to the recycling agenda. This couldn't be further from the truth. The removal of the grey bags is testament to the success of the initiative and the compliance we have seen from our residents. However if the former view is taken, there is a risk that more recycling is placed into</p>	M	M	2015-16 and beyond	Rachel Jowitt	<p>As part of the route optimisation programme it is intended that we will make recycling even easier for householders. Currently when residents require new bags they have to go to an outlet, but it is intended from April that we will have developed a system so that our operatives will know when residents need a new supply of bags and will deliver the bags directly.</p> <p>We will also advise residents on the type of black bag that can be placed out – a maximum size (this is allowed by law) to avoid large bags being used and therefore</p>	Rachel jowitt

Description	Likelihood	Impact	Proximity (when it is likely to occur)	Risk Owner	Mitigating Action	Action Owner
the black bags, thereby increasing cost and reducing performance Whilst MCC is not at immediate risk of fines from WG on recycling performance we have to be mindful of the impact of fines. The next target year is 2015-16 with 58% needing to be achieved. Given current performance of 63% it is not anticipated that performance would fall by 5% with this change.					recycling to suffer. This will emphasise to householders that we are still prioritising recycling and this will enable our crews to promote recycling and if need be issue literature at the same time. Our crews are currently receiving further training on the recycling service and engagement and communications to aid this process.	
Public opinion on the removal of the nappy/hygiene service. This has been a very popular and is now a well- used service. There will be concerns over public health, but advice received from WG an other LAs who	H	M	2014-15 (during implementation)	Rachel Jowitt	Communications plan to be developed and the method of disposing and managing this waste clearly articulated. In addition a public push on our subsidised real nappy scheme will help reduce the number of	Rachel Jowitt

Description	Likelihood	Impact	Proximity (when it is likely to occur)	Risk Owner	Mitigating Action	Action Owner
do not operate a nappy service is that the waste is suitable for fortnightly collection.					nappies produced (thereby reducing tonnage and overall cost).	
<p>Morale within the workforce.</p> <p>The removal of the nappy service will see three staff being made redundant. This is on top of the 6 staff identified to be saved through the introduction of the route optimisation programme. Other mandates also have front line staffing implications.</p> <p>It is important that morale in the workforce is maintained to ensure a quality and effective service is delivered to the residents of</p>	H	H	On roll out of proposals and through implementation	Rachel Jowitt Nigel Leaworthy	<p>Communications and engagement with the workforce is a priority of the new WSS department.</p> <p>The workforce are engaged in the route optimisation project to allow them to understand the reasoning behind the change and the same will have to be done with the removal of the nappy service.</p> <p>Continued engagement, regular meetings with the team and also an implementation of a fair process to reduce the workforce will be critical in ensuring a success of our</p>	Rachel Jowitt Nigel Leaworthy

Description	Likelihood	Impact	Proximity (when it is likely to occur)	Risk Owner	Mitigating Action	Action Owner
Monmouthshire.					wider service. Importantly engagement after the changes will be just as important to keep in touch with the workforce to check on morale and identify any measures that can be introduced to enhance performance within the service.	
Individual impact on staff affected (eg. made redundant)	H	H	2014-15	Rachel Jowitt Nigel Leaworthy	Process will be undertaken fairly and in line with the Protection of Employment Policy. MCC will offer all support available to affected staff, but this will not fully mitigate the impact of people losing their jobs.	Rachel Jowitt Nigel Leaworthy

Issues- current threats to the benefits

Description	Priority	Issue Owner	Action	Action Owner
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The main threat is lack of commitment to taking this forward and the financial saving not being achieved. The service does not have another area where £180k could be taken from.	H	Rachel Jowitt	Clear plan developed in terms of engagement with members and clear process on political process for approval of policy changes	Rachel Jowitt

Constraints

There are no real constraints to the implementation of these proposals.

Assumptions

No assumptions have been used to base this financial saving as it is a direct cut on provision of grey bags and staffing and vehicles.

Recommendation

That approval is given to proceed with the political process to implement a policy change to refuse collections to allow:

- The provision of grey bags to be removed and householders requested to provide their own black bags and still restricted to two per fortnight
- The removal of the nappy/hygiene service

High level Plan for delivery

Action	Timescale
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High level political approval for mandate	Oct / early Nov 14
Recycling Review presented to Strong Communities Select Committee where savings plan will be shared within the context of the wider review	18 th Nov 14
Review of existing council policy to amend it appropriately	Nov 14
Development of communications plan to tie into communications plan for roll out of route optimisation programme	Nov- Dec 14
Review of policy changes by Select Committee	11 th December
Policy changes given political approval	Cabinet – 7 th January 2015
Implementation of communications plan	Jan – April 2015

Sign-Off

This section should be signed by the Cabinet portfolio holder to confirm acceptance of the preferred option for onward approval by Cabinet. Use the version and authority sign-off on the front page.

37c EQIA – WASTE MANAGEMENT – WASTE COLLECTION CHANGES – GREY BAGS & NAPPIES

The “Equality Initial Challenge”

Name: Rachel Jowitt Service area: Waste & Street Services Date completed: 17 th October 2014		Please give a brief description of what you are aiming to do. Remove the supply of grey bags for householders refuse collections but still only allow householders to place out 2 black bags per collection. Alter the collection frequency of the nappy/hygiene service and change it from a separate collection to collecting them with general refuse	
Protected characteristic	Potential Negative impact Please give details	Potential Neutral impact Please give details	Potential Positive Impact Please give details
Age	<p>There could be a perceived impact from the change of the nappy./hygiene service where older people are utilizing the service for incontinence waste</p> <p>This mandate does not have an impact on protected characteristics as it is about service redesign. Whilst there are staff implications the Protection of Employment policy will be followed to ensure all staff are treated appropriately and fairly to avoid any form of discrimination. (this applies to all protected characteristics)</p>	<p>Householders will be required to provide their own black bags instead of Council supplied grey bags. Whilst this will have a small financial impact it is not against any one protected characteristic. Householders used to provide their own black bags so it is simply a return to previous practice.</p>	
Disability	There could be a perceived	Grey bag impact as above	

	impact from the change of the nappy./hygiene service where disabled people are utilizing the service for incontinence waste		
Marriage + Civil Partnership		The service would not have an impact on this protected characteristic as they are not users of the current service	
Pregnancy and maternity	There could be a perceived impact from the change of the nappy./hygiene service where mothers are utilizing the service for nappy waste		
Race		The service would not have an impact on this protected characteristic as they are not users of the current service Grey bag impact as above	
Religion or Belief		The service would not have an impact on this protected characteristic as they are not users of the current service Grey bag impact as above	
Sex (was Gender)		The service would not have an impact on this protected characteristic as they are not users of the current service Grey bag impact as above	
Sexual Orientation		The service would not have an impact on this protected characteristic as they are not users of the current service	

		Grey bag impact as above	
Transgender		The service would not have an impact on this protected characteristic as they are not users of the current service Grey bag impact as above	
Welsh Language		The service would not have an impact on this protected characteristic as they are not users of the current service Grey bag impact as above	

Please give details about any potential negative Impacts .	How do you propose to MITIGATE these negative impacts
<ul style="list-style-type: none"> ➤ The weekly collection of nappy/hygiene waste was introduced at the same time as the introduction of fortnightly refuse collections in 2010. This was to help those householders manage this “smelly” waste in the intervening weeks. There could be concern about health effects of the storage of this waste for two weeks and residents concerned that they would not have capacity within their residual 2 bag limit to manage this waste. 	<ul style="list-style-type: none"> ➤ Residents can make use of the 4 Household Waste Recycling Centres for more regular disposal of this waste and this will be communicated clearly
<ul style="list-style-type: none"> ➤ 	<ul style="list-style-type: none"> ➤ Guidance will be provided on appropriate wrapping and storage of this waste to reduce the impact of a fortnightly collection. At the same time MCC will communicate that there are no health effects from the storage of this waste for 2 weeks.

➤	➤ MCC already promotes and subsidises Real Nappies. This can be re-promoted with these changes as a switch to Real Nappies a) reduces waste and b) fully removes the potential negative impact of this waste for parents (but accepting this would not be applicable to those using the service for hygiene waste)
➤	➤ Those making use of this service (or would have in the future) will be able to apply for an additional allocation of black bags (as MCC is also proposing to remove the grey bags). There is an existing process for this. Existing users of the service will be registered automatically onto the additional allocation process and it will be advertised on web site, leaflets etc. how people can access this benefit in the future
➤ Concern that once classed as “special” waste and collected in yellow bags, can now go back into black bags	➤ This is a perverse impact of waste law. If nappy/hygiene waste is collected on its own it is classed as “special” waste – hence why we needed to collect it in yellow bags. However if it is just part of the household rubbish stream it is classed as normal municipal waste and can therefore be collected in normal refuse bags. This will be made clear in the communications.

The service is not being removed altogether. Therefore the perceived impact on the protected characteristics needs to be carefully examined to determine if the impact is an actual one. Initial advice from the Equalities Officer is that as the service is continuing, albeit at a reduced frequency, that provision is made for the resident to have a larger residual waste allocation of black bags, that disposal is available at the HWRCs and Real Nappies will be promoted an initial review will be made of the perception before a decision is made on whether a full EQIA is required.

Signed 
Dated 17th October 2014

Designation Head of Waste & Street Services

Waste Collections Changes Mandate 37a

Additional Information for Strong Communities Select Committee

11th December 2014

Purpose

1. To expand the information included in the Waste Collection Changes Mandate for Select Committee scrutiny.

Background

2. The Budget Mandate contains the main information relating to the proposed changes to deliver efficiency savings of £180k. These are:
 - Remove the provision of grey bags £80k
 - Nappy service 100k
 - Change frequency of collection

Removal of Grey Bags Proposal – Key Changes to Existing Policy

3. The mandate outlines the outcomes and actions that the change will deliver and also the key risks.
4. Under the Environmental Protection Act 1990 (46(1)) Councils have the power to require householders to place waste for collection in receptacles of a kind and number specified. This measure is used to promote sustainable waste management and also to ensure public behaviour is compatible with the collection methodology of the Council. By clearly specifying materials and containment recycling can be promoted and landfill/disposal reduced.
5. The only changes to the existing policy are:-
 - Monmouthshire County Council will no longer provide householders with grey bags for the disposal of household residual (general rubbish) waste
 - Householders must provide their own black bags (80 litres volume (size to be confirmed) max size)
6. Key remaining elements of the policy are:
 - Households may only place out 2 bags for collection per fortnight
 - Additional bags (side waste) will not be collected
 - For larger families/households (5+) an additional may be given if recycling services are being maximised
 - For people who struggle with their waste and need additional help MCC will work them to determine appropriate and sympathetic solutions
 - Fines are not used a tool to enforce this policy given the excellent compliance by MCC householders and the high recycling achieved to date.

7. The new draft policy which will be taken through the Cabinet process is at Annex 1.

What if a household still has grey bags? Do they stop using them?

8. The last 2 years MCC has delivered enough grey bags for an annual supply (through May-June). For the majority of householders their supply will therefore end May-June. However for those who have not used their 2 bag allowance per fortnight we recommend that they finish using their grey bags before switching over to householder provided black bags. Therefore whilst the “official” start date will be 1st July 2015 to correspond with the same date two years ago it is appreciated that it will be an evolution as existing supplies of grey bags are exhausted by householders.

Nappy-Hygiene Collections - Change of Frequency

9. The budget mandate outlines the key proposed change i.e.:

- To collect nappy-hygiene waste fortnightly alongside the refuse collection

10. The nappy-hygiene service was introduced with the introduction of fortnightly refuse collections over 2010-11 and the waste was picked up on non-refuse collection weeks. Residents were asked to register to ensure our crews knew the waste could be collected and the resident was eligible. On refuse collection weeks it was at first collected with refuse bags and identified with stickers. Weekly separate collections of the material began (so not collected with refuse every fortnight) with the potential to recycle this material in 2012-13 and MCC provided residents with different bags to indicate it was Special Waste (and therefore the yellow/black bags needed to be used) in order for it to be collected.

