

# Public Document Pack



Neuadd y Sir  
Y Rhadyr  
Brynbuga  
NP15 1GA

Dydd Mercher, 26 Chwefror 2020

**Hysbysiad o gyfarfod:**

## **Cyngor Sir**

**Dydd Iau, 5ed Mawrth, 2020 at 2.00 pm,  
Council Chamber - Council Chamber**

### **AGENDA**

*Prayers will be said prior to the Council meeting at 4.55pm. All members are welcome to join the Chairman for prayers should they wish to do.*

<b>Eitem No</b>	<b>Eitem</b>	<b>Tudalennau</b>
1.	Ymddiheuriadau am absenoldeb	
2.	Datganiadau o Fuddiant	
3.	Cwestiynau'r Cyhoedd	
4.	Cyhoeddiad y Cadeirydd a derbyn deisebau	1 - 2
5.	Cwestiynau'r Aelodau:	
5.1.	<b>Gan y Cynghorydd Sir S Howarth i'r Cynghorydd Sir P. Fox, Arweinydd y Cyngor</b>  A fyddai'r arweinydd cystal â dweud a yw'n teimlo'n hapus gyda chanlyniadau pryderon trigolion Sir Fynwy parthed cynllun Ffordd Blaenau'r Cymoedd A465 a weithredir gan Lywodraeth Cymru ac sydd â'r gwaith o adeiladu a chynllunio wedi ei gontractio i Costains Group plc?	
6.	<b>PENDERFYNIAD AR DRETH Y CYNGOR a CHYLLIDEBAU REFENIW A CHYFALAF AR GYFER 2020/21</b>	3 - 22
7.	<b>POLISI A STRATEGAETH TRYSORLYS 2020-21</b>	23 - 60
8.	<b>CYNLLUN CORFFORAETHOL 2017-22: DIWEDDARIAD CANOL TYMOR</b>	61 - 120
9.	<b>CYNLLUN STRATEGOL AR GYDRADDOLDEB 2020-24</b>	121 - 164

<b>10.</b>	<b>ADRODDIAD GWERTHUSIAD O DDIOGELU EBRILL 2018 - MAWRTH 2019</b>	165 - 190
<b>11.</b>	<b>PENDERFYNIAD BRYD AR Y GYLLIDEB - YMATEB I ADFERIAD YN DILYN LLIFOGYDD</b>	191 - 194
<b>12.</b>	<b>CYNLLUN DATBLYGU LLEOL NEWYDD SIR FYNWY, STRATEGAETH SY'N CAEL EI FFAFRIO A CHYTUNDEB CYFLENWI WEDI EI ADOLYGU</b>	
	PLEASE SEE SUPPLEMENTARY AGENDA: <a href="#">Available Here</a>	
<b>13.</b>	<b>CYHOEDDI DATGANIAD AR BOLISI TÂL YN UNOL Â GOFYNIAD Y DDEDDF LLEOLIAETH</b>	195 - 210
<b>14.</b>	<b>Cadarnhau cofnodion y cyfarfod a gynhaliwyd ar y 16eg o Ionawr 2020</b>	211 - 218

**Paul Matthews**  
**Prif Weithredwr**

## CYNGOR SIR FYNWY

MAE CYFANSODDIAD Y PWYLLGOR FEL SY'N DILYN:

Cynghorwyr Sir:

P. Clarke  
D. Batrouni  
J.Becker  
D. Blakebrough  
L.Brown  
A.Davies  
D. Dovey  
L.Dymock  
A. Easson  
R. Edwards  
D. Evans  
M.Feakins  
P.A. Fox  
R.J.W. Greenland  
M.Groucutt  
L. Guppy  
R. Harris  
J. Higginson  
G. Howard  
S. Howarth  
R.John  
D. Jones  
L.Jones  
P. Jones  
S. Jones  
S.B. Jones  
P. Jordan  
M.Lane  
P. Murphy  
P.Pavia  
M. Powell  
J.Pratt  
R.Roden  
V. Smith  
B. Strong  
F. Taylor  
T.Thomas  
J.Treharne  
J.Watkins  
A. Watts  
A. Webb  
K. Williams  
S. Woodhouse

**Gwybodaeth Gyhoeddus**

### **Mynediad i gopïau papur o agendâu ac adroddiadau**

Gellir darparu copi o'r agenda hwn ac adroddiadau perthnasol i aelodau'r cyhoedd sy'n mynychu cyfarfod drwy ofyn am gopi gan Gwasanaethau Democrataidd ar 01633 644219. Dylid nodi fod yn rhaid i ni dderbyn 24 awr o hysbysiad cyn y cyfarfod er mwyn darparu copi caled o'r agenda hwn i chi.

### **Edrych ar y cyfarfod ar-lein**

Gellir gweld y cyfarfod ar-lein yn fyw neu'n dilyn y cyfarfod drwy fynd i [www.monmouthshire.gov.uk](http://www.monmouthshire.gov.uk) neu drwy ymweld â'n tudalen Youtube drwy chwilio am MonmouthshireCC. Drwy fynd i mewn i'r ystafell gyfarfod, fel aelod o'r cyhoedd neu i gymryd rhan yn y cyfarfod, rydych yn caniatáu i gael eich ffilmio ac i ddefnydd posibl y delweddau a'r recordiadau sain hynny gan y Cyngor.

### **Y Gymraeg**

Mae'r Cyngor yn croesawu cyfraniadau gan aelodau'r cyhoedd drwy gyfrwng y Gymraeg neu'r Saesneg. Gofynnwn gyda dyledus barch i chi roi 5 diwrnod o hysbysiad cyn y cyfarfod os dymunwch siarad yn Gymraeg fel y gallwn ddarparu ar gyfer eich anghenion.

# Nodau a Gwerthoedd Cyngor Sir Fynwy

## Ein diben

Adeiladu Cymunedau Cynaliadwy a Chydnerth

### Amcanion y gweithiwn tuag atynt

- Rhoi'r dechrau gorau posibl mewn bywyd i bobl
- Sir lewyrchus a chysylltiedig
- Cynyddu i'r eithaf botensial yr amgylchedd naturiol ac adeiledig
- Llesiant gydol oes
- Cyngor gyda ffocws ar y dyfodol

## Ein Gwerthoedd

**Bod yn agored.** Rydym yn agored ac yn onest. Mae pobl yn cael cyfle i gymryd rhan mewn penderfyniadau sy'n effeithio arnynt, dweud beth sy'n bwysig iddynt a gwneud pethau drostynt eu hunain/eu cymunedau. Os na allwn wneud rhywbeth i helpu, byddwn yn dweud hynny; os bydd yn cymryd peth amser i gael yr ateb, byddwn yn esbonio pam; os na allwn ateb yn syth, byddwn yn ceisio eich cysylltu gyda'r bobl a all helpu - mae adeiladu ymddiriedaeth ac ymgysylltu yn sylfaen allweddol.

**Tegwch.** Darparwn gyfleoedd teg, i helpu pobl a chymunedau i ffynnu. Os nad yw rhywbeth yn ymddangos yn deg, byddwn yn gwranddo ac yn esbonio pam. Byddwn bob amser yn ceisio trin pawb yn deg ac yn gyson. Ni allwn wneud pawb yn hapus bob amser, ond byddwn yn ymrwymo i wrando ac esbonio pam y gwnaethom weithredu fel y gwnaethom.

**Hyblygrwydd.** Byddwn yn parhau i newid a bod yn hyblyg i alluogi cyflwyno'r gwasanaethau mwyaf effeithlon ac effeithiol. Mae hyn yn golygu ymrwymiad gwirioneddol i weithio gyda phawb i groesawu ffyrdd newydd o weithio.

**Gwaith Tim.** Byddwn yn gweithio gyda chi a'n partneriaid i gefnogi ac ysbrydoli pawb i gymryd rhan fel y gallwn gyflawni pethau gwych gyda'n gilydd. Nid ydym yn gweld ein hunain fel 'trefnwyr' neu ddatrys-wyr problemau, ond gwnawn y gorau o syniadau, asedau ac adnoddau sydd ar gael i wneud yn siŵr ein bod yn gwneud y pethau sy'n cael yr effaith mwyaf cadarnhaol ar ein pobl a lleoedd.

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## Chairman's Report 17<sup>th</sup> January – 29<sup>th</sup> February

Thursday 17 <sup>th</sup> January 1.15 p.m.	MonLife Launch Ceremony Monmouth Leisure Centre
Friday 17 <sup>th</sup> January 8 p.m.	Monmouth Big Band Concert Savoy Theatre, Monmouth
Monday 27 <sup>th</sup> January 11 a.m.	Wales National Commemoration of Holocaust Memorial Day City Hall, Cardiff
Monday 27 <sup>th</sup> January 2 p.m.	Holocaust Memorial Service (Monmouthshire Service) St Mary's Priory Church, Abergavenny
Wednesday 29 <sup>th</sup> January 12 p.m.	Judging for Competition to design 'Park Bench' Plaque Chairman's Office
Thursday 30 <sup>th</sup> January 5 – 7 p.m.	Opening of 'The Brilliant Bronze Age' exhibition Abergavenny Museum & Castle
Saturday 1 <sup>st</sup> February 11 a.m.	Enthronement of The Venerable Cherry Vann as Bishop of Monmouth St Woolos Cathedral, Newport
Thursday 6 <sup>th</sup> February 11 a.m.	Citizenship Ceremony Registrars' Office, Usk
Friday 7 <sup>th</sup> February 4 p.m.	Samuel Barker Community Memorial Monmouth Comprehensive School, Monmouth
Sunday 9 <sup>th</sup> February	Inaugural Concert of The Royal British Legion Band of Wales The Blake Theatre, Monmouth
Tuesday 18 <sup>th</sup> February 7.30 p.m.	Gwent Youth Jazz Orchestra's Annual Concert Rougemont School, Newport
Thursday 20 <sup>th</sup> February 7 p.m.	Abergavenny Pantomime Society – Production of 'Aladdin' Borough Theatre, Abergavenny
Tuesday 25 <sup>th</sup> February 11 a.m.	Funeral of Gwen Phillips St Cadoc's Church, Raglan
Tuesday 25 <sup>th</sup> February 5.30 p.m.	Gwent Police Cadet Pass Out Parade Pontypool College, Pontypool
Wednesday 26 <sup>th</sup> February 12 p.m.	Monmouthshire – Long Service Award Event Chairman's Office, County Hall, Usk
Friday 28 <sup>th</sup> February 12 p.m.	Refurbishment Celebration Abergavenny Community Centre
Friday 28 <sup>th</sup> February 7 p.m.	South Gloucestershire – Charity Civic Dinner Mercure North Bristol The Grange Hotel, Winterbourne, South Gloucestershire
Saturday 29 <sup>th</sup> February 10 a.m.	St David's Day Parade by 3 <sup>rd</sup> Battalion – The Royal Welsh Memorial Garden of St Tydfil's Church, Merthyr Tydfil

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## REPORT

**SUBJECT: COUNCIL TAX RESOLUTION and REVENUE AND CAPITAL BUDGETS FOR 2020/21**

**DIRECTORATE: Resources**

**MEETING: Council**

**DATE: 5<sup>th</sup> March 2020**

**DIVISION/WARDS AFFECTED: All**

### 1. PURPOSE

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- 1.1 The Council is bound by Statute to specific timescales for Council Tax setting and is also required to make certain defined resolutions. The recommendations that form the major part of this report are designed to comply with those Statutory Provisions.
  - 1.2 The recommended resolutions also draw together the Council Tax implications of precepts proposed by the Office of Police and Crime Commissioner for Gwent and Town and Community Councils, thereby enabling the County Council to establish its headline Council Tax levels at the various property bands within each Town or Community area.

### 2. RECOMMENDATIONS

- 2.1 That the outcome of the final Local Government Settlement from Welsh Government is noted.
- 2.2 That the strategy for addressing the remaining budget deficit be approved and that Council acknowledges the ongoing financial challenges and risks needing to be managed in 2020/21 and across the medium term.
- 2.3 That the revenue and capital estimates for the year 2020/21 as attached in Appendix 1 and 2 be approved.
- 2.4 It be noted that, at its meeting on 19<sup>th</sup> February 2020, Cabinet calculated the amounts set out below for the year 2020/21 in accordance with sections 32 and 33 of the Local Government Finance Act 1992 ("the Act").

For information, sections 32 and 33 of the 1992 Act have been extensively amended by Schedule 12 to the [Local Government \(Wales\) Act 1994](#). Both are further amended by the [Local Authorities \(Alteration of Requisite Calculations\) \(Wales\) Regulations 2002](#) (the “2002 regulations”) and The Local Authorities (Alteration of Requisite Calculations) (Wales) Regulations 2013. Section 33 is further amended by the [Local Government Reorganisation \(Calculation of Basic Amount of Council Tax\) \(Wales\) Order 1996](#). All necessary legislative and statutory amendments have been taken into account in calculating the following amounts: -

- (a) 46,331.92 being the amount calculated by the Council, in accordance with Section 33 of the Act and The Regulations (as amended by Regulations 1999 no. 2935), as its Council Tax base for the year;
- (b) Part of the Council’s Area, being the amounts calculated by the Council, in accordance with Section 34 of the Act, as the amounts of its Council Tax base for the year for dwellings in those parts of the area to which one or more special items relate:

<b>Community</b>	<b>Council Tax Base for 2020/21</b>	<b>Community</b>	<b>Council Tax Base for 2020/21</b>
Abergavenny	4,935.43	Llanhennock	297.85
Caerwent	1,116.39	Llanover	817.49
Caldicot	3,997.43	Llantillio Croesenny	469.01
Chepstow	5,509.08	Llantillio Pertholey	1,680.91
Crucorney	743.33	Llantrissant Fawr	268.21
Devauden	656.21	Magor with Undy	2,895.81
Goetre Fawr	1,273.91	Mathern	619.88
Grosmont	516.09	Mitchell Troy	732.96
Gwehelog Fawr	295.93	Monmouth	5,320.26
Llanarth	487.22	Portskewett	1,085.43
Llanbadoc	467.97	Raglan	1,087.76
Llanelly Hill	2,009.21	Rogiet	738.84
Llanfoist Fawr	1,994.99	Shirenewton	758.59
Llangattock Vibon Abel	681.70	St.Arvals	464.04
Llangwm	273.68	Tintern	495.28
Llangybi	558.14	Trellech	1,707.64
		Usk	1,375.25
		<b>Total</b>	<b>46,331.92</b>

It is recommended that Council resolves:

- 2.5 That the following amounts be now calculated by the Council for the year 2020/21 in accordance with Sections 32 to 36 of the Act and sections 47 and 49 of the [Local Government Finance Act 1988](#) (as amended):
- (a) £164,679,647 being the aggregate of the amounts the Council estimates for the items set out in Section 32(2) (a) to (d) of the Act less the aggregate of the amounts the Council estimates for the items set out in Section 32 (3) (a) and (c) of the Act calculated by the Council, in accordance with Section 32(4) of the Act, as its budget requirement for the year
  - (b) £97,760,147 being the aggregate of the sums which the Council estimates will be payable for the year into its Council fund in respect of redistributed non-domestic rates and revenue support grant in accordance with Section 33 (3)
  - (c) £6,000 being the cost to the authority of discretionary non-domestic rate relief anticipated to be granted (under sections 47 and 49 of the [Local Government Finance Act 1988](#) , as amended)
  - (d) £1,444.48 being the amount at 2.3(a) and 2.3(c) above less the amount at 2.3(b) above, all divided by the amount at 2.2(a) above, calculated by the Council, in accordance with Section 33(1) of the Act, as the basic amount of its Council Tax for the year
  - (e) £2,952,238 being the aggregate amount of all special items referred to in Section 34 of the Act (Town and Community Precepts)
  - (f) £1,380.76 being the amount at 2.3(d) above less the result given by dividing the amount at 2.3(e) above by the amount at 2.2(a) above calculated by the Council in accordance with Section 34(2) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of the area to which no special item relates.
  - (g) Part of the Council's Area, being the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amounts at 2.2(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of the area to which one or more special items relate:

Community Council	Precept Band D Equivalent £'s	Community Council	Precept Band D Equivalent £'s
Abergavenny	81.86	Llanover	15.29
Caerwent	45.41	Llantillio Croesenny	12.79
Caldicot	96.21	Llantillio Pertholey	28.73
Chepstow	119.36	Llantrissant Fawr	19.39
Crucorney	19.64	Magor with Undy	95.79
Devauden	12.44	Mathern	33.87
Goetre Fawr	26.69	Mitchell Troy	23.19
Grosmont	22.09	Monmouth	74.51
Gwehelog Fawr	15.21	Portskewett	30.86
Llanarth	16.42	Raglan	36.71
Llanbadoc	31.27	Rogiet	74.08
Llanelly Hill	50.27	Shirenewton	38.83
Llanfoist Fawr	34.09	St.Arvars	34.31
Llangattock Vibon Abel	12.89	Tintern	37.64
Llangwm	23.75	Trellech	20.50
Llangybi	20.60	Usk	105.91
Llanhennock	25.78		

- (h) The County Council Area, being the amounts given by multiplying the amount at 2.3(f) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

Council Tax Band	A	B	C	D	E	F	G	H	I
Proportion	6	7	8	9	11	13	15	18	21
Council Tax Charge	920.51	1,073.92	1,227.34	1,380.76	1,687.60	1,994.43	2,301.27	2,761.52	3,221.77

- (i) Part of the Council's Area, being the amounts given by multiplying the amounts at 2.3(g) and 2.3(h) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D calculated by the Council, in accordance

with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands: -

### County Council plus Town/Community Council

	A	B	C	D	E	F	G	H	I
Abergavenny	975.08	1,137.59	1,300.10	1,462.62	1,787.65	2,112.67	2,437.70	2,925.24	3,412.78
Caerwent	950.78	1,109.24	1,267.70	1,426.17	1,743.10	2,060.02	2,376.95	2,852.34	3,327.73
Caldicot	984.65	1,148.75	1,312.86	1,476.97	1,805.19	2,133.40	2,461.62	2,953.94	3,446.26
Chepstow	1,000.08	1,166.76	1,333.44	1,500.12	1,833.48	2,166.84	2,500.20	3,000.24	3,500.28
Crucorney	933.60	1,089.20	1,244.80	1,400.40	1,711.60	2,022.80	2,334.00	2,800.80	3,267.60
Devauden	928.80	1,083.60	1,238.40	1,393.20	1,702.80	2,012.40	2,322.00	2,786.40	3,250.80
Goetre	938.30	1,094.68	1,251.06	1,407.45	1,720.22	2,032.98	2,345.75	2,814.90	3,284.05
Grosmont	935.24	1,091.10	1,246.98	1,402.85	1,714.60	2,026.34	2,338.09	2,805.70	3,273.31
Gwehelog	930.65	1,085.75	1,240.86	1,395.97	1,706.19	2,016.40	2,326.62	2,791.94	3,257.26
Llanarth	931.46	1,086.69	1,241.94	1,397.18	1,707.67	2,018.15	2,328.64	2,794.36	3,260.08
Llanbadoc	941.36	1,098.24	1,255.14	1,412.03	1,725.82	2,039.60	2,353.39	2,824.06	3,294.73
Llanelly Hill	954.02	1,113.02	1,272.02	1,431.03	1,749.04	2,067.04	2,385.05	2,862.06	3,339.07
Llanfoist	943.24	1,100.43	1,257.64	1,414.85	1,729.27	2,043.67	2,358.09	2,829.70	3,301.31
Llangattock V A	929.10	1,083.95	1,238.80	1,393.65	1,703.35	2,013.05	2,322.75	2,787.30	3,251.85
Llangwm	936.34	1,092.39	1,248.45	1,404.51	1,716.63	2,028.74	2,340.85	2,809.02	3,277.19
Llangybi	934.24	1,089.94	1,245.65	1,401.36	1,712.78	2,024.19	2,335.60	2,802.72	3,269.84
Llanhennock	937.70	1,093.97	1,250.26	1,406.54	1,719.11	2,031.67	2,344.24	2,813.08	3,281.92
Llanover	930.70	1,085.81	1,240.93	1,396.05	1,706.29	2,016.52	2,326.75	2,792.10	3,257.45
Llantillio Croess	929.04	1,083.87	1,238.71	1,393.55	1,703.23	2,012.90	2,322.59	2,787.10	3,251.61
Llantillio Pertholey	939.66	1,096.27	1,252.88	1,409.49	1,722.71	2,035.93	2,349.15	2,818.98	3,288.81
Llantrissant	933.44	1,089.00	1,244.58	1,400.15	1,711.30	2,022.44	2,333.59	2,800.30	3,267.01
Magor with Undy	984.37	1,148.42	1,312.49	1,476.55	1,804.68	2,132.79	2,460.92	2,953.10	3,445.28
Mathern	943.09	1,100.26	1,257.45	1,414.63	1,729.00	2,043.35	2,357.72	2,829.26	3,300.80
Mitchell Troy	935.97	1,091.96	1,247.95	1,403.95	1,715.94	2,027.93	2,339.92	2,807.90	3,275.88
Monmouth	970.18	1,131.87	1,293.57	1,455.27	1,778.67	2,102.06	2,425.45	2,910.54	3,395.63
Portskewett	941.08	1,097.92	1,254.77	1,411.62	1,725.32	2,039.01	2,352.70	2,823.24	3,293.78
Raglan	944.98	1,102.47	1,259.97	1,417.47	1,732.47	2,047.46	2,362.45	2,834.94	3,307.43

Rogiet	969.90	1,131.54	1,293.19	1,454.84	1,778.14	2,101.43	2,424.74	2,909.68	3,394.62
Shirenewton	946.40	1,104.12	1,261.86	1,419.59	1,735.06	2,050.52	2,365.99	2,839.18	3,312.37
St. Arvans	943.38	1,100.61	1,257.84	1,415.07	1,729.53	2,043.99	2,358.45	2,830.14	3,301.83
Tintern	945.60	1,103.20	1,260.80	1,418.40	1,733.60	2,048.80	2,364.00	2,836.80	3,309.60
Trelech	934.18	1,089.86	1,245.56	1,401.26	1,712.66	2,024.04	2,335.44	2,802.52	3,269.60
Usk	991.12	1,156.29	1,321.48	1,486.67	1,817.05	2,147.41	2,477.79	2,973.34	3,468.89

2.6 That it be noted for the year 2020/21 that the Office of Police and Crime Commissioner for Gwent has proposed, pending conclusion of the full scrutiny process, the following amounts in precepts issued to the Council, in accordance with Section 40 of the Act, for each of the dwellings shown above: -

<b>Council Tax Band</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>	<b>I</b>
Proportion	6	7	8	9	11	13	15	18	21
Council Tax Charge	181.97	212.30	242.63	272.96	333.62	394.28	454.93	545.92	636.91

That, having calculated the aggregate in each case of the amounts at 2.3(i) and 2.4 above, the Council, in accordance with Section 30(2) of the Act, hereby sets the following amounts as the amounts of Council Tax for the year 2020/21 for each of the categories of dwellings shown below: -

**County Council plus Town/Community Council plus Police and Crime Commissioner**

	A	B	C	D	E	F	G	H	I
Abergavenny	1,157.05	1,349.89	1,542.73	1,735.58	2,121.27	2,506.95	2,892.63	3,471.16	4,049.69
Caerwent	1,132.75	1,321.54	1,510.33	1,699.13	2,076.72	2,454.30	2,831.88	3,398.26	3,964.64
Caldicot	1,166.62	1,361.05	1,555.49	1,749.93	2,138.81	2,527.68	2,916.55	3,499.86	4,083.17
Chepstow	1,182.05	1,379.06	1,576.07	1,773.08	2,167.10	2,561.12	2,955.13	3,546.16	4,137.19
Crucorney	1,115.57	1,301.50	1,487.43	1,673.36	2,045.22	2,417.08	2,788.93	3,346.72	3,904.51
Devauden	1,110.77	1,295.90	1,481.03	1,666.16	2,036.42	2,406.68	2,776.93	3,332.32	3,887.71
Goetre	1,120.27	1,306.98	1,493.69	1,680.41	2,053.84	2,427.26	2,800.68	3,360.82	3,920.96
Grosmont	1,117.21	1,303.40	1,489.61	1,675.81	2,048.22	2,420.62	2,793.02	3,351.62	3,910.22
Gwehelog	1,112.62	1,298.05	1,483.49	1,668.93	2,039.81	2,410.68	2,781.55	3,337.86	3,894.17
Llanarth	1,113.43	1,298.99	1,484.57	1,670.14	2,041.29	2,412.43	2,783.57	3,340.28	3,896.99
Llanbadoc	1,123.33	1,310.54	1,497.77	1,684.99	2,059.44	2,433.88	2,808.32	3,369.98	3,931.64
Llanelly Hill	1,135.99	1,325.32	1,514.65	1,703.99	2,082.66	2,461.32	2,839.98	3,407.98	3,975.98
Llanfoist	1,125.21	1,312.73	1,500.27	1,687.81	2,062.89	2,437.95	2,813.02	3,375.62	3,938.22
Llangattock V A	1,111.07	1,296.25	1,481.43	1,666.61	2,036.97	2,407.33	2,777.68	3,333.22	3,888.76
Llangwm	1,118.31	1,304.69	1,491.08	1,677.47	2,050.25	2,423.02	2,795.78	3,354.94	3,914.10
Llangybi	1,116.21	1,302.24	1,488.28	1,674.32	2,046.40	2,418.47	2,790.53	3,348.64	3,906.75
Llanhennock	1,119.67	1,306.27	1,492.89	1,679.50	2,052.73	2,425.95	2,799.17	3,359.00	3,918.83
Llanover	1,112.67	1,298.11	1,483.56	1,669.01	2,039.91	2,410.80	2,781.68	3,338.02	3,894.36
Llantillio Croess	1,111.01	1,296.17	1,481.34	1,666.51	2,036.85	2,407.18	2,777.52	3,333.02	3,888.52
Llantillio Pertholey	1,121.63	1,308.57	1,495.51	1,682.45	2,056.33	2,430.21	2,804.08	3,364.90	3,925.72
Llantrissant	1,115.41	1,301.30	1,487.21	1,673.11	2,044.92	2,416.72	2,788.52	3,346.22	3,903.92
Magor with Undy	1,166.34	1,360.72	1,555.12	1,749.51	2,138.30	2,527.07	2,915.85	3,499.02	4,082.19
Mathern	1,125.06	1,312.56	1,500.08	1,687.59	2,062.62	2,437.63	2,812.65	3,375.18	3,937.71
Mitchell Troy	1,117.94	1,304.26	1,490.58	1,676.91	2,049.56	2,422.21	2,794.85	3,353.82	3,912.79
Monmouth	1,152.15	1,344.17	1,536.20	1,728.23	2,112.29	2,496.34	2,880.38	3,456.46	4,032.54
Portskewett	1,123.05	1,310.22	1,497.40	1,684.58	2,058.94	2,433.29	2,807.63	3,369.16	3,930.69
Raglan	1,126.95	1,314.77	1,502.60	1,690.43	2,066.09	2,441.74	2,817.38	3,380.86	3,944.34
Rogiet	1,151.87	1,343.84	1,535.82	1,727.80	2,111.76	2,495.71	2,879.67	3,455.60	4,031.53
Shirenewton	1,128.37	1,316.42	1,504.49	1,692.55	2,068.68	2,444.80	2,820.92	3,385.10	3,949.28
St. Arvans	1,125.35	1,312.91	1,500.47	1,688.03	2,063.15	2,438.27	2,813.38	3,376.06	3,938.74

Tintern	1,127.57	1,315.50	1,503.43	1,691.36	2,067.22	2,443.08	2,818.93	3,382.72	3,946.51
Trelech	1,116.15	1,302.16	1,488.19	1,674.22	2,046.28	2,418.32	2,790.37	3,348.44	3,906.51
Usk	1,173.09	1,368.59	1,564.11	1,759.63	2,150.67	2,541.69	2,932.72	3,519.26	4,105.80

2.8 That Mr R Davies, Mrs D Smith, Mr M Owen, Ms L Crump and Mrs S Knight of the Revenues Shared Service be authorised under Section 223 of the Local Government Act 1972 to prosecute and appear on behalf of Monmouthshire County Council in proceedings before a Magistrates Court for the purpose of applying for Liability Orders in respect of Council Tax and Non-Domestic Rates

### 3. KEY ISSUES

3.1 The final revenue and capital budgets for 2020/21 were considered by Cabinet on 19<sup>th</sup> February 2020. At its meeting Cabinet recognised the risks concerning an absence of a funding floor in the awaited Final Local Government Settlement, and the further steps that would need to be taken to manage the remaining budget deficit of £497k if this was to materialise.