11. Unfortunately in 2013 the recycling plant closed down unexpectedly leaving MCC and a number of other LAs with no solution for this material. Since then the waste has still been collected separately and weekly but has been going for energy from waste. Given the lack of recycling facility it also proposed to release capacity in the short term by collecting this waste with the fortnightly refuse collection but still collect it separately on non-refuse collection week until the implementation of the new agreed policy.

12. With the onset of Project Gwyrdd and the use of the Trident Park energy from waste plant it is now more cost effective to send this material for disposal i.e. it is cheaper than what MCC was paying for recycling. Given that nappy/hygiene waste only makes up 0.5% of total waste arisings (c.250t per annum) it is a very small waste stream and therefore makes a negligible difference in treatment or processing cost or recycling performance contribution.

The Proposal

NB:- Officers have reviewed the proposal in the mandate and have made a variation.

13. The mandate proposed that households registered for the service would be given an additional allocation of black bags (as per the policy for residual policy with households with 5+ residents). It is now proposed that householders will continue to be supplied with the tiger bags denoting

that their additional allocation is for a specific purpose. This will ensure that only hygiene/nappy waste is included in those bags and that additional black bags are not being used for disposal of potentially recyclable waste. Also as demand can vary identifying a suitable number of additional black bags could be difficult whereas there will be no limit on the number of tiger bags used and residents can indicate they need more bags by placing a note on the bags placed out for collection and crews will deliver direct.

14. This proposal also gives MCC flexibility for the future. Should a technology be developed which is highly efficient in recycling and cost effective compared to Project Gwyrdd the Council can undertake a cost benefit analysis for different collection methodologies with minimal public disruption.
15. It is proposed that householders will continue to use the registration service so that MCC can continually monitor participation levels. In addition the registration system will be upgraded for MCC to easily identify between nappy (and therefore time limited collections) and hygiene waste (which can be more ongoing).
16. It is appreciated that some residents have expressed concern about the high visibility of the tiger bags. We appreciate this and in communications make it clear to residents that we can arrange a discrete location for collections (similar to assisted collections) so it does not have to be placed out on the street.

The Link to Route Optimisation - Implementation & Communications

17. In Feb 2014 Council approved a budget mandate of £250k for route optimisation i.e. the Council using software to ensure that collection routes, vehicles and manning levels were optimised. The rounds needed to be re-balanced given the success of the residual waste restriction where a refuse round used to collect 19t per day and now can collect as little as 6-8tonne per day. A trial is currently being undertaken to determine appropriate performance levels and reviewing the allocation of vehicles/staff to rounds for appropriateness and safety.
18. As it is very likely that collections days will change for most residents through this exercise it is proposed that communications for changes be aligned. This will ensure that residents receive a holistic waste/recycling message and the Council is not sending out information for the same service over a number of months.
19. Literature cannot be produced on the changes until there has been formal political approval. Therefore it is proposed that a report on the Waste Collections Changes be taken to the Cabinet on 7th January with the revised policy. The timescale for implementation therefore is:

Action	Timescale
Political approval	January 7th (with a 10 day standstill period after)
Design & drafting of branding/key messages for communications campaign	January

Translation of materials	February
Issue of information to residents – county wide for grey bags Specific direct communications for nappy/hygiene service users	March-April
Route optimisation implementation will be staggered between depots	April - June

20. Key messages and the communications plan are still to be drafted but the emphasis will be on:

- a. Thanking residents for making us one of the top recyclers in the UK
- b. The restriction still applies – just a change of colour of bag
- c. Continue recycling as much as possible with a reminder on what goes where
- d. Your collection day/s are changing
- e. Small section on hygiene/nappy waste, real nappies, advice
- f. Making it easier for you – bags will now be delivered to you when you need them, do not have to go and get them

21. The design and branding of the 2013 campaign to be reviewed to assess suitability and a range of communication methods will be used including:

- Leaflet/recycling information delivered to every household
- Posters – OSS, leisure centres etc
- Press articles and adverts
- On-line – website changes and use of social media
- Articles in Housing Association newsletters
- Local roadshows (to be confirmed)

22. It is proposed that those using the nappy service will be written to separately so that key messages do not get confused as will those re-registering for the garden waste service with the fee increase (contained in fees and charges report).

Conclusion/Recommendation

23. Committee comments on the proposals contained in the report

24. Committee notes the timescales particularly the political approval timescales.

Rachel Jowitt

Head of Waste & Street Services

RESIDUAL WASTE

Monmouthshire County Council Policy

1. Every household within Monmouthshire will only be permitted to place out two black bags, for collection of refuse/general waste per fortnight.
2. Householders must supply their own black bags and must have a containment limit of no more than 80 litres (size to be determined)
3. Food recycling and red and purple bag recycling collections will continue to be provided on a weekly basis, and there will be no limit on their use.
4. Alternative recycling and waste disposal facilities are available at the four Household Recycling Centres.

Application of the policy:

5. The policy will apply to all households within Monmouthshire.

Assisted Waste Collection:

6. Elderly householders or those with a disability or medical condition, are able to apply for an assisted collection if their condition means that they are unable to carry their waste to the kerbside.
7. Such a collection will be granted by MCC as long as there is no able bodied person living at the address.
8. Householders can apply for the collection by contacting MCC by one of the contact methods at the end of this document. Such householders will be visited by an MCC Waste Warden who will agree a collection point with the householder.

Support

9. A household with 5 or more inhabitants, or those householders who may struggle to manage their waste, may ask MCC to have a greater allocation of bags.
10. Such an allocation will be granted subject to the householder showing that all available recycling services have been utilised to their full potential. The

householder must co-operate with MCC's Waste Awareness Officers who will visit the property and advise on the opportunities of waste reduction, reuse and recycling.

Provision of bags:

11. Householders must provide their own black bags.

Additional waste:

12. Only waste presented in 2 black bags will be collected, any additional waste will be left at the kerbside.

13. For the first collection after Christmas households will be able to place out an additional 2 black bags for collection.

14. If householders have additional waste, they may take it to any of MCC's Household Waste Recycling Centres where operatives will look to maximise recycling opportunities. Rubbish bags will be opened once the person leaving the waste has departed the sites and obvious recyclables will be placed in appropriate containers for recycling.

15. If a householder would like guidance on reducing, reusing, and recycling their waste, they may request to be visited by an MCC Waste Awareness Officer or they can visit our website at www.monmouthshire.gov.uk/recyclingandwaste or by phoning 01633 644126

Where and when residual waste should be placed out for collection:

16. All waste should be placed on the kerbside, unless otherwise agreed with MCC.

17. Waste must be placed out by 7 am on the morning of collection to ensure collection.

Non – collection

18. MCC will only collect two bags irrespective of what is in them and whether waste is wrapped and cannot be seen.

19. Non collection will be undertaken in line with the requirements of section 46 of the Environmental Protection Act 1990.

20. Waste that is placed out for collection in contravention of this policy will not be collected.

21. Houses regularly found to be placing more bags out (or alternative types of bags) and not complying with this policy may be visited by an MCC Waste Awareness Officer to see what support and assistance can be provided.

22. At this time MCC will not legally enforce i.e. issue fines as we want to work with our residents, so after 1 week, waste left out will be collected by MCC.

Nappy / Adult Hygiene Waste:

23. MCC will provide a fortnightly collection for this type of waste on request.

24. Tiger bags will be provided for registered householders.

25. The collection will be provided on the same day as householder's residual waste collection. The Council reserves the right to change the collection day but will inform residents if they do so.

26. Householders are able to register for this service at www.monmouthshire.gov.uk, or through contacting the One Stop Shop.

Confidential – Private Waste

27. Waste can be wrapped e.g. in bin liners and placed into the bags. As long as only two bags are placed out for collection it does not matter if the material is wrapped.

Ashes:

28. Householders are permitted to put ashes, from coal fires, out for collection in addition to the two bags.

29. Householders must house such waste in a household sized dustbin.

30. Any ash that is put out for collection must be completely cold, any ash bins that are found to be still alight/warm, will not be collected.

31. Householders must ensure that any ash bins are filled only to a level whereby the bin can still be lifted safely by our crews. Any overloaded bins will not be collected.

32. If waste, other than ashes, is placed in ash bins, the bin will not be collected.

Incentive Schemes.

33. MCC at present has no plans to offer incentives to householders aimed at boosting reuse and recycling.

34. However it is recognised that 2013-14 will be a period of transition for our residents. We will work with our communities to assist them reduce waste, reuse more and recycle even more. We will explore over this period how to incentivise our communities to do more to help Monmouthshire become greener and one of the best recyclers in the UK.

MCC contact details:

Telephone: 01291 635700

Website: www.monmouthshire.gov.uk/recyclingandwaste

Email: recyclingandwaste@monmouthshire.gov.uk

Face to face: Visit your local One Stop Shop.

Twitter: www.twitter.com/MonCCrecycling

Facebook: www.facebook.com/RecyclinginMonmouthshire

40A – DEMOCRACY AND REGULATION SERVICES

All information requested must be completed on the proposed mandate to enable the Cabinet to decide whether to approve the proposal.

Mandate Completed by	<i>Tracey Harry</i>
Date	<i>16 October 2014</i>

What does the mandate propose to do?
To generate savings from Democracy and Regulatory services
How much savings will it generate and over what period?
£115k
Directorate & Service Area responsible
CEX
Mandate lead(s)
Tracey Harry

Have you undertaken any initial consultation on the idea(s)?		
Name	Organisation/ department	Date
Dave Jones, Dave Loder	MCC /cex , mcc/finance	

Has the specific budget mandate been consulted on?		
Function	Date	Details of any changes made?
Department Management Team		
Other Service Contributing to / impacted		
Senior leadership team		
Select Committee		
Public or other stakeholders		
Cabinet (sign off to proceed)		

Will any further consultation be needed?		
Name	Organisation/ department	Date
Tracey Harry	CEX/Regulatory services	

Final mandate approved by Cabinet	Date:
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1. Vision and Outcomes of the Mandate

Give a business context for the mandate. This must pick up on the vision and what the new / improved / reduced service will look like in the future including the anticipated experience of users. It must also consider any impact on the Council's key priorities and strategic outcomes. Similarly does it impact on service performance within the immediate service area or any impact on other services provided by the authority / any other providers. In doing so, the mandate must be tested against the equality impact assessment and sustainable development impact assessment and must consider impact in relation to the new Future Generations Bill.

What are the outcomes of the proposal?
To reduce budget requirement in a number of areas by 110k through a range of actions including Management restructure, increased income generation, removal of part of a vacant post and reduction in mileage budget.
Expected positive impacts
Achieve budget saving
Expected negative impacts
none

2. Savings proposed

Show how the budget mandate will make savings against the current service budget. This must cover each year implicated. This section must also cover any other efficiency that will arise from the mandate.

What savings and efficiencies are expected to be achieved?							
Service area	Current Budget £	Proposed Cash Savings £	Proposed non cash efficiencies – non £	Target year			Total Savings proposed
				15/16	16/17	17/18	
Democracy and regulation		110		110			110

3. Actions to deliver the mandate

Describe the key activities that will be undertaken to deliver the mandates and the action holders. This includes any actions contributed to by other services. Give the timescales to complete the work. This must also factor in any business activities that will need to be done differently or cease in order to achieve the mandate.

Action	Officer/ Service responsible	Timescale
Management restructure	Tracey Harry	Feb 2015
Reduce budgets	Tracey Harry	April 2015
Increase income budget in planning	Tracey Harry	April 2015
Remove half a vacant post	Tracey Harry	April 2015

4. Additional resource/ business needs

Describe any additional finance, resource and capability needed in order to carry out the proposed mandate successfully. For example new funding, expertise and knowledge etc..