3.2 The final settlement was received later this year and was announced by Welsh Government on 25<sup>th</sup> February 2020 and after Cabinet had met to consider the final budget proposals for 20/21. This had left the Authority in a situation where it is was unclear as to whether the Minister had listened to the calls from the Council, other Welsh local authorities and the WLGA for a funding floor to be introduced and that would provide a fairer distribution of funding across Welsh local government.

3.3 The Minister in her letter to Leaders across Welsh local government, as included in appendix 3, confirmed that following consideration of consultation responses she did not identify any matters that required a change in the final settlement. And furthermore confirmation that a funding floor will not be introduced, citing that Welsh Government had allocated all its available funding at the provisional stage. This is clearly disappointing and leaves a deficit of £497k to be found.

3.4 Senior Officers have been continuing to work with the Cabinet and to finalise a strategy to address the remaining deficit. This strategy will see the following further proposals and actions being taken:

- a) A £46,000 reduction in the increase in the SRS core contribution and resulting from further work undertaken in finalising the SRS budget for 2020/21;
- b) A £92,000 saving following a further review of corporate costs and insurance budgets. There is some associated risk with an element of the insurance saving given the Council's claims experience will be impacted by the flooding. However, this will be monitored as part of the budget monitoring undertaken throughout the year.



- a) The remaining £359k deficit being managed through further efficiencies being identified during the year. This will result in part from a cessation of non-essential spend and vacant posts being reviewed as they arise to determine whether there is an essential need for them to be recruited into.
- 3.5 There is still a need to think differently about the even greater challenges of the medium term and this work and engagement will continue in the coming months, and notably with other local authorities, Welsh Government and the Welsh Local Government Association (WLGA) and where funding distribution and projections are concerned. Specifically the Leader is garnering support with the WLGA rural forum for an evidence based review of the funding formula to be undertaken to demonstrate how rural authorities are disadvantaged in the formula distribution. Separately the WLGA will be looking to present to an all Member seminar to explain the funding formula, the role of the Distribution Sub-Group (DSG) and the key drivers in the settlement distribution. All intended to improve the challenge and the case for change in the funding distribution for Monmouthshire.
- 3.6 Alongside this the ongoing financial challenges remain as always a dynamic situation. Further work will be undertaken to develop the MTFP and that will include an ongoing assessment of pressures, risks and modelling assumptions. Notably key risks remaining to be assessed and managed in 2020/21 and as yet unknown are:
- a) The fact that the LGE pay award is still not known. The most recent offer made, and rejected by the unions, was for a 2% pay award for 2020/21. The current modelling assumption for pay award for non-teaching staff is currently 1%. The Council together with the WLGA will look to lobby UK Treasury to ensure that provision is made for the pay award and a consequential to Welsh Government that is passed on to Welsh local authorities.
- b) Demand-led pressures remain, as evidenced by the extent and level of pressures needing to be accommodated within these budget proposals. Ongoing budget monitoring and an early review of pressures will identify whether any further pressures need to be managed. As stated this is a dynamic situation to which the Authority will respond as any situation evolves.
- 3.7 In terms of setting council tax for 2020/21 statute requires that Council makes appropriate recommendations to prescribed timescales for setting the Council Tax payable for the coming financial year. The Council must also account for precepts made upon it by the Office of Police and Crime Commissioner for Gwent and by Town and Community Councils. Recommendation 2.7 discharges these obligations.
- 3.8 The Council is also required to authorise officers to undertake advance recovery action through the Courts where necessary. The authorising recommendation appears at 2.8 above.

**4. OPTIONS APPRAISAL**

Not applicable as this is a statutory report

**5. EVALUATION CRITERIA**

Not applicable

**6. REASONS**

- 6.1 To approve the summary revenue and capital budget for 2020/21.
- 6.2 To set the Council Tax for the 2020/21 financial year.
- 6.3 To discharge the Responsible Financial Officer's responsibilities under the Local Government Act 2003.

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**RESOURCE IMPLICATIONS:**

As identified in the report.

**WELLBEING OF FUTURE GENERATIONS IMPLICATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING AND CORPORATE PARENTING):**

- 8.1 The equality and sustainability considerations on the budget proposals have been identified throughout the budget process and were taken into account by Cabinet when approving the budget on 19<sup>th</sup> February 2020. The relevant information is contained in the papers for the Final Budget proposals for the 2020/21 Revenue and Capital Budget.

8.2 There are no safeguarding and corporate parenting implications associated with this report.

**9. CONSULTEES:**

This report arises from Councils approval of the 2020/21 budget proposals and contains the statutory decisions in relation to setting council tax for 2020/21. The budget has undergone considerable consultation to arrive at the recommendations today.

**10. BACKGROUND PAPERS:**

Revenue and Capital Budget 2020/21 - Final proposals following public consultation: Cabinet 19<sup>th</sup> February 2020

**11. AUTHORS:**

Peter Davies – Chief Officer for Resources

Ruth Donovan – Assistant Head of Finance: Revenues, Systems & Exchequer

**12. CONTACT DETAILS:**

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**APPENDICES**

Appendix 1 – Summary Revenue Budget 2019-20 and 2020-21 onwards indications

Appendix 2 – Summary Capital Budget 2019-20 and 2020-21 onwards indications

Appendix 3 – Final Local Government Settlement announcement – covering letter to Leaders from the Cabinet Secretary and written statement from the Minister

## Appendix 1 – Revenue Budget Summary

Services	Adjusted Base 2019/20 £000	Indicative Base 2020/21 £000	Indicative Base 2021/22 £000	Indicative Base 2022/23 £000	Indicative Base 2023/24 £000
Children & Young People	51,215	55,539	55,987	56,488	56,945
Social Care & Health	46,332	50,686	51,099	51,522	51,911
Enterprise	19,912	20,568	20,996	21,390	21,789
Resources	7,681	7,746	7,836	7,958	8,104
Chief Executive's Unit	4,626	4,745	4,812	4,881	4,950
MonLife	3,465	3,565	3,676	3,789	3,904
Corporate Costs & Levies	22,112	22,743	27,364	32,136	37,136
<b>Sub Total</b>	<b>155,343</b>	<b>165,592</b>	<b>171,770</b>	<b>178,164</b>	<b>184,738</b>
Transfers to reserves	341	143	195	188	63
Transfers from reserves	(275)	(747)	(302)	(164)	(139)
Treasury	6,385	5,460	6,089	6,443	6,552
<b>Appropriations Total</b>	<b>6,451</b>	<b>4,856</b>	<b>5,983</b>	<b>6,467</b>	<b>6,476</b>
<b>Total Expenditure Budget</b>	<b>161,794</b>	<b>170,447</b>	<b>177,753</b>	<b>184,632</b>	<b>191,215</b>
Aggregate External Financing (AEF)	(93,229)	(93,229)	(93,229)	(93,229)	(93,229)
Council Tax (MCC)	(54,087)	(56,223)	(58,444)	(60,753)	(63,153)
Council Tax (Gwent Police)	(11,779)	(12,647)	(12,647)	(12,647)	(12,647)
Council Tax (Community Councils)	(2,699)	(2,951)	(2,951)	(2,951)	(2,951)
Contribution to/(from) Council Fund	0	0	0	0	0
Disinvestment		(5,397)	(5,397)	(5,397)	(5,397)
<b>Sub Total Financing</b>	<b>(161,794)</b>	<b>(170,447)</b>	<b>(172,668)</b>	<b>(174,977)</b>	<b>(177,376)</b>
<b>(Headroom)/Shortfall</b>	<b>(0)</b>	<b>(0)</b>	<b>5,085</b>	<b>9,655</b>	<b>13,838</b>

## 2020/21 Reconciliation through Budget process

	December 2019 Cabinet proposals						Final Settlement Changes		February 2020 Cabinet and Final budget recommendations to Council			
	Indicative Base Budget 2019/20	Proposed savings	Identified Explicit Pressures	Other Net Movements	Council Tax Income	Proposed Budget 2020/21	Adjustment to AEF	Settlement pressures / adjustments	Changes to Pressures	Changes to Savings	Final amendments	Final budget recommended
<b>Net Expenditure Budgets</b>												
Children and Young People	51,215	-830	2,650	354		53,389				830	1,320	55,539
Social Care and Health	46,334	-1,013	5,505	307		51,132			-500		54	50,686
Enterprise	23,346	-579	764	535		24,067			25	10	31	24,133
Resources	7,648	-321	245	160		7,732			17		-3	7,746
Chief Executive's unit	4,637	-163	221	61		4,757					-12	4,745
Corporate Costs & Levies	22,112	-370	313	37		22,092			240	-709	1,120	22,743
<b>Sub Total</b>	<b>155,292</b>	<b>-3,275</b>	<b>9,698</b>		<b>0</b>	<b>163,169</b>	<b>0</b>	<b>0</b>	<b>-218</b>	<b>131</b>	<b>2,510</b>	<b>165,592</b>
Appropriations	6,436	-1,358	44	370		5,492					-33	5,459
Contributions to Earmarked reserves	341			-198		143						143
Contributions from Earmarked reserves	-275	-400		-72		-747						-747
<b>Total Net Proposed Budget</b>	<b>161,794</b>	<b>-5,033</b>	<b>9,742</b>		<b>0</b>	<b>168,057</b>	<b>0</b>	<b>0</b>	<b>-218</b>	<b>131</b>	<b>2,477</b>	<b>170,447</b>
<b>Funding Budgets</b>												
Aggregate External Financing (AEF)	-93,229	-2,117				-95,346					-2,414	-97,760
Council Tax (MCC)	-54,087	-831			-2,137	-57,055				-34		-57,089
Council Tax (Gwent Police)	-11,779					-11,779					-868	-12,647
Council Tax (Community Councils)	-2,699					-2,699					-252	-2,951
<b>Total Funding</b>	<b>-161,794</b>	<b>-2,948</b>	<b>0</b>		<b>-2,137</b>	<b>-166,879</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-34</b>	<b>-3,534</b>	<b>-170,447</b>
<b>Headroom/-shortfall</b>	<b>-0</b>	<b>-7,981</b>	<b>9,742</b>		<b>-2,137</b>	<b>1,178</b>	<b>0</b>	<b>0</b>	<b>-218</b>	<b>97</b>	<b>-1,057</b>	<b>0</b>

	Council Tax 2019/20				2020/21 tax base	Council Tax 2020/21	%age increase
<b>Council tax recommendations</b>	1,315.64				46,331.92	1,380.76	4.95%

## Appendix 2 Capital Budget Summary 2020/21 to 2023/24

	Total Budget 2019/20	Indicative Budget 2020/21	Indicative Budget 2021/22	Indicative Budget 2022/23	Indicative Budget 2023/24
Asset Management Schemes	26,004,932	10,194,942	1,929,276	1,929,276	1,929,276
School Development Schemes	2,636,258	14,383,333	14,383,333	13,681,287	50,000
Infrastructure & Transport Schemes	9,014,745	3,452,740	2,240,740	2,240,740	2,240,740
Regeneration Schemes	3,346,589	310,500	489,100	489,100	489,100
County Farms Schemes	300,773	300,773	300,773	300,773	300,773
Inclusion Schemes	1,315,937	1,150,000	1,150,000	1,150,000	1,150,000
ICT Schemes	378,873	370,000	0	0	0
Vehicles Leasing	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Capitalisation Directive	2,075,000	1,416,000	0	0	0
Other Schemes	459,425	235,000	70,000	70,000	70,000
<b>TOTAL EXPENDITURE</b>	<b>47,032,533</b>	<b>33,313,289</b>	<b>22,063,224</b>	<b>21,361,177</b>	<b>7,729,890</b>
Supported Borrowing	(2,403,000)	(2,417,000)	(2,417,000)	(2,417,000)	(2,417,000)
Unsupported (Prudential) Borrowing	(26,299,079)	(5,275,300)	(2,662,097)	(15,120,387)	(1,489,100)
General Capital Grant	(2,275,000)	(2,423,000)	(1,463,000)	(1,463,000)	(1,463,000)
Grants & Contributions	(7,160,525)	(18,234,199)	(13,160,337)	0	0
Interest Free Borrowing	(1,667,271)	0	0	0	0
Reserve & Revenue Contributions	(447,085)	(1,999)	(1,999)	(1,999)	(1,999)
Capital Receipts	(5,280,573)	(3,461,791)	(858,791)	(858,791)	(858,791)
Vehicle Lease Financing	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)
<b>TOTAL FUNDING</b>	<b>(47,032,533)</b>	<b>(33,313,289)</b>	<b>(22,063,224)</b>	<b>(21,361,177)</b>	<b>(7,729,890)</b>
<b>(SURPLUS) / DEFICIT</b>	<b>(0)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



Our ref: MA/JJ/0597/20

To:  
Leaders of County and County Borough Councils in Wales

Copied to:  
Chief Executives and Directors of Finance, County and County Borough Councils in Wales  
Chief Executive and Director of Finance, Welsh Local Government Association

25 February 2020

Dear Colleagues

Today I am announcing details of the Final Local Government Revenue and Capital Settlements for 2020-21 for county and county borough councils in Wales through a Cabinet Written Statement. This is attached for your information.

This announcement confirms my intention to set local government core revenue funding for 2020-21 at £4.474 billion. This means, after adjusting for transfers, overall core funding for local government in 2020-21 will increase by 4.3 per cent on a like-for-like basis compared to the current year.

The responses to the consultation on the provisional settlement have been carefully considered before determining the final settlement. The responses did not identify any matters which required a change of approach for the final settlement.

I have given careful consideration to the potential of including a funding floor for this settlement but, as discussed at the Finance Sub Group meeting on 5 February, given the uncertainty surrounding this year's budget, we decided to allocate all available funding at the provisional stage. Given, also, that through this settlement every authority will see an increase of at least 3% over 2019-20 on a like-for-like basis, I have decided not to include a funding floor in this instance.

The non-hypothecated general capital funding for 2020-21 will remain at £198 million (including £20 million for public highways refurbishment grant). I hope that this funding will enable you to respond to the urgent need to decarbonise, in light of the climate emergency declared by the Welsh Government and many councils over the past year.

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:  
0300 0604400

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[Correspondence.Julie.James@gov.Wales](mailto:Correspondence.Julie.James@gov.Wales)

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

The final *Local Government Finance Report* and additional tables containing details of the final settlement by individual authority are also being published on the Welsh Government website. In addition to the information published alongside the provisional settlement, my officials have been working closely with the Distribution Sub Group (DSG) to produce a table that seeks to explain the variance by looking at the components of change within the model. This will be published alongside the final settlement.

Local authorities are reminded of the requirement to comply with the general equality duties set out in the Equality Act 2010, and also the specific equality duties where applicable. The equality impacts of budgetary options should be assessed and inform any final decisions.

Authorities also need to take account of your duties under the Well-being of Future Generations (Wales) Act 2015 and the Welsh language standards in preparing plans for 2020-21.

This final settlement provides you with the information you need to plan your budgets and services for 2020-21 as part of your medium term financial plans.

We will continue our positive engagement with local government on all matters finance-related through the Finance Sub Group.

The Government will now proceed to lay the Local Government Finance Report No 1 for 2020-21 for debate in the Senedd on 3 March 2020.

Yours sincerely



**Julie James AC/AM**

Y Gweinidog Tai a Llywodraeth Leol  
Minister for Housing and Local Government





Llywodraeth Cymru  
Welsh Government

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## **WRITTEN STATEMENT BY THE WELSH GOVERNMENT**

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**TITLE** Final Local Government Settlement 2020-21

**DATE** 25 February 2020

**BY** Julie James, AM  
Minister for Housing and Local Government

Following today's announcement of the Welsh Government's Final Budget, I am publishing details of the core funding allocations for local authorities for the forthcoming financial year through the 2020-21 Final Local Government Revenue and Capital Settlements.

In preparing the final settlement, I have given careful consideration to the responses I received to the consultation on the provisional settlement, which closed on 3 February. The responses did not identify any matters which required a change of approach for the final settlement. I can, therefore, confirm my intention to set local government core revenue funding for 2020-21 at £4.474 billion. Adjusting for transfers, the core revenue funding for local government in 2020-21 will increase by 4.3% on a like-for-like basis compared to the current year.

I have given careful consideration to the potential of including a funding floor for this settlement. Given the uncertainty surrounding this year's budget, we decided to allocate all available funding at the provisional stage. Given, also, that through this settlement every authority will see an increase of at least 3% over 2019-20 on a like-for-like basis, I have decided not to include a funding floor in this instance.

In addition to the core unhyponthecated funding delivered through the settlement, I am publishing updated information on revenue and capital grants planned for 2020-21. These amount to over £1 billion for revenue and over £580 million for capital.

This settlement provides local government with the most stable platform I can offer for budget-setting for the forthcoming financial year. I fully appreciate the pressures local government continues to face following a decade of austerity. This is a good settlement that responds to the pressures local government had been anticipating and offers an opportunity to plan for the future.

Attached to this statement is a summary table setting out the settlement allocations by authority. As a result of the formula and related data that has been agreed with local government, the table shows the range of the funding allocations, from a 3% increase over the 2019-20 settlement to a 5.4% increase.

Further details on the settlement will be sent to all local authorities and published on the Welsh Government's website:

<https://gov.wales/local-government-revenue-and-capital-settlement-final-2020-2021>

The non-hypothecated general capital funding for 2020-21 will remain at £198 million (including £20 million for public highways refurbishment grant). I hope that this funding will enable you to respond to the urgent need to decarbonise, in light of the climate emergency declared by the Welsh Government and many councils over the past year.

I know that authorities will have already made tough choices in setting their budgets. The setting of budgets, and in turn council tax, is the responsibility of each local authority and authorities will need to take account of the full range of sources of funding available to them, as well as the pressures they face, in setting their budgets for the coming year.

The motion for the Senedd to approve the Local Government Finance Report for 2020-21 is scheduled for debate on 3 March 2020.

**SUMMARY TABLE**

**2020-21 final settlement – comparison of 2019-20 AEF including floor funding (adjusted for transfers) and the 2020-21 final AEF, and distribution of the 2020-21 Council Tax Reduction Schemes funding (distributed within AEF)**

£000s

Unitary authority	2019-20 adjusted AEF plus floor funding <sup>1</sup>	Of which floor funding	2020-21 final AEF	% change on adjusted 2019-20 AEF plus floor funding	Rank	Council Tax Reduction Schemes (within AEF)
Isle of Anglesey	97,324	269	101,005	3.8%	18	5,037
Gwynedd	179,375	0	187,579	4.6%	6	8,728
Conwy	156,064	691	161,398	3.4%	21	8,964
Denbighshire	145,713	0	151,932	4.3%	11	8,935
Flintshire	192,212	537	199,386	3.7%	19	9,463
Wrexham	178,121	0	184,296	3.5%	20	9,298
Powys	176,940	1,214	184,289	4.2%	14	8,349
Ceredigion	103,308	0	107,646	4.2%	13	5,061
Pembrokeshire	164,153	0	172,204	4.9%	3	7,984
Carmarthenshire	262,611	0	274,159	4.4%	10	14,134
Swansea	325,697	0	339,381	4.2%	12	19,012
Neath Port Talbot	217,091	0	226,762	4.5%	8	16,201
Bridgend	193,949	0	203,127	4.7%	5	13,184
The Vale Of Glamorgan	153,453	0	161,021	4.9%	2	9,053
Rhondda Cynon Taf	372,105	0	388,666	4.5%	9	21,564
Merthyr Tydfil	92,332	0	96,810	4.8%	4	5,611
Caerphilly	272,212	0	283,367	4.1%	16	12,916
Blaenau Gwent	111,727	0	116,063	3.9%	17	8,079
Torfaen	134,373	0	140,467	4.5%	7	8,234
Monmouthshire	94,896	759	97,760	3.0%	22	5,766
Newport	216,443	0	228,077	5.4%	1	10,212
Cardiff	450,512	0	469,047	4.1%	15	28,215
<b>All Unitary Authorities</b>	<b>4,290,612</b>	<b>3,470</b>	<b>4,474,444</b>	<b>4.3%</b>		<b>244,000</b>

Note: Total may not sum correctly due to rounding

1. 2019-20 AEF adjusted transfers of £53.181m (at 2019-20 prices) into the Settlement and inclusive of £3.47m of floor funding provided in 2019-20

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## REPORT

**SUBJECT:** Treasury Policy and Strategy Report 2020/21  
**DIRECTORATE:** Resources  
**MEETING:** Council  
**DATE:** 5<sup>th</sup> March 2020

**DIVISION/WARDS AFFECTED:** Countywide

### 1. PURPOSE:

- 1.1 Treasury management is the management of the Authority's cash flows, borrowing and investments, and the associated risks.
- 1.2 The purpose of this report is to agree the 2020/21 Treasury policy and Strategy for officers to follow. This is to ensure that an appropriate level of care is taken of the Authority's funds and that a prudent budget is set to cover these activities.

### 2. RECOMMENDATIONS:

- 2.1 That Council approves the following reports endorsed by Audit Committee on the 13<sup>th</sup> February 2020:
  - a) the proposed Treasury Management and Minimum Revenue Provision Policy Statement for 2020/21 (Appendix 1); and
  - b) the proposed Treasury Management Strategy 2020/21 (Appendix 2) including the Investment & Borrowing Strategies, be approved together with the Treasury Limits as required by section 3 of the Local Government Act 2003.
- 2.2 To approve the Prudential Indicators supplied in Appendix 3 and that will be used in the performance monitoring of the treasury function during 2020/21.
- 2.3 That Council agrees that Audit Committee should continue to review the Council's treasury activities on behalf of the Council by receiving & scrutinising the mid-year report and year-end report and also scrutinising the Treasury Policy & Strategy before passing to Council for approval.

### 3. KEY ISSUES:

#### Background

- 3.1 The Treasury Strategy proposals and recommendations were presented to Audit Committee on the 13<sup>th</sup> February 2020. Audit Committee debated its content and

provided the following feedback, to assist with Strategy development ultimately volunteered to Council.

- 3.2 A member noted the pleasing return on investments in strategic pooled funds, where we have invested a total of £3m, which to date is providing an income return above 4%.
- 3.3 Some clarification was provided on the figures included in table 1 and table 2 of Appendix 2 to this report, alongside the associated liability benchmark graph. Clarification was provided regarding the capital financing requirement and the borrowing required to be taken in the longer term. It was explained that the graph attempts to show gap between required borrowing for capital purposes and the actual borrowing the Authority has drawn to date, to allow assessment of the borrowing requirement over the long term and to consider the best strategy for meeting this.
- 3.4 Clarification was provided on the historic level of short and long term borrowing rates. It was explained that although shorter term borrowing is currently more attractive than long term, that historically this would not have been the case. Further clarification was also sought around the use of “Oral loan agreements” as highlighted in Annex D of Appendix 2 to this report. It was explained that the Authority does not enter into any such arrangements and the term in Annex D purely reflects the definition of such agreements as per the revised Welsh Government investment guidance.

### **Treasury Management Policy Statement and Treasury Management Strategy**

- 3.5 As stated in the treasury management policy statement, the Council adopts the key recommendations of CIPFA’s Code of Practice for Treasury Management in the Public Services (the “Code”) (as revised in 2017) which is designed to provide effective control of the risks of treasury management activities, prioritising security and liquidity of investments above yield. It includes the requirement for a number of treasury management indicators.
- 3.6 The Audit Committee in its role as the Council’s delegated body must receive as a minimum a semi-annual report and an annual report after its close on treasury management activities. This condition continues to be met by existing practices
- 3.7 Similarly, the Treasury management strategy is traditionally considered by Audit Committee and volunteered to full Council for approval. The Code now requires that full Council also approve annually an Investment Strategy. It is proposed to include the Investment strategy within the Treasury strategy and for Audit Committee to continue to review proposals and endorse or otherwise the Strategy for approval by full Council. Appendix 2 contains the Councils detailed proposed investment strategy.
- 3.8 Overall responsibility for treasury management remains with the Full Council. In effect, that body delegates the execution and administration of treasury management decisions to the Director of Finance (S151 officer) or deputy who will act in accordance with the treasury management policy statement (Appendix 1) and treasury management practices and CIPFA’s Standard of Professional Practice on treasury management.

- 3.9 The Council also adheres to the Prudential Code for Capital Finance in Local Authorities (as revised in 2017) which outlines requirements for the manner in which capital spending plans are to be considered and approved. Authorities are required to demonstrate value for money when borrowing in advance of need and ensure the security of such funds. The Prudential Code further requires the Council to set a number of prudential indicators, which are included as part of the capital budget considerations. They are summarised in Annex C and provided in full in Appendix 3.
- 3.10 The revised Prudential Code and Treasury Management Code were issued in 2017. The LA (Capital Finance and Accounting) (Wales) (Amendment) Regulations 2018 came into force in March 2018. The Welsh Government Guidance on Local Government Investments has been revised in 2019 and comes into force for the 2020/21 financial year. Changes required by these codes are incorporated into the 2020/21 Treasury Strategy and sits alongside the Authority's Capital Strategy which was approved by Council on 19<sup>th</sup> September 2019.
- 3.11 The PWLB increased its lending rates, which are set by reference to UK gilts, by 1% in October 2019. Due to the economic backdrop in the UK and worldwide, in the previous year gilt interest rates had fallen by almost as much, possibly increasing the demand for PWLB borrowing by Local authorities during that year. The treasury team will look at alternative options for borrowing as the need arises.

### **Other Considerations influencing the strategy**

- 3.12 The section on External context within the treasury strategy in Appendix 2, Section 2 explains the backdrop which has been considered when setting the limits for borrowing & investing. These include:
- The effect of the Brexit process on Sterling, GDP, Inflation the Bank of England base rate and UK growth & the likelihood that European banks may create UK subsidiaries to trade in the UK.
  - Growth in Europe remains soft and in the US, the Federal Reserve began easing monetary policy in 2019 so an upward impact on UK interest rates and growth are not expected during the coming year.
  - Achieving a balanced budget continues to be a challenge for the council, so the Authority continued with its investments in strategic pooled funds, investing a total of £3m, to increase returns whilst maintaining a prudent level of security. The income return to date has been above 4%.
- 3.13 The limits proposed in the 2020/21 treasury strategy have not changed significantly from the 2019/20 strategy which means that most of our investments will be limited to £2 million per counterparty – see table 3 'Approved Investment counterparties & Limits' in Appendix 2. The counterparty rating limits and investment maturities in this table are ultimate limits and are further informed by bespoke periodic advice from our treasury advisers as to sustainability and financial robustness of specific counterparties.

### **Annual Minimum Revenue Provision (MRP) Policy Statement**

3.14 The annual Minimum Revenue Provision is the mechanism used for spreading the capital expenditure financed by borrowing over the years to which benefit is provided. Regulations state that the authority must calculate for the current financial year an amount of minimum revenue provision which it considers to be prudent. In addition there is the requirement for an Annual Minimum Revenue Provision Policy Statement to be drafted and submitted to full Council. This is attached in Appendix 1.

3.15 The Welsh Government issued revised MRP guidance in 2018. This is taken into account by the MRP Statement and Policy.

#### **4. OPTIONS APPRAISAL:**

4.1 The strategy looks to codify the parameters within which the Council can operate for its treasury and investment activities and as such the strategy itself does not require an option appraisal. However, in-year treasury decisions will continually assess options to manage treasury risks but also to ensure that investment returns and borrowing costs are optimised.

#### **5. EVALUATION CRITERIA:**

5.1 As noted in recommendation 2.3 of the report it is proposed that Audit Committee continues to review the Council's treasury activities on behalf of the Council by receiving & scrutinising the mid-year report and year-end report. As well as also scrutinising the Treasury Policy & Strategy before passing to Council for approval.

5.2 Treasury activity is also reported and monitored via revenue budget monitoring reports during the financial year.

#### **6 REASONS:**

6.1 The Authority is required to produce a treasury management policy and strategy and an annual investment strategy in order to comply with the Chartered Institute of Public Finance and Accountancy's Code of Practice for Treasury Management in Public Services (the "CIPFA TM Code").