Any additional investment required	Where will the investment come from	Any other resource/ business need (non-financial)

5. Measuring performance on the mandate

How do you intend to measure the impact of the mandate? This will include budget measures and further possible measures that cover process, staff and customers. Targets need to be set over the duration of the mandate where appropriate.

Focus- Budget / Process / Staff / Customer	Indicator	Actual 2013/14	Actual 2014/15	Wales Average 2013/14	Target 2015/16	Target 2016/17	Target 2017/18

6. Key Risks and Issues

Are there any potential barriers and risks that will need to be managed in delivering the mandate, including any negative impacts identified in section 1 that need to be accounted for. Also, set out the steps that will be taken to mitigate these.

Barrier or Risk	Strategic/ Operational	Reason why identified (evidence)	Risk Level (High, Medium or Low) Based on a score assessing the probability & impact	Mitigating Actions	Responsible Officer
None identified					

7. Monitoring the budget mandate

The budget mandates must be monitored through directorate budget monitoring. This will lead into corporate budget monitoring. In addition the action plan, performance measures and the risk assessment must be transferred into the service plans for the business area in order to monitor and challenge the delivery of the budget mandate, including the savings being achieved and the level of impact.

40A DEMOCRACY AND REGULATION SERVICES

The “Equality Initial Challenge”

Name: Tracey Harry Service area: Democracy and Regulatory services Date completed: 29 October 2014		Please give a brief description of what you are aiming to do. A combination of activity to deliver £110 of savings including – increase income, efficiency savings, management restructure.	
Protected characteristic	Potential Negative impact Please give details	Potential Neutral impact Please give details	Potential Positive Impact Please give details
Age		No impact from savings	
Disability		No impact from savings	
Marriage + Civil Partnership		No impact from savings	
Pregnancy and maternity		No impact from savings	
Race		No impact from savings	
Religion or Belief		No impact from savings	
Sex (was Gender)		No impact from savings	
Sexual Orientation		No impact from savings	
Transgender		No impact from savings	
Welsh Language		No impact from savings	

Please give details about any potential negative Impacts .	How do you propose to MITIGATE these negative impacts
➤	➤
➤	➤
➤	➤
➤	➤

Signed Tracey Harry
Dated 29 october 2014

Designation, Head of Democracy and Regulatory services

EQUALITY IMPACT ASSESSMENT FORM

What are you impact assessing	Service area
Policy author / service lead	Name of assessor and date

1. What are you proposing to do?

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2. Are your proposals going to affect any people or groups of people with protected characteristics in a **negative** way? If **YES** please tick appropriate boxes below.

Age		Race	
Disability		Religion or Belief	
Gender reassignment		Sex	
Marriage or civil partnership		Sexual Orientation	
Pregnancy and maternity		Welsh Language	

3. Please give details of the negative impact

4. Did you take any actions to mitigate your proposal? Please give details below including any consultation or engagement.

5. Please list the data that has been used to develop this proposal? eg Household survey data, Welsh Govt data, ONS data, MCC service user data, Staff personnel data etc..

Signed.....**Designation**.....**Dated**.....

The “Sustainability Challenge”

Name of the Officer completing “the Sustainability challenge”		Please give a brief description of the aims proposed policy or service reconfiguration	
Name of the Division or service area		Date “Challenge” form completed	
Aspect of sustainability affected	Negative impact Please give details	Neutral impact Please give details	Positive Impact Please give details
PEOPLE			
Ensure that more people have access to healthy food			
Improve housing quality and provision			
Reduce ill health and improve healthcare provision			
Promote independence			
Encourage community participation/action and			

voluntary work			
Targets socially excluded			
Help reduce crime and fear of crime			
Improve access to education and training			
Have a positive impact on people and places in other countries			
PLANET			
Reduce, reuse and recycle waste and water			
Reduce carbon dioxide emissions			
Prevent or reduce pollution of the air, land and water			
Protect or enhance wildlife habitats (e.g. trees, hedgerows, open spaces)			
Protect or enhance visual appearance of environment			
PROFIT			
Protect local shops and			

services			
Link local production with local consumption			
Improve environmental awareness of local businesses			
Increase employment for local people			
Preserve and enhance local identity and culture			
Consider ethical purchasing issues, such as Fairtrade, sustainable timber (FSC logo) etc			
Increase and improve access to leisure, recreation or cultural facilities			

What are the potential negative Impacts	Ideas as to how we can look to MITIGATE the negative impacts (include any reasonable adjustments)
➤	➤
➤	➤
➤	➤

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The next steps

- If you have assessed the proposal/s as having a **positive impact please give full details** below

- If you have assessed the proposal/s as having a **Negative Impact** could you please provide us with details of what you propose to do to mitigate the negative impact:

Signed

Dated

41 HIGHWAYS

The Proposal Business Case enables the Cabinet to decide whether to proceed with the proposal.

Document Control

Version	Date	Status (draft, approved, signed off)	Author	Change Description
01	13/10/14		Tony Wallen	MCC Highways (SWTRA, County Roads, Mechanical and Electrical Infrastructure). 2015/2016 Savings Mandate and Service Reduction

Approval

Cabinet sign off to proceed with proposal		Date	
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Distribution List

Name	Organisation	Job title / Dept
Dave Loder	MCC	Senior Accountant

Detailed Business Case

Vision

This mandate will enable county highway maintenance services to continue to be provided, to a good standard, but the reduced labour plant and material resources will inevitably result in an increased response timescale. Winter maintenance and flood response should remain unaffected, the effect of the reduced highways resource will be covered by utilising labour from other sections, ie grounds maintenance. The flexibility of utilizing all resources from all operations sections, will enable the highway service provision to be maintained to at least current standards.

Outcomes

The mandate will achieve a £450k saving during the 2015/16 year, to meet the requirements of the MTFP.
The outcomes to residents will be measured by data contained within the Highway Service Improvement Plan.
The staff changes will need to be instigated by April 2015 to achieve full savings.

Blue Print

The Future State

The county highways operations organisation will continue to shrink to mirror the ongoing reduction in highways revenue budget. Statutory highways functions will continue, but with reduced staff levels. The highways trading areas should continue to hold their own in a difficult trading environment; however, growth will be difficult based on the predictions of further austerity measures.

It is fundamental that the direction of local government reorganisation is outlined ASAP, in order to start to plan a way forward with regard to the highway services currently provided by MCC on trunk and county roads.

Current state and gap analysis

Section	Description of current state and changes
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	Current State	Changes needed to Current state or actions needed to resolve outstanding issues	Assumptions/constraints
Process	The current highways portfolio undertakes a wide range of services to MCC residents, including local road maintenance, winter maintenance, street lighting, and flood response. Also strategic roads i.e. motorways and trunk roads, within the Greater Gwent and Cardiff regions, are maintained for Welsh Government, via their agents, SWTRA.	Services being provided within 2014/15 must achieve the required 2014/15 financial targets, to ensure that no overspend is carried forward. Confirmation of the 1+1 performance based extension of the SWTRA SLA is required ASAP.	Any efficiency savings can only be assumed, providing the performance based SWTRA, SLA will be extended. It is assumed that the authority will continue to protect education and social services at the expense of other MCC service budgets.
Organisation structures	The current organisation is being reorganised, to best meet the needs of MCC customers, within the context of the available funds.	Reduced/reorganised staff structure must be in place ASAP.	It is assumed that no additional costs can be absorbed within revenue service budgets and any staff redundancy/early retirement, costs will be funded from MCC reserves.
Technology/infrastructure	Bespoke software is currently being developed to streamline the administration of the service, to the benefit of customers and staff.	Field trials of specialist software needs to be Completed.	It is assumed that no further development costs will be incurred by highways, (i.e. any future costs to be met corporately), and that the software will be in operation during 2015/16, to achieve administration savings.
Information and data	The speed of the re design and shape of future systems	Direction of what the future service role is to look like, within the new merged authorities	It is assumed that significant LA reorganisation changes will not

	and organisational structures, will depend upon the resources available and the merging of services with those in adjacent authorities.		commence during the 2015/16 financial year.
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Options Appraisal

The options below will enable the target savings for 2015/16 to be achieved, whilst minimising any service reduction to MCC residents.

Cost-Benefit Analysis

A cost- benefit analysis, that includes both the financial and non financial costs and benefits, is the heart of the **Business case**.

Each options needs to describe the costs and benefits of that option overtime.

Cost/Benefit Description	Current Budget	Target Saving	Timing 2015/16	2016/17	2017/18	2018/19
Cashable benefit	£3,888,910					
<i>Staff reductions</i>						
<i>County Highways</i>	As Above					
- <i>Resources Manager</i>		£50k	£50k	£0	£0	£0
- <i>Four Highways Operatives</i>		£112k	£112k	£0	£0	£0
- <i>Materials saving</i>		£50k	£50k	£0	£0	£0
- <i>Plant Saving</i>		£20k	£20k	£0	£0	£0

<i>Amended work practices and cost savings within the external highways service trading accounts</i>	<i>As above</i>	<i>£113k</i>	<i>£113k</i>	<i>£0</i>	<i>£0</i>	<i>£0</i>
<i>Additional income skips and scaffolding</i>	<i>As above</i>	<i>£5k</i>	<i>£5k</i>	<i>£0</i>	<i>£0</i>	<i>£0</i>
<i>Operational fuel, stores and procurement savings</i>	<i>As above</i>	<i>£50k</i>	<i>£50k</i>	<i>£0</i>	<i>£0</i>	<i>£0</i>
<i>Commercial advertising provision</i>	<i>As above</i>	<i>£50k</i>	<i>£50k</i>	<i>£0</i>	<i>£0</i>	<i>£0</i>
		TOTAL 2015/16	£450k	£0	£0	£0
<i>Non financial benefits</i>	Current performance	Target performance				
<i>There will be a small reduction in administration overheads due to the staff reductions. All other savings will be dependant on similar in levels of external income as</i>	<i>The core service provision standards on MCC highways will reduce, i.e. potholing, cleaning drains, cleaning and minor repairs will take longer to respond to i.e. general potholes currently attended to within 7 days, may now</i>	<i>Yet to be determined, but flood and winter maintenance response to remain unaffected.</i>				

<i>achieved in previous years.</i>	<i>take 10 days to repair.</i>					
Cost <i>No additional costs anticipated, but the service budget cannot sustain the cost of any redundancy payments, which could potentially be in the order of 5 staff X £20k which equates to £100K. This cost would have to be taken from reserves.</i>	Current costs	Revised costs				

Impact:

The consequences of the reduction of four MCC county highways operational staff, (from a total of 37No to 33No), is that highway maintenance services will still be provided to the existing standards, but will take longer to achieve. This will detrimentally affect performance indicators, potentially increase insurance claims and attract bad publicity.

The existing role of the Resource Manager post will be absorbed into the existing team member’s job descriptions.

The commercial advertising and A board policy may result in public complaints and bad press. This will take staff and member times to administer, and will, in effect reduce the value of the stated income. No additional staff have been allocated to this role.

Key Risks and Issues

List the potential threats (risks) and current issues to the benefits of the proposal as they are currently understood. Use the corporate approach to risk and issues management.

Risks - anticipated threats to the benefits						
Description	Likelihood	Impact	Proximity (when it is likely to occur)	Risk Owner	Mitigating Action	Action Owner
Highways staff reduction - union concerns, work force backlash and loss of goodwill.	High	Reduced output from remaining operatives	April 2015	Tony Wallen	Ensure early interaction with workforce and unions to outline the budget issues and how the budget reductions are affecting the whole of the MCC workforce, not just highways operatives.	Tony Wallen
Other savings rely on current spends from external customers remaining similar to previous years.	High	General reduction of spend with in all areas of local government.	Throughout 2015/16	Tony Wallen	Advance warning of any budget cuts, in order to achieve mitigating savings to compensate for any shortfall.	Tony Wallen
Some highways maintenance related performance indicators will show a reduction in performance	High	May project the perception of failing service	Throughout 2015/16	Tony Wallen	Public consultation and interaction to sell difficult changes prior to 2015/16	Tony Wallen
Issues- current threats to the benefits						

Description	Priority	Issue Owner	Action	Action Owner
The staff reductions must be in place early in the 2015/16 financial year, to achieve the full in year benefit.	High	Tony Wallen	Ensure HR policies are in place, and programmed in advance of 1 st April 2015.	Tony Wallen

Constraints

None

Assumptions

That external customers maintain similar spend levels in 2015/16, to those achieved in 2014/15.

Recommendation

The above option is recommended as it enables the 2015/16 financial targets for highways to be achieved.

High level Plan for delivery

The existing highways staff resources will undertake the above change options.

- The Head of Service for highways will oversee the budget savings.
- Unions and Member consultation will be undertaken and completed Jan/Feb 2016, if this mandate is approved.
- Authorisation route and monitoring arrangements via Financial Section, Head of Operations and the relevant Cabinet Member.

Sign-Off

This section should be signed by the Cabinet portfolio holder to confirm acceptance of the preferred option for onward approval by Cabinet. Use the version and authority sign-off on the front page.

All information requested must be completed on the proposed mandate to enable the Cabinet to decide whether to approve the proposal.

Mandate Completed by	<i>Tom James</i>
Date	<i>16/10/2014</i>

What does the mandate propose to do?
To operate additional market stalls on existing market days in High Street, Nevill Street, and St Johns Square, Abergavenny. Expansion of weekly Flea Market in Abergavenny to include car boot sale. To establish weekly car boot sale to the rear of the market hall. To hold 10 “special” markets/events per annum in Cross Street, Abergavenny.
How much savings will it generate and over what period?
£50,000 income per annum
Directorate & Service Area responsible
Enterprise /Market Service
Mandate lead(s)
Tom James /Ben Winstanley

Have you undertaken any initial consultation on the idea(s)?		
Name	Organisation/ department	Date
Market traders		January/ongoing throughout 2014

Has the specific budget mandate been consulted on?		
Function	Date	Details of any changes made?
Department Management Team	26/09/2014	None
Other Service Contributing to / impacted		
Senior leadership team		

Select Committee		
Public or other stakeholders		None
Cabinet (sign off to proceed)		

Will any further consultation be needed?		
Name	Organisation/ department	Date
Through Planning process	Town council ,business club , Town Team, Market Traders	Submission of planning application

Final mandate approved by Cabinet	Date:
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1. Vision and Outcomes of the Mandate

Give a business context for the mandate. This must pick up on the vision and what the new / improved / reduced service will look like in the future including the anticipated experience of users. It must also consider any impact on the Council’s key priorities and strategic outcomes. Similarly does it impact on service performance within the immediate service area or any impact on other services provided by the authority / any other providers. In doing so, the mandate must be tested against the equality impact assessment and sustainable development impact assessment and must consider impact in relation to the new Future Generations Bill.

What are the outcomes of the proposal?
<p>A recent baseline study commissioned and undertaken by “Towns Alive “ on behalf of the Abergavenny Town Team reinforced a broadly held perception of the importance of the market operation to the viability of the town . The proposal is to increase the trading operation of the market with the aim to create Abergavenny as a” Regional Market Hub” building on its status as the ”Gateway To Wales” and in doing so increase visitor numbers and the general retail vibrancy within the town centre . It is also anticipated that a significant amount of additional income from stall rentals could be realised as well as creating opportunities for new business start ups leading to increased employment opportunities.</p>

Expected positive impacts
Increased footfall within the town through increased visitor numbers and increased “stay time” because of the improved offer . More “return“ visits. Increased spend throughout the town in both retail and service sectors as a result of the greater footfall.
Expected negative impacts
Some local businesses may take a short term view that an increased market offer would be detrimental to their businesses.

2. Savings proposed

Show how the budget mandate will make savings against the current service budget. This must cover each year implicated. This section must also cover any other efficiency that will arise from the mandate.

What savings and efficiencies are expected to be achieved?							
Service area	Current Budget £	Proposed Cash Savings £	Proposed non cash efficiencies – non £	Target year			Total Savings proposed
				15/16	16/17	17/18	
N/A							

3. Actions to deliver the mandate

Describe the key activities that will be undertaken to deliver the mandates and the action holders. This includes any actions contributed to by other services. Give the timescales to complete the work. This must also factor in any business activities that will need to be done differently or cease in order to achieve the mandate.

Action	Officer/ Service responsible	Timescale
To seek planning permission for the operation of the markets in the town centre streets	Tom James	8 weeks from submission of planning application

4. Additional resource/ business needs

Describe any additional finance, resource and capability needed in order to carry out the proposed mandate successfully. For example new funding, expertise and knowledge etc..

Any additional investment required	Where will the investment come from	Any other resource/ business need (non-financial)
Promotional advertising	Existing budget	None
Zero hours contracted staff to cover leave/ sickness because of additional volume of stalls ie rental to collect	Existing budget	none
Review of existing market manager's grade to reflect increased responsibility and business generation role	Service efficiency savings	

5. Measuring performance on the mandate

How do you intend to measure the impact of the mandate? This will include budget measures and further possible measures that cover process, staff and customers. Targets need to be set over the duration of the mandate where appropriate.

Focus- Budget / Process / Staff / Customer	Indicator	Actual 2013/14	Actual 2014/15	Wales Average 2013/14	Target 2015/16	Target 2016/17	Target 2017/18
Footfall/market days Abergavenny	Measure Footfall against base line data	400 Persons per 10	446 Persons Per 10	281 Persons Per 10	480 Persons Per 10	500 Persons Per 10	530 Persons Per 10

		mins	mins	mins	mins	mins	mins
Stall occupancy Abergavenny	% of stalls vacant / number of stalls trading	85%	86%	80%	89%	90%	92%
Income Abergavenny	Estimated income /actual income	319,963	325,490	n/a	375,490	425,490	475,490

6. Key Risks and Issues

Are there any potential barriers and risks that will need to be managed in delivering the mandate, including any negative impacts identified in section 1 that need to be accounted for. Also, set out the steps that will be taken to mitigate these.

Barrier or Risk	Strategic/ Operational	Reason why identified (evidence)	Risk Level (High, Medium or Low) Based on a score assessing the probability & impact	Mitigating Actions	Responsible Officer
Failure to get planning permission	Strategic	Need permission to operate more than 14 days per annum under permitted development rights	low	Markets have previously operated in the proposed areas of the town centre	Tom James
Opposition to additional stalls	Operational	Other markets which have operated in high streets (Caldicot) need time to demonstrate increased footfall leads to improved whole town spend .	Medium	Ensure that location of individual stalls does not conflict with existing businesses	Tom James

7. Monitoring the budget mandate

The budget mandates must be monitored through directorate budget monitoring. This will lead into corporate budget monitoring. In addition the action plan, performance measures and the risk assessment must be transferred into the service plans for the business area in order to monitor and challenge the delivery of the budget mandate, including the savings being achieved and the level of impact.

EqIA

The proposal is solely about increasing income through extra markets and as such it is assessed that none of the protected characteristics is impacted. As such no EqIA challenge has been completed at this stage.

41 EQIA - HIGHWAYS

The “Equality Initial Challenge”

Name: Tony Wallen Service area: Highways MCC County Roads and Trunk Roads within the Greater Gwent and Cardiff Regions. Date completed: 17/10/14		Please give a brief description of what you are aiming to do. MCC highway maintenance services must be provided within the available financial resource. A reduction in budget of 450k for 2015/16 must be achieved. This will be undertaken via: <ol style="list-style-type: none"> 1. Staff reductions within the MCC highways operations teams, that maintain county roads. 2. Amended work practices with regard to the maintenance of high speed roads. 3. Additional income via selling static advertising on highway verges, and the management/licensing of obstructions on the footway/highway. 4. Procurement, fuel and stores savings. 	
Protected characteristic	Potential Negative impact Please give details	Potential Neutral impact Please give details	Potential Positive Impact Please give details
Age		X	
Disability			X The management of A boards and other obstructions, on the highway will reduce the risk to partially

			sighted and disabled residents
Marriage + Civil Partnership		X	
Pregnancy and maternity		X	
Race		X	
Religion or Belief		X	
Sex (was Gender)		X	
Sexual Orientation		X	
Transgender		X	
Welsh Language		X	

Please give details about any potential negative Impacts .	How do you propose to MITIGATE these negative impacts
➤ <i>Due to reduced workforce some maintenance work on the county highway network will take longer to complete.</i>	➤ By prioritizing the work load, on the basis of risk to the travelling public and pedestrians.
➤ Potentially increased third party claims from highway users.	➤ Busier parts of the network may need to be maintained to a higher standard to reduce liability.
➤ <i>Static advertising could lead to public complaints and potential risk to travelling public.</i>	➤ Specific highway locations to be identified and consulted upon with members and town and community councils.

➤	➤
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Signed Tony Wallen
Dated 17/10/14

Designation Head of Highways

EQUALITY IMPACT ASSESSMENT FORM

What are you impact assessing	Service area
Reduction of County Highway Resources, amended work practices and commercial obstructions on the highway.	MCC HIGHWAYS
Policy author / service lead	Name of assessor and date
TONY WALLEN	17/10/14

1. What are you proposing to do?

MCC highways maintenance services must be provided within the available financial resource.

A budget reduction of £450k for the 2015/16 financial must be achieved. This will be undertaken via:

1. Four number staff reduction on MCC county roads, (maintenance operations)
2. Amended work practices on high speed road operations to reduce costs and increase productivity and, where possible, generate additional external income.
3. Additional income via the selling of static advertising and the licensing/charging for 'A' boards and café furniture etc., within the highway boundary.
4. To continue to review / re tender contracts with suppliers to achieve savings for plant and materials.

2. Are your proposals going to affect any people or groups of people with protected characteristics in a **negative** way? If **YES** please tick appropriate boxes below.

Age		Race	
Disability		Religion or Belief	
Gender reassignment		Sex	
Marriage or civil partnership		Sexual Orientation	
Pregnancy and maternity		Welsh Language	

3. Please give details of the negative impact

4. Did you take any actions to mitigate your proposal? Please give details below including any consultation or engagement.

5. Please list the data that has been used to develop this proposal? eg Household survey data, Welsh Govt data, ONS data, MCC service user data, Staff personnel data etc..

Static advertising and A board customer survey included in documentation submitted to Strong Communities Select Committee, Management of Commercial Obstructions on the Highway Policy 16/10/14

Signed Tony Wallen.....**Designation**.....**HoH**.....**Dated**.....17/10/14.....