6.2 The Authority is required to produce an MRP policy statement in order to comply with the Local Authorities (Capital Finance and Accounting) (Wales) Regulations, last amended in 2018.

#### **7. RESOURCE IMPLICATIONS:**

7.1 In summary, the Treasury Policy and Strategy remains very similar to previous years, such that the Council remains a net borrower, and utilises internal resources to reduce net borrowing costs, known as internal borrowing.

7.2 In order to keep the Authority's borrowing costs lower, the external borrowing total is split fairly equally between long and short term recurrent borrowing. The short term borrowing achieves a reduction in cost but causes an increase in interest rate risk. Although interest rates could rise, it is not expected that short term rates over the MTFP window will exceed current long term rates. The Treasury team continues to optimise its loans and investments to reduce the net cost of borrowing/investing



while ensuring that security and liquidity levels are maintained at a suitable level and the various risks are properly managed.

7.3 The levels of Treasury debt and investments at the 31<sup>st</sup> December 2019 are provided in Annex B.

7.4 The medium-term treasury budgets contained within the 2020/21 revenue budget proposals to be presented to Council shortly, were constructed in accordance with the strategy documents appended to this report. Consequently there are no additional resource implications directly arising from this report.

The Council's indicative treasury budgets for the next 4 years are:

Subjective Classification	Indicative Base Budget 2020/21	Indicative Base Budget 2021/22	Indicative Base Budget 2022/23	Indicative Base Budget 2023/24
Interest and Investment Income	(251,639)	(249,809)	(251,541)	(253,032)
Interest Payable and Similar Charges	4,019,724	4,049,335	4,156,636	4,075,909
Charges required under Regulation (MRP)	6,455,882	6,195,975	6,332,859	6,765,008
Related Evidence based pressures & Disinvestments	(205,000)	219,000	331,000	90,000
<b>Total Treasury Budgets</b>	<b>10,018,967</b>	<b>10,214,501</b>	<b>10,568,954</b>	<b>10,677,885</b>

7.5 However there are some key future financial risks on medium-term treasury budgets concerning:

- The capital medium term financial plan for 2020/21 has been shared with members as part of the capital budget setting process which won't conclude until February/March. Should additions be required funded from borrowing, then Treasury figures and consequences on capital financing requirement and external borrowing requirement would need to be recast.
- The risks associated with rising interest rates are indicated in the Treasury Strategy by the Interest rate risk indicator & limit. This figure is a full 12 month impact on all of the Authority's variable rate loans and loans maturing in the following 12 months, being impacted by a 1% rise in interest rates irrespective of their maturity date. A 1% rise is not considered likely as the Bank of England Base Rate has been 0.5% since March 2009 falling to 0.25% briefly & then rising to 0.75% in August 2018. Further rises have been debated since then but are only expected to be small and gradual if they occur at all. The Authority's treasury management adviser Arlingclose is forecasting that Bank Rate will remain at 0.75% until the end of 2022. A 1% increase from the current level over the MTFP window would be very unexpected. The limit for this Interest rate Indicator has been set at £825,000, higher than the forecast for this indicator over the next 2 years. It should be noted that this indicator could only be reduced by less borrowing which would be difficult to implement or fixing external borrowing costs by taking out more expensive longer term loans. The anticipated future net borrowing costs for the Authority based on

anticipated borrowing levels and at forecast rates is incorporated into the 2020/21 Revenue MTFP.

- The Authority continues to make plans to assess the capital receipts which can be obtained from selling property assets. Without these receipts being available to fund capital expenditure, new capital programs will have to be funded by additional borrowing.

**8. WELLBEING OF FUTURE GENERATIONS IMPLICATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING AND CORPORATE PARENTING):**

- 8.1 There is no Wellbeing of Future Generations implications arising directly from this report. This comprises a strategy document that will guide treasury activities during 2020/21.

**9. CONSULTEES:**

Senior Leadership Team  
Cabinet

**10. BACKGROUND PAPERS:**

Appendix 1 – Treasury Management & Minimum Revenue Provision (MRP) Policy Statement 2020/21

Appendix 2 – Treasury Management Strategy Statement 2020/21 including the Investment & Borrowing Strategies

Appendix 3 – Prudential Indicators 2020/21

**11. AUTHORS:**

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### TREASURY MANAGEMENT POLICY STATEMENT AND MINIMUM REVENUE PROVISION POLICY STATEMENTS 2020/21

#### 1 TREASURY MANAGEMENT POLICY STATEMENT

- 1.1 The Council is required by law to have regard to CIPFA's Treasury Management in the Public Services: Code of Practice 2017 (The Code)...
- 1.2 Accordingly, the Council will create and maintain, as the cornerstones for effective treasury management:-
- A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities
  - Suitable treasury management practices (TMPs), setting out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.
- 1.3 The revised code allows the Audit Committee to approve the treasury strategy providing the Authority produces a capital strategy, while being clear that overall responsibility remains with full council. Full Council is required to approve the investment strategy which is currently included in the same document as the treasury policy and treasury strategy so the combined document will continue to be approved by full Council in the current year.
- 1.4 The Council delegates responsibility for the implementation, monitoring and scrutiny of its treasury management policy, strategy and practices to the Audit Committee and for the execution and administration of treasury management decisions to the Director of Finance (S151 officer), who will act in accordance with the organisation's policy statement and TMPs and CIPFA's Standard of Professional Practice on Treasury Management.
- 1.5 As a minimum, the Audit Committee will receive reports on its treasury management policies, practices and activities including, an annual strategy and plan in advance of the year, and a semi-annual report, mid year and an annual report after its close.

#### 2. POLICIES AND OBJECTIVES OF TREASURY MANAGEMENT ACTIVITIES

- 2.1 The Council defines its treasury management activities as:
- “The management of the Council's investments, borrowing and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”
- 2.2 This Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury

management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.

- 2.3 This Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.”

***As CIPFA states the policy statement should also include the Council's high level policies for borrowing and investments:***

- 2.4 The Council's borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk, refinancing risk and budgetary risk. The source from which the borrowing is taken and the type of borrowing should allow the Council transparency and control over its debt.
- 2.5 The Council's primary objective in relation to investments remains the security of capital. The liquidity or accessibility of the Authority's investments followed by the yield earned on investments remain important but are secondary considerations.

### **3. Approach to Risk Management**

- 3.1 This section identifies the risks that the Council faces as a result of it undertaking treasury management activities.

Liquidity risk  
Credit (or counterparty) risk  
Interest rate risk  
Inflation rate risk  
Exchange rate risk  
Market risk  
Refinancing risk  
Procedural risk  
Legal and regulatory risk

The Council manages these down to an acceptable level within the regulatory framework through the consideration and application of its treasury strategy and appropriate monitoring against agreed treasury & prudential indicators and limits.

### **4. MRP Policy Statement 2020/21**

- 4.1 Where the Authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The Welsh Government's Guidance on Minimum Revenue Provision most recently issued in 2018 places a duty on local authorities to make a prudent provision for debt redemption. Local authorities are required to “have regard” to such Guidance under section 21(1A) of the Local Government Act 2003.

- 4.2 In line with WG guidance, this annual MRP Statement will be submitted to Council before the start of the 2020/21 financial year. If it is ever proposed to vary the terms of the original MRP Statement during the year, a revised statement should be put to Authority at that time.
- 4.3 Authorities are permitted discretion in terms of the charge levied, albeit within certain parameters. A “prudent” period of time for debt repayment is defined as being one which reflects the period over which the associated capital expenditure provides benefits or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.
- 4.4 MRP options recommended in the Guidance include:
- Option 1: Regulatory Method
  - Option 2: CFR Method
  - Option 3: Asset Life Method
  - Option 4: Depreciation Method

*Note: This does not preclude other prudent methods.*

**MRP in 2020/21:**

- 4.5 Options 1 and 2 can only be used for supported Non-HRA capital expenditure funded from borrowing (i.e. financing costs deemed to be supported through Revenue Support Grant from Central Government). Methods of making prudent provision for unsupported Non-HRA capital expenditure include Options 3 and 4 (which may also be used for supported Non-HRA capital expenditure if the Authority chooses).

**4.6 MRP on Supported Borrowing funded Expenditure**

The Authority’s policy is to apply Option 3, the Asset life method in respect of supported capital expenditure funded from borrowing. The charge will be 2% per annum, equivalent to equal installments over a 50 year life.

**4.7 MRP on Unsupported Borrowing funded Expenditure**

The Authority’s policy is to apply Option 3, the Asset life method in respect of unsupported capital expenditure funded from borrowing. The MRP is calculated on an annuity basis within the asset life method, whereby the MRP element increases over time to reflect a consistent charge over life of the assets taking into account the real value of money. The first MRP charge will be in the year after the asset becomes operational. MRP on purchases of freehold land will be charged over 50 years. MRP on expenditure not related to fixed assets but which has been capitalised by regulation or direction will be charged over 20 years.

These lives may be reduced if it is prudent to do so because the resultant income stream or useful life to the Authority is shorter.

#### 4.8 **MRP in respect of leases and PFI**

MRP in respect of leases and Private Finance Initiative schemes brought on Balance Sheet under the CIPFA Accounting Code of Practice will match the annual principal repayment for the associated deferred liability.

4.9 For capital expenditure loans to third parties that are repaid in annual or more frequent instalments of principal, the Council may make nil MRP, but will instead apply the capital receipts arising from principal repayments to reduce the capital financing requirement instead. In years where there is no principal repayment, MRP will be charged in accordance with the MRP policy for the assets funded by the loan, including where appropriate, delaying MRP until the year after the assets become operational. While this is not one of the options in the WG Guidance, it is thought to be a prudent approach since it ensures that the capital expenditure incurred in the loan is fully funded over the life of the assets.

4.10 The 2020/21 budget proposals reflect these positions.

## Treasury Management Strategy Statement 2020/21

### Introduction

Treasury management is the management of the Authority's cash flows, borrowing and investments, and the associated risks. The Authority has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Authority's prudent financial management.

Treasury risk management at the Authority is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2017 Edition* (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year. In addition, the Welsh Government (WG) issued revised Guidance on Local Authority Investments in November 2019 that requires the Authority to approve an investment strategy before the start of each financial year. This report fulfils the Authority's legal obligation under the *Local Government Act 2003* to have regard to both the CIPFA Code and the WG Guidance.

**Revised strategy:** In accordance with the WG Guidance, the Authority will be asked to approve a revised Treasury Management Strategy Statement should the assumptions on which this report is based change significantly. Such circumstances would include, for example, a large unexpected change in interest rates, in the Authority's capital programme or in the level of its investment balance, or a material loss in the fair value of a non-financial investment identified as part of the year end accounts preparation and audit process.

### External Context

**Economic background:** The UK's progress negotiating its exit from the European Union, together with its future trading arrangements, will continue to be a major influence on the Authority's treasury management strategy for 2020/21.

UK Consumer Price Inflation (CPI) for September registered 1.7% year on year, unchanged from the previous month. Core inflation, which excludes the more volatile components, rose to 1.7% from 1.5% in August. The most recent labour market data for the three months to August 2019 showed the unemployment rate ticked back up to 3.9% while the employment rate was 75.9%, just below recent record-breaking highs. The headline 3-month average annual growth rate for pay was 3.8% in August as wages continue to rise steadily. In real terms, after adjusting for inflation, pay growth increased 1.9%.

GDP growth rose by 0.3% in the third quarter of 2019 from -0.2% in the previous three months with the annual rate falling further below its trend rate to 1.0% from 1.2%. Services and construction added positively to growth, by 0.6% and 0.4% respectively, while production was flat and agriculture recorded a fall of 0.2%. Looking ahead, the Bank of England's Monetary Policy Report (formerly the Quarterly Inflation Report) forecasts economic growth to pick up during 2020 as Brexit-related uncertainties dissipate and provide a boost to business investment helping GDP reach 1.6% in Q4 2020, 1.8% in Q4 2021 and 2.1% in Q4 2022.

The Bank of England maintained Bank Rate to 0.75% in November following a 7-2 vote by the Monetary Policy Committee. Despite keeping rates on hold, MPC members did confirm that if Brexit uncertainty drags on or global growth fails to recover, they are prepared to cut interest rates as required. Moreover, the downward revisions to some of the growth projections in the Monetary Policy Report suggest the Committee may now be less convinced of the need to increase rates even if there is a Brexit deal.

Growth in Europe remains soft, driven by a weakening German economy which saw GDP fall -0.1% in Q2 and is expected to slip into a technical recession in Q3. Euro zone inflation was 0.8% year on year in September, well below the European Central Bank's target of 'below, but close to 2%' and leading to the central bank holding its main interest rate at 0% while cutting the deposit facility rate to -0.5%. In addition to maintaining interest rates at ultra-low levels, the ECB announced it would recommence its quantitative easing programme from November.

In the US, the Federal Reserve began easing monetary policy again in 2019 as a pre-emptive strike against slowing global and US economic growth on the back of the ongoing trade war with China. At its last meeting the Fed cut rates to the range of 1.50-1.75% and financial markets expect further loosening of monetary policy in 2020. US GDP growth slowed to 1.9% annualised in Q3 from 2.0% in Q2.

**Credit outlook:** Credit conditions for larger UK banks have remained relatively benign over the past year. The UK's departure from the European Union was delayed three times in 2019 and while there remains some concern over a global economic slowdown, this has yet to manifest in any credit issues for banks. Meanwhile, the post financial crisis banking reform is now largely complete, with the new ringfenced banks embedded in the market.

Challenger banks hit the news headlines in 2019 with Metro Bank and TSB Bank both suffering adverse publicity and falling customer numbers.

Looking forward, the potential for a "no-deal" Brexit and/or a global recession remain the major risks facing banks and building societies in 2020/21 and a cautious approach to bank deposits remains advisable.

**Interest rate forecast:** The Authority's treasury management adviser Arlingclose is forecasting that Bank Rate will remain at 0.75% until the end of 2022. The risks to this forecast are deemed to be mostly weighted to the downside, due to the continuing need for clarity on Brexit process despite the improved stability provided by the December 2019 election result and also due to the continuing global economic slowdown. The Bank of England, having previously indicated interest rates may need to rise if a Brexit agreement was reached, stated in its November Monetary Policy Report and its Bank Rate decision (7-2 vote to hold rates) that the MPC now believe this is less likely even with a deal being days away at the time of writing.

Gilt yields have risen but remain at low levels and only some very modest upward movement from current levels are expected based on Arlingclose's interest rate projections. The central case is for 10-year and 20-year gilt yields to rise to around 1.00% and 1.40% respectively over the time horizon, with broadly balanced risks to both the upside and downside. However, short-term volatility arising from both economic and political events over the period is a near certainty.

A more detailed economic and interest rate forecast provided by Arlingclose is attached at Annex A.

For the purpose of setting the budget, it has been assumed that treasury management investments will return an average rate of 1.2% during 2020/2021. This includes £3m of strategic pooled funds returning 4.5%, the balance being short term investments returning 0.7%. ; It has also been assumed - that new long-term loans will be borrowed at an average rate of 2.5% / 2.8% for 10 and 30 year PWLB loans & 0.9% for short term loans mainly from other Local Authorities.

### Local Context

On 31<sup>st</sup> December 2019, the Authority held £178.4m of borrowing, £2.4m of other debt and £20.4m of treasury investments. This is set out in further detail at **Annex B**. Forecast changes to the Capital Financing Requirement and how this affects these sums over time are shown in the balance sheet analysis



in Table 1 below which concludes with the total amount of external new (or replacement) loans required by each year end when compared to 31<sup>st</sup> March 2019.

Table 1: Balance sheet summary and forecast

	31.3.19 Actual £m	31.3.20 Estimate £m	31.3.21 Forecast £m	31.3.22 Forecast £m	31.3.23 Forecast £m	31.3.24 Forecast £m
General Fund CFR	151.2	160.4	162.2	164.1	178.3	179.3
Commercial Investments CFR	35.1	50.7	51.4	49.3	47.2	44.3
<b>Total CFR</b>	<b>186.3</b>	<b>211.1</b>	<b>213.6</b>	<b>213.4</b>	<b>225.4</b>	<b>223.6</b>
Less: Other debt liabilities *	-2.4	-2.4	-2.4	-2.4	-2.4	-2.4
<b>Loans CFR</b>	<b>183.9</b>	<b>208.7</b>	<b>210.2</b>	<b>210.0</b>	<b>222.0</b>	<b>220.2</b>
Less: Existing external borrowing reducing as matures **	-178.4	-122.7	-87.0	-79.1	-77.3	-73.5
<b>Internal borrowing requirement</b>	<b>5.5</b>	<b>86.0</b>	<b>123.1</b>	<b>130.9</b>	<b>144.7</b>	<b>146.8</b>
Less: Usable reserves	-17.3	-21.0	-26.8	-27.4	-27.2	-27.2
Less: Working capital	-8.7	-8.7	-8.7	-8.7	-8.7	-8.7
<b>Cumulative New External borrowing requirement/ (Investments) - Including Replacement of borrowing at 31/3/2019 maturing</b>	<b>-20.5</b>	<b>56.3</b>	<b>87.5</b>	<b>94.8</b>	<b>108.8</b>	<b>110.9</b>
<b>Anticipated gross borrowing levels ***</b>	<b>178.4</b>	<b>194.0</b>	<b>189.6</b>	<b>188.8</b>	<b>201.1</b>	<b>199.3</b>

\* leases and PFI liabilities that form part of the Authority's total debt

\*\* shows only loans to which the Authority is committed and excludes optional refinancing

\*\*\* Based on £15m of investments being held but excluding other debt liabilities

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Authority's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.

The Authority is expected to need to borrow in the region of £111m over the forecast period above due to maturing debt and due to the rising CFR. The Authority has an increasing CFR due to its borrowing funded capital programme, including 21<sup>st</sup> Century Schools Band B and the completion of the £50m of Property Investments (which whilst increasing CFR is expected to be afforded by additional income).

CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Authority's total debt should be lower than its highest forecast CFR over the next three years. By comparing Anticipated gross borrowing levels to Loans CFR, table 1 shows that the Authority expects to comply with this recommendation during 2020/21.

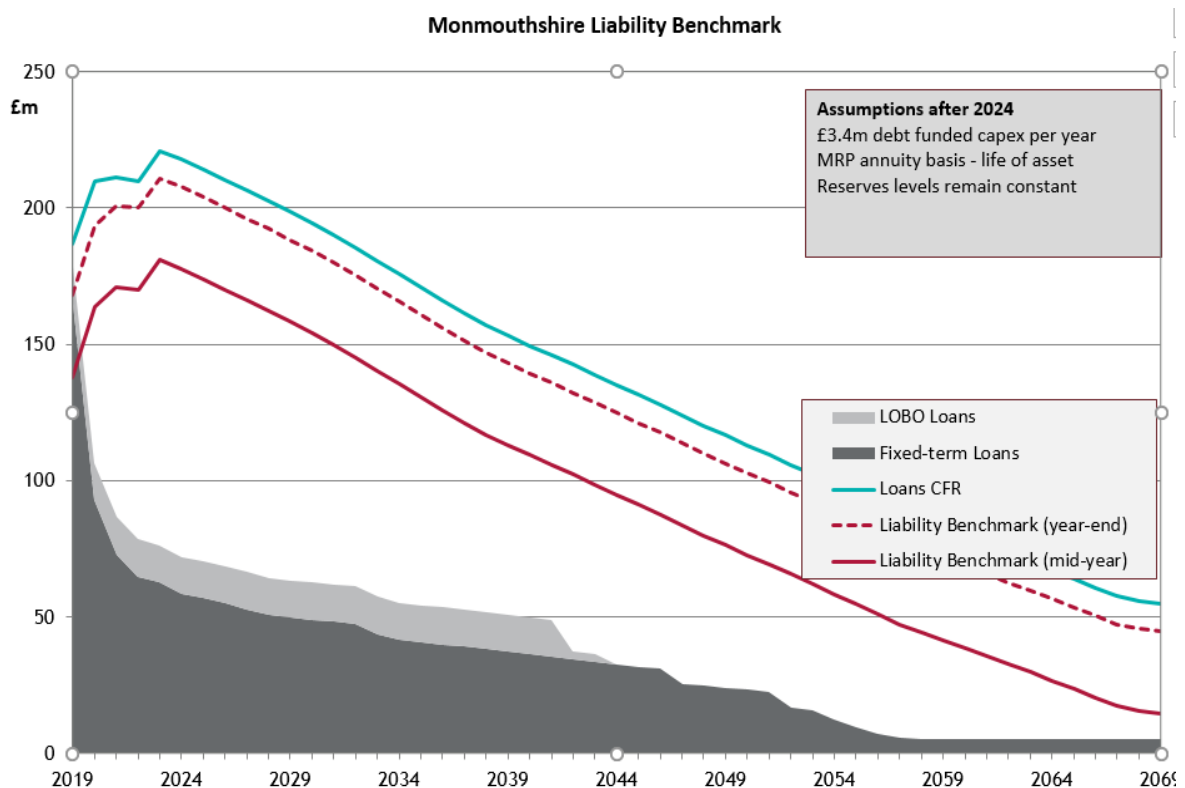
**Liability benchmark:** This is the lowest level of external borrowing required to fund the capital programme. This assumes the same forecasts as table 1 above, but that cash and investment balances are kept at an average of £15m to comply with the minimum of £10m required of a professional investor under

Mifid II (Markets in Financial Instruments Directive II). This minimum level of borrowing is expected to rise by £5.3m from 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2024.

Table 2: Liability benchmark

	31.3.19 Actual £m	31.3.20 Estimate £m	31.3.21 Forecast £m	31.3.22 Forecast £m	31.3.23 Forecast £m	31.3.24 Forecast £m
Loans CFR	183.9	208.7	210.2	210.0	222.0	220.2
Less: Usable reserves	-17.3	-21.0	-26.8	-27.4	-27.2	-27.2
Less: Working capital	-8.7	-8.7	-8.7	-8.7	-8.7	-8.7
Plus: Forecast investments	20.4	15.0	15.0	15.0	15.0	15.0
<b>Liability Benchmark (Minimum level of gross borrowing needed)</b>	<b>178.3</b>	<b>194.0</b>	<b>189.6</b>	<b>188.8</b>	<b>201.1</b>	<b>199.3</b>

Following on from the medium-term forecasts in Table 2 above, the long-term liability benchmark, below assumes capital expenditure funded by borrowing is as the draft 2020/21 capital MTFP and thereafter £3.4m per year, minimum revenue provision on new capital expenditure is based on asset life as in the MTFP or 25 years and, income, expenditure and reserves held are not increasing or decreasing beyond the MTFP window. This is shown in the chart below:



Our underlying need to borrow is shown by the top blue line. However, due to the use of reserves and working capital, the Authority is expected to need total external borrowing between the full red lower line and the dotted line above it. As our existing loans portfolio will reduce as loans mature as shown by the grey areas, new loans will therefore be required to fill the gap between the grey area and the red lines over the long term. The Authority intends to maintain about a 50% level or £63m of short term loans which will partly fill this gap, but will still need to take out long term loans, mainly to fund the rest of the Commercial investment program and also the 21C schools band B program, both built into the Draft Capital MTFP.

### **Borrowing Strategy**

As shown in Annex B, at the 31<sup>st</sup> December 2019, the Authority held £174.3 million of loans, a decrease of £4.0 million compared to 31<sup>st</sup> March 2019 as part of its strategy for funding previous years' capital programmes. The Liability Benchmark in table 2 shows that the Authority expects to borrow up to £189.6m by the end of 2020/21.

**Objectives:** The Authority's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Authority's long-term plans change is a secondary objective.

**Strategy:** Given the significant cuts to public expenditure and in particular to local government funding, the Authority's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead. A roughly equal balance of long and short term debt is, at the time of writing, taken as the right balance to maintain sufficient long term stability.

By doing so, the Authority is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal / short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Authority with this 'cost of carry' and breakeven analysis. Its output may determine whether the Authority borrows additional sums at long-term fixed rates in 2020/21 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

The Authority has previously raised the majority of its long-term borrowing from the PWLB but the government increased PWLB rates by 1% in October 2019 making it now a relatively more expensive option. Before taking out PWLB loans to cover its future borrowing needs, the Authority will look at other sources including banks, pension funds and local authorities, and will investigate the possibility of issuing bonds and similar instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code.

In addition, the Authority may borrow further short-term loans to cover unplanned cash flow shortages.

**Sources of borrowing:** The approved sources of long-term and short-term borrowing are:

- Public Works Loan Board (PWLB) and any successor body
- any institution approved for investments (see below)
- any other bank or building society authorised to operate in the UK
- any other UK public sector body
- UK public and private sector pension funds (except the Greater Gwent Pension Fund)
- capital market bond investors
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues

- CSC Foundry

**Other sources of debt finance:** In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- leasing
- hire purchase
- Private Finance Initiative
- sale and leaseback
- the MIMs (Mutual Investment Model) being developed by Welsh Government

**Municipal Bonds Agency:** UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It plans to issue bonds on the capital markets and lend the proceeds to local authorities. This will be a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to full Council.

**LOBOs:** The Authority holds £13.6m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Authority has the option to either accept the new rate or to repay the loan at no additional cost. All of these LOBOs have options during 2020/21, and although the Authority understands that lenders are unlikely to exercise their options in the current low interest rate environment, there remains an element of refinancing risk. The Authority will take the option to repay LOBO loans at no cost if it has the opportunity to do so.

**Short-term and variable rate loans:** These loans leave the Authority exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators below.

**Debt rescheduling:** The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Authority may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.

### **Treasury Investment Strategy**

The Authority holds invested funds, representing income received in advance of expenditure plus balances and reserves held. From the 1st April 2019 to 31<sup>st</sup> December 2019, the Authority's treasury investment balances ranged from £10 to £41 million, with an average of £25.1 million. The Authority is committed to holding a minimum of £10m as mentioned above due to the Mifid II regulation. The treasury team aim to keep balances above £20m to a minimum. This is sometimes difficult to avoid if borrowing is taken out to coincide with a specific project or to take advantage of a good rates. When balances do go above £20m, longer term investments are sort to minimise the impact on the bottom line.

Loans to organisations providing local public services and purchases of investment property are not normally considered to be treasury investments, and these are therefore covered separately in Annex D.

**Objectives:** Both the CIPFA Code and the WG Guidance require the Authority to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than

one year, the Authority will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.

**Negative interest rates:** If the UK enters into a recession in 2020/21, there is a small chance that the Bank of England could set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. This situation already exists in many other European countries. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.

**Strategy:** Given the increasing risk and very low returns from short-term unsecured bank investments, the Authority aims to continue during 2020/21 with the diversification practiced in 2019/20 into higher yielding asset classes such as pooled funds. This continues to take advantage of the £10m that is available for longer-term investment due to the Mifid II regulations. The remainder of the Authority’s surplus cash remains invested in short-term unsecured bank deposits, certificates of deposit, with other Local Authorities, the Debt Management Office and money market funds.

**Business models:** Under the new IFRS 9 standard, the accounting for certain investments depends on the Authority’s “business model” for managing them. The Authority aims to achieve value from its internally managed treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost with the income appearing as a credit in the Surplus or Deficit on Provision of Services (SDPS). The newer pooled fund investments will be held on balance sheet at Fair Value. The movements in Fair Value will go through Other Comprehensive Income (OCI) and be held in the Financial Instruments Revaluation Reserve (FIRR) until the investments are sold. Dividends from these funds will be credited to the SDPS.

**Approved counterparties:** The Authority may invest its surplus funds with any of the counterparty types in table 3 below, subject to the cash limits (per counterparty) and the time limits shown. Any formal recommendations received from the Authority’s treasury advisors which reduces or increases the restrictions on certain counterparties in terms of eligibility, limits or duration of Investments will supersede the limits set below. . Any Investments with a credit rating of less than A-, or one which has a maturity of more than one year unless it is with another Local Authority, are classed in the WG Guidance as “Non Specified” so explicit approval must be obtained from the S151 Officer or Deputy or more senior line manager and also the Authority’s treasury advisors, before being made. See Annex D for further information.