The “Sustainability Challenge”

Name of the Officer completing “the Sustainability challenge” Tony Wallen		Please give a brief description of the aims proposed policy or service reconfiguration AS ABOVE	
Name of the Division or service area Highways		Date “Challenge” form completed 17/10/14	
Aspect of sustainability affected	Negative impact Please give details	Neutral impact Please give details	Positive Impact Please give details
PEOPLE			
Ensure that more people have access to healthy food		X	
Improve housing quality and provision		X	
Reduce ill health and improve healthcare provision		X	
Promote independence		X	
Encourage community participation/action and		X	

voluntary work			
Targets socially excluded		X	
Help reduce crime and fear of crime		X	
Improve access to education and training		X	
Have a positive impact on people and places in other countries		X	
PLANET			
Reduce, reuse and recycle waste and water		X	
Reduce carbon dioxide emissions		X	
Prevent or reduce pollution of the air, land and water		X	
Protect or enhance wildlife habitats (e.g. trees, hedgerows, open spaces)		X	
Protect or enhance visual appearance of environment		X	
PROFIT			
Protect local shops and			X Static advertising to target local

services			SME's
Link local production with local consumption		X	
Improve environmental awareness of local businesses		X	
Increase employment for local people	X Ongoing staff reductions unlikely to decrease within the foreseeable future		
Preserve and enhance local identity and culture		X	
Consider ethical purchasing issues, such as Fairtrade, sustainable timber (FSC logo) etc		X	
Increase and improve access to leisure, recreation or cultural facilities		X	

What are the potential negative Impacts	Ideas as to how we can look to MITIGATE the negative impacts (include any reasonable adjustments)
➤ <i>Reduction in MCC work force</i>	➤ Potential re training and/or skills development to enable re employment elsewhere. Redeployment within MCC under 'at risk' HR policy.
➤	➤

➤	➤
➤	➤

The next steps

- If you have assessed the proposal/s as having a **positive impact please give full details** below

Positive aspect is that a new policy will be in place to manage obstructions on the MCC county highway, which will provide a baseline for enforcement and help protect disabled and abled bodied residents from harm, with respect to private sector 'A' boards and illegal Café/pub furniture.

Static advertising opportunities on the highway will be targeted toward local SME's

- If you have assessed the proposal/s as having a **Negative Impact** could you please provide us with details of what you propose to do to mitigate the negative impact:

Ongoing staff reductions within public sector due to ongoing austerity, the operations workforce is now under pressure, since management and admin savings have already been taken.

Highway county road maintenance operations will be still undertaken to an acceptable standard but some aspects will take longer to complete due to the reduced resources available. Maintenance operations will be prioritized on the basis of reducing risk to the travelling public and reducing third party insurance claims to MCC.

Signed Tony Wallen

Dated 17/10/14

SUBJECT: Strategic Risk Assessment

MEETING: Strong Communities Select Committee

DATE: Thursday 11th December 2014

DIVISION/WARDS AFFECTED: All

1. PURPOSE:

- 1.1 To provide select committee members with an overview of the current and future strategic risks facing the authority. This is provided as appendix 1.

2. RECOMMENDATIONS:

- 2.1 That members scrutinise the risks logged in appendix 1 to evaluate whether:

- the most significant issues facing the authority over the next three years are captured
- the risks have been assessed proportionately
- the actions are appropriate and likely to mitigate the risks
- there is evidence to suggest that risks may have been omitted

In doing so, members are asked to consider the budget report presented in addition to this report.

- 2.2 That members use the risk log to inform the future work programme of the committee. On the advice of the Scrutiny Manager the risk assessment will be revisited in the New Year for this purpose.

3. KEY ISSUES:

- 3.1 The risk assessment ensures that:

- Strategic risks are identified and monitored by the authority
- Risk controls are appropriate and proportionate
- Senior managers and elected members act accountably for the strategic risks and systematically review the risks facing the authority

- 3.2 The risk assessment only covers High and Medium level risks. Lower level operational risks are not registered unless they are projected to escalate within the three years covered. These risks need to be managed and monitored through teams' service plans.

- 3.3 Where the strategic risks affect any reports to Cabinet and Council for decision, the risks need to be factored into these reports to ensure they are taken into account. In the same context, select committees also need to take the strategic risks into account in receiving pre Cabinet and Council reports.

- 3.4 A risk management policy was signed off by Cabinet in July 2011. This still provides the basis of risk identification and assessment in the authority. Key points of the policy are picked up in the overview of how the authority manages strategic risks as shown in appendix 2.
- 3.5 Progress on previous years risks has been captured separately in appendix 3. Risks that have been dealt with or which no longer constitute the most pressing risk facing the authority have been closed off, but those that remain live have been carried forward into appendix 1. This ensures that the risk assessment is more concise than in previous years. A 'live' risk log will be maintained on the Hub and will be updated throughout the year as new evidence becomes available.
- 3.5 In 2015 the authority will take on board responsibilities associated with new legislation; these are the Wellbeing of Future Generations Bill and the Social Services and Wellbeing Act. Whereas these offer opportunity, the authority will need to consider any risks associated with delivering them.

4. REASONS:

- 4.1 To provide the strategic risks facing the authority at the same time as presenting the budget information, to ensure that both are considered together.
- 4.2 To ensure risk assessment forms part of the authority's performance management framework in assuring that the authority is well-run.

5. RESOURCE IMPLICATIONS:

None

6. SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS:

Not yet completed.

7. CONSULTEES:

SLT

8. AUTHORS:

Policy and Performance Team

9. CONTACT DETAILS:

Richard Jones

Tel: 01633 740733

E-mail: RichardJones@monmouthshire.gov.uk

Whole Authority Strategic Risk Assessment 2014

Ref	Risk (Effect and Event)	Reason why the risk has been identified (evidence) (Cause)	Risk Level		Actions proposed to mitigate risk	Service & Risk Owner	Cabinet Member	Select Committee
	The authority becomes financially unsustainable as a result of reducing budgets and demographic pressures.	<ul style="list-style-type: none"> - Year on-year budget reductions up 4.3% could potentially make the authority unviable with less staff - An ageing population and complexity of demand in children's services will place increased pressure on services - Political pressure to merge local authorities after the Williams Commission could have negative impact on long term thinking - Switching from service provider to demand management approach will require some twin-tracking of programmes and resource 	2014/15	Medium	<ul style="list-style-type: none"> - Assess carefully the impact of the further savings that need to be made post 15/16 - Consider how best to use capacity fund and any external funding sources to supplement the change programme required - Ensure that the detailed business cases that will deliver the MTFP are fully costed, stress-tested and managed - Undertake quarterly budget monitoring of savings proposals 	Joy Robson	Phil Murphy	Audit
		2015/16	Medium					
		2016/17	High					
	Uncertainty whether income targets within the 2014-17 Medium Term Financial Plan can be achieved leading to unplanned changes in other services to balance the budget	<ul style="list-style-type: none"> - Ambitious plans and new, more commercial, ways of working carry an inherent risk - Loss of income from swimming pool in Monmouth as a result of school rebuild 	2014/15	Medium	- Deliver the Asset Management Strategy	Joy Robson	Phil Murphy	Audit
		2015/16	High					
		2016/17	High					
	Potential that negative findings from pending	- Cases considered by CSSIW in Spring 2014 identified some	2014/15	Medium	- Evaluate and reflect on our practice to ensure	Simon Burch	Geoff Burrows	Adults CYP

Ref	Risk (Effect and Event)	Reason why the risk has been identified (evidence) (Cause)	Risk Level		Actions proposed to mitigate risk	Service & Risk Owner	Cabinet Member	Select Committee
	cssiw and Estyn inspections would divert energy from an ambitious transformation programme.	concerns about outcomes - Unable to evidence good performance against some key performance indicators in children's social services - Education services currently remain in special measures	2015/16	Medium	that any problems are identified and acted upon	& Sarah Mc-Guinness	Liz Hacket-Pain	
			2016/17	Medium				
	The authority does not achieve a positive outcome from the corporate assessment because of capacity constraints.	- Self assessment highlighted a number of issues that need to be addressed	2014/15	Low	- Deliver the action plan emerging from the gap analysis and the Self-Evaluation	Tracey Harry	Peter Fox	Audit Committee
			2015/16	Medium				
			2016/17	Medium				
	Potential for significant harm to vulnerable children or adults due to factors outside our control.	- The likelihood of this occurring in a given year is low. However the significant harm that can occur due to factors that are outside our control mean that this will always be a high risk	2014/15	High	- Continually monitor and evaluate process and practice - Ensure that robust systems are in place within the authority to respond to any concerns arising from allegations or organised abuse	Tracy Jelfs	Geoff Burrows	CYP
			2015/16	High				
			2016/17	High				
	Potential that some groups of children are unable to achieve their full potential at school.	- Gap in attainment between 'all pupil' and Free School Meals cohort - Variation in standards across schools	2014/15	High	- Ensure delivery of the actions identified in the Chief Officers annual report	Sarah Mc-Guinness	Liz Hacket Pain	CYP
			2015/16	High				
			2016/17	High				
	Potential that the authority is unable to deliver its new schools	- Capital receipts from disposal of assets are not generating the required income	2014/15	High	-Asset Management Plan implementation -Ensuring resource	Deb Hill-Howell	Phil Murphy	Economy and Development
			2015/16	High				

Ref	Risk (Effect and Event)	Reason why the risk has been identified (evidence) (Cause)	Risk Level		Actions proposed to mitigate risk	Service & Risk Owner	Cabinet Member	Select Committee
	capital programme due to capital receipts not generating the required income or resources having to be diverted to emergency pressures as they arise because of the limited investment in existing assets	<ul style="list-style-type: none"> - Reduction in capital budget - Ambitious 21st Century Schools programme - the core programme has been constrained in order to enable the new schools programme to be funded - a number of significant pressures are documented that are not currently funded 	2016/17	High	<ul style="list-style-type: none"> available to maintain sale of assets -Development of the strategic use of Community Infrastructure Levy when available - Further refinement of priority assessments in the property and infrastructure budgets to ensure all pressures have been considered and ranked 		Bob Greenland	
	The Council and County does not have sufficient ICT infrastructure, network coverage and digital skills to support technological advances leading to social and economic disadvantages	<ul style="list-style-type: none"> - The ongoing SRS review has identified scope for improvement and greater realisation of opportunities for its partner bodies. - Broadband notspots remain in the county and despite Monmouthshire being in the next tranche for roll-out of Superfast Cymru; around 4-6% of our most rural areas will not be impacted. - Welfare reform increases requirements for internet access and suitable digital skills for some of the most vulnerable in our society. 	2014/15 2015/16 2016/17	High High Medium	- Deliver the I County digital road map	Peter Davies	Phil Murphy	Economy and Development
	Our Workforce does not have sufficient development opportunities and are	<ul style="list-style-type: none"> - Our people are central to the success of our council and county. - Continued economic constraint and 	2014/15 2015/16	High High	<ul style="list-style-type: none"> - Engage with staff and communities to finalise the People and Organisational 	Peter Davies	Phil Murphy	Strong Communities

Ref	Risk (Effect and Event)	Reason why the risk has been identified (evidence) (Cause)	Risk Level		Actions proposed to mitigate risk	Service & Risk Owner	Cabinet Member	Select Committee
	not connected to their services objectives to drive change, spur innovation and improve performance.	<p>local government reform can impact on staff morale and service objectives.</p> <p>- Organisational culture impacts on our ability to address these future challenges and make sustained improvements in areas that require it.</p> <p>- To respond to these challenges we will need to utilise the talent that exists on and outside of our payroll, which will require new ways of working. We will need to provide support and develop these people whether they are inside or outside of our organisation.</p>	2016/17	Medium	<p>Development Strategy.</p> <p>- Once finalised, take forward the activities in the programme plan of the strategy.</p>			
	Potential that Monmouthshire will not have a prosperous economy that supports enterprise and sustainable growth	<p>Average gross weekly wage levels have declined in the County for three years running to £438 in 2012, the fifth lowest in Wales.</p> <p>A large element of the Monmouthshire workforce are out commuting, enjoying the Monmouthshire lifestyle but working elsewhere resulting in a detrimental effect on the local economy.</p>	2014/15	Medium	<p>- Implement the Monmouthshire Business Growth and Enterprise Strategy action plan.</p> <p>- Complete the Vale of Usk Local Development Strategy</p>	Peter Davies	Bob Greenland	Economy and Development
		2015/16	Medium					
		2016/17	Medium					

Appendix 2

Risk Management – A summary of key points

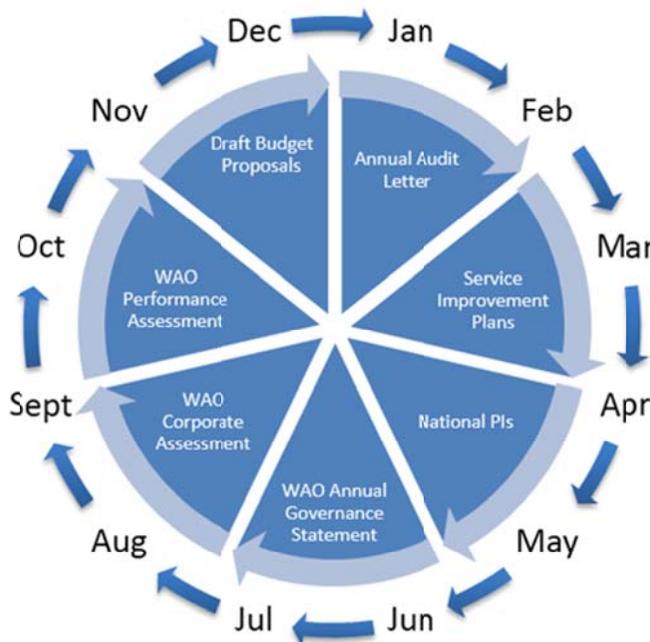
Purpose

The County Council is a large and complex organisation that needs to be looking continuously at how it can be more efficient and effective in everything that it does. Risk management is an indispensable element of corporate governance and good

management. The aim of this approach is to anticipate, calculate and manage risks pro-actively in advance rather than having to deal with consequences once risks have happened.

Information about Risk

Our approach to risk management is informed by a range of information that flows into and within the organisation throughout the year (see diagram below). The risk log will be updated throughout the year using the latest intelligence, including reports from all regulators including CSSIW and Estyn. It will be made available on the Hub.



Risk Tolerance

Good governance and accountability does not need to lead to an option of carrying the lowest short-term risk. Sticking with the status quo may carry an opportunity cost, which is the foregone opportunity to use our resources differently to radically improve services. Transforming public services needs innovation and this may carry an uncertainty of outcome and therefore an element of risk. The council’s risk tolerance needs to reflect this.

Describing Risk

Risk need to be recorded in a structured format covering the cause, event and effect. Some examples are below:

Event	Cause	Effect
Risk of...Failure to...Lack of...Loss of...Uncertainty of...Inability to...Delay in...	Because of...Due to...As a result of...	Leads to...and/or...result in...

Cause	Event	Effect
Because of...As a result of...Due to...	An uncertain event may occur	Which would lead to [effect on objective]

Assessing Risk

Risks are assessed by the level of:

- likelihood of occurrence
- impact/severity of the consequences

Both factors need to be assessed to pin point the seriousness of risks.

The Council uses a ‘traffic light’ system of Red/Amber/Green associated with High/Medium/Low to record risk.

Impact / Severity	catastrophic	Low	Medium	High	High
	major	Low	Medium	Medium	High
	moderate	Low	Low	Medium	Medium
	minor	Low	Low	Low	Low
		Unlikely	Possible	Likely	Almost Certain
		Likelihood			

Monitoring Risk

The Risk Register is a living document and must be regularly reviewed and updated. It will be signed off by Cabinet on an annual basis – alongside the medium term financial plan. It will be timetabled for scrutiny 6 months into every business year but can be examined by select committee at any point in time at the determination of the chair and committee members.

Update on Last Years Strategic Risk Assessment (2013 Version)

Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
1.	A risk that in the continuing climate of economic constraint, more people will become vulnerable and in need, placing ever-increasing demand pressures on services. This will impact the ability to enable people to live safely and independently	<p>This intrinsic risk is present at all times, however, it is exacerbated at this time by continuing macro and micro-level financial and economic pressures.</p> <p>The ageing population is a significant factor with the number of over 85s predicted to increase by 46% by 2020.</p> <p>As a result of external pressures and the unpredictable nature of demand, this risk will remain High.</p>	2013/14	High	<p>The authorities budget reduction from 2015/16 is greater than forecast at 4.3%.</p> <p>Progress has been made with community coordination with early evidence suggesting this, along with integrated health and social care, is helping to manage demand. However pressures remain from an ageing population and more complex needs in Children's Services</p>	Yes
2.	A small group of vulnerable children may be exposed to significant harm	<p>Service delivery in protecting and safeguarding vulnerable children and young people is fundamental and is core work of the authority. In this context there will always be an ever-present risk.</p> <p>The number of looked after children is increasing whereas the number of children on the Child protection register is more stable. However, the combined numbers impact on our overall capacity.</p> <p>Also, the issues are complex due to multi agency input.</p> <p>The impact of society influences this also such as issues of poverty, substance misuse and domestic violence.</p>	2013/14	High	<p>The restructure of children's services carried out in 2013 is now bedding in. There have been reductions in the numbers of children looked after from 110 to 96 and on the child protection register from 52 to 38 over the year to Sept 2014. Due to factors outside our control this will always be a risk for us.</p>	Yes

Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
		<p>In responding to this complexity, the difficulty in recruiting foster carers is diminishing, but the 'Looked After Children' population has continued to increase from 92 in September 2011, to 106 in March 2012 and 113 in September 2012. This group is 113 in 2013, but there is a significant difference in the issues involved. There is evidence of improved outcomes for looked after children as a result of achieving permanency for them which means there is an increase in their "flow" through the system.</p> <p>In relation to fostering care, there is also an impact from the new legislation on children and young people leaving care.</p> <p>Despite significant progress in this area to minimise and mitigate risk, the risk will always remain a high one since the environments in which harm to children could occur are not controlled or managed by the Council.</p>				
3	<p>Risk that changes to welfare benefits is increasing the incidence of poverty and social exclusion across the county.</p> <p>As an associated risk, this could manifest into an increased level of</p>	<p>An increase in homelessness.</p> <p>Continued variances in numbers of Job Seekers Allowance claimants.</p> <p>An increase in rent arrears resulting from welfare reforms implementation.</p> <p>An increase in child poverty.</p>	<p>2013/14</p> <p>2014/15</p> <p>2015/16</p>	<p>High</p> <p>High</p> <p>High</p>	<p>An anti-poverty strategy is being developed, a working group has been convened with key strategic partners to develop a County wide approach to tackling poverty.</p> <p>"Nobody is left behind" continues to be a key focus of the Single Integrated Plan</p> <p>The Local development plan, which guides</p>	<p>Integrate with risk 4.</p>

Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
	homelessness.	About 50% of those registered for housing related support require critical assistance.			<p>social, economic and environmental land use has been approved. This targets to increase the level of affordable housing built in the County</p> <p>There has been an increased focus on homeless prevention. Homeless applications determined have reduced from 417 (12/13) to 388 (13/14). The 14/15 projection is to reduce further to around 240. Homeless acceptances are falling. Homeless acceptances have reduced from 220 (12/13) to 170 (13/14), with successful homeless prevention increasing.</p> <p>Overall Job Seekers Allowance claimants have reduced in Monmouthshire and are below Wales and Great Britain averages. 18-24 year olds claiming Job seekers allowance is also reducing and below the Wales average but is still above the average for Great Britain.</p> <p>As welfare reform continues there will be an increasing need for benefits to be accessed online, current digital skills and broadband coverage pose a risk to this.</p>	
4	<p>Risk that Monmouthshire will be unable to develop its digital capabilities to meet the significant social and economic challenges in the future.</p> <p>An associated risk is that the Shared Resource Service is not providing the authority</p>	<p>Over 50% of our communities live in population groups of under 2,500.</p> <p>Broadband notspots remain and despite Monmouthshire being in the next tranche for roll-out of Superfast Cymru; around 4-6% of our most rural areas will not be impacted.</p> <p>With the prospect of service cuts and</p>	2013/14	High	<p>An icounty strategy has been approved which sets out aims for technology development in the long-term both for the council and the county. A Digital Programme Board – aligned to icounty has been setup to oversee delivery and a programme plan for actions is currently being developed to focus on identified need in the County.</p> <p>A Monmouthshire Broadband Mapping Study</p>	Integrate with risk 3 as this could lead to social exclusion.

Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
	with the level of service it needs to keep up with technological development.	<p>reductions, being digital is vital to bring services into the 21st century and provide greater access for all.</p> <p>The SRS review has identified scope for improvement and greater realisation of opportunities for its partner bodies.</p> <p>At recent community engagement events, young people vocalised need for greater focus on new digital skills – computer science and coding. In a survey of business leaders polled for Make Things / Do Stuff, digital skills came top as the skills that are most essential to the future success of the UK economy (69 per cent) and over 81 per cent saying digital skills are either important (48 per cent) or very important (33 per cent) to their sector.</p> <p>Business survey conducted by CMC² told us that broadband and infrastructure is essential to enterprise start- ups, growth and overall economic resilience.</p> <p>We need more ‘real time’ data in order that decisions can be informed by the most accurate and up-to the minute data and information. We also need to ensure a strong digital leadership.</p> <p>The current Public Sector Broadband Aggregation network (PSBA) does not deliver added value opportunities to our</p>			<p>identifying future opportunities has been completed and will be considered by cabinet in Autumn 2014</p> <p>Superfast Cymru have announced work will commence by September 2015 to bring superfast internet speeds to further areas of Monmouthshire.</p> <p>In December 2013, MCC took the lead role in reviewing the SRS looking at governance and accountability; HR, cultural and structural issues, finance ROI and the ‘core service.</p> <p>The review of findings presented in March 2014 were endorsed. Three main parts of the review are being implemented with the first piece of work around finances/ commissioning the core service to be presented in September 2014.</p>	

Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
		communities.				
	Risk around the potential impact on communities, local businesses and council services from global climate changes	<p>Over recent years the UK has had to deal with severe weather conditions. This has impacted on Monmouthshire. We need to increase our resilience against the impact of climate change to enable us to help safeguard communities, businesses and also services provided by the authority.</p> <p>The 2012 Climate Change Risk Assessment for Wales forecasts hotter, drier summers, warmer, wetter winters and more extreme weather events. WG have written to all local authorities asking for evidence of what we are doing around climate change adaptation.</p> <p>This risk assessment looks at the risk if we do not plan against the impact, where we cannot control the risk of severe weather events occurring.</p> <p>The risk should reduce over the next three years as we complete and implement adaptation action plans to enable us to become more prepared.</p>	2013/14	Medium	<p>Council services have completed service based climate change impact assessment in line with Welsh Government guidance. These risk assessments will allow suitable adaptations to be planned in response to the risks identified and have made council services more aware of the range of climate impacts that could affect the service. Confirmation of the action plan requirements from Welsh Government is still required before proceeding.</p> <p>The Council have volunteered to be an early adopter of the Wellbeing of Future Generations bill. This focusses on long term planning of which climate change is an intrinsic part.</p> <p>The risk of severe weather will remain, our response is to ensure we plan against the impact of this which is considered a medium risk.</p>	Remove from strategic risk register and continue to monitor through service improvement plans
6.	The needs and capabilities of individual learners are not sufficiently addressed. Consequently, individual learners do not achieve to their highest potential	<p>1. Comparative standards – especially KS3 & 4 are a concern</p> <p>a. Overall standards</p> <p>Whilst standards overall compare well with those of other Welsh counties, they</p>	2013/14	High	The risks around education standards, as picked up across the whole entry 6, still feature as high for the authority, particularly in relation to responding to the Estyn inspection, despite significantly improved performance in the summer 2014 results.	Yes – this risk has been captured as a much shortened / encompassing

Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
		<p>do not compare well with comparable counties in England.</p> <p>b. Standards of groups of learners When we compare the performance of specific groups of learners, it does not compare favourably with those in other counties.</p> <p>(i) Free School Meals E.g. KS 4 Level 2 including English and Maths: 19th (2012); 22nd (2013)</p> <p>(ii) SEN/ALN Important shortcomings were identified: absence of strategy; ineffective resources used for assessment; insufficient data; provision for ASD. Also operational issues: training; the situation around Mounon House; the PRS</p> <p>c. Varying standards between schools Standards vary across primary schools from being top in the comparable school family to a position in the bottom quarter. Three secondary schools are in the bottom quartile for KS4 free school meals – one is in the third quartile. In addition, individual school performance varies from year to year.</p>			<p>Actions are being taken to ensure more robust assessment of services' and schools' performance via: service plans self-assessment EAS intelligence Close working with and challenge of schools (LA and EAS) ALN review 21st century schools programme The impact being made is evident in many places but we need to ensure this is sustained and improved further as a crucial measure in ensuring the authority is removed from Estyn monitoring.</p>	education risk
		<p>2. The LA's key lever for improving standards and schools has to prove its effectiveness</p> <p>a. A young organisation. Monmouthshire's key lever for school</p>	2013/14	Medium		
			2014/15	Medium		
			2015/16	Low		

Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
		<p>improvement, especially for standards and the quality of teaching and learning, is EAS. The EAS has existed for only 18 months and is still embedding processes.</p> <p>b. Effectiveness. The effectiveness of EAS cannot be separated from that of the schools. Feedback on EAS from some schools and evidence of improvement is positive overall. However, there is variability in the overall picture, reflected in the variability in performance within and between schools. The Authority is reliant on the EAS in driving improvements to close the gaps. (E.g. recent ESTYN inspections do not demonstrate a rapid improvement in standards or the quality of leadership in schools; EAS intervention plans for schools are a key instrument in improvement but the process for agreeing, signing off and implementing these has been slow in some cases.)</p> <p>c. Strategic Direction. Welsh Government requirements for regional school improvement services may impact on the quality of EAS provision.</p>				
		<p>3. A major investment to improve teaching and learning (21Century Schools) is at an early stage</p> <p>The 21st Century Schools programme aims to renew teaching approaches and create new school buildings.</p>	2013/14	Medium		
			2014/15	Low		
			2015/16	Low		

Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
		The risk is that the building of the school is completed without thorough renovation of teaching approaches to match the needs and capabilities of individual learners.				
7.	The need to ensure continuity of Welsh Medium Secondary Provision	<p>Monmouthshire has two Welsh Medium Primary Schools with both feeding into Ysgol Gyfun Gwynlliw in Torfaen's area to continue their education through the medium of Welsh.</p> <p>The pressure in Ysgol Gyfun Gwynlliw to accommodate Monmouthshire students from September 2016 has been identified through Monmouthshire's 21st Century Schools programme.</p> <p>Home to school transport and post 16 transport provision are likely to be impacted by decisions within this risk area.</p>	2013/14	Medium	The level of risk associated with managing our position on Welsh medium education depends on how successfully the 21 st century schools programme is driving the necessary plans. The last position known is that the work around Welsh medium education has been incorporated into the 21 st century schools programme.	No
		2014/15	High			
		2015/16	High			
8	The need to ensure effective responsibility and accountability in safeguarding children and young people	<p>Substantial shortcomings were identified in the ESTYN inspections of the Council in November 2012. These covered:</p> <p>Lack of a Safeguarding policy; monitoring of update checks was not rigorous enough; there was no formal mechanism to ensure that partners who work with young people have appropriate safeguarding policies and procedures; the need for safeguarding training. The Council has addressed these</p>	2013/14	Medium	<p>In responding to the outstanding challenge from the Estyn Inspection we have developed a comprehensive reporting schedule and strengthened the whole authority approach by establishing a monthly briefing for Chief Officers, a cross- authority leadership group chaired by the Chief Executive and a forum for the Chairs of Select Committees to discuss Safeguarding and Corporate Parenting issues.</p> <p>Together these elements should:</p>	Yes – as part of Inspection Risk
		2014/15	Low			
		2015/16	Low			

Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
		issues but is aware that safeguarding arrangements need constant attention.			<ul style="list-style-type: none"> ensure an evaluative approach which enables Cabinet, Scrutiny committees and senior officers to answer the question “how well are children and young people in Monmouthshire being protected from harm and abuse?” and: <ul style="list-style-type: none"> Engage all aspects of the Council and our partners, emphasising that safeguarding is everyone’s business. <p>The strength of this approach is that leaders now have a high level analysis and overview in the strategic report, whilst also being able to drill down to detailed evidence via the safeguarding report card and operational detail via the service improvement plan.</p>	
9	Risk of not working meaningfully with our communities means we will fail to develop the solutions to the big challenges the county faces over coming years – social, economic and environmental	£23m+ shortfall in finances over the medium-term is a significant challenge. However Monmouthshire has a fantastic natural environment, high levels of strong social capital and is asset-rich. We know from our move into ‘whole place’ planning that community expectations of public service are changing and one size doesn’t fit all. We also know from this process and the recent Monmouthshire Engages events, that there are high numbers of innovatory thinkers who wish to work with us to create value. If we cannot unlock these ideas and encourage the willingness to work meaningfully with us, we run the real risk of being unable to create the kind of vibrancy, viability and resilience needed	2013/14	Medium	<p>Whole place, a local based framework for area regeneration, continues to be established in Severnside. A project plan and programme board are in place and meet bi-monthly. A town team, made up of local people and businesses, has been established and continues to coordinate local events and activities.</p> <p>A “Better Bryn-y-Cwm” Whole Place plan has been approved, a Town Team has been established and governance arrangements for a programme board are in place. A bid has been submitted for establishing a Business Improvement District.</p> <p>Monmouthshire Engages Roadshows in towns and evening engagements were held in</p>	The response to address this risk is now well embedded in the Council’s budget setting process and other community activity such as whole place. This is now more relevant to be incorporated as part of risk

Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
		<p>to withstand future challenges.</p> <p>Ideas have been formulated into thematic groupings for continued work to test suitability and lead officers will soon be making contact with the hundreds of citizens who have expressed a wish to work with us on specific programmes of activity (co-design).</p>			<p>September and October 2014. The purpose of this engagement was threefold: to inform the public of the severity of funding reductions; to understand what services are valued by the communities and their experiences of using those services are; and, to gather any new ideas on how we can reduce costs to maintain existing levels of service.</p> <p>Communities have told us the three areas of council service ranked as the most important were:</p> <ul style="list-style-type: none"> • Keeping Children Safe (65%) • Education and Skills (63%) • Support for older people and people with disabilities (61%) <p>The three areas seen as the least important were:</p> <ul style="list-style-type: none"> • Highways and Street Lighting (28%) • Trading Standards and Environmental Health (25%) • Planning and Building Control (25%) <p>Monmouthshire Made open, a social network site that allows ideas to be generated and developed to problems and challenges was launched. Ideas from engagement events have been captured on the site and continued to be developed with residents</p>	10 which will continue in the 2014/17 risk register.
10	Risk of not being able to sustain our priorities and wider service delivery within the current financial situation and the increasing financial	<p>Reframed 2012/13 risk 20.</p> <p>The council has set three main priorities around education, supporting vulnerable</p>	2013/14	High	The Council set a balanced budget for 2014/15 to deliver services. The Medium Term Financial Plan (MTFP) included 37 budget mandates that were informed by a variety of factors including service redesign and ideas from Monmouthshire	With a further 4.3% budget reduction for 2015/16 and expected
			2014/15	Medium		
			2015/16	Medium		

Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
	challenge ahead	<p>people and stimulating enterprise.</p> <p>Tied into this, in reality as we go forward no services can have guaranteed protection.</p> <p>Cabinet agreed to look into 37 areas for potential budget savings in October 2013 to alleviate the financial situation. The authority needs to realise the most impacting ideas from this mandate to deal with the financial challenge now and ahead of us.</p>			<p>engages events held in autumn 2013 and winter 2014.</p> <p>The Medium Term Financial Plan model has been updated for this year's settlement from Welsh Government, a further 4.3% reduction, much more work will be undertaken over the coming months to consider the remaining 3 years of the MTFP and what the future shape of the Authority needs to look like in the light of the emerging financial position. This will be completed in consideration of the Council's key priorities, outcomes and whole authority risk register.</p> <p>The 2015/16 budget gap is now £440k, if all the savings proposals contained in Appendix 4 of the report linked are approved. However, this still leaves a gap of £10 million to be found over the following 3 year period. Part of the proposals for 2015/16 include setting aside a budget to provide some capacity to both consider the further options for meeting the gap that will be reported back through Cabinet and select committees and to ensure delivery can be sustained.</p> <p>A restructure of the leadership team has been completed to ensure a focus on the council priorities.</p>	<p>continuing financial pressures in future years this risk is carried forward to the 2014/17 risk register.</p>
11	Risk posed to revenue and to delivering the capital programme if we do not	Anticipated receipts from land, building and asset sales are jeopardised due to declining economic conditions and a	2013/14	High	The balance of capital receipts available, allowing for the funding of anticipated overspend at Q1 2014/15, at the end of 2014/15	Yes

Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
	make optimal use of our surplus assets (which can involve sale / renting / community transfer)	<p>crowded marketplace with other public organisations competing to sell assets.</p> <p>Local Development Plan (LDP) and other legal processes place limitations on timing of asset sales. This is kept entirely separate to asset disposal policy and process.</p> <p>19% reduction in capital budget allocation.</p> <p>We need to ensure we match fund monies allocated to the 21st Century Schools project.</p>	2014/15	High	<p>is forecast to be in line with the 2014/18 MTFP, despite changes in the timing of some significant receipts within this period. It is estimated that net receipts at the end of 2017-18 will be circa £2million more than MTFP estimates.</p> <p>There remains a risk that market conditions will impact on forecast sales. Given 21st century schools' aspirations any changes to the forecast capital receipts or further delays in timing pose a risk to meet future capital commitments.</p>	
			2015/16	Tbc		

Monmouthshire's Scrutiny Forward Work Programme 2014-2015

Strong Communities Select Committee				
Meeting Date	Subject	Purpose of Scrutiny	Responsibility	Type of Scrutiny
REPORT	Pollinator Policy Update	Report on response to community concerns.	Alison Howard	Performance Monitoring
11th December 2014 10am	Budget Context	Discussion of mandates / savings proposals for Strong Communities: <ul style="list-style-type: none"> ▪ Transport Review and Fleet Rational ▪ Strategic Property Review Phase 2 ▪ Community Hubs and Contact Centre ▪ Cost Neutral Waste Service ▪ Waste Management ▪ Democracy and Regulation ▪ Highways Rationalisation and Income Generation 	Various	Budget Engagement
	Whole Authority Risk Log	Presentation of the Risk Log - Committee to identify areas of risk for scrutiny in New Year.	Richard Jones	Risk Monitoring
29th January 2015	Risk Management	Monitor and challenge performance in relation to mitigating risks to ensure the Council achieves its outcomes and improvement objectives for communities, and delivers statutory plans/operational services - Challenge of Cabinet Members and Officers on key risks within the remit of the Select Committee.	Richard Jones	Risk Management
Joint Special with Strong Communities (late Jan or early Feb 2015)	Whole Place and Town Centre Regeneration	Joint scrutiny of Whole Place following WAO Review and department restructure, to include town centre regeneration and rural area plans.	Deb Hill Howells	Performance Monitoring

Monmouthshire's Scrutiny Forward Work Programme 2014-2015

Strong Communities Select Committee				
Meeting Date	Subject	Purpose of Scrutiny	Responsibility	Type of Scrutiny
Special Meeting Possibly 10th February 2015?	Outline Business Case Heads of Valleys	Detail TBC	Rachel Jowitt	Pre-decision scrutiny
	Anaerobic Digestion Project	Detail TBC	Rachel Jowitt	Pre-decision scrutiny
	Modernising Trade Waste Services	Detail TBC	Rachel Jowitt	Pre-decision scrutiny
12th March 2015	Month 9 Finance Report	Review of finance position for directorates, identifying risks/trends in underspends and overspends.	Mark Howcroft	Budget Monitoring
	Monmouthshire Housing Association	Discussion with MHA on their performance and outcomes in relation to the agreements outlined in the offer document. Invite Adults Select.	Ian Bakewell	Performance Monitoring
	Local Flood Risk Management Strategy	Strategic Environmental Assessment and Habitats Risk Assessment to return to the committee for scrutiny.	Dave Harris	Performance Monitoring
30th April 2015	Annual Complaints Report	Committee requests a discussion on the annual complaints report in respect of regeneration and culture directorate.	Annette Evans	Statutory Reporting

Meeting Dates to be confirmed for:

- × GAVO
- × Partnership Activity
- × Local Area Coordinators
- × Burial Provision



Council and Cabinet Business – Forward Plan

Monmouthshire County Council is required to publish a Forward Plan of all key decisions to be taken in the following four months in advance and to update quarterly. The Council has decided to extend the plan to twelve months in advance, and to update it on a monthly basis.