*Table 3: Approved investment counterparties and limits*

This table must be read in conjunction with the notes below

Counterparty / Instrument	Instrument Limit of Portfolio	Counterparty Limit of Portfolio	Country Limit	Other Limits	Maturity Limit
UK Central Government including Debt Mgt deposit facility, Gilts and T Bills.	100%	100%	N/A	N/A	50 Years
Any investment with UK Local Authorities * (irrespective of credit rating)	75%	The higher of £2m or 10% of total investments (at the time of deposit)	N/A	NA	2 Years

<p>'Unsecured' investments with Banks, Building Societies, Other Organisations and Securities whose lowest published rating from Fitch, Moody's and S&amp;P's is (A-)</p> <p>As above but (A)</p> <p>As above but (A+)</p>	<p>75% of total investments at the time of deposit</p> <p>For Non-UK 50% of total investment at the time of deposit</p>	<p>Upper limit of £2m.</p> <p>An additional £1m can be held in the Authority's bank current account to cover the total of credit balances</p>	<p>£4m per foreign country with a credit rating of AA+ or above</p>	<p>Limit for negotiable instruments held in Brokers nominee accounts: the lower of 50% or £10m per Broker</p>	<p>6 months</p> <p>13 months</p> <p>2 years</p>
<p>Secured Investments with Banks, Building Societies, Other Organisations and Securities, (including Repo's) whose lowest published rating from Fitch, Moody's and S&amp;P's is (A-)</p> <p>As above but (A) or (A+)</p>	<p>75% of total investments at the time of deposit (both secured and unsecured)</p> <p>For Non-UK 50% of total investments at the time of deposit (both secured and unsecured)</p>	<p>£4m per counterparty (both secured and unsecured)</p>	<p>£4m per foreign country with a credit rating of AA+ or above for all investment types</p>	<p>N/A</p>	<p>13 months</p> <p>2 years</p>
<p>Deposits with unrated UK Building Societies which have been assessed by our Treasury advisers as comparable with the Building Societies that have an A- credit rating or higher</p>	<p>25% of total investments</p>	<p>£1m per Counterparty</p>	<p>UK only</p>	<p>N/A</p>	<p>6 months</p>
<p>Money Market Funds with a Constant Net Asset Value (CNAV) or Low Volatility NAV if assessed by our Treasury advisers as being of high credit worthiness</p>	<p>50% of total investments at the time of deposit increased to 75% if total investments is £10m or less</p>	<p>The lower of £2m and 10% of investments rounded up to next £0.5m; not exceeding 0.50% of MMF size or 2% for Government MMFs</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>
<p>Pooled funds &amp; Real Estate Investment Trusts (REITS) without credit</p>	<p>£6m total investment at the time of</p>	<p>£2m per fund</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>

ratings which are not classed as capital expenditure - if assessed by our Treasury advisers as a suitable investment for a L. A. and as being managed in a way which is consistent with the objectives of the fund	deposit				
Investments with UK Registered Providers (e.g. Housing Associations) where the lowest published credit rating is A- or higher	£4m of total investments at the time of deposit.	£2m per issuer	N/A	N/A	5 years

\* unless advised against lending by our Treasury Advisors

**Credit rating:** Investment limits are set by reference to the lowest published long-term credit rating from a selection of external rating agencies. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

**Banks unsecured:** Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

**Banks secured:** Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.

**Government:** Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.

**Corporates:** Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made either following an external credit assessment or to a maximum of £1,000,000 per company as part of a diversified pool in order to spread the risk widely.

**Registered providers:** Loans and bonds issued by, guaranteed by or secured on the assets of registered providers of social housing and registered social landlords, formerly known as housing associations. These bodies are tightly regulated by the Regulator of Social Housing (in England), the Scottish Housing Regulator, the Welsh Government and the Department for Communities (in Northern Ireland). As providers of public services, they retain the likelihood of receiving government support if needed.

**Pooled funds:** Shares or units in diversified investment vehicles consisting of the any of the above investment types, plus equity shares, property & some minority holdings. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Short-term Money Market Funds that offer same-day liquidity and very low or no volatility can be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods. Where more than one fund is managed by the same organisation, the limits per counterparty will be applied to all investments in that organisation's funds unless advice is obtained to support an adequate degree of differentiation in approach between funds to reduce correlation between those funds to a similar level as funds in different organisations.

Bond, equity and property funds offer enhanced returns over the longer term, but are more volatile in the short term. These allow the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives will be monitored regularly.

**Real estate investment trusts:** Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term, but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties. Investments in REIT shares cannot be withdrawn but can be sold on the stock market to another investor.

**Operational bank accounts:** The Authority may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments, but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £50,000 per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Authority maintaining operational continuity.

**Risk assessment and credit ratings:** Credit ratings are obtained and monitored by the Authority's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

**Other information on the security of investments:** The Authority understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Authority's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other



market measures. In these circumstances, the Authority will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Authority’s cash balances, then the surplus will be deposited with the UK Government via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned but will protect the principal sum invested.

**Investment limits:** The Authority’s revenue reserves available to cover investment losses are forecast to be £13.5 million on 31<sup>st</sup> March 2020. In order that no more than 30% of available revenue reserves will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) is £4.0 million for secured investments or £2.0 million for unsecured investments to banks & building societies. These levels are considered prudent (See Table 3). A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits have also been placed on investments in brokers’ nominee accounts & countries. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

**Liquidity management:** The Authority is a net borrower and does not have an overdraft set up due to the high cost to do so. The treasury team maintain an excel cashflow model which calculates the net cashflow movements expected per year based on the capital medium term financial plan and informs the timing and amount of any longer term investment and borrowing decisions. The team also uses a detailed excel cash flow forecasting spreadsheet for the current financial year to determine the optimum size and timing for new short term loans and investments to ensure sufficient liquid cash is available to make any payments required. The aim of short term liquidity management is to borrow only when the need arises and therefore to minimise net borrowing costs. The amount of investments, with duration over one day, held at any one time is a balance between increased returns and the time taken/ dealing costs of identifying and implementing those investments.

**Treasury Management Indicators**

The Authority measures and manages its exposures to treasury management risks using the following indicators.

**Security:** The Authority has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating / credit score of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Credit risk indicator	Target
Portfolio average credit rating / score	A- / 5.0

**Interest rate exposures:** This indicator is set to control the Authority’s exposure to interest rate risk. The value of this indicator is the total of ‘The 12 month impact of a 1% rise in interest rates on each loan’ which will mature in the following 12 months offset by the 12 month impact of investments maturing in the next 12 months. The forecast levels and the Upper limit for the total impact is:

Interest rate risk (Forecasts / Limit)	31 <sup>st</sup> Dec 2019 £’000	31 <sup>st</sup> Mar 2020 £’000	31 <sup>st</sup> Mar 2021 £’000	31 <sup>st</sup> Mar 2022 £’000	Limit £’000
Forecasts / Upper limit on 12 month revenue impact	534	626	699	657	825

of a 1% <u>rise</u> in interest rates					
Forecast / Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	(534)	(626)	(699)	(657)	<b>0</b>
Rise as a % of Council Fund balance at 31 <sup>st</sup> March 2019	7.5%	8.8%	9.8%	9.2%	<b>11.6%</b>

Note - This is a variation on the Interest rate exposure indicator from the 2019/20 strategy as 12 months of impact is included for each maturing loan irrespective of timing, so this indicator produces a higher figure but is less likely to vary due to small variations in maturity date which are not relevant for decision making. The impact is calculated assuming each maturing loan or investment will be replaced with a like for like instrument. In reality the type, counterparty and maturity might change, but it is however a good indicator of the interest rate risk of holding shorter maturity/variable rate instruments. The comparison to Council Fund balance is provided as any overspend resulting from an increase in interest rates would as a default be funded from the Council fund, £7.1m at 31<sup>st</sup> March 2019. As loan maturities are spread over the 12 months in question, the 12 month impact of all maturing loans being replaced by ones with higher rates would not be felt in the same financial year.

**Maturity structure of borrowing:** This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Refinancing rate risk indicator	Forecast 31 <sup>st</sup> March 2020 % / £m	Lower limit	Upper limit
Under 12 months - LOBO loans	8.0% / £13.6m		
Under 12 months - short term loans	36.9% / £62.7m		
Under 12 months - variable rate loans	8.0% / £13.5m		
Under 12 months - maturing LT loans	0.8% / £1.4m		
<b>Total - Under 12 months</b>	<b>53.7% / £91.2m</b>	<b>0.0%</b>	<b>60%</b>
<b>12 months and within 24 months</b>	<b>5.2% / £8.8m</b>	<b>0.0%</b>	<b>20%</b>
<b>24 months and within 5 years</b>	<b>7.7% / £13.1m</b>	<b>0.0%</b>	<b>30%</b>
<b>5 years and within 10 years</b>	<b>7.5% / £12.8m</b>	<b>0.0%</b>	<b>30%</b>
<b>10 years and within 20 years</b>	<b>7.5% / £12.7m</b>	<b>0.0%</b>	<b>100%</b>
<b>20 years and above</b>	<b>18.4% / £31.3m</b>	<b>0.0%</b>	<b>100%</b>
<b>Total</b>	<b>100% / £169.9m</b>		

The maturity periods in the table above are measured from the first day of the financial year for existing loans, loan start dates for new loans & with matured loans removed if relevant. The maturity date of borrowing is the earliest date on which the lender can demand repayment so LOBO loans are under 12 months despite not being expected to mature until 2041/3.

**Principal sums invested for periods longer than a year:** The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by having to seek early repayment of long-term investments. The limits on the total of any long-term investments arranged before 31<sup>st</sup> March 2021, maturing in each of the following periods are:

<b>Price risk indicator</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
Limit on principal invested beyond year end	£6m	£6m	£2m

# the limits are measured at invested amount if different to sum received at maturity

This indicator excludes Pooled funds, which, although intended to be held for 3 - 5 years, do not have a fixed maturity.

### Prudential Indicators

Prudential indicators have traditionally been included in the Treasury Strategy but are now included with the 2020/21 budget papers as an Appendix. They are included in Annex C for information.

The Actual External Debt is reported against the Operational Boundary and Authorised Limit after the end of each year in the Treasury Outturn report.

### Related Matters

The CIPFA Code requires the Authority to include the following in its treasury management strategy.

**Financial Derivatives:** In the absence of any explicit legal power to do so, the Authority will not use standalone financial derivatives (such as swaps, forwards, futures and options). Derivatives embedded into loans and investments, including pooled funds and forward starting transactions, may be used, and the risks that they present will be managed in line with the overall treasury risk management strategy.

**Markets in Financial Instruments Directive:** The Authority has opted up to professional client status with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Authority's treasury management activities, the Section 151 officer or deputy believes this to be the most appropriate status.

**Government Guidance:** Further matters required by the WG Guidance are included in Annex D.

### Financial Implications

The budget for investment income in 2020/21 is £250,000, based on an average investment portfolio of £17 million at an interest rate of 0.7% plus £3m of strategic pooled funds at an average income return of 4.5%. The budget for debt interest paid in 2020/21 is £4.1 million excluding new debt required to fund the remainder of the Commercial Investment purchase program. This figure is based on an average debt portfolio of £174 million at an average interest rate of 2.4% made up of approximately half long and half short term and variable rate debt. If actual levels of investments and borrowing, or actual interest rates, differ from those forecast, performance against budget will be correspondingly different.

### Other Options Considered

The WG Guidance and the CIPFA Code do not prescribe any particular treasury management strategy for local authorities to adopt. The S151 Officer and his team, having previously consulted the Audit Committee believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Alternative	Impact on income and	Impact on risk management
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	<b>expenditure</b>	
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

## Annex A - Arlingclose Economic & Interest Rate Forecast November 2019

### Underlying assumptions:

- The global economy is entering a period of slower growth in response to political issues, primarily the trade policy stance of the US. The UK economy has displayed a marked slowdown in growth due to both Brexit uncertainty and the downturn in global activity. In response, global and UK interest rate expectations have eased.
- Some positivity on the trade negotiations between China and the US has prompted worst case economic scenarios to be pared back. However, information is limited, and upbeat expectations have been wrong before.
- Brexit has been delayed until 31 January 2020. While the General Election has maintained economic and political uncertainty, the opinion polls suggest the Conservative position in parliament may be strengthened, which reduces the chance of Brexit being further frustrated. A key concern is the limited transitional period following a January 2020 exit date, which will maintain and create additional uncertainty over the next few years.
- UK economic growth has stalled despite Q3 2019 GDP of 0.3%. Monthly figures indicate growth waned as the quarter progressed and survey data suggest falling household and business confidence. Both main political parties have promised substantial fiscal easing, which should help support growth.
- While the potential for divergent paths for UK monetary policy remain in the event of the General Election result, the weaker external environment severely limits potential upside movement in Bank Rate, while the slowing UK economy will place pressure on the MPC to loosen monetary policy. Indeed, two MPC members voted for an immediate cut in November 2019.
- Inflation is running below target at 1.7%. While the tight labour market risks medium-term domestically-driven inflationary pressure, slower global growth should reduce the prospect of externally driven pressure, although political turmoil could push up oil prices.
- Central bank actions and geopolitical risks will continue to produce significant volatility in financial markets, including bond markets.

### Forecast:

- Although we have maintained our Bank Rate forecast at 0.75% for the foreseeable future, there are substantial risks to this forecast, dependant on General Election outcomes and the evolution of the global economy.
- Arlingclose judges that the risks are weighted to the downside.
- Gilt yields have risen but remain low due to the soft UK and global economic outlooks. US monetary policy and UK government spending will be key influences alongside UK monetary policy.
- We expect gilt yields to remain at relatively low levels for the foreseeable future and judge the risks to be broadly balanced.

	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Average
<b>Official Bank Rate</b>														
<b>Upside risk</b>	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	<b>0.21</b>
<b>Arlingclose Central Case</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>
<b>Downside risk</b>	-0.50	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	<b>-0.73</b>
<b>3-month money market rate</b>														
<b>Upside risk</b>	0.10	0.10	0.25	0.25	0.25	0.25	0.25	0.25	0.30	0.30	0.30	0.30	0.30	<b>0.25</b>
<b>Arlingclose Central Case</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>
<b>Downside risk</b>	-0.50	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	<b>-0.73</b>
<b>1yr money market rate</b>														
<b>Upside risk</b>	0.10	0.20	0.20	0.20	0.20	0.20	0.20	0.25	0.30	0.30	0.30	0.30	0.30	<b>0.23</b>
<b>Arlingclose Central Case</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>
<b>Downside risk</b>	-0.30	-0.50	-0.55	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	<b>-0.60</b>
<b>5yr gilt yield</b>														
<b>Upside risk</b>	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.45	0.45	0.45	<b>0.37</b>
<b>Arlingclose Central Case</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.55</b>	<b>0.60</b>	<b>0.60</b>	<b>0.60</b>	<b>0.60</b>	<b>0.60</b>	<b>0.60</b>	<b>0.60</b>	<b>0.60</b>	<b>0.60</b>	<b>0.57</b>
<b>Downside risk</b>	-0.35	-0.50	-0.50	-0.55	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	<b>-0.56</b>
<b>10yr gilt yield</b>														
<b>Upside risk</b>	0.30	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.40	0.45	0.45	<b>0.37</b>
<b>Arlingclose Central Case</b>	<b>0.75</b>	<b>0.75</b>	<b>0.80</b>	<b>0.80</b>	<b>0.85</b>	<b>0.85</b>	<b>0.90</b>	<b>0.90</b>	<b>0.95</b>	<b>0.95</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>0.88</b>
<b>Downside risk</b>	-0.40	-0.40	-0.40	-0.40	-0.45	-0.45	-0.45	-0.45	-0.45	-0.50	-0.50	-0.50	-0.50	<b>-0.45</b>
<b>20yr gilt yield</b>														
<b>Upside risk</b>	0.30	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.40	0.45	0.45	<b>0.37</b>
<b>Arlingclose Central Case</b>	<b>1.20</b>	<b>1.20</b>	<b>1.25</b>	<b>1.25</b>	<b>1.25</b>	<b>1.30</b>	<b>1.30</b>	<b>1.30</b>	<b>1.35</b>	<b>1.35</b>	<b>1.35</b>	<b>1.40</b>	<b>1.40</b>	<b>1.30</b>
<b>Downside risk</b>	-0.40	-0.40	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.50	-0.50	<b>-0.45</b>
<b>50yr gilt yield</b>														
<b>Upside risk</b>	0.30	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.40	0.45	0.45	<b>0.37</b>
<b>Arlingclose Central Case</b>	<b>1.20</b>	<b>1.20</b>	<b>1.25</b>	<b>1.25</b>	<b>1.25</b>	<b>1.30</b>	<b>1.30</b>	<b>1.30</b>	<b>1.35</b>	<b>1.35</b>	<b>1.35</b>	<b>1.40</b>	<b>1.40</b>	<b>1.30</b>
<b>Downside risk</b>	-0.40	-0.40	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.50	-0.50	<b>-0.45</b>

PWLB Certainty Rate (Maturity Loans) = Gilt yield + 1.80%

PWLB Local Infrastructure Rate (Maturity Loans) = Gilt yield + 0.60%

## Annex B - Existing Investment & Debt Portfolio Position

	31 <sup>st</sup> Dec 2019 Actual Portfolio £m	Average Rate %
<b>External borrowing:</b>		
Public Works Loan Board - Fixed rate	75.7	3.6
Public Works Loan Board - Variable rate	13.5	0.9
LOBO loans from banks	13.6	4.8
Welsh Government Loans	4.6	0.0
Local authority & other LT loans	0.9	0.95
Local authority & other ST loans	66.0	0.87
<b>Total external borrowing</b>	<b>174.3</b>	<b>2.3</b>
<b>Other long-term liabilities:</b>		
Private Finance Initiative	0.7	
Leases	0.1	
Other	1.6	
<b>Total other long-term liabilities</b>	<b>2.4</b>	<b>NA</b>
<b>Total gross external debt</b>	<b>176.7</b>	<b>NA</b>
<b>Treasury investments:</b>		
Banks & building societies (unsecured)	5.8	}
Government (incl. local authorities)	5.5	0.7
Money Market Funds	6.8	}
Strategic pooled funds	3.0	4.5
<b>Total treasury investments</b>	<b>21.1</b>	<b>1.2</b>
<b>Net debt</b>	<b>155.6</b>	<b>NA</b>

## Annex C - Prudential Indicators

Capital Expenditure £m	2018/19 actual	2019/20 forecast	2020/21 budget	2021/22 budget	2022/23 budget	2023/24 budget
General Fund services	39.6	27.6	27.9	20.3	19.6	5.9
Commercial investments (£50m total pool)	30.7	16.7	2.6	0.0	0.0	0.0
<b>TOTAL</b>	<b>70.3</b>	<b>44.3</b>	<b>30.5</b>	<b>20.3</b>	<b>19.6</b>	<b>5.9</b>

Proportion of Financing Costs to net revenue stream	2018/19 actual	2019/20 forecast	2020/21 budget	2021/22 budget	2022/23 budget	2023/24 budget
Interest £m	3.3	3.8	3.8	3.8	3.9	3.8
MRP £m	4.6	5.7	6.3	6.4	6.6	6.8
<b>Total Financing costs £m</b>	<b>7.9</b>	<b>9.5</b>	<b>10.1</b>	<b>10.2</b>	<b>10.5</b>	<b>10.6</b>
Net Revenue Stream (£m)	150.4	154.3	160.8	163.3	165.9	168.6
<b>Proportion of net revenue stream %</b>	<b>5.2%</b>	<b>6.1%</b>	<b>6.3%</b>	<b>6.2%</b>	<b>6.3%</b>	<b>6.3%</b>

Capital Financing Requirement	31.3.19 Actual £m	31.3.20 Estimate £m	31.3.21 Forecast £m	31.3.22 Forecast £m	31.3.23 Forecast £m	31.3.24 Forecast £m
Commercial Investments CFR (including solar farm)	35.1	50.7	51.4	49.3	47.2	44.3
Other Loans CFR	148.8	158.0	158.8	160.7	174.8	175.9
<b>Total Loans CFR</b>	<b>183.9</b>	<b>208.7</b>	<b>210.2</b>	<b>210.0</b>	<b>222.0</b>	<b>220.2</b>
Other Debt Liabilities CFR	2.4	2.4	3.4	3.4	3.4	3.4
<b>Total CFR</b>	<b>186.3</b>	<b>211.1</b>	<b>213.6</b>	<b>213.4</b>	<b>225.4</b>	<b>223.6</b>

A comparison of Net and Gross Debt to Capital Financing Requirement (Loans CFR)	31.3.20 19 actual	31.3.2020 forecast	31.3.2021 budget	31.3.2022 budget	31.3.2023 budget	31.3.2024 budget
Net Debt	158.0	182.0	174.8	170.1	181.4	178.1
Gross Debt	178.3	197.0	189.8	185.1	196.4	193.1
Loans CFR	183.9	208.7	210.2	210.0	222.0	220.2

<u>Authorised &amp; Operational Borrowing Limits</u>	2019/20 for comparison	2020/21 limit	2021/22 limit	2022/23 limit	2023/24 limit
Authorised limit - borrowing	248.2	230.0	225.3	236.6	233.3



Authorised limit - PFI, leases & Right of use assets	4.4	5.4	5.4	5.4	5.4
<b>Authorised limit - total external debt</b>	<b>252.6</b>	<b>235.5</b>	<b>230.7</b>	<b>242.0</b>	<b>238.7</b>
Operational boundary - borrowing	218.0	210.8	206.1	217.4	214.1
Operational boundary - PFI, leases & Right of use assets	2.9	3.9	3.9	3.9	3.9
<b>Operational boundary - total external debt</b>	<b>220.9</b>	<b>214.8</b>	<b>210.0</b>	<b>221.3</b>	<b>218.0</b>

nb - Authorised limit is higher than CFR as CFR is not a limit but an indicator of debt requirement

## Annex D - Additional requirements of Welsh Government Investment Guidance

The Welsh Government (WG) published revised Investment Guidance in November 2019 which places additional reporting requirements that are not integral to this Authority's treasury management processes, upon local authorities. The guidance also covers investments that are not part of treasury management, for example commercial investments including property and loans and other investments in local organisations.

The Authority has taken regard of the recommendations within the WG investment guidance revised in 2019 (for implementation 2020/21) and incorporated them where relevant into the above Treasury Management Strategy Statement (TMSS). There are however some specific areas of the WG investment guidance which are not explicitly outlined in the above TMSS and these are covered further as follows:

**Climate change:** The Authority's investment decisions consider long-term climate risks to support a low carbon economy in line with its declaration of a Climate Emergency in 2019. The Authority's aim is to make the county of Monmouthshire zero carbon by 2030 and will revise the Corporate Plan, Well-being Plan, Local Development Plan and other relevant plans and policies in support of this. It will call on the Welsh Government and the UK Government to provide the necessary powers, resources and technical support to successfully meet the 2030 target.

**Financial and Non-financial Investments:** The Authority's investments contribute to its service delivery objectives and/or promote wellbeing as follows:

- treasury management investments support effective treasury management activities,
- loans & other investments in local organisations provide financial support to those organisations to enable them to deliver local public services that would otherwise be provided directly by the Authority, and
- commercial investments provide a net financial surplus that is reinvested into local public services.

More information about the categories of investments can be see below in Table C1

*Table C1: Types of Investments and Limits*

Type	Specified	Other Loans	Other Non-specified	Financial / Non-financial
<b>Treasury management</b>	Investments with Government, Local Authority, Bank & Building Soc Deposits, CDs, MMFs, Bonds etc *	NA	Investments which are long term or with counterparty not of high credit quality - £6m Limit. Strategic pooled funds and REITS - £6m Limit *	<b>Financial</b>
<b>Assistance to local organisations/relevant to Council functions</b>	Loans to other Local Authorities, Joint ventures with LA's and LA wholly owned subsidiaries **	Loans to local enterprises, charities, 3 <sup>rd</sup> party companies, part non-LA Joint ventures **	Shares in local enterprises, charities, 3 <sup>rd</sup> party co's, part non-LA JVs including seed funding to SRS	<b>Financial</b>

			Ltd ****	
<b>Commercial financial investments</b>	NA	Loans to part non-LA Joint ventures and 3 <sup>rd</sup> party entities ***	Shares in part non-LA Joint ventures and 3 <sup>rd</sup> party entities ***	<b>Financial</b>
<b>Commercial Property investments</b>	NA	NA	This includes the Solar Farm, Castlegate & Newport Leisure park ***	<b>Non-financial</b>
<b>Long standing Property Investments</b>	NA	NA	This includes the county farms portfolio, shops & industrial units	<b>Non-financial</b>

\* The Limits on these investments are detailed in table 3 & in the Price risk indicator in the Main report

\*\* Rather than include an explicit limit on these type of investments, a business case will be made for each individual investment and capacity made available in an existing budget or a new budget approved by Council for any possible losses.

\*\*\*Rather than include an explicit limit for these type of investments, approval is required by the Investment committee and Council prior to any such investments. To date £4.5m has been approved and spent on the Solar Farm and an additional £50m was approved in May 2018, of which £31m has been invested to date.

**Specified investments:** The WG Guidance defines specified investments as those:

- denominated in pound sterling,
- due to be repaid within 12 months of arrangement unless the counterparty is a local authority,
- not defined as capital expenditure by legislation, and
- invested with one of:
  - the UK Government,
  - a UK local authority, parish council or community council, or
  - a body or investment scheme of “high credit quality”.

The Authority defines “high credit quality” organisations and securities as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher. For money market funds and other pooled funds “high credit quality” is defined as those having a credit rating of [A-] or higher.

**Other Loans:** The WG Guidance defines a loan as a written or oral agreement where the authority temporarily transfers cash to a third party, joint venture, subsidiary or associate who agrees a return according to the terms and conditions of receiving the loan. For the purpose of applying the WG guidance within this strategy document, where such arrangements are treasury investments, also meeting the definition of a Specified Investment they are classed as Specified investments not loans see Table C1.

A local authority may choose to make loans & other investments in local enterprises, local charities, wholly owned companies and joint ventures where relevant to Council functions and to promote local economic growth.

**Valuation of Loans and Receivables:** The Authority uses an allowed 'expected credit loss' model for loans and receivables as set out in *International Financial Reporting Standard 9 Financial Instruments* as adopted by proper practices to measure the credit risk of its loan portfolio. Appropriate consideration is given to state aid rules and competition law. The Authority has appropriate credit control arrangements to recover overdue repayments in place.

Loans may also be made for commercial purposes. Whilst these assets will be valued as above, the limits and assessment of security will be addressed as in the Commercial investments section below.

**Other Non-specified investments:** Any financial investment not meeting the definition of a specified investment or a Loan is classed as 'Other non-specified'. This category applies to investments over one year and with counterparties not of high credit quality. It also applies to units in pooled funds and shares in companies. Limits on non-specified investments are also shown in table C1; the Authority confirms that its current non-specified investments remain within these limits.

**Commercial investments:** This category covers financial and non-financial investments held primarily or partially to generate a profit. It includes investment property & also loans made for commercial purposes. Security is determined by comparing each asset's purchase price to its fair value using the model in International Accounting Standard 40: Investment Property as adapted by proper practices. The Authority's current Investment Property portfolio is divided into long held Investment Properties such as County Farms and the three more recently acquired commercial Investment Properties. With regard to this latter group, at 31<sup>st</sup> March 2019, the Authority's newly acquired investment property portfolio was held in the Authority's accounts at a book value of £35.6m. This is more than the capital cost of acquisition and enhancement to date of £35.2m and is considered to provide security for the capital investment made. A full report to Audit committee on these investments is due in the coming months, which will also outline the income which has been received into the revenue account since purchase.

The total of the Authorities usable reserves is £13.1m. This represents 37% of the value of the Authorities Commercial Investment Properties acquired to date. Due to the due diligence process undertaken before Commercial Investments are entered into and the forecast income over the lifetime of the assets, these investments are considered to be prudent by the Authority.

**Liquidity:** The Authority's liquidity management has been detailed in the main Treasury report with regard to treasury activities. Before supporting local entities or placing a commercial investment the impact on liquidity is fully addressed, most commonly by taking out loans of an appropriate maturity to ensure funds are available for the life of the activity. £40,000 of seed funding was placed with SRS Ltd in 2011/12 with the intention of it remaining there for the long term to support that entity.

Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice and can take a considerable period to sell in certain market conditions. To ensure that the invested funds can be accessed when they are needed, for example to repay capital borrowed, the Authority will follow its Investment strategy for Commercial assets which ensures that any borrowed capital will be repaid with annual income earned from the investment or that an exit strategy identified during the due diligence will be followed.