Council and Cabinet agendas will only consider decisions that have been placed on the planner by the beginning of the preceding month, unless the item can be demonstrated to be urgent business

Subject	Purpose	Consultees	Author
19TH NOVEMBER 2014 – SPECIAL CABINET			
Update on ALN and proposed recommendations for service modification		SLT Cabinet	Sharon Randall Smith/Stephanie Hawkins
Community Infrastructure Levy and Affordable housing		Cabinet SLT	Martin Davies
26th NOVEMBER 2014 – INDIVIDUAL CABINET MEMBER DECISION			
Request for Flexible Retirement		SLT Cabinet	Ian Bakewell
M436 School Lane, Caerwent			Paul Keeble
3RD DECEMBER 2014 – CABINET			
Target Setting at a time of contracting budgets	To seek approval to mid-year revisions to a number of targets contained in the Council's Improvement Plan and Outcome Agreement with Welsh Government and to re-state existing targets to ensure absolute clarity on expected performance and 2. To remind members of past	SLT Cabinet	Matt Gatehouse

Subject	Purpose	Consultees	Agenda Item 10ii Author
	performance against key performance indicators and ensure that members consider the likely impact of budget decisions the trajectory of future performance		
Friendship agreement with Xiangshan County, China	To propose the development of an international relationship with Xiangshan Local Government in China, which includes the signing of a 'Friendship Agreement' to share best practice and inform opportunities around culture, tourism and economic development.	SLT Cabinet	Kellie Beirne
Month 6 Revenue & Capital Budget Monitoring report	To provide Members with information on the forecast outturn position of the Authority at the end of month 6 for the 2014/15 financial year	Cabinet Members Leadership Team Appropriate Officers	Joy Robson/Mark Howcroft
Welsh Church Fund Working Group	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2014/15, meeting 4 held on the 13 th November 2014		Dave Jarrett
Council Tax Base 2015/16 and associated matters	To agree the Council Tax Base figure for submission to the Welsh Government, together with the collection rate to be applied for 2015/16 and to make other necessary related statutory decisions	Cabinet Members Leadership Team Appropriate Officers	Sue Deacy/Ruth Donovan
Advertising Opportunities on MCC assets/A Boards			Roger Hoggins
Future of Recycling Services		Cabinet Members Leadership Team Appropriate Officers	Rachel Jowitt
Memorandum of understanding	Working with Heads of the Valleys LAs for Organic Waste Treatment	Cabinet SLT	Rachel Jowitt
Monmouthshire LDP Affordable Housing Supplementary Planning Guidance		SLT Cabinet	Martin Davies

Subject	Purpose	Consultees	Agenda Item 10ii Author
EAS underspend 2013-14			Nikki Wellington
17TH DECEMBER 2014 – INDIVIDUAL DECISION			
Local Government (Wales) Act 1994 The Local Authorities (Precepts) Wales Regulations 1995	To seek approval of the proposals for consultation purposes regarding payments to precepting Authorities during 2015/16 financial year as required by statute	Cabinet Members Leadership Team Appropriate Officers	Joy Robson
Home Improvement Loan Scheme Agreement in Principle	To set out the Welsh Government's national recyclable loan scheme to support the improvement of private sector housing in Wales due to come in to operation during 2015 and To seek approval of an 'agreement in principle' for the Council's participation in scheme in lieu of a more detailed report to be submitted to Cabinet in the New Year.	SLT Cabinet	Steve Griffiths Strategy & Policy
One Way Traffic, Govilon	To consider the proposed Order subsequent to representations received following advertisement in accordance with the Local Authorities Traffic Orders (Procedure) (England and Wales) Regulations 1994.	SLT Cabinet	Paul Keeble
Proposed 50mph maximum speed limit penpergwm	To consider the proposed Order subsequent to representations received following advertisement in accordance with the Local Authorities Traffic Orders (Procedure) (England and Wales) Regulations 1994.	SLT Cabinet	Paul Keeble
Provision of public conveniences – Jubilee Way, Caldicot	To agree the transfer of the public conveniences building to Caldicot Town Council and for Caldicot Town Council to undertake and fund all costs associated with the provision of public conveniences from that building commencing in April 2015.	SLT Cabinet	Roger Hoggins
Regrading of post – monnow vale		SLT Cabinet	Eve Parkinson
18TH DECEMBER 2014 – COUNCIL			
Community Infrastructure Levy and Affordable		SLT Cabinet	Martin Davies

Subject	Purpose	Consultees	Agenda Item 10ii Author
Housing			
Cabinet Member Report	Report of Cabinet Member with responsibility for Social Care and Health		Councillor G. Burrows
Welsh Index Multiple Deprivation/Anti-poverty	To set out the Councils strategic approach to addressing poverty and disadvantage in the county	Cabinet SLT	Kellie Beirne / Will McLean
7TH JANUARY 2015 – CABINET			
Council Tax Reduction Scheme Adoption	The purpose of this report is to present arrangements for the implementation of the Council Tax Reduction Scheme and to approve it for 2015/16	Cabinet Members Leadership Team Appropriate Officers	Joy Robson/Wendy Woods/Ruth Donovan
Review of Fees and Charges	To review all fees and charges made for services across the Council and identify proposals for increasing them in 2015/16	Cabinet Members Leadership Team Appropriate Officers	Joy Robson
Review of Public Protection	To review the arrangements for public protection implemented in March 2014 to ensure the service is fit for purpose.	Cabinet Members Leadership Team Appropriate Officers	Dave Jones/Graham Perry
Revenue & Capital Budget proposals for public consultation (if required)	To present revenue and capital budget proposals following receipt of final settlement	Cabinet Members Leadership Team Appropriate Officers	Joy Robson
Whole Place review and next steps	To provide detailed review update as per WAO report recommendation	SLT Cabinet	Deb Hill-Howells
Community Education – options for the future	To set out future development options for community education	SLT Cabinet	Deb Hill-Howells
S106 Chepstow Area			Deb Mountfield
Changes to waste collections	Approval of Waste Collection Changes Mandate for 2015-16 budget		Rachel Jowitt
Future Generations Bill – what it means for Monmouthshire	To set out implications of Bill for the County	Cabinet SLT	Kellie Beirne / Will McLean
Tree Preservation Order		SLT	Jim Keech

Subject	Purpose	Consultees	Agenda Item 10ii Author
248		Cabinet	
Self Evaluation Draft		Cabinet SLT	Sarah McGuinness
CMC ² Strategic Review and Year 4 Business Plan	To endorse the review of CMC ² and future business strategy and approve year ahead business plan	Cabinet SLT	Peter Davies Sian Hayward
Major Events Strategy	To set out a Major Events Strategy through which to co-ordinate all local community and organised events in the county	SLT Cabinet	Ian Saunders
Monmouthshire Crowdfunding platform	To seek approval for the development of a crowdfunding platform that together with Authority loan finance will support business growth and job creation	Cabinet SLT Member Seminar Pre-scrutiny	Peter Davies
Broadband in Monmouthshire	To provide and overview of the likely implications to the County of the roll-out of Superfast Cymru and to seek endorsement of the proposed options for moving forward	Cabinet SLT	Peter Davies
14TH JANUARY 2015 – INDIVIDUAL DECISION			
Local Government (Wales) Act 1994 The Local Authorities (Precepts) Wales Regulations 1995	To seek Members approval of the results of the consultation process regarding payments to precepting Authorities for 2015/16 as required by statute	Cabinet Members Leadership Team Appropriate Officers	Joy Robson
Restructure of Disability Services	To seek approval for the deletion of the kitchen assistant post at the My Day My Life Hub at Tudor Street.		Ceri York
Proposed 20mph Speed Limits, Thornwell Area, Chepstow	To consider the proposed order subsequent to representations received following advertisement in accordance with the Local Authorities Traffic Orders (Procedure) (England and Wales) Regulations 1994.	Cabinet Members Leadership Team Appropriate Officers	Paul Keeble
Agree SPG Programme	Update existing SPGs on Replacement dwellings and extensions in the Countryside; conversion of agricultural buildings; assessment of re-use for business purposes in relation to countryside	SLT Cabinet	Martin Davies

Subject	Purpose	Consultees	Agenda Item 10ii Author
	building conversions, new SPG on green infrastructure		
Renewable Energy and Primary Retail Frontages		SLT Cabinet	Martin Davies
Sale of Land Ysguborwen			Scott Ramsay
22ND JANUARY 2015 – COUNCIL			
Final Budget Proposals			Joy Robson
Engagement framework evaluation report			Will McLean
Self Evaluation Draft		Cabinet SLT	Sarah McGuinness
4TH FEBRUARY 2015 – CABINET			
Welsh Church Fund Working Group	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2014/15, meeting 5 held on the 18th December 2014		Dave Jarrett
Developing a Business Improvement District in Abergavenny	To seek endorsement of a new BID in Abergavenny town centre	SLT Cabinet	Deb Hill Howells
Review of allocation policy		Cabinet Members Leadership Team Appropriate Officers	Ian Bakewell
Changes to school funding formula – Job evaluation and threshold payments	to recommend an alternative method of distribution for the above two elements of the formula	SLT Cabinet	Nikki Wellington
Changes to the schools funding formula – ALN lump sum	to recommend an alternative method of distribution for the lump sum element for ALN following the withdrawal of ACORN data	SLT Cabinet	Gwen Phillips
Place sufficiency audit report			Nicola Bowen / Ian Saunders
Community Contact Centres/Hubs		SLT Cabinet	Rachel Jowitt/Deb Hill Howells

Subject	Purpose	Consultees	Agenda Item 10ii Author
18TH FEBRUARY 2015 – SPECIAL CABINET			
Final Budget 2015/16 for recommendation to Council	To update Cabinet with the consultation responses to the budget proposals and provide a final set of proposals for recommendations to Council	Cabinet Members Leadership Team Appropriate Officers	Joy Robson
26TH FEBRUARY 2015 – COUNCIL			
Final composite council tax resolution	To set Budget and Council Tax for 2014/15		Joy Robson
Treasury Management Strategy 2014/15	To accept the Annual Treasury Management Strategy		Joy Robson
The Future Food Waste Treatment Strategy: Outline Business Case & Inter Authority Agreement	for the Council to consider the inclusion of MCC in the Heads of the Valleys Anaerobic Digestion Procurement. To agree the Outline Business Case and the Inter Authority Agreement which commits the Council to the procurement and partnership and a 15-20 year contract.	SLT Cabinet	Rachel Jowitt
4TH MARCH 2015 – CABINET			
Month 9 Revenue & Capital Budget Monitoring report	To provide Members with information on the forecast outturn position of the Authority at the end of Month 9 for the 2014/15 financial year		Joy Robson/Mark Howcroft
Modernising trade waste services			Rachel Jowitt
15TH APRIL 2015 – CABINET			
Welsh Church Fund Working Group	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2014/15, meeting 6 held on the 26 th March 2015		Dave Jarrett

Subject	Purpose	Consultees	Agenda Item 10ii Author