**Yield (net profit):** The Authority utilises its profit generating investment activity to achieve a balanced revenue budget. Table C2 below details the proportion of treasury & commercial income to total revenue income and therefore its contribution to meeting the costs of delivery of the Authorities primary functions. Revenue monitoring is carried out for the whole Authority on a quarterly basis. Any Authority wide shortfall, including shortfalls resulting from lower than budgeted returns from Investments, will be addressed as part of that process to bring the Authority's outturn position back on track.

Table C2: Proportionality of Investment income to total revenue income

	2019/20 Forecast £m	2019/20 Forecast £m
Total revenue income	147.3	147.3
Budgeted Profit from treasury investments	0.2	
Budgeted Profit from the 3 newer Commercial Investments		0.7
Proportion	0.14%	0.47%

**Investment advisers:** The Authority has appointed Arlingclose Limited as treasury management advisers and has used Alder King as advisers for the last 2 Commercial investment Property Acquisitions. The quality of these services is controlled by the Internal Estates team and also the Investment Committee appointed to oversee the Commercial Investments.

**Borrowing in advance of need:** Welsh Government guidance is that local authorities must not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed. The Authority, after having regard to the provisions in this guidance has entered into its commercial investments utilising Local Authority investment powers, which allow for the prudent management of its financial affairs where carried out reasonably and in accordance with an authority's primary function to serve the public. Returns from commercial investments help to ensure there are sufficient funds to continue to provide public services.

**Capacity and skills:** The Section 151 officer is responsible for ensuring that those elected members and statutory officers involved in the investment decision making process have appropriate capacity, skills and information to enable them to:

1. take informed decisions as to whether to enter into a specific investment;
2. assess individual investments in the context of the strategic objectives and risk profile of the local authority; and
3. understand how the quantum of these decisions have changed the overall risk exposure of the local authority.

The Audit Committee has a delegated responsibility to scrutinise the treasury management activity of the Authority, which ensures that elected members have the necessary opportunity to assess whether officers are operating within the boundaries of both the prudential framework and the internal boundaries approved within the TMSS. The Audit Committee is provided with training by the Authority's Treasury Management advisers periodically and have been presented with a questionnaire to assess further training requirements.

**Commercial deals:** The investment committee is responsible for ensuring that those tasked with negotiating commercial deals have the appropriate skills and access to information to allow them to operate with regard to the principles of the prudential framework and regulatory regime within which the Authority operates.

## PRUDENTIAL INDICATORS for Programme Proposals 2020/24

Local Authorities determine their own programmes for capital investment in fixed assets. The Prudential Code is the code of practice which ensures the Authority can demonstrate it has properly identified the proposed financing streams, including borrowing, for those investments and the consequences of those decisions. The key objectives of the Prudential Code are to ensure, within the Prudential Framework, that capital investment plans of the Authority are affordable, prudent and sustainable.

To demonstrate that local authorities have fulfilled these objectives, the Prudential Code, revised in December 2017 sets out the Prudential indicators that must be used, and the factors that must be taken into account. These indicators are reported below based on actual, current and planned capital budget proposals as in the proposed 2020/21 capital medium term financial plan.

Importantly, it should be noted that the proposed supported and unsupported borrowing results from the current and future capital budget proposals:

Borrowing budgeted in the capital budget proposals 2020/21 to 2023/24 is as follows:

- General Unsupported borrowing of £544,000 in 2020/21 and £1,000,000 from 2021/22 to 2023/24.
- Severn view replacement £1,833,000.
- New property investments of £2,588,000.
- City deal £311,000 in 2020/21 and £489,000 from 2021/22 to 2023/24.
- Tranche B of the Future schools initiative £1,173,000 in 2021/22 and £13,631,000 in 2022/23.
- £2,417,000 of supported borrowing from 2020/21 to 2023/24 which assists in financing the core capital programme and is funded through Revenue Support grant from the Welsh Government.

### Capital Expenditure

The actual capital expenditure (excluding vehicle leasing) that was incurred in 2018/19 and the estimates of capital expenditure and financing for the current year and future years that are recommended for approval are:

Capital Expenditure £m	2018/19 actual	2019/20 forecast	2020/21 budget	2021/22 budget	2022/23 budget	2023/24 budget
General Fund services	39.6	27.6	29.2	20.6	19.9	6.2
Commercial investments (£50m total pool)	30.7	16.7	2.6	0.0	0.0	0.0
<b>TOTAL</b>	<b>70.3</b>	<b>44.3</b>	<b>31.8</b>	<b>20.6</b>	<b>19.9</b>	<b>6.2</b>

As stated in the Capital programme budget proposals, the medium term programme has been drafted, and a programme constructed for the next four years. There will be opportunity for the programme to be reviewed annually.

### Proportion of financing costs to net revenue stream

Estimates of the ratio of financing costs (net interest and MRP) to net revenue stream for the current and future years, and the actual figures for 2018/19 are:

Proportion of Financing Costs to net revenue stream	2018/19 actual	2019/20 forecast	2020/21 budget	2021/22 budget	2022/23 budget	2023/24 budget
Interest £m	3.3	3.8	3.8	3.8	3.9	3.8
MRP £m	4.6	5.7	6.3	6.4	6.6	6.8
<b>Total Financing costs £m</b>	<b>7.9</b>	<b>9.5</b>	<b>10.1</b>	<b>10.2</b>	<b>10.5</b>	<b>10.6</b>
Net Revenue Stream (£m)	150.4	154.3	160.8	163.3	165.9	168.6
<b>Proportion of net revenue stream %</b>	<b>5.2%</b>	<b>6.1%</b>	<b>6.3%</b>	<b>6.2%</b>	<b>6.3%</b>	<b>6.3%</b>

The estimates of financing costs include current commitments and the proposals in the draft 2020/21 MTFP and are based on the actual and anticipated borrowing, net of investments.

### Capital Financing Requirement

Estimates of the end of year Capital Financing Requirement (CFR) for the Authority for the current and future years and the actual Capital Financing Requirement at 31 March 2019 are:

Capital Financing Requirement	31.3.19 Actual £m	31.3.20 Estimate £m	31.3.21 Forecast £m	31.3.22 Forecast £m	31.3.23 Forecast £m	31.3.24 Forecast £m
Commercial Investments CFR (including solar farm)	35.1	50.7	51.4	49.3	47.2	44.3
Other Loans CFR	148.8	158.0	158.8	160.7	174.8	175.9
<b>Total Loans CFR</b>	<b>183.9</b>	<b>208.7</b>	<b>210.2</b>	<b>210.0</b>	<b>222.0</b>	<b>220.2</b>
Other Debt Liabilities CFR	2.4	2.4	3.4	3.4	3.4	3.4
<b>Total CFR</b>	<b>186.3</b>	<b>211.1</b>	<b>213.6</b>	<b>213.4</b>	<b>225.4</b>	<b>223.6</b>

The Capital Financing Requirement measures the authority's underlying need to borrow for capital purposes. In accordance with best professional practice, Monmouthshire County Council does not associate borrowing with particular items or types of expenditure, other than under its current policy for determining its Minimum Revenue Provision (MRP). The authority has an integrated treasury management strategy (last approved on 7<sup>th</sup> March 2019 by Council). The Council is legally obliged to "have regard" to the Treasury

Management Code and the Prudential Code “as amended or reissued from time to time” by the relevant Capital Finance Regulations so there is no requirement for the Council to explicitly adopt the CIPFA Code of Practice for Treasury Management in the Public Services from 2020/21 onwards.

The Council manages its treasury position in terms of its borrowings and investments in accordance with its approved treasury management strategy and practices. In day-to-day cash management, no distinction can be drawn between revenue and capital cash. External borrowing arises as a consequence of all the financial transactions of the authority and not simply those arising from capital spending. In contrast, the Capital Financing Requirement reflects the authority’s underlying need to borrow for capital purposes alone.

CIPFA’s Prudential Code for Capital Finance in Local Authorities recommends that the Authority’s total gross debt including other long term liabilities should be lower than its highest forecast CFR over the next three years. This is an indicator of prudence.

Net external borrowing is gross external borrowing offset by the levels of cash and treasury investments held. This is the borrowing budgeted to finance the capital programme.

A comparison of Net and Gross Debt to Capital Financing Requirement (Loans CFR)	31.3.2019 actual	31.3.2020 forecast	31.3.2021 budget	31.3.2022 budget	31.3.2023 budget	31.3.2024 budget
Net Debt	158.0	182.0	174.8	170.1	181.4	178.1
Gross Debt	178.3	197.0	189.8	185.1	196.4	193.1
Loans CFR	183.9	208.7	210.2	210.0	222.0	220.2

The Chief Officer – Resources (the Authority’s S151 officer) reports that the Authority’s gross external borrowing is expected to stay below the Capital Financing Requirement in 2020/21. The forecasts for later years takes into account current commitments, existing plans, and the proposals in the 2020/21 capital budget report.

### Authorised Limit for External Borrowing

In respect of external debt, it is recommended that the Council approves the following Authorised Limit for its total external debt gross of investments for the next four financial years.

<u>Authorised Limits</u>	2019/20 for comparison	2020/21 limit	2021/22 limit	2022/23 limit	2023/24 limit
Authorised limit - borrowing	248.2	230.0	225.3	236.6	233.3
Authorised limit - PFI, leases & Right of use assets	4.4	5.4	5.4	5.4	5.4
<b>Authorised limit - total external debt</b>	<b>252.6</b>	<b>235.5</b>	<b>230.7</b>	<b>242.0</b>	<b>238.7</b>

The limits for borrowing and other long-term liabilities are identified separately. The Council is asked to approve these limits and to delegate authority to the Head of Finance or Deputy, to manage the Authority’s borrowing within these limits in order to achieve best



value for money for the Authority. The Authorised limit is intended to be a ceiling on borrowing levels. Any changes required to these limits will be reported to the Audit Committee or Council at the next opportunity following the required change to this ceiling.

These limits are consistent with the authority's current commitments, existing plans and draft budget proposals for capital expenditure and financing, and with its approved treasury management policy statement and practices. They are based on the estimate of the most likely, prudent but not worse case scenario, with sufficient headroom over and above this to allow for operational management including movements such as in year Cabinet or Council decisions which are in line with the Corporate Plan of the Authority or unusual cash movements.

### Operational Boundary for External Debt

The Council is also asked to approve the following Operational Boundary for external debt for the same period.

<u>Operational boundary</u>	2019/20 for comparison	2020/21 limit	2021/22 limit	2022/23 limit	2023/24 limit
Operational boundary - borrowing	218.0	210.8	206.1	217.4	214.1
Operational boundary - PFI, leases & Right of use assets	2.9	3.9	3.9	3.9	3.9
<b>Operational boundary - total external debt</b>	<b>220.9</b>	<b>214.8</b>	<b>210.0</b>	<b>221.3</b>	<b>218.0</b>

The proposed Operational Boundary for external debt is based on the same estimates as the Authorised Limit but reflects the estimate of the most likely, prudent but not worst case scenario, without the additional headroom included within the Authorised Limit. It is expected that this will allow for movements such as normal variations in working capital and equates to the maximum external debt projected.

The Operational Boundary represents a key management tool for in-year monitoring by the Head of Finance or Deputy. The limits for borrowing and other long-term liabilities are identified separately. The Council is asked to approve these limits and to delegate authority to the Head of Finance or Deputy, to manage the Authority's borrowing within these limits under normal circumstances. If this boundary is exceeded, it will be reported to Audit Committee or Council at the next opportunity but as it is a management tool, it is not required to be amended.

In taking its decisions on the 2020/21 budget report, the Council is asked to note that the Authorised Limit determined for 2020/21 would be the statutory limit determined under section 3(1) of the local Government Act 2003.

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<b>SUBJECT:</b>	<b>CORPORATE PLAN 2017-22: MID-TERM REFRESH</b>
<b>MEETING:</b>	<b>County Council</b>
<b>DATE:</b>	<b>5 March 2020</b>
<b>DIVISION/WARDS AFFECTED:</b>	<b>ALL</b>

## 1. PURPOSE:

- 1.1 To seek approval of a mid-term refresh of the Corporate Plan. This articulates the authority's purpose and values, alongside an update of the ambitious programme that will continued to be delivered during the course of the current Council, which runs until the local elections in May 2022.

## 2. RECOMMENDATIONS:

- 2.1 That Council approves the Corporate Plan.
- 2.2 That Council approves the adoption of the objectives contained in the plan as the Council's Well-being Objectives and Improvement Objectives in accordance with the requirements of the Well-being of Future Generations Act and the Local Government (Wales) Measure 2009.

## 3. KEY ISSUES:

- 3.1 In October 2017, Cabinet commissioned the development of a Corporate Plan, which converted high-level political ambition into a tight and understandable whole authority strategic plan and programmed the associated delivery work over the medium-term.
- 3.2 This meant setting priorities and re-shaping direction around the agreed purpose of building sustainable and resilient communities. The Plan draws on the political priorities articulated in the local conservative manifesto and emerging cabinet member priorities, challenges highlighted in the Monmouthshire Well-being Assessment, issues identified through data and financial analysis, and issues raised by local people as being of highest importance.
- 3.3 The refreshed Corporate Plan re-states the council's purpose of building sustainable and resilient communities and the five priority goals. Under each of these sits a number of programmes of work, twenty-two in total. The mid-point of the current council's term of office presents the opportunity to take stock and identify whether any of the programmes of work need to be amended to reflect changes in the external environment or policy positions subsequently adopted by council. An example of this is the unanimous motion to declare a climate emergency, which is now embedded within the Corporate Plan.

- 3.4 Some of the actions identified in the first iteration of the document have been completed and are marked accordingly. There have also been some amendments to actions, while other new actions have been incorporated, the aforementioned climate emergency being one example along with new commitments such as the redevelopment of town centres. An appendix to the report contains some of the key numerical measures of progress. A full evaluation of progress will be made available for scrutiny in June and July and an annual progress report presented to Council in September.
- 3.5 This plan will discharge the authority's duty to produce Well-being Objectives and Statement under the Well-being of Future Generations Act, and Improvement Objectives under the Local Government (Wales) Measure 2009. It provides continued clarity on priorities and purpose for the authority's enabling strategies, and provides a clear direction to teams as they continue to deliver their service or business plans.

#### **4. EQUALITY AND FUTURE GENERATIONS EVALUATION (INCLUDES SOCIAL JUSTICE, SAFEGUARDING AND CORPORATE PARENTING):**

- 4.1 The plan contains commitments to action related to equalities, social justice, corporate parenting and safeguarding.
- 4.2 A Future Generations Evaluation has been completed and accompanies this report. The Corporate Plan applies the ways of working outlined in the Well-being of Future Generations Act. This includes taking a long-term view and developing preventative approaches. The Plan details some activities that require further development and which will be subject to individual decisions in accordance with the council's constitution, including the completion of equality and future generations evaluations, where appropriate.

#### **5. OPTIONS APPRAISAL**

- 5.1 Every choice we make carries an opportunity cost. Each of the programmes of activity in this plan have been considered against the other choices that could have been made, how that money could be spent, and the alternative uses of resources or officer time. Some of these commitments, such as the building of new schools, have already been approved by council as part of an agreed policy position, while others are in the early stages of development. Each new proposal brought forward to deliver against these goals will be subject to an individual decision in accordance with the council constitution.

#### **6. EVALUATION CRITERIA**

- 6.1 The Corporate Plan sets out clearly the council's purpose. It contains five specific objectives which can be measured over time. These are: Best Possible start in life; Thriving and well-connected county; Maximise the potential of the natural and built environment; Lifelong learning and well-being and forward looking-future focused council. These are clearly aligned to the purpose and well-being objectives of the Public Service Board. The measures relating to each of these are shown in the plan.

6.2 The actions to deliver the Corporate Plan will be embedded in the service or business plans of individual teams and progress can be tracked at this level through quarterly service updates on The Hub. Headline quantitative measures and progress updates will be reported bi-annually to the relevant Select Committee. A full evaluation of progress will be produced annually for scrutiny and will be reported to Council.

**7. REASONS:**

7.1 There are significant challenges and opportunities that must be responded to and the Council, with its diminishing resources, must prioritise what can be done adjusting in response to new evidence and external factors and opportunities.

7.2 To ensure that high-level political ambition, data, evidence and 'what matters' continues to inform a coherent whole authority strategic Corporate Plan.

**8. RESOURCE IMPLICATIONS:**

8.1 With less money, we will not be able to keep doing everything that we have done in the past. Each of the activities in the corporate plan carries resource implications. In its entirety, the plan will be delivered within the resources made available through the Medium Term Financial Plan. Some programmes brought forward may require capital or reserve funding and individual and detailed proposals will be presented for each of these at the appropriate time in accordance with the council's constitution.

**9. CONSULTEES:**

Senior Leadership Team  
Cabinet

The refresh of the Corporate Plan has been informed by a series of informal discussions between SLT and Cabinet. This has helped inform and shape the adjustments to the programme of activity.

**10. BACKGROUND PAPERS:**

Monmouthshire Well-being Assessment

**11. AUTHOR:**

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**A Monmouthshire  
that works for everyone  
Corporate Business Plan  
Midterm Refresh  
2017 // 2022**



**INCORPORATING  
WELL-BEING OBJECTIVES**



## Version Control

<b>Title</b>	Corporate Business Plan: A Monmouthshire that Works for Everyone
<b>Purpose</b>	<p>To set out a clear direction for the Council and resources required to deliver it. Inform and shape a whole set of enabling and delivery plans around People; Digital; Economy; Customers, Land and Assets.</p> <p>To set the goals as the Council's Well-being Objectives meeting requirements under the Well-being of Future Generations act and as the Council's Improvement Objectives complying with the Local Government (Wales) Measure 2009.</p>
<b>Owner</b>	Senior Leadership Team
<b>Approved by</b>	Endorsed by Cabinet, approved by Council
<b>Date</b>	<p>Previous version approved by Council, 21<sup>st</sup> February 2019 as Improvement Objectives for 2019/20</p> <p>Mid-term refresh endorsed by Cabinet on 19<sup>th</sup> February 2020 and for approval of Council on 5<sup>th</sup> March 2020</p>
<b>Version Number</b>	2.9
<b>Status</b>	For Council approval
<b>Review Frequency</b>	Annual
<b>Next review date</b>	March 2021
<b>Consultation</b>	Informal consultation with SLT and Cabinet.



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## Welcome to Monmouthshire

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Monmouthshire is an incredible place to live, work and visit. This plan considers the people who call this place home now and in ten or twenty years' time. The decisions and actions we take over the next few years will determine the sort of place people live in, how they will travel around our county, the jobs they will do and the community facilities, learning, and support services available.

Almost two years ago, we published our first Corporate Plan. We wanted to let you know what you could expect from us, as your local authority, in the medium term. We are proud of our great schools, and have invested tens of millions of pounds opening a brand new, state of the art school and leisure facility in Monmouth. We are geographically and strategically well-connected at the gateway of Wales and England. Since 2017, we've seen an increase in the number of businesses in the county and have worked hard as a member of the Cardiff Capital Region to continue to grow the local economy. We continue to create the conditions for local social action and to ensure nobody is left behind developing a Social Justice Strategy that demonstrates our commitment to address inequalities and improve outcomes for the people and communities.

We continue to face some big challenges. We are still by some way the lowest funded authority, per person, in Wales. We continue to work hard to use the money we receive as efficiently and effectively as possible, being a largely rural county means that we do not benefit from the economies of scale that urban areas have. Centralising services in one place in the middle of the county will not work for residents of Caldicot or Abergavenny. We also have an ageing population, which brings many benefits, but also challenges for functions such as Health and Social Services. We need to ensure families can afford to live here and that we have enough people of working age to create local wealth and deliver key services.

Budget pressures mean we will not be able to keep doing everything that we have done in the past. We will continue to listen to our communities, find out what matters to them and focus on these areas. This mid-term refresh of the Corporate Plan, has allowed us to review the latest evidence and thinking on issues of importance to our communities and ensure our attention remains on the significant issues for Monmouthshire. We are keen to help communities build their own resilience. We believe in social justice and are committed to a fair and equal society. We believe in helping people create communities that they feel they belong to whilst supporting their well-being. All this means that people have responsibilities as well as rights. Our officers and councillors will not have all of the answers and we need to make it easier for people to get involved in shaping their own futures. We will continue to broaden our horizons, developing innovative solutions to ensure the council can keep pace with expectations. At the same time, we will ensure our contribution to the wider county works hard at creating the conditions for a thriving economy, connected and sustainable communities and an ecologically resilient and culturally rich environment.

Whether you are a resident, a local business owner or a member of staff I encourage you to read this plan and get involved in helping build the future we want. The future Monmouthshire deserves.



Councillor Peter Fox OBE  
Leader of the Council

## The Purpose of our Corporate Business Plan

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Monmouthshire County Council's Corporate Business Plan sets out the things we will be working on in the medium term. It provides direction and a sense of what will be important, taking us up to the end of the political term in 2022, but many of the things we are doing are incredibly ambitious and are focused on the longer-term future of our county. It is not enough to keep our county and council going for now – we have to ensure it is continually growing for the future. The plan is our way of ensuring the council, its staff and elected members deliver what matters, and that we do this as efficiently and effectively as possible. The plan is also our way of ensuring that as a local stakeholder, you have a tool through which to assess our actions and hold us to account.

We have huge drive and ambition for this place and there are some really significant improvements that we are committed to delivering. The issue is the council does not have the resources – in both financial and human terms - to deliver on all these things at the same time. This plan focuses on policy priorities that will deliver the Council's purpose and is aligned with the financial resources we have available as set out in our Medium Term Financial Plan.

The mid-term refresh of the commitments in the Corporate Plan has ensured that the aspirations and activity set remain relevant, are deliverable with the resources we have available and reflect the things that are important to communities. Beyond the allocation of financial resources to priorities, this plan will also set the context for how we will mobilise the wider assets and resources at our disposal. The funding we receive to run services continues to be stretched, but we continue to see a growing countywide commitment to local social action, volunteering and the contribution of new ideas, time, efforts and energies.

As a result, you can expect this plan to:

- Commit to priorities that are big impact and cross-cutting
- Contain programmes that contribute in a clear way, to one or more of our priorities
- Be underpinned by robust evaluation metrics and a clear ability to track progress
- Focus on the right things – not the easy things. Every choice carries an opportunity cost of the alternative things we could have done with that time or money
- Benefit from the regular focus of our Cabinet and Strategic Leadership Team
- Draw from and align with other long-term service plans and enabling strategies for People, Customers, Digital, Assets and the Economy
- Provide the architecture for our wider performance management framework. This is an approach that integrates long-term strategies and policy direction with department-level business plans that give clarity on what needs to be done, how and by when
- Have clear design principles that ensure over time, our financial, people and community resources are aligned with the things that can make the biggest difference to the lives of local people.

The plan will not set out everything that the Council does in our county, every day, to help ensure it is a sustainable and resilient place. It is underpinned by a clear policy framework that sets out in more detail our work in areas such as social justice and safeguarding. The contribution it makes is to ensuring we stay focused on priorities and enable people everywhere to see how their work fits into the larger picture of our ambitions and goals.

## Our Foundation: Purpose, Values & Design

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Monmouthshire County Council has a strong sense of character and purpose. We shape this in line with the goals and ambitions of our partners in other public services such as the NHS, Police, Public Health, housing associations and the Fire and Rescue Service. These and many more organisations are part of the Monmouthshire Public Service Board (PSB). We are combining the ingenuity and initiative of all partners to find new solutions to pressing, social, economic and environmental problems. This sense of 'power of the collective' is central to our core purpose, reflected in our values and embodied in our culture.

### Purpose

At the heart of everything we do:

***We want to help build sustainable and resilient communities that support the well-being of current and future generations.***

### Values

We can only achieve great things for our place through the people who live and work here, those on our payroll and those in Monmouthshire's communities including the countless volunteers and groups that give this place a richness and vibrancy. Our values reflect who we are, how we do things and how we are shaping the future. We try our best to apply these in everything we do.

**Openness.** We are open and honest. People have the chance to get involved in decisions that affect them, tell us what matters and do things for themselves/their communities. If we cannot do something to help, we'll say so; if it will take a while to get the answer we'll explain why; if we can't answer immediately we'll try to connect you to the people who can help – building trust and engagement is a key foundation.

**Fairness.** We provide fair chances, to help people and communities thrive. If something does not seem fair, we will listen and help explain why. We will always try to treat everyone fairly and consistently. We cannot always make everyone happy, but will commit to listening and explaining why we did what we did.

**Flexibility.** We will continue to change and be flexible to enable delivery of the most effective and efficient services. This means a genuine commitment to working with everyone to embrace new ways of working.

**Teamwork.** We will work with you and our partners to support and inspire everyone to get involved so we can achieve great things together. We don't see ourselves as the 'fixers' or problem-solvers, but we will make the best of the ideas, assets and resources available to make sure we do the things that most positively impact our people and places.

This plan sets out in more detail what we will do to help achieve our goal of building sustainable and resilient communities.

## Understanding What Matters

If everything is a priority then nothing is a priority. We examined evidence and identified the areas that we intend to focus on. We have aligned ambition with a clear assessment of the financial investment needed to deliver this and everything in this plan aligns with our purpose.

Our motivation is to help improve lives and create capable communities. The question at the heart of this plan is therefore not, 'what can we afford?' but 'what matters?' Our core belief is that if we do the things that make the most difference – business and organisational benefits will result because money follows clarity. At the start of the political term in 2017, we began by gathering a wide-range of information to understand the issues that are most important to people. We have also been looking at future trends to make sure we consider the things that will affect how we work in the longer-term and are able to capitalise on the benefits of emerging technology and to take account of things like climate change.

### Informing our Plan

The Public Service Board's (PSB) Well-being Assessment has been produced following extensive engagement with contributions from more than 1,400 people and examination of a wide range of data and evidence about what works and future trends such as the changing nature of employment and the impact of environmental factors such as pollution. It highlighted issues including:

- Low wages and high property prices are making it hard for families to live and work here
- Limited public transport and relatively low levels of broadband infrastructure make it harder for people to access work, jobs and services and car journeys cause air pollution which has real health impacts
  - Reducing physical activity levels and the resulting rise in obesity and type 2 diabetes
  - Pressure on health and care services from an ageing population



Although this work has been carried out on behalf of the Public Service Board, it surfaces issues that are incredibly important for our Council and the local area. As a key partner in the PSB, we are playing a significant role in taking these forward and recognise that we are the principal enablers in enabling the shifts and changes needed to develop a sustainable and resilient future. The priorities set for Monmouthshire Council also reflect our contribution to well-being objectives set for the county by the PSB well-being plan. The objectives for the county and the goals for the council are shown in the diagram.

Councillors gathered information on the issues raised most frequently on the doorstep during the 2017 local elections and ward surgeries. These include speeding; the quality of our physical and digital infrastructure; traffic; litter and education.

We have also looked at the issues people are reporting through community hubs, the contact centre and the My Monmouthshire App, which now has almost 60,000 active accounts. Amongst the most common reasons for contact with the council are waste - things like registering for garden waste collections, getting new bags and reporting missed bin collections and council tax and revenues – help with filling out forms and benefit enquiries. Other issues that result in direct contact tend to be around provision of our Grass Routes bus service and reports of fly tipping.

As part of the mid-term refresh of the commitments in the Corporate Plan, we have looked at the latest evidence and thinking on issues of importance to our communities, such as growing concern about the impact of carbon emissions on our climate, to make sure that the aspirations and commitments remain relevant to the significant issues for well-being in Monmouthshire.

Further important themes and issues that guide our work include the priorities that the Administration set out in its Political Manifesto prior to the election in May 2017. These include commitments to support:

- **Education & Skills** – investing in new secondary schools, raising standards and emphasis on Science, Technology, Engineering and Maths or STEM subjects
- **Social Care & Health** - enabling people who are vulnerable and elderly to be supported to live in their homes and communities for longer. Working in an integrated way with Health and other agencies in order to create more seamless services, combat loneliness and keep people well
- **Social Justice** - a fair and equal society, respecting and upholding diversity within our communities, addressing child poverty and worklessness
- **Enterprise & Job creation** - capitalise on the Cardiff Capital Region City Deal and removal of the Severn Bridge tolls to unlock opportunity and drive economic growth so that productivity becomes a lever for increased prosperity
- **Rural Community** - combating rural deprivation and access to services, promoting new 'smart' technologies in agriculture, recreation and tourism and improving access to digital and physical infrastructure
- **Locally Accessible Services** – maintaining a local service offer and enhancing our leisure and recreation provision including a new pool and facilities in Monmouth
- **Provision of quality housing** - including affordable housing, to meet the needs of our communities and to address the needs of our changing demography.

The mid-term refresh has confirmed that the goals we have set remain the right ones based on the latest evidence available on the priorities and issues for well-being in Monmouthshire and the activity that we are committed to set remains relevant. We have identified where activity has been completed and have added some new actions. This is in line with our requirements under the Future Generations Act to keep our goals under review and make any revisions where we identify activity needs to be adjusted in order to maximise our contributions the well-being goals of Wales as a whole.

## Managing Our Performance

Performance Management is about ensuring a shared understanding of what needs to be achieved and making sure that it happens. All other plans will be built from this one. These include the high level enabling strategies that form the council's policy framework and the strategic plans that provide the detail that brings this strategy to life.

All of our teams have service business plans that describe the specific actions colleagues will be working on to deliver the objectives. All colleagues have annual appraisals that ensure their own contributions are aligned with the purpose, values and objectives of the council as well as providing the path for their own personal development.

Underpinning all of this is a suite of measures that enable us to understand how well processes are working and more importantly to track progress against the things that matter. You can see more detail about our performance management framework in appendix two.

## Progress so far

We have continued to review our progress and performance against our goals in the plan and our annual performance reports are available at [www.monmouthshire.gov.uk/improvement](http://www.monmouthshire.gov.uk/improvement). Some of our significant areas of progress are set out below. Our plan is an ambitious programme; some commitments focus on the longer-term future of the county and aim to address complex challenges, in line with the Future Generations Act. Some of the impact of our activity may not yet be clearly demonstrable over short timescales, and some activity will be in the early stages.

# CORPORATE PLAN

## WHAT HAS HAPPENED SO FAR?



### GOAL A: BEST POSSIBLE START IN LIFE

Opening of a new **£40m** school in Monmouth providing a modern learning environment for pupils.

Focussing on raising standards in education for all pupils, although there is more to do. **1.6%** of Year 11 school leavers are not in education, training or employment.

Continuing to develop ways to assist the increasing number of children and families who require our support, which is putting pressure on our services. We currently have **201** Looked After children.

Attracting more foster carers to offer placements to Looked After Children. We have **71** foster carers, although we need more and active campaigns continue.



### GOAL B: THRIVING AND WELL-CONNECTED COUNTY

Working on projects of regional significance as part of the Cardiff Capital Region City Deal. Within its first year, **46** highly skilled technicians and engineers have started work at the new Compound Semiconductor Foundry.

Supporting and advising **145** pre-start and existing businesses through Monmouthshire Business and Enterprise Team and via referrals to partners.

Attracting **£1.2 million** of Cabinet Office funding to develop solutions to loneliness and limited rural transport in our communities.

Revising our Local Development Plan, as we were not achieving key outcomes relating to housing provision. **215** affordable houses have been built in the last two years.



# CORPORATE PLAN

## WHAT HAS HAPPENED SO FAR?



### GOAL C: MAXIMISE THE POTENTIAL OF THE NATURAL AND BUILT ENVIRONMENT

Introducing new waste and recycling collections to improve the service and minimise cost. Our annual recycling rate is **63%**, this is below Welsh Government targets.

Declaring a climate emergency and producing a strategy on how we will reduce our own emissions, while working with others to reduce emissions across the county as a whole. **19.3%** of the electricity we currently use comes from our own renewables including our solar farm.

Working with Riversimple to pilot **20** hydrogen powered cars in Monmouthshire.

Establishing a Green Infrastructure Strategy to enhance the environment across the **88,000** hectares of Monmouthshire.



### GOAL D: LIFELONG WELL-BEING

Progressing work to build a more sustainable care at home sector for the future. Our Adult social services supported **2,691** people last year.

Developing a Social Justice Strategy committed to addressing inequalities and improving outcomes for the county's people and communities. **10%** of people in Monmouthshire are in income deprivation although this can vary in different parts of the county.

Supporting volunteering opportunities available within the county; there are currently **1360** volunteers directly supporting the council.

Opening a new **£7million** Leisure Centre in Monmouth and launching MonLife: protecting and enhancing our Tourism, Culture, Leisure and Youth Services.



### GOAL E: FUTURE-FOCUSED COUNCIL

Launching 'Monty' the Council's Chatbot, which helps people find out information on common queries, resolving an average of **460** queries per month.

Developing a Commercial strategy to enhance a commercial culture and approach. **2** commercial investments have been purchased to generate income to support Council services.

Planning how we spend our **£154million** budget on services and delivering with continuing financial challenges and pressures.

Developing a strategy to support apprenticeship, graduate jobs and internships across the local authority. There are **21** apprentices and graduate posts in the Council.

## Delivering What Matters – Our Policy Priorities

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The Plan so far has established the context, evidence and inputs. Attention now turns to the outputs and outcomes to be achieved if we are to convert our understanding of what matters into delivering what matters through a meaningful programme. This section sets out our five Organisational Goals supported by the 22 commitments to action we will make and the ways in which they will be measured in the run-up to 2022.

The five organisational goals also serve as the Council's Well-being Objectives – but go further in reflecting the need for a deeper organisational and council business focus. Setting out our aspirations in this way and the actions necessary to deliver on them enables us to identify the future we want. These are our commitments to action. We will report on progress annually in order to demonstrate the difference the plan is making in local communities. We will wherever possible, make open and available, data and information that gives a more dynamic and continual account of our performance.

## Our Five Policy Priorities

This plan sets out in clear terms our commitment to action between now and 2022 and incorporate the council's Well-being Objectives as required by the Well-being of Future Generations Act.

### A. The best possible start in life

#### Evidenced By

Research shows that improving outcomes for children and young people relies upon a 'life course' approach; each stage of life builds to the next. We will work with children, their families and communities recognising everyone has strengths as well as needs. We will work across professions and agencies and will be led by data and evidence from emerging good practice.

As an organisation we recognise the importance of wellbeing and people's safety and security as a part of that. We will promote safeguarding and ensure that it is everyone's business and encourage active lifestyles for children and young people through a broad range of activities.

We will commit to beginning the work necessary to ensure that children and young people choose to attend school in the county.

We will invest in all our children's learning and development, ensuring they have the environments, skills and support to flourish and be prepared for work of the future. We want our children and young people to be industry ready, able to contribute locally and globally and meet the demands of a rapidly changing world environment.

- Percentage of children and young people at the end of Key Stage 2 in Monmouthshire Primary Schools who move to a Secondary School in the county
- Percentage of pupils with a statement of special educational learning need who are educated in mainstream setting within the county
- Percentage of Year 11 leavers not in education, training or employment (NEET)
- Percentage of looked after children who experience non-transitional school moves
- Percentage of families supported by early help services who report being helped with what matters to them
- Percentage of children placed with generic/kinship foster carers
- Percentage of pupils who take part in sport on three or more occasions per week
- Number of young people trained in the playmaker award

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## B. Thriving and well-connected county

Monmouthshire is the most competitive economy in Wales after the capital city of Cardiff, is best placed for growth per head of population<sup>1</sup> and has the highest rate of business births. Whilst productivity is comparatively high – more needs to be done to increase Gross Value Added in existing & new industries. As the closest point for business relocation, post cessation of the Severn Bridge Tolls – this means seizing the opportunity to boost Research & Development capacity. We will develop a clear strategy that articulates our distinct strengths and goals for enhancing competitiveness, innovation and productivity.

We want Monmouthshire to be a place to be – not just a place to be from - and so we will review our Local Development Plan to ensure it is meeting our needs. The delivery of quality, sustainable and affordable housing will help enable the retention of young people, helping combat 'brain drain' and managing the social and economic challenges associated with a rapidly ageing population.

We will tackle the barriers to productivity, and focus sustainable infrastructure and connectivity. Externally, developing such foundations will enable businesses and community enterprises to deliver employment, growth and prosperity. Post-Brexit this will enable businesses to look beyond our shores for customers. Internally, we will unlock the value of our own procurement spend; developing data-driven, enterprise and commercial mindsets and more innovative approaches to local market creation.

### Evidenced By

- Gross Value Added (£ per head)
- Difference in average pay between men and women
- Average weekly earnings of people who work in Monmouthshire
- Number of active business enterprises in the county
- Number of businesses assisted by Monmouthshire Business and Enterprise Team and referrals to partners
- Total income generated from tourism
- Number of market and affordable housing units built
- Number of premises with access to high speed broadband through the Superfast Cymru 2 scheme
- Number of white premises gaining access to high speed broadband

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<sup>1</sup> UK Competitiveness Index 2019

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### **C. Maximise the potential of the natural and built environment**

Monmouthshire has a spectacular natural environment, a unique heritage value and a culturally rich identity. We believe that necessary growth, development, and expansion of our place, need not compromise our distinctive offer – indeed it should complement and enhance it. As an agricultural and food producing county, we recognise the moral and economic impetus around reducing food waste and the impact on greenhouse gases. We support the principles of the ‘circular economy’ and the recycling & restoration of goods and want to work with businesses and organizations that subscribe to these too.

We have declared a Climate Emergency and are committed to delivering the strategy and action plan to reduce the council’s carbon emissions. We will maintain the internal corporate systems, policies and asset management plans that emphasis carbon reduction, energy resilience and a green council culture. Connected to this, we will safeguard the wider environmental interests of our rural communities through developing multi-agency approaches to road safety.

We will continue to recognise the value of our culture and heritage in enhancing the livability of our county. We will work with partners and communities to enhance our high quality recreational and cultural facilities to provide opportunities for people to learn develop and enjoy themselves and help attract the talent so key to driving a strong economy.

#### Evidenced By

- Percentage of waste reused, recycled or composted
- Average number of days taken to clear fly-tipping incidents
- Percentage of streets that are clean
- Percentage reduction of Council carbon dioxide emissions
- Capacity of renewable energy in the county driven by the Council
- Levels of nitrogen dioxide (NO<sub>2</sub>) pollution in the air
- Number of trees planted
- Number of new active travel routes
- Number of rural communities in which speed safety initiatives are supported
- Percentage of roads in poor condition
- Total amount of Rural Development Plan funds committed to projects in Monmouthshire

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#### D. Lifelong well-being

Developing well-being and adopting community-focused approaches is about changing practice and lives. We will continue to commit to the personalisation of care and true collaboration with people who have care and support needs and carers.

Making deep relationships the norm is challenging – but it is the right thing to do and developing really effective partnerships and supporting individual family and community resilience is key to this. Creating good social support systems relies on more than just the economic and wealth creation aspects of our work. We will work to create prosperity for all and this means taking into account economic and social wellbeing.

We are committed to social justice; addressing inequalities and improving outcomes for the county's people and communities. We will cultivate social capital and promote access to opportunity and in so doing, will work towards better physical and mental health and social care outcomes. Our approach will take a strengths based approach to encouraging independence, self-care, support, learning, and engagement.

#### Evidenced By

- Percentage of people living independently at home 6 months after reablement
- Percentage of adult services users who are happy with the care and support they have had
- Percentage of adult services users who feel they are part of their community
- Percentage of people living in households in material deprivation
- Percentage of people satisfied with their ability to get to/access facilities and services they need
- Number of volunteers directly supporting Monmouthshire County Council
- Percentage of people participating in sport 3 or more times a week
- Percentage of people participating in the exercise referral scheme still active after 16 weeks

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## E. Future-focused Council

Our operating environment is a changing and challenging one. Demographic shifts, increasing demand, our exit from the EU and fiscal uncertainty – all require an understanding that ‘business as usual’ is no more. We will continue to rapidly adapt, develop foresight capability and enable the service changes and countywide transformations that best meet the aspirations of our communities. This outward facing approach will mean reducing the reliance on traditional public services and having more genuinely collaborative local relationships. Digital will feature strongly in this, allowing ‘fit for future’ service models and enabling the sharing of approaches and resources to addressing crosscutting problems.

Our goal is to continue to build an engaged, responsive and adaptive council, able to provide effective leadership, in collaboration with other local partners. We will develop and sustain a dynamic, healthy and rewarding work environment that attracts and retains top talent and enables them to perform at their best.

Good governance will be at the heart of what we do and we will ensure the right information gets to the right people to inform decision-making. We will integrate a service focus into all dealings with customers and ensure they are well informed and engaged in decision-making. We understand the best public servants see themselves as not working for the council – but for the county.

## Evidenced By

- Over/underspend of Council revenue budget
- Percentage of targeted budget reductions achieved
- Income generation from commercial investments
- Percentage of people who feel able to influence decisions affecting their local area
- Number of open data sets published
- Number of apprentices on formal recognised apprenticeship schemes per 1,000 employees
- Average days lost to sickness absence per FTE employee
- Percentage of staff turnover

## A Monmouthshire that Works for Everyone

### A. Best possible start in life

	How we're doing it	Who is accountable?
1) THE COUNCIL INVESTS IN FUTURE SCHOOLS	<ul style="list-style-type: none"> <li>Conclude comprehensive redevelopment of new secondary school with community leisure facilities in Monmouth <i>(Completed)</i></li> <li>Commence Abergavenny school redevelopment</li> <li>Develop 'Band C' proposals for the re-provision of secondary learning in the Chepstow area</li> </ul>	Cabinet Member for Children, Young People and Monlife
2) THE COUNCIL HAS A PLAN FOR RAISING STANDARDS IN SCHOOLS	<ul style="list-style-type: none"> <li>Continue to raise standards in education and ensure an ongoing focus on vulnerable learners</li> <li>Prepare for the new curriculum in Wales including a focus on the broader skills required by employers.</li> <li>Strengthen the links between schools, their communities and local businesses to improve the well-being of children and young people <i>(New)</i></li> </ul>	Cabinet Member for Children, Young People and Monlife
3) THE COUNCIL CARRIES OUT A STRATEGIC EDUCATION REVIEW	<ul style="list-style-type: none"> <li>Implement the findings and recommendations of the independent Additional Learning Needs Review</li> <li>Review of Catchment and Nearest School Policy</li> <li>Review of Home to School Transport</li> <li>Review and develop leadership structures across schools</li> </ul>	Cabinet Member for Children, Young People and Monlife  Cabinet Member for Infrastructure and Neighbourhood Services
4) THE COUNCIL IMPLEMENTS A MODEL OF EARLY INTERVENTION AND PREVENTION FOR CHILDREN AND FAMILIES	<ul style="list-style-type: none"> <li>Integrate preventative children and family services within each locality into one prevention focused function</li> <li>Provide services that meet mental health and emotional well-being</li> <li>Promote active lifestyles for children and young people through a broad range of activities including sport, exercise and the natural environment</li> <li>Roll out the 'Children's Voices in Play' toolkit across the county to support the creation of play-friendly communities <i>(New)</i></li> </ul>	Cabinet Member for Social Care, Safeguarding and Health



5) THE COUNCIL ENSURES PERMANENT ACCOMMODATION AND SUPPORT FOR LOOKED- AFTER CHILDREN	<ul style="list-style-type: none"><li>• Increase the number of Monmouthshire foster carers</li></ul>	Cabinet Member for Social Care, Safeguarding and Health
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	<p>improvements at Severn Tunnel Junction</p> <ul style="list-style-type: none"> <li>• Make use of new technology to improve how we maintain highways services</li> <li>• Complete the second phase of the Chepstow Transport study in conjunction with the appointed contractors and neighbouring local authorities; and take action based on the findings (<i>New</i>)</li> <li>• Identify ways to reduce the difference in pay between men and women in the county</li> </ul>	
<p>9) THE COUNCIL PROVIDES MORE OPPORTUNITIES FOR LOCAL LIVING, WORKING &amp; LEISURE</p>	<ul style="list-style-type: none"> <li>• Review the current Local Development Plan to ensure an appropriate supply of land for homes and businesses</li> <li>• Participate in and shape opportunities for regional strategic land-use development plans</li> <li>• Increase the volume, quality, variety and affordability of housing</li> <li>• Provide flexible support for tourism development in the county</li> <li>• Engage with communities to create plans for the redevelopment of Usk and Caldicot town centres and begin discussions on plans for Monmouth and Chepstow (<i>New</i>)</li> </ul>	<p>Cabinet Member for Enterprise and Land Use Planning</p>
<p>10) THE COUNCIL UNLOCKS ECONOMIC VALUE OF ITS SPENDING POWER</p>	<ul style="list-style-type: none"> <li>• Review our procurement spend, improve analysis of expenditure and build local supply chains where possible</li> <li>• Minimise the long-term impact of our activities by using resources where they are needed, reducing waste, recycling materials, increasing local value-creation and focusing on whole life costs</li> <li>• Ensure we play an active part in national-led commissioning consortia</li> </ul>	<p>Cabinet Member for Resources</p>

**C. Maximise the Potential of the natural and built environment**

What we're doing	How we're doing it	Who is accountable?
<p>11) THE COUNCIL DEVELOPS &amp; DELIVERS A SUSTAINABLE PLAN FOR ENHANCING THE LOCAL ENVIRONMENT</p>	<ul style="list-style-type: none"> <li>• Work with community groups to reduce litter and fly tipping while using technology to improve our own processes.</li> <li>• Ensure that we reduce the amount of waste, achieving recycling targets and not exceeding national limits for the amount we can send to landfill</li> <li>• Work towards becoming a plastic free county, reducing single use and unnecessary plastics to an absolute minimum.</li> <li>• Deliver Green Infrastructure Policy to ensure people have access to green spaces</li> <li>• Secure and deliver funds for projects including Living Levels, Agri-urban and Air Quality</li> <li>• Install real time air quality monitoring equipment in four schools</li> <li>• Deliver more opportunities for active travel and improved connectivity <i>(New)</i></li> <li>• Maintain the diversity of plants and wildlife in the county while taking measures to make them more resilient to external threats like flooding and rising temperatures. <i>(New)</i></li> </ul>	<p>Cabinet Member for Infrastructure and Neighbourhood Services</p> <p>Cabinet Member for Enterprise and Land Use Planning</p> <p>Cabinet Member for Social Justice and Community Development</p> <p>Cabinet Member for Children, Young People and Monlife</p>
<p>12) THE COUNCIL WILL DEVELOP AND IMPLEMENT CLEAR PLANS TO REDUCE ITS CARBON EMISSIONS TO NET ZERO BY 2030 AND WORK WITH COMMUNITY GROUPS TO REDUCE EMISSIONS ACROSS THE COUNTY AS A WHOLE</p>	<ul style="list-style-type: none"> <li>• Develop and enable more local renewable energy schemes</li> <li>• Develop an investment programme to help our services transition to a low carbon future</li> <li>• Trial and test hydrogen vehicles through partnerships with organisations such as River Simple</li> <li>• Install battery charge points for electric vehicles in all towns using funding opportunities such as grants from the Office for Low Emission Vehicles</li> </ul>	<p>Cabinet member for Resources</p> <p>Cabinet Member for Infrastructure and Neighbourhood Services</p>
<p>13) THE COUNCIL KEEPS ROADS AND AREAS SAFE</p>	<ul style="list-style-type: none"> <li>• Work with town and community councils and local people to identify where speed reduction measures are needed including 20 mph zones where appropriate</li> </ul>	<p>Cabinet Member for Infrastructure and Neighbourhood Services</p>

	<ul style="list-style-type: none"> <li>• Support for Community Speed Watch and community-led speed safety initiatives</li> </ul>	
<p>14) THE COUNCIL ENHANCES LOCAL HERITAGE AND DEVELOPMENT OF ARTS AND CULTURAL SERVICES.</p>	<ul style="list-style-type: none"> <li>• Support a resilient and sustainable cross-county museum offer whilst identifying opportunities for arts and cultural development-<i>(New)</i></li> <li>• Pursue opportunities to improve the facilities at the Borough Theatre <i>(New)</i></li> <li>• Protect and enhance our built heritage including the submission of bids to the National Lottery Heritage Fund, where appropriate</li> </ul>	<p>Cabinet Member for Enterprise and Land Use Planning</p> <p>Cabinet Member for Governance and Law</p>

## D. Lifelong well-being

What we're doing	How we're doing it	Who is accountable?
15) THE COUNCIL ENABLES CONNECTED AND CARING COMMUNITIES SUPPORTING PEOPLE TO LIVE INDEPENDENTLY	<ul style="list-style-type: none"> <li>Maximise the opportunities for all people to live the lives they want to live and the positive outcomes they identify.</li> <li>Co-produce our approaches to well-being, care and support</li> <li>Complete the move from task and time approach in social care to relationship-based care at home</li> <li>Develop opportunities for people to be involved in their local communities reducing isolation and loneliness</li> <li>Improve opportunities for people with care and support to actively contribute through employment and volunteering</li> </ul>	Cabinet Member for Social Care, Safeguarding and Health
16) THE COUNCIL WORKS COLLECTIVELY TO DELIVER ON SOCIAL JUSTICE, ENABLING PROSPERITY AND REDUCING INEQUALITY BETWEEN COMMUNITIES AND WITHIN COMMUNITIES	<ul style="list-style-type: none"> <li>Continue to develop programmes to tackle poverty addressing worklessness and in-work poverty through schemes such as the Skills at Work programme.</li> <li>Ensure that all council policies services are focused on ensuring equity of access</li> <li>Promote equality and diversity and ensure opportunities are genuinely available to all</li> <li>Support and enable the development of community-led plans and placed-based working to improve well-being and increase prosperity.</li> </ul>	Cabinet Member for Social Justice and Community Development  Cabinet Member for Social Care, Safeguarding and Health
17) THE COUNCIL ENABLES BETTER LOCAL SERVICES THROUGH SUPPORTING VOLUNTEERS AND SOCIAL ACTION	<ul style="list-style-type: none"> <li>Ensure meaningful community engagement to understand the assets and priorities in each locality</li> <li>Approve volunteering policy, develop volunteering opportunities and continue to support the Be.Community Leadership Programme increasing the skills and knowledge of community volunteers</li> <li>Re-launch the Monmouthshire Made Open Platform to promote opportunities to</li> </ul>	Cabinet Member for Social Care, Safeguarding and Health  Cabinet Member for Social Justice and Community Development

	engage with communities and improve well-being	
18) THE COUNCIL BOOSTS LEISURE, RECREATION AND WELLBEING	<ul style="list-style-type: none"> <li>• Deliver a new pool and leisure facilities in Monmouth <i>(Completed)</i></li> <li>• Complete a business case on transfer of services to an Alternative Delivery Model <i>(Completed)</i></li> <li>• Refurbish the leisure facilities in Caldicot <i>(New)</i></li> <li>• Develop a business case for improved leisure facilities in Abergavenny and Chepstow <i>(New)</i></li> <li>• Use section 106 funding strategically to develop local projects that maximise well-being</li> <li>• Improve well-being and support healthy lifestyles through initiatives such as the Exercise Referral Scheme</li> <li>• To develop a more sustainable delivery model for the Outdoor Education Service.</li> </ul>	Cabinet Member for Children, Young People and Monlife

**E. Future-focused Council**

What we're doing	How we're doing it	Who is accountable?
19) COUNCIL ENABLES AND PROVIDES GOOD SUSTAINABLE LOCAL SERVICES WHILST DELIVERING AN EXCELLENT CUSTOMER EXPERIENCE ACROSS ALL CHANNELS	<ul style="list-style-type: none"> <li>• Develop new business model for Community Hubs and Customer Care to increase access and provide a greater choice of channels for customers to engage with us (online, via the My Monmouthshire app, over the phone or face-to-face)</li> <li>• Increase the publication and use of open data to increase accountability and enable others to develop apps that have a civic benefit</li> <li>• Introduce Digital Service Standard</li> </ul>	Leader of Council Chief Executive  Cabinet Member for Governance and Law
20) COUNCIL OPENS UP DEMOCRATIC ENGAGEMENT & COLLECTIVE DECISION-MAKING	<ul style="list-style-type: none"> <li>• Re-shape our governance arrangements including more detailed options appraisals</li> <li>• Identify ways to get more people involved in local democracy and scrutiny to enhance local decision-making</li> <li>• Develop remote access and attendance at meetings to maximize participation</li> <li>• Revise all enabling strategies and plans – People, Digital and Customers, Assets and Economy and Enterprise <i>(Completed)</i></li> <li>• Review and consolidate working groups and arrangements</li> <li>• Revise performance and improvement plans and replace with 'real-time' data dashboards</li> </ul>	Cabinet Member for Governance and Law
21) THE COUNCIL DELIVERS A SUSTAINABLE AND RESILIENT ORGANISATION AND RELEVANT, VIABLE AND VALUED PUBLIC SERVICES	<ul style="list-style-type: none"> <li>• Explore and embed new ways of working – Artificial Intelligence, automation and collaborative technology</li> <li>• Develop a commercial strategy and approach</li> <li>• Establish and deliver a sustainable and viable Medium Term Financial Plan to meet the significant financial challenges faced by the Council.</li> </ul>	Leader of Council and all Cabinet



<p>22) THE COUNCIL PUTS PEOPLE AT HEART OF ALL IT DOES AND INSPIRES EXCELLENCE IN WORKPLACE AND EMPLOYEES</p>	<ul style="list-style-type: none"> <li>• Strengthen decision making and accountability through revisions to the constitution</li> <li>• Prioritise Health, Safety and workplace Well-being</li> <li>• Promote diversity and inclusion including a focus on socio-economic factors</li> <li>• Engage employees through personal development training and learning</li> </ul>	<p>Cabinet Member for Resources</p> <p>Cabinet Member for Governance and Law</p>
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## Medium Term Financial Plan

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In recent years the Council has had to make savings of £23.2 million from its service budgets. Funding from Welsh Government has reduced over the period. At the same time, pressures on the budget have been increasing in terms of demographic growth, demand and expectations. Our motivation is to help improve lives and build sustainable and resilient communities. The question at the heart of this plan is therefore not, 'What can we afford?' but 'What matters?'

Monmouthshire remains at the bottom of the table in terms of funding per head of population and Welsh Government funding is not adequate to meet the significant financial pressures the council faces. We have always sought to preserve local service delivery in the face of budget pressures by changing, improving and adapting our services. We know how important many of the things we do are to the people who live in our communities; listening to our residents is more important than ever and we have worked to maintain the things that matter. After several years of delivering significant savings from the budget, the means of achieving further reductions becomes increasingly more challenging.

We plan our budget as part of our Medium Term Financial Plan; this identifies the financial position in both the short and medium term and models different financial scenarios and pressures. We continue to work hard to plan for more than a standalone one-year budget. Our financial planning helps build a bridge between identifying potential cost-reductions to ensure that the organisation can balance its budget in the short term, without taking action that will hamper our ability to contribute to the longer term planning.

Our budget setting process in recent years has involved a blend of service changes/cost reductions, continued income generation and a focus on supporting priority areas for the Council such as education and social care linked to the corporate plan. We continue to develop our Medium Term Financial Plan to support us as far as possible to continue to deliver the aims and aspirations set out in this Corporate Plan. This mid-term refresh of the Corporate Plan has considered how our commitments are deliverable with the resources we have available which will continue to be an iterative and ongoing process as part of our financial planning.

## How we will Evaluate Progress

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This Plan sets a clear direction and main things we will be working on for the period up to 2022 when the next council elections take place. It's really important that we are able to demonstrate progress and can be held to account against these. Some of the things we have set out to do are easy to see or count, such as new school buildings or reducing the amount of waste we send to landfill. Others, such as reducing inequality or encouraging business growth are harder to quantify. This section sets out how we will evaluate our progress to ensure transparency and accountability, which is part of our governance arrangements.

We will produce an annual progress report and present this to council. This will be scrutinised by select committees during the year alongside other key performance measures, recognising that the impact made by the objectives may not be clearly demonstrable over short timescales. At the end of the plan period a full evaluation will be completed and this will be reviewed prior to the 2022 local elections.

The front part of the plan shows some of the measures we will use to assess our progress. These are a mix of process, output and outcome measures. In short: Did we do it? Did we do it well? Are people better off as a result? When we are dealing with complex issues it isn't always easy to measure progress quarterly or annually in a single number. In this plan we've highlighted some of the more accessible metric and milestones but behind all major programmes of activity we have a separate project plan or service business plan. As part of the mid-term refresh we have updated some performance measures to ensure they are the most up to date and relevant measures to assess progress against the goals.

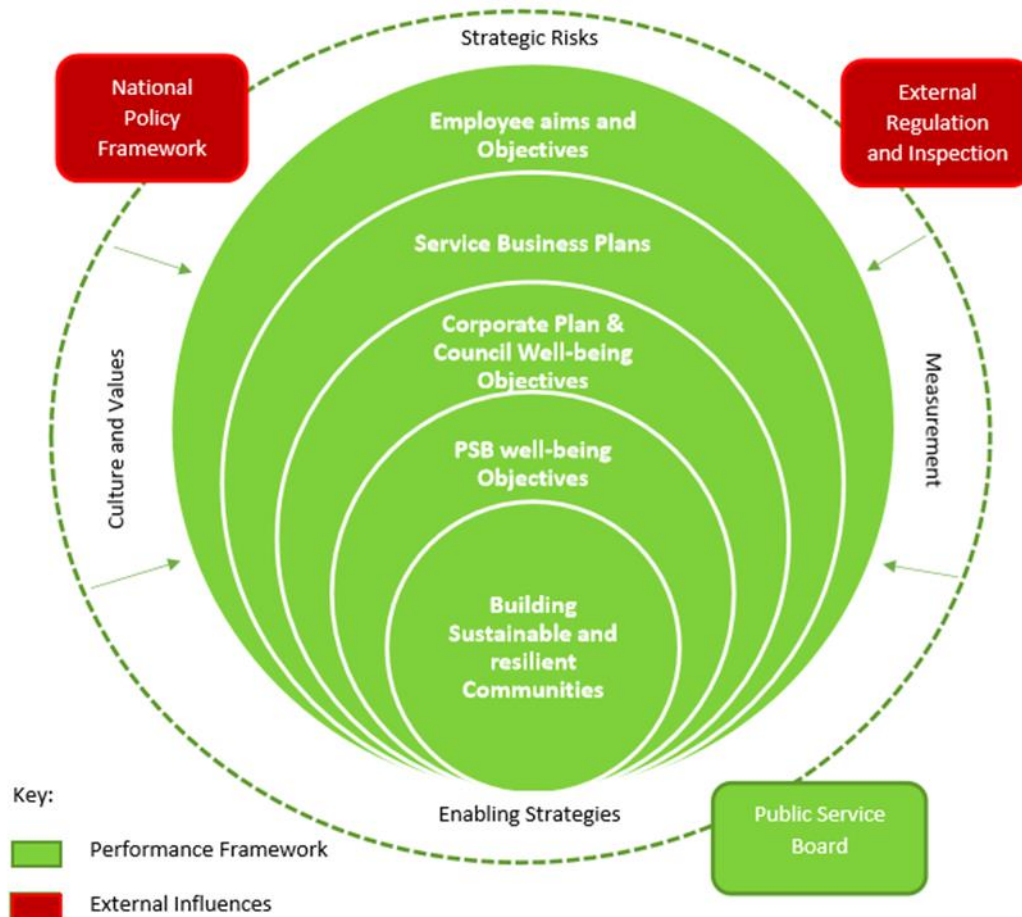
We will track progress against these key metrics that enables the authority to be held to account. All of our teams have service business plans that describe the specific actions colleagues will be working on to deliver the goals, which are updated quarterly. Many of the programmes listed in this plan are ambitious and some will be in the early stages of development. Over the course of the corporate plan there may be some further changes to measures, especially when these are drawn from national sources that are beyond our control. Where this happens we will look to include alternative measures that are aligned with our purpose.

## Appendices

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## Performance Management & Policy Framework

This section provides a picture of our performance management framework; illustrates the interdependencies and how the policies, plans and programmes it contains, should be mutually reinforcing. In simple terms, our performance management framework is integral to the adoption and application of our Corporate Business Plan because it makes sure that everyone is pulling in the same direction to deliver real and tangible outcomes.



Building sustainable and resilient communities is the unifying purpose of the diverse range of services for which we are responsible. We are a partner in the Public Service Board, which is responsible for setting well-being objectives for the county. The council's own well-being objectives are set by the Council based on the same well-being assessment as the PSB objectives and as this plan illustrates, form the backbone of our Five Organisational Goals. Each of our teams has a business plan that aligns to these objectives. We have a range of performance measures that we use to keep track of our progress. Our risk management policy enables us to manage strategic risks to our delivery. Our employee aims and objectives show how the contributions that individual colleagues make to these objectives and delivering our vision in accordance with our values. Our 'enabling strategies' support the delivery of our objectives. Our work is informed and guided by national policy and external regulation and inspection.

## Policy Framework

Our Improvement Framework is supported by a range of plans as part of our Policy Framework” that guide our actions to improve services. These are:

Level	Policy Framework	
Vision	<p><b>The Public Service Board Well-Being Plan</b></p> <p>Monmouthshire’s Public Service Board has produced a well-being plan, which sets four objectives they will work on to improve well-being in the County now and in the future.</p>	
Plan	<p><b>Corporate Plan including Council well-being objectives</b></p> <p>Sets out the direction for the Council up to 2022, the resources required to deliver it and incorporates the council’s well-being objectives for carrying out sustainable development and maximise the contribution to achieving the wellbeing goals.</p>	
Strategy	<p><b>Asset Management Strategy &amp; Plan</b></p> <p>Describes how we manage our land and property portfolio</p>	<p><b>Financial Plan</b></p> <p>Sets out the financial challenges we face &amp; how we will meet these challenges</p>
	<p><b>People Strategy</b></p> <p>The strategy connects people to purpose to improve performance and deliver better outcomes</p>	<p><b>Digital Strategy</b></p> <p>The steps we will take to develop our digital offer in our services and communities</p>
	<p><b>Local Development Plan</b></p> <p>Our proposals and policies for future development and use of land</p>	
Delivery	<p><b>Service business plans</b></p> <p>Each service has a plan that evaluates performance, plans actions for the year ahead, includes metrics to monitor performance and manages risks.</p>	<p><b>Employee Aims and Objectives</b></p> <p>Employee appraisals enable individuals and teams to outline the values and performance that is relevant in their role and connects them to the purpose of the organisation.</p>
Evaluation & Risks	<p><b>Evaluation</b></p> <p>Evaluates performance, plans &amp; metrics to monitor performance.</p>	<p><b>Strategic Risk Assessment</b></p> <p>Identifies, manages and monitors the Council’s Strategic risks.</p>

## Good Governance - Strategic Risks

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Corporate governance sets out, co-ordinates and aligns the organisational processes and frameworks that will need to come together to deliver this plan at a whole-council level. There will be risks attached to this and good governance will ensure these risks are understood, managed and communicated. The Council has an established risk management policy that sets out the Council's policy and approach to strategic risk management. The risks are 'high-level' but not as much as to limit their practical usefulness and application.

The council's strategic risk assessment ensures that:

- Strategic risks are identified and monitored by the authority.
- Risk controls are appropriate and proportionate
- Senior managers and elected members systematically review the strategic risks facing the council.

The Council's aim and intention is to anticipate and manage risks pro-actively rather than deal with the consequences of actual occurrences. The strategic risk assessment typically identifies key risks, which could significantly jeopardise the Council's ability to achieve its objectives and statutory requirements. The strategic risks related to delivering the objectives in the Corporate Business Plan will be identified in the strategic risk assessment which provides a full assessment of the risk and mitigation actions.

### **Innovation & Risk - risk tolerance and risk appetite**

There will be occasions – including the application of this plan - when the Council may benefit from introducing new opportunities or adopting innovative approaches. These may necessarily result in a degree of calculated risk that is inherent in the approach in order that a return or benefit can be achieved. Where circumstances involve exposure to such risks, they must be assessed in line with the Council's 'risk tolerance' levels. Individual project proposals and business plans must contain an assessment of likely risks and consider the risk tolerance levels. Any innovation or opportunity that presents medium or high risks must be closely examined; the risks clearly identified, analysed, documented and as appropriate consulted on. The risk tolerance levels are:

#### **Accepted risks**

In general, these are assessed risks, which may result in exposure to the following:

- adverse effect on the Council's reputation and/or performance
- censure or a fine by regulatory / statutory bodies
- financial loss or impact on assets

#### **Unaccepted risks**

In general, these are assessed risks, which may result in exposure to the following:

- physical or other harm to any person
- intentional non-compliance with legislation and regulations
- intentional non-compliance with the Council's policies, rules and procedures, etc.
- major financial loss or damage to / loss of assets

### Risk appetite

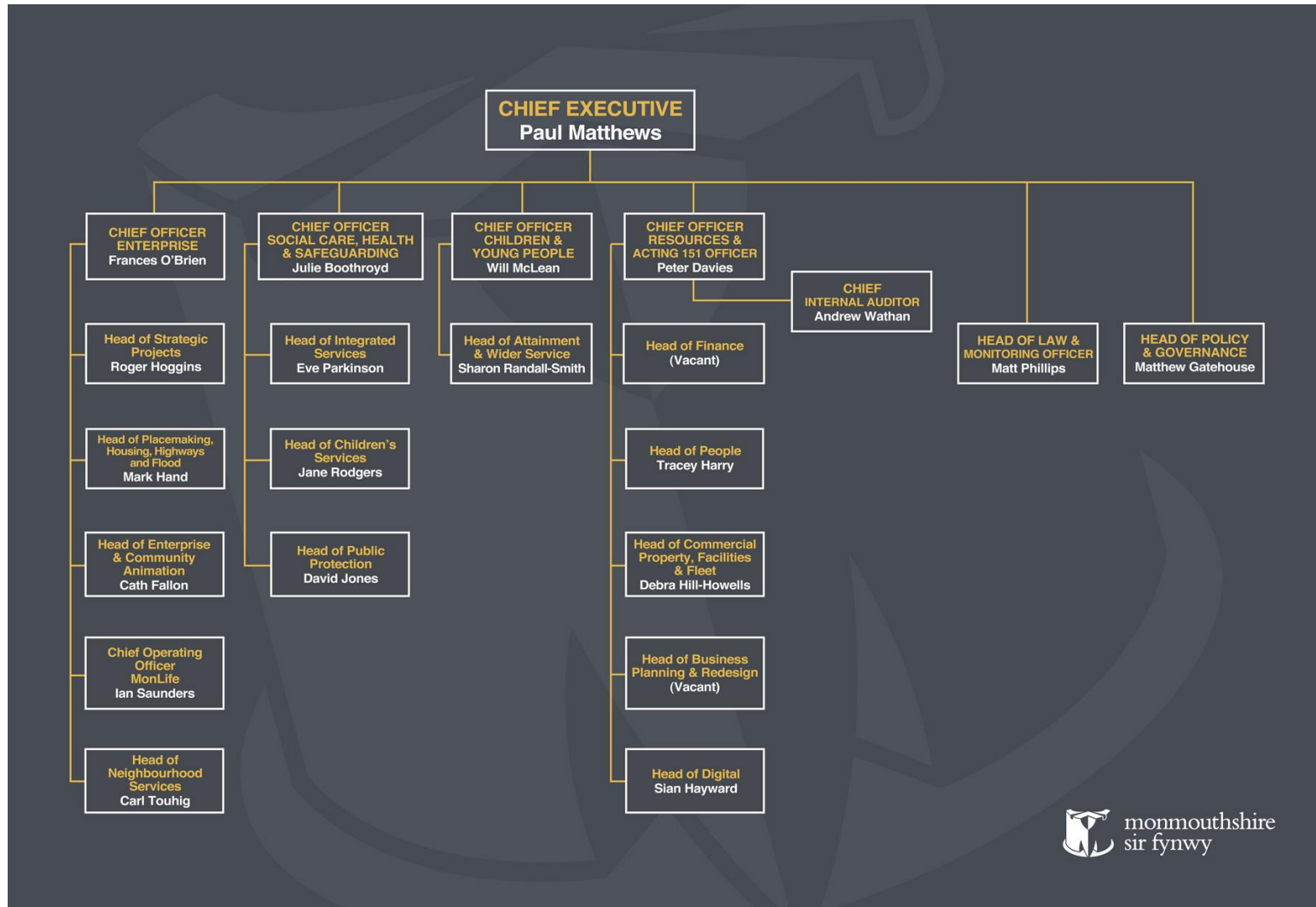
In some circumstances, a degree of risk may be accepted in order that a benefit can be gained or an opportunity taken. A strict parameter on the risk appetite of the organisation has not been defined, as this will vary between risks, departments and functions. It is therefore important that individual projects, proposals and plans assess risks and consider risk appetite whilst doing so. Assessment against the Council's 'risk tolerance' levels, set out in the risk management policy and guidance, will help inform this.

The strategic risk assessment is just one part of the Council's risk management arrangements. The risk assessment typically covers high and medium level risks. Lower level operational and strategic risks are not included unless they are projected to escalate within the three years covered. These risks are managed through a variety of processes for example through teams' service plans, through Emergency Management Plans and the business continuity, health and safety procedures, insurance arrangements etc. The framework below highlights some of the main processes through which risks are identified and managed





## Organisational Structure

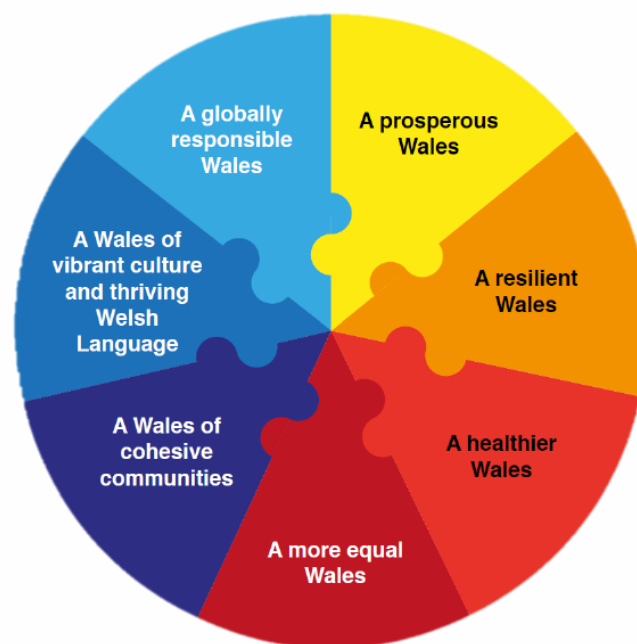


## National Policy Context

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### The Well-Being of Future Generations Act

The Well-being of Future Generations Act is the fundamental legislation that requires us to carry out sustainable development, this should ensure that present needs are met without compromising future generations in meeting their own needs. When carrying out sustainable development, we have to publish well-being objectives which are designed to maximise our contribution to achieving each of the seven national wellbeing goals and take all reasonable steps to meet the objectives. The seven wellbeing goals are shown in the diagram below while our own well-being objectives are incorporated within the goals set in this plan.



The contribution our local objectives make towards the seven national objectives has been assessed and is shown in the table below.

In planning our services and taking action to meet our well-being objectives we must consider, but also demonstrate that we have applied, the following sustainable governance principles in our decision-making:

- Balancing short term needs with long term needs.
- Using an integrated approach, balancing social, economic and environmental needs.
- Involving others and considering their views.
- Working in collaboration with others.
- Putting resources into preventing problems

All the current decisions made by the council and its cabinet are assessed using a Future Generations Evaluation which ensures equality and sustainable development are considered fully in the decisions we take. The Act also puts a well-being duty on specified public bodies to act jointly via Public Service Boards (PSB) to improve the economic, social, environmental and cultural well-being of their area by contributing to the achievement of the well-being goals.

Well-being Objectives	Contribution of Well-being Objectives to Well-being Goals						
	Prosperous Wales	Resilient Wales	Healthier Wales	More equal Wales	Wales of cohesive communities	vibrant culture and thriving Welsh Language	Globally responsible Wales
The best possible start in life	✓		✓	✓		✓	
Thriving and well-connected county	✓	✓	✓	✓	✓		✓
Maximise the Potential of the natural and built environment	✓	✓	✓		✓	✓	✓
Lifelong well-being	✓	✓	✓	✓	✓		
Future-focused Council	✓	✓			✓		✓

### Local Government (Wales) Measure

The council is required under the Local Government (Wales) Measure 2009 to set annual Improvement Objectives and produce an improvement plan. In order to deliver sustainable development the council recognises that the setting of wellbeing objectives needs to be at the heart of the council's improvement framework and therefore has decided to combine the two requirements to provide a set of clear objectives of the council. This plan discharges the council's responsibility to publish its Improvement Objectives in line with the plans for the year ahead as outlined in section 15(7) of the Local Government (Wales) Measure 2009 and shows how the council is delivering the seven aspects of improvement.

### Equality and diversity

The council has a long-standing commitment to equality and diversity and under the Equality Act 2010 has to produce a Strategic Equality Plan to ensure we deliver better outcomes for people with protected characteristics: race, disability, sex, sexual orientation, gender re-assignment, marriage and civil partnership, pregnancy and maternity and age. This is clearly aligned with the well-being goals set by Welsh Government, but above all else it is important to us as it is the right thing to do.

## The Welsh Language

The authority recognises that the Welsh language is central to the goals introduced as part of the Well-being of Future Generations Act to ensure we are able to maximise our contribution to a Wales of vibrant culture and a thriving Welsh language and also to help the Welsh Government reach the target of having a million Welsh speakers by 2050.

The Welsh Language (Wales) Measure 2011 and accompanying standards place a legal duty on councils to promote the Welsh Language and provide services to the public through the medium of Welsh. The council has to comply with the 175 standards that they have been allocated. This is a significant challenge that has been set but systems have been put in place in divisions to ensure compliance. One of the Standards set was to write a Welsh Language Strategy for 2017 – 2022, which sets out a vision of how the language will look in Monmouthshire in five years' time and is accompanied by targets to help achieve that vision. Welsh Government in 2012 also produced a new strategy known as "More Than Words". This basically requires us as a care provider to ask people whether they want services through the medium of Welsh (known as the "Active Offer").

## Alternative Formats

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We can provide this document in Braille, large print, on tape or in electronic form. If you would like a copy in a different format, please contact our Equality and Welsh Language Officer by:

Phone: 01633 644010

e mail: [equality@monmouthshire.gov.uk](mailto:equality@monmouthshire.gov.uk)


If you want to comment on the council's objectives give your thoughts on issues that you feel should be considered as part of the council's approach to well-being, please get in touch.


We have included a short form for feedback at the end of this plan. You are welcome to use this and return it to us via post or e-mail. However, we welcome all views however you wish to supply them.

 [improvement@monmouthshire.gov.uk](mailto:improvement@monmouthshire.gov.uk)

 [www.monmouthshire.gov.uk/improvement](http://www.monmouthshire.gov.uk/improvement)

 Matthew Gatehouse, Head of Policy and Governance Monmouthshire County Council, County Hall, Usk, NP15 1GA

 01633 644397

 @MonmouthshireCC

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## Corporate Plan Performance Measures

The corporate plan shows some of the measures we will use to assess our progress. These are a mix of process, output and outcome measures. In short: Did we do it? Did we do it well? Are people better off as a result? When we are dealing with complex issues it isn't always easy to measure progress quarterly or annually in a single number. In the plan we've highlighted some of the more accessible metric and milestones but behind all major programmes of activity we have a separate project plan or service business plan.

The table below provides the performance measures set and includes; the direction of travel aimed for over the period of the Corporate Plan, the latest full year data, which is mainly full year 2018/19 data or equivalent for each measure, and the specific target set for the current year 2019/20.

Description	Direction aimed for	Latest	Target 2019/20
<b>Goal A Best Possible Start in Life</b>			
Percentage of children and young people at the end of KS2 in Monmouthshire primary schools who move to a secondary school in the county	↑	75.4%	Increase
Percentage of pupils with a statement of special educational learning need who are educated in mainstream setting within the county	↑	69.7%	Increase
Percentage of Year 11 leavers not in education, training or employment (NEET) <sup>1</sup>	↓	1.6%	1.1%
Percentage of looked after children who experience non-transitional school moves	↓	5.3%	<10%
Percentage of families supported by early help services who report being helped with what matters to them	↑	Baseline in 19/20	Baseline
Percentage of children placed with generic/kinship foster carers	↑	37.6%	Increase
Percentage of pupils who take part in sport on three or more occasions per week <sup>2</sup>	↑	45%	Next survey 2021
Number of young people trained in the playmaker award	→	914	900

Description	Direction aimed for	Latest	Target 2019/20
<b>Goal B: Thriving and well-connected county</b>			
Gross Value Added (£ per head) <sup>3</sup>	↑	£21,220	Increase
Difference in average pay between men and women <sup>4</sup> :	↓	£109.6	Reduce pay difference
Men		£578.90	
Women		£469.30	
Average weekly earnings of people who work in Monmouthshire <sup>5</sup>	↑	£537.8	Increase
Number of active business enterprises in the county <sup>6</sup>	↑	4170	Increase
Number of businesses assisted by Monmouthshire Business and Enterprise Team and referrals to partners	↑	82	75
Total income generated from tourism <sup>7</sup>	↑	£218.93 million	10% increase by 2020
Number of market and affordable housing units built	↑	443 (of which 131 affordable)	488
Number of premises with access to high speed broadband through the Superfast Cymru 2 scheme	↑	New Measure	1581 (over 3 years)
Number of white premises gaining access to high speed broadband	↑	New measure	New measure
<b>Goal: C. Maximise the Potential of the natural and built environment</b>			
Percentage of waste reused, recycled or composted	↑	63.37%	64.5%
Average number of days taken to clear fly-tipping incidents	↓	4.82	<5
Percentage of streets that are clean	↑	97.2%	97.5%
Percentage reduction of Council carbon dioxide emissions	↓	9.9%	3%



Description	Direction aimed for	Latest	Target 2019/20
Capacity of renewable energy in the county driven by the Council	↑	6240KW	Increase
Levels of nitrogen dioxide (NO <sub>2</sub> ) pollution in the air (µg/m <sup>3</sup> ) <sup>8</sup>	↓	8	Decrease
Number of trees planted	↑	Baseline in 19/20	10,000 (by 2022)
Number of new active travel routes	↑	0	Increase
Number of rural communities in which speed safety initiatives are supported	↑	0	Increase
Percentage of roads in poor condition:			
A roads		2.7%	<3%
B roads	→	4.7%	<5%
C roads		7.3%	<8%
Total amount of Rural Development Plan funds committed to projects in Monmouthshire	↑	£194,702	£1,674,000 Dec 2021
<b>Goal: D. Lifelong well-being</b>			
Percentage of people living independently at home 6 months after reablement	↑	74.3%	77%
Percentage of adult services users who are happy with the care and support they have had	↑	88.3%	90%
Percentage of adult services users who feel they are part of their community	↑	53.5%	Increase
Percentage of people living in households in material deprivation <sup>9</sup>	↓	9%	Decrease
Percentage of people satisfied with their ability to get to/access the facilities and services they need <sup>10</sup>	↑	79%	Increase
Number of volunteers directly supporting Monmouthshire County Council	↑	1360	Increase
Percentage of people participating in sport 3 or more times a week <sup>11</sup>	↑	38%	Increase

Description	Direction aimed for	Latest	Target 2019/20
Percentage of people participating in the exercise referral scheme still active after 16 weeks	↑	54%	>50%
<b>Goal: E. Future-focused Council</b>			
Over/underspend of Council revenue budget (£)	→	£49k under-spend	£0
Percentage of targeted budget reductions achieved	↑	81%	95%
Income generation from commercial investments (£)	↑	£122,889	£610,000
Percentage of people who feel able to influence decisions affecting their local area <sup>12</sup>	↑	20%	Increase
Number of open data sets published	↑	5	10
Number of apprentices on formal recognised apprenticeship schemes per 1,000 employees	↑	Baseline in 19/20	Baseline
Average days lost to sickness absence per FTE employee	↓	11.5	10.5
Percentage of staff turnover	→	9.6%	Track

<sup>1</sup> Careers Wales, Annual Survey of School Leavers <http://destinations.careerswales.com/>

<sup>2</sup> Sport Wales, School Sport Survey data <http://sport.wales/research--policy/surveys-and-statistics/statistics.aspx>

<sup>3</sup> Stats Wales, Gross Value Added <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/Regional-Accounts/Gross-Value-Added-GDP>

<sup>4</sup> Stats Wales, Average (median) gross weekly earnings <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/People-and-Work/Earnings>

<sup>5</sup> Stats Wales, Average (median) gross weekly earnings <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/People-and-Work/Earnings>

<sup>6</sup> Stats Wales, Active Business Enterprises <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/Businesses/Business-Demography>

<sup>7</sup> The total economic impact of tourism, STEAM data. The economic impact of Tourism is indexed each year.

<sup>8</sup> Stats Wales, Air quality <https://statswales.gov.wales/Catalogue/Environment-and-Countryside/Air-Quality>

<sup>9</sup> Stats Wales, National Survey for Wales <https://statswales.gov.wales/Catalogue/National-Survey-for-Wales/Well-being-and-Finances/percentageofpeoplelivinginhouseholdsinmaterialdeprivation-by-localauthority-year>

<sup>10</sup> Stats Wales, National Survey for Wales <https://statswales.gov.wales/Catalogue/National-Survey-for-Wales/Local-Area-and-Environment/percentageofpeoplesatisfiedwithaccesstofacilitiesandservices>

<sup>11</sup> Stats Wales, National Survey for Wales <https://statswales.gov.wales/Catalogue/National-Survey-for-Wales/Sport-and-Recreation/percentageofpeoplewhoparticipateinsport3ormoretimesaweek-by-localauthority-year>

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<sup>12</sup> Stats Wales, National Survey for Wales, <https://statswales.gov.wales/Catalogue/National-Survey-for-Wales>

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# Equality and Future Generations Evaluation

<p><b>Name of the Officer</b> completing the evaluation</p> <p>Emma Davies  <b>Phone no:</b> 01633 644689  <b>E-mail:</b> emmadavies@monmouthshire.gov.uk</p>	<p><b>Please give a brief description of the aims of the proposal</b></p> <p>A midterm refresh of the Corporate Plan, which was originally published in 2018 to convert high-level political ambition into a tight and understandable whole authority strategic plan.</p>
<p><b>Name of Service area</b></p> <p>All services</p>	<p><b>Date</b></p> <p>7<sup>th</sup> February 2020</p>

1. Page 111

**Are your proposals going to affect any people or groups of people with protected characteristics?** Please explain the impact, the evidence you have used and any action you are taking below.

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	Many of our services are focused on improving the wellbeing of young people and older people. Two strategic goals, 'Best possible start in life' and 'Lifelong well-being' place a focus on the early years of life, and on increasing wellbeing throughout people's lives and into old age.	Any new proposal will need to be assessed individually to consider if it impacts disproportionately on any particular group. For example, technology solutions could exclude some older people who are proportionately less likely to be early-adopters of new technology	Particular focus is given to a lack of digital skills in the county and the potential for social and economic disadvantage. This is being monitored via the Digital Deprivation action plan.

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Disability	The Wellbeing Objectives aim to bring multiple benefits to everyone. The objective on lifelong well-being is likely to bring particular benefits to people with disabilities as these individuals are proportionately more likely to be users of Adult Social Services.	None identified at this stage	
Gender reassignment	<p>The Wellbeing Objectives aim to bring multiple benefits to everyone</p> <p>The plan proposes bringing forward programmes that promote diversity and inclusion</p>	None identified at this stage	
Marriage or civil partnership	<p>The Wellbeing Objectives aim to bring multiple benefits to everyone</p> <p>The plan proposes bringing forward programmes that promote diversity and inclusion</p>	None identified at this stage	
Pregnancy or maternity	The Wellbeing Objectives aim to bring multiple benefits to everyone. The plan commits to addressing the issue of the gender pay gap; this could have a positive impact on women returning to work following maternity leave.	None identified at this stage	
Race	<p>The Wellbeing Objectives aim to bring multiple benefits to everyone</p> <p>The plan proposes bringing forward programmes that promote diversity and inclusion</p>	None identified at this stage	

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Religion or Belief	<p>The Wellbeing Objectives aim to bring multiple benefits to everyone</p> <p>The plan proposes bringing forward programmes that promote diversity and inclusion</p>	None identified at this stage	
Sex	<p>The Wellbeing Objectives aim to bring multiple benefits to everyone</p> <p>The plan proposes bringing forward programmes that promote diversity and inclusion</p>	None identified at this stage	
Sexual Orientation	<p>The Wellbeing Objectives aim to bring multiple benefits to everyone</p> <p>The plan proposes bringing forward programmes that promote diversity and inclusion</p>	None identified at this stage	
Welsh Language	The Wellbeing Objectives aim to bring multiple benefits to everyone. The Welsh language will be considered where required.	Increasing the use of technology and automation could result in the emergence of globally-developed solutions that are not immediately available in Welsh.	Early work with developers to mitigate this and seek to work regionally and nationally where possible to get benefits of scale
Poverty	The Wellbeing Objectives aim to bring multiple benefits to everyone. The plan aims to deliver on social justice, better prosperity and reducing inequality.	None identified at this stage	




2. **Does your proposal deliver any of the well-being goals below?** Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal. There's no need to put something in every box if it is not relevant!



Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
<b>A prosperous Wales</b> Efficient use of resources, skilled, educated people, generates wealth, provides jobs	The Corporate Plan sets out five clear strategic objectives, each contributing to this goal. The greatest impact will be under the objective of 'Thriving and well-connected county' and 'The best possible start in life'.	More specific details regarding contributions to the wellbeing goals will be through subsequent Future Generations Evaluations as specific actions are developed under the objectives.
<b>A resilient Wales</b> Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	The greatest impact will be under the objective, 'Maximise the potential of the natural and built environment'. Several projects were proposed in the original plan that aimed to reduce CO <sub>2</sub> emissions. This has been developed further with the introduction of the climate emergency strategy to develop and implement clear plans to reduce carbon emissions to net zero by 2030, and to work with community groups to enable carbon reduction across the county as a whole.	As above
<b>A healthier Wales</b> People's physical and mental wellbeing is maximized and health impacts are understood	With the exception of 'Future-focused council', all objectives contribute to a healthier Wales. The greatest impact will be under the objectives, 'Best possible start in life' and 'Lifelong well-being'.	As above
<b>A Wales of cohesive communities</b> Communities are attractive, viable, safe and well connected	The objectives with the greatest impact are, 'Thriving and well connected county', 'Maximise the potential for the natural and built environment' and 'Lifelong well-being'.	As above
<b>A globally responsible Wales</b> Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	The greatest impact will be under the objective, 'Maximise the potential of the natural and built environment'. Several projects were proposed in the original plan that aimed to reduce CO <sub>2</sub> emissions. This	As above



Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
	has been developed further with the introduction of the climate emergency strategy to develop and implement clear plans to reduce carbon emissions to net zero by 2030, and to work with community groups to enable carbon reduction across the county as a whole.	
<b>A Wales of vibrant culture and thriving Welsh language</b> Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation	The objectives with the greatest impact on this goal are, 'Best possible start in life' and 'Maximise the potential of the natural and built environment'.	As above
<b>A more equal Wales</b> People can fulfil their potential no matter what their background or circumstances	The objective with the greatest impact on this goal is, 'Lifelong well-being'. The objectives, 'Best possible start in life' and 'Thriving and well connected county' will also contribute to achieving this goal.	As above

3. How has your proposal embedded and prioritised the sustainable governance principles in its development?

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Long Term</p> <p>Balancing short term need with long term and planning for the future</p>	<p>This timescale for the original plan was medium term to align with the political cycle. The refreshed document continues the commitments up until 2022. However, the objectives are broader than this and take a more long-term perspective to improving well-being in a number of the activities identified. The plan also seeks to embed design principles and ways of working that are focused on the long term.</p>	<p>Programmes of work aimed at achieving the proposals will have associated Future Generations evaluation where they are brought to Cabinet or council for a decision.</p>
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	<p>One of the key sources of evidence for the Corporate Plan was the Public Service Board well-being assessment. The objectives are clearly aligned with the objectives shared by our public service partners in Monmouthshire and this plan acts as the council's response to achieving those collaborative objectives. Many of the individual actions will be developed with partners.</p>	<p>As above</p>
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	<p>The original plan was developed from an extensive evidence base, including widespread consultation with residents of the county. The 'Our Monmouthshire' community engagement work carried out during 2016 engaged with over 1400 people. A further source of evidence was feedback received by county councilors during the 2017 election campaign regarding the issues of greatest importance to residents.</p> <p>The mid-term refresh of the commitments in the Corporate Plan, has looked at the latest evidence and thinking on issues of importance to our communities, such as growing concern about the impact of carbon emissions on our climate, to make sure that the aspirations and commitments remain relevant to the significant issues for well-being in Monmouthshire</p>	<p>As above</p>

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p>	<p>The aim of each of the objectives is to take action now in order to prevent problems in the future. For example, implementing a model of early support and intervention for children and families and promoting active lifestyles. We are also developing community capacity and volunteering now in order to prevent an overdependence on institutional care in the future with an ageing population.</p>	<p>As above</p>
 <p>Integration</p> <p>Considering impact on all wellbeing goals together and on other bodies</p>	<p>The objectives are all integrated; each one can have positive and potentially negative impacts on another. It is important that as individual proposals are developed, we seek to balance competing impacts. The plan contains a table highlighting which of the objectives impacts on each of the seven national well-being goals. The Council will work together with other partners to help deliver many aspects of the Objectives.</p>	<p>As above</p>

**4. Council has agreed the need to consider the impact its decisions has on the following important responsibilities: Social Justice, Corporate Parenting and Safeguarding. Are your proposals going to affect any of these responsibilities?**

	<b>Describe any positive impacts your proposal has</b>	<b>Describe any negative impacts your proposal has</b>	<b>What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?</b>
Social Justice	The plan aims to deliver on social justice, better prosperity and reducing inequality.		Programmes of work aimed at achieving objectives will have associated Future Generations evaluations where they are brought to Cabinet or council for a decision.
Safeguarding	Early intervention and prevention approaches will reduce the number of young people at risk of harm. Safeguarding is central to the authority's work and this is highlighted within the corporate plan.	..	As above
Corporate Parenting	Developing an increased number and range of local authority foster care placements will provide greater choice, enabling children to live closer to home and improve the stability of placements.		As above

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**5. What evidence and data has informed the development of your proposal?**

The Public Service Board's (PSB) Well-being Assessment was produced following extensive engagement, with contributions from more than 1,400 people. Extensive examinations were also conducted on a wide range of data and evidence regarding future trends, such as the changing nature of employment and the impact of environmental factors such as pollution. The data can be viewed at [www.monmouthshire.gov.uk/our-monmouthshire](http://www.monmouthshire.gov.uk/our-monmouthshire). These include, but are not limited to, the proportion of people who report a sense of belonging to the local area; percentage of young people not in education, training or employment; average weekly earnings of people who live and work in Monmouthshire; gender pay gap; number of affordable housing units built; proportion of premises with access to high speed broadband; and CO<sub>2</sub> emissions.

The mid-term refresh of the commitments in the Corporate Plan, has looked at the latest evidence and thinking on issues of importance to our communities, such as growing concern about the impact of carbon emissions on our climate, to make sure that the aspirations and commitments remain relevant to the significant issues for well-being in Monmouthshire.

**6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?**

This is an evaluation of the process of producing the corporate plan refresh, rather than of each individual action. Many of the activities it proposes will require an individual evaluation to be completed.

**7. ACTIONS: As a result of completing this form are there any further actions you will be undertaking? Please detail them below, if applicable.**

What are you going to do	When are you going to do it?	Who is responsible
We will produce an annual report assessing progress on the objectives and present this to council. This will be scrutinised by select committees alongside other key performance measures.	October 2020	

**VERSION CONTROL: The Equality and Future Generations Evaluation should be used at the earliest stage, such as informally within your service, and then further developed throughout the decision making process. It is important to keep a record of this process to demonstrate how you have considered and built in equality and future generations considerations wherever possible.**

Version No.	Decision making stage	Date considered	Brief description of any amendments made following consideration
1.	Cabinet	19 February 2020	
2.	Council	5 <sup>th</sup> March 2020	

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<b>SUBJECT:</b>	<b>STRATEGIC EQUALITY PLAN 2020-24</b>
<b>MEETING:</b>	<b>County Council</b>
<b>DATE:</b>	<b>5 March 2020</b>
<b>DIVISION/WARDS AFFECTED:</b>	<b>ALL</b>

## 1 PURPOSE:

- 1.1 To seek approval of the Strategic Equality Plan and Strategic Equality Objectives in accordance with the requirements of The Equality Act 2010 and to show actions that will be taken to address issues of inequality identified in the county.

## 2 RECOMMENDATIONS:

- 2.1 That Council approves the Strategic Equality Plan 2020-24.

## 3 KEY ISSUES

- 3.1 Monmouthshire County Council is committed to building sustainable and resilient communities. This is our clear and unifying purpose, running through everything we do. We can only achieve this by valuing and making the most of the abilities and contributions of everyone in our communities, irrespective of age, gender, race, sexual orientation of any of the other characteristics that make us who we are.
- 3.2 This document uses evidence gleaned from two substantial assessments of need and well-being within the County produced under the Well-being of Future Generations Act 2015 and the Social Services and Wellbeing Act 2014. As a result this plan is built on a strong evidence base drawn from data, policy and community engagement. This has provided us with a far clearer understanding of the issues within the county
- 3.3 Another key source of evidence was the Equality and Human Rights (EHRC) document "Is Wales Fairer 2018". This publication provided a comprehensive review of how Wales is performing on equality and human rights. Officers and the Cabinet Member met with representatives from the EHRC to explore this evidence and identify the issues that were most pertinent to Monmouthshire.
- 3.4 We know that the things highlighted in these documents are symptoms of complex problems and we also know they cannot be solved by one organisation alone. Public, third and private sector must work together. Most importantly, we must support people and communities in developing their own solutions that are sustainable and which can deliver both immediate and long-term benefits.

- 3.5 The first two Strategic Equality Plans established a platform for trying to embed the principle of equality and diversity. This third version has taken in to account the very rigorous evidence base referred to above and is far more focussed on addressing issues that have been identified as existing in Monmouthshire and involve a considerable element of partnership working to achieve those outcomes. In this regard it is now far more clearly aligned with the council's Social Justice Strategy.

#### **4 EQUALITY AND FUTURE GENERATIONS EVALUATION (INCLUDES SOCIAL JUSTICE, SAFEGUARDING AND CORPORATE PARENTING):**

- 4.1 The identified actions within the strategy will have a positive effect on people or groups of people with protected characteristics.

#### **5 OPTIONS APPRAISAL**

This Strategic Equality Plan has utilised a comprehensive evidence base to shape the strategic objectives. Each of these has been considered in the context of alternative policy choices that could be made.

#### **6 EVALUATION CRITERIA**

The performance of this SEP will be monitored in an annual monitoring report that will be presented to Strong Communities Select Committee. We will be assessing progress against the evidence identified

#### **7 REASONS**

- 7.1 The Council's first two Strategic Equality Plans concentrated on getting the foundations for Equality and Diversity in place in Monmouthshire. Having done that this Strategic Equality Plan utilises a comprehensive evidence base (Well-being Assessment, Population Needs Assessment and "Is Wales Fairer 20418") to make a real difference to people across the county with protected characteristics.
- 7.2 To ensure that the authority complies with the requirement to publish equality objectives in accordance with the Equality Act 2010.

#### **8 RESOURCE IMPLICATIONS:**

- 8.1 There are no additional resource requirements arising directly as a result of the Strategic Equality Plan. However the plan features a broad range of activities, some of which will have been subject to specific decisions with their own individual resource requirements.

#### **9 CONSULTEES:**

SLT



Cabinet  
Strong Communities Select Committee  
Monmouthshire Inclusion Group, GAVO, 50+ Forum, Access 4 All Forum, Monmouth  
Visually Impaired Group

The development of the plan began with a broad set of evidence, through consultation this was gradually sifted and developed into themes and subsequently objectives. A public consultation on the objectives ran from 6<sup>th</sup> January 2019 to the 15<sup>th</sup> February 2020. There were no substantial changes to the objectives resulting from this. The plan was scrutinised by Strong Communities Select Committee. One result from this work was a recognition of the need for more timely and robust monitoring of progress against the plan.

**10 BACKGROUND PAPERS:**

None

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# Cynllun Cydraddoldeb Strategol

2020 – 2024

Strategic Equality Plan

Page 125



monmouthshire  
sir fynwy

# Version Control

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<b>Title</b>	Strategic Equality Plan 2020 - 24
<b>Purpose</b>	To meet the legal requirement of the Equality Act 2010
<b>Owner</b>	Equality and Welsh Language Officer
<b>Approved by</b>	Not yet approved
<b>Date</b>	24 <sup>th</sup> February 2020
<b>Version Number</b>	1
<b>Status</b>	Draft
<b>Review Frequency</b>	Annual
<b>Next review date</b>	1 <sup>st</sup> April 2021
<b>Consultation</b>	Gwent Association of Voluntary Organisations; Monmouthshire Inclusion Group; Access for All Forum; 50+ Forum, South Wales Equality Group; Gwent Regional Citizens Panel, Strong Communities Select Committee, Website Survey, Facebook, Twitter.

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## Alternative Formats

This document is available on the Council's website at

[www.monmouthshire.gov.uk](http://www.monmouthshire.gov.uk)

Also it is available upon request in hard copy, large print, Braille, audio version, word format for screen readers etc. Please contact:

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# Introduction and Foreword

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Welcome to Monmouthshire's County Council's new Strategic Equality Plan. The publication of strategic equality objectives is a legal requirement under the Equality Act 2010 but that's not the thing that motivates us. We believe in putting social justice at the heart of everything we do and are committed to a fair and equal society.

Monmouthshire County Council is a values based organisation with a clear purpose to build sustainable and resilient communities. Public services are facing challenging times, we can only help people and communities achieve their potential if we work with everyone, drawing on the diversity of expertise, experience and energy that Monmouthshire is blessed with.

The plan builds on the work delivered in the previous strategic equality plans and since the last plan was published the council has:

- Shown clear commitment to social justice with the creation of a new Cabinet portfolio to lead on this. This includes responsibility for equalities and you will see clear synergies between this plan and the Strategic Equality Plan which we produced in 2016.
- Gathered extensive evidence through the Well-Being Assessment and the Population Needs Assessment. As a result this plan is built on a strong evidence base drawn from data, policy and community engagement.
- Used the Equality and Human Rights Commission's "Is Wales Fairer 2018" report to highlight many issues that are pertinent to Monmouthshire and which are addressed within in this plan.
- Included poverty as part of the impact assessments undertaken on all council policy decisions – ahead of the new socio-economic duty
- Developed cumulative impact assessments of our annual budget process looking at the combined impact of budget decisions on different households.

Monmouthshire is the lowest funded local authority in Wales which means we have to think differently and make some difficult decisions. The key is to do that without adversely affecting the most vulnerable in our society or those with protected characteristics. This plan, together with our Social Justice Strategy demonstrates our whole-hearted and unambiguous commitment to fairness and equality for the people and communities of Monmouthshire.



Councillor Sara Jones  
Cabinet Member for Social Justice  
and Community Development

# Our Foundation: Purpose and Values

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## Our Purpose:

***We want to help build sustainable and resilient communities that support the well-being of current and future generations.***

This purpose is at the heart of everything we do to improve the economic, social, environmental and cultural well-being of Monmouthshire and we share this with our public service partners as part of the Public Service Board (PSB). We will consider sustainable development in how we plan and deliver the action set in this plan.

## Our Values

We can only achieve great things for our place through the people who live and work here, those on our payroll and those in Monmouthshire's communities including the countless volunteers and groups that give this place a richness and vibrancy. Our values reflect who we are, how we do things and how we are shaping the future. We try our best to apply these in everything we do.

**Openness.** We are open and honest. People have the chance to get involved in decisions that affect them, tell us what matters and do things for themselves/their communities. If we cannot do something to help, we'll say so; if it will take a while to get the answer we'll explain why; if we can't answer immediately we'll try to connect you to the people who can help – building trust and engagement is a key foundation.

**Fairness.** We provide fair chances, to help people and communities thrive. If something does not seem fair, we will listen and help explain why. We will always try to treat everyone fairly and consistently. We cannot always make everyone happy, but will commit to listening and explaining why we did what we did.

**Flexibility.** We will continue to change and be flexible to enable delivery of the most effective and efficient services. This means a genuine commitment to working with everyone to embrace new ways of working.

**Teamwork.** We will work with you and our partners to support and inspire everyone to get involved so we can achieve great things together. We don't see ourselves as the 'fixers' or problem-solvers, but we will leverage all of the ideas, assets and resources available to make sure we do the things that most positively impact our people and places.



## Our Corporate Plan

Monmouthshire County Council's Corporate Plan sets out the things we will be working on in the medium term. The plan sets out our five Organisational Goals (also our well-being objectives) supported by the 22 commitments to action up to 2022. The Strategic Equality Plan is aligned to the direction set in the Corporate Plan. The Plan is underpinned by a clear policy framework that sets out in more detail our work to enable the delivery of the plan (see appendix). We shape our activity in the corporate plan in line with the goals and ambitions of our partners in other public services who are part of the Monmouthshire Public Service Board (PSB). It is worth noting that the Corporate Plan is going to be the subject of a mid – term review. The aspiration and objectives set for Monmouthshire by the PSB and Council are:

<b>Purpose: Building Sustainable and Resilient Communities</b>	
<b><i>Public Service Board Well-being Objectives</i></b>	<b><i>Monmouthshire County Council Goals &amp; Well-being Objectives</i></b>
Provide children and young people with the best possible start in life	The best possible start in life
Respond to the challenges associated with demographic change	Lifelong well-being
Protect and enhance the resilience of our natural environment whilst mitigating and adapting to the impact of climate change	Maximise the potential of the natural and built environment
Develop opportunities for communities and businesses to be part of an economically thriving and well-connected county.	Thriving and well-connected county
	Future – focussed Council

## **Our Social Justice Strategy**

The council's Social Justice Strategy demonstrates our commitment to address inequalities and improve outcomes for the county's people and communities. It has been driven by the council's desire to tackle the inequality highlighted in the well-being and population needs assessments carried out by local authorities and health boards following the passing of The Social Services and Well-being (Wales) Act 2014.

The strategy has three objectives:

- Give Children the Best Start In Life, Overcoming Barriers To Attainment and Opportunity.
- Overcome Inequalities in Access to Economic Prosperity
- Tackle The Scourge of Loneliness and Isolation

The strategic equality plan dovetails with this strategy, providing greater detail on some of the activities we will deliver to address inequality in the county.

# National Policy Context

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## The Equality Act 2010

The Equality Act 2010 that came into operation on the 6<sup>th</sup> April 2011, replaced 116 previous different pieces of law relating to equality, and put them all together into one piece of legislation. It strengthens the law in important ways, and in some respects extends current equality law to help tackle discrimination and inequality.

The Council, as a public body in Wales, has a requirement under the Act to meet both general and specific duties.

The **general duties** are that in exercising its functions the Council must have due regard to:

- eliminate unlawful discrimination, harassment and victimisation and any other conduct that is prohibited by the Act;
- advance equality of opportunity between people who share a relevant protected characteristic and those who do not;
- foster good relations between people who share a protected characteristic and those who do not;

The act explains that having due regard for advancing equality involves:

- removing or minimising disadvantages suffered by people due to their protected characteristics.
- taking steps to meet the needs of people from protected groups where these are different from other people.
- encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.

The Act also sets out a number of **Specific Duties** that public bodies are required to comply with:

- publish sufficient information to demonstrate its compliance with the general duty across its functions
- prepare and publish Equality Objectives and detail the engagement that has been undertaken in developing them.
- publish a Strategic Equality Plan.
- set out how progress will be measured

**The Specific Duties as applied in Wales** The broad purpose of the specific duties is to help public bodies, such as this Council, in their performance of the general duty, and to aid transparency. In Wales the specific duties are set by the Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011. The following are the specific duties:

- Equality Objectives and Strategic Equality Plans
- Engagement
- Assessment of impact
- Equality information
- Employment information, pay differences and staff training
- Procurement
- Reporting and Publishing

### **The Protected Characteristics**

The general duty covers the same people that were covered by previous legislation, but strengthens and consolidates it into one act. It introduces 'protected characteristics' which replaces the phrase 'equality strands'.

The protected characteristics – as defined by the Equality and Human Rights Commission (EHRC) are:

**Age** - A person belonging to a particular age (e.g. 32 year olds) or range of ages (e.g. 18 - 30 year olds).

**Sex** - A man or a woman.

**Gender re-assignment** - The process of transitioning from one gender to another.

**Disability** - A person has a disability if they have a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities.

**Pregnancy and maternity** - The condition of being pregnant or expecting a baby. Maternity refers to the period after the birth, and is linked to maternity leave in the employment context. In the non-work context, it gives protection against maternity discrimination for 26 weeks after giving birth, and includes treating a woman unfavorably because she is breastfeeding.

**Sexual orientation** - Whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.

**Race** - This refers to a group of people defined by their race, colour, and nationality (including citizenship), ethnic or national origins.

**Religion or belief** (including lack of belief) - Religion has the meaning usually given to it but belief includes religious and philosophical beliefs including lack of belief (e.g. Atheism).

Generally, a belief should affect your life choices or the way you live for it to be included in the definition.

**Marriage and civil partnership** - Marriage is defined as a 'union between a man and a woman'. Same-sex couples can have their relationships legally recognised as 'civil partnerships'. Civil partners must be treated the same as married couples on a wide range of legal matters. The Equality Act 2010 applies to this characteristic, but only in respect of the requirement to have due regard to the need to eliminate discrimination.

## **The Socio-Economic Duty**





The Equality Act places a 'due regard' duty on public bodies, to ensure that advancement of equality of opportunity is a key consideration when carrying out their functions. However, this has been dormant on the statute book. The County Council has introduced *poverty* as an additional characteristic in the impact assessments carried out on key policy decisions. This should ensure a focus on the need to reduce the inequalities of outcome that result from socio-economic disadvantage.


At the time of writing the Welsh Government was consulting on commencing the socio-economic duty in Wales. Our approach to discharging this duty will be informed by developments at a national level and will build upon work already underway through our commitment to social justice.

## **The Well-Being of Future Generations Act**

The Well-being of Future Generations Act is the fundamental legislation that requires us to carry out a sustainable development assessment. The Act requires us to improve social, economic and environmental wellbeing, in accordance with the sustainable development principle which seeks to ensure that present needs are met without compromising the ability of future generations to meet their own needs. Welsh Government have set 7 wellbeing goals which we need to ensure our activity contributes to.

The table below explains how we have applied the sustainable development principles under the act in developing the strategy.

Sustainable Development Principle	How have these principles driven the development of the policy
 <p data-bbox="116 481 197 501">Long Term</p> <p data-bbox="237 347 523 510">Balancing short term need with long term and planning for the future</p>	<p data-bbox="552 306 1366 551">This timescale for this plan is medium term and identifies objectives that are broader and take a much more long-term perspective supported by shorter-term activity. The objectives have been informed by a range of evidence to identify the areas we need to progress equalities in Monmouthshire.</p>
 <p data-bbox="103 824 210 844">Collaboration</p> <p data-bbox="237 689 523 808">Working together with other partners to deliver objectives</p>	<p data-bbox="552 591 1366 920">A range of key sources of evidence have been used to inform this plan including the Public Service Board well-being assessment, Equality and Human Rights Commission publication – “Is Wales Fairer” 2018 and the Social justice strategy. This plan acts as the council’s response to addressing the issues particularly related to equalities in Monmouthshire, many of the individual actions will be developed collaboratively with partners.</p>
 <p data-bbox="111 1252 202 1272">Involvement</p> <p data-bbox="237 1122 523 1240">Involving those with an interest and seeking their views</p>	<p data-bbox="552 956 1382 1413">The plan has been developed from an extensive evidence base which involved a range of views for example an Equality symposium for Council officers and evidence from the previous Our Monmouthshire community engagement work which informed the well-being assessment. The plan will be subject to formal consultation in January 2020, this will include via the council website, targeted e mail distribution to all stakeholders and posted on the Councils’ Facebook and Twitter accounts. As well as specific consultation with organizations/groups.</p>
 <p data-bbox="118 1619 202 1639">Prevention</p> <p data-bbox="237 1467 523 1630">Putting resources into preventing problems occurring or getting worse</p>	<p data-bbox="552 1449 1382 1648">The aim of each of the objectives is about taking action now in order to prevent problems occurring or getting worse in the future. For example, give children the best possible start in life overcoming barriers to attainment and opportunity.</p>

Sustainable Development Principle	How have these principles driven the development of the policy
 <p data-bbox="240 477 523 633">Considering impact on all wellbeing goals together and on other bodies</p>	<p data-bbox="550 309 1382 806">Many of the objectives are integrated with each other and objectives for the County set in other strategic plans for example the PSB well-being plan and social justice strategy. The objectives contribute to a variety of the national well-being goals in particular the goal of “A more equal Wales”. The impact each objective will have on specific protected characteristics has been identified. The development of the objectives has taken account of this and it is important that as individual actions are developed we understand how they integrate with other plans. The Council will work together with other partners to help deliver many aspects of the objectives.</p>

We made a decision to amalgamate the Future Generations assessment (FG Assessment) with our existing Equality Impact Assessment (EQIA) in order to provide one comprehensive assessment of our decisions on future generations and those with protected characteristics.

## **Links to other strategies and legislation**

The Strategic Equality Plan is not a standalone plan and has close links to a number of key Council, Partnership and Wales-wide strategies, plans, policies, frameworks and legislation. Some of these have been specifically focused on equality and others which have included equality as a key theme. Examples being:

- People, Place, Prosperity: A Strategy for Social Justice 2017-22
- Corporate Plan 2017-22
- Local Development Plan
- Monmouthshire Domestic and Sexual Abuse Action Plan
- The Well-being of Future Generations Act
- Social Services and Wellbeing Act 2014.
- The Violence Against Women, Domestic Abuse and Sexual Violence (Wales) Act 2015
- Welsh Language Standards introduced under the Welsh Language (Wales) Measure 2011
- More Than Words: Welsh Government Welsh Language Strategy
- Cymraeg 2050 (1 million Welsh speakers by 2050)



# Evidence of Inequality

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Monmouthshire is often perceived to be leafy and affluent and in many aspects it is. However, some of the differences within and between communities are stark, especially when they exist side-by-side.

- There are wide variations in exam results between people from different social backgrounds who attend the same schools.
- There are many high earners living in our County but wages available locally are lower than other parts of Wales.
- Many people experience in-work poverty and there is a notable wage differential between men and women.
- Many of our citizens are getting older, suffering ill health and at risk of becoming lonely and isolated.
- The costs of living in our rural county and accessing very basic services, such as transport and health provision, are greater than the costs for people living in urban conurbations.

There are many existing sources of evidence produced in recent years that have been used to inform the development of this plan

- **The Well-being Assessment** (Well Being of Future Generations Act)
- **The Population Needs Assessment** (Social Services and Wellbeing Act).  
Both highlighted the strengths and opportunities within our communities and used an extensive evidence base to draw out some of the challenges individuals and communities will face in the future.
- **Is Wales Fairer 2018** – a document prepared by the EHRC that highlights areas that they suggest council's in Wales need to address.

Informed by the above, an Equality Symposium for council officers was held on the 29<sup>th</sup> of November 2019, where council officers from across service areas identified themes and began to identify key some strategic objectives for Monmouthshire.

We know that the issues that are highlighted in the above documents are symptoms of complex problems and we also know they cannot be solved by one organisation alone. Public, third and private sector must work together. And, most importantly, we must support people and communities in developing their own solutions that are sustainable and which can deliver both immediate and long-term benefits.

This being the third version of the SEP for Monmouthshire, it is worth noting that the first two SEP's established a platform for trying to embed the principle of equality and diversity. This third version has taken in to account the very rigorous evidence base provided in the form of the Well being Assessment, Population Needs Assessment and the EHRC's "Is Wales Fairer 2018" report. This plan is far more focussed on addressing issues that have been identified as existing in Monmouthshire and involve a considerable element of partnership working to achieve those outcomes.

## Involvement and Participation

The Well-Being Assessment was developed through extensive community engagement using the *Our Monmouthshire* process, combined with a detailed analysis of data, statistics, research and policy. As a result, the assessment has been used as one of the key evidence bases for this new Strategic Equality Plan. This is in conjunction with the evidence presented in the EHRC's publication – "Is Wales Fairer" 2018 and relevant issues highlighted in our Social Justice Strategy.

This strategic equality plan has been put out for formal consultation from week commencing 10<sup>th</sup> January and ending on the 20<sup>th</sup> February 2020. This has been done in numerous ways; via the council website, with a targeted e-mail distribution to stakeholders and posted on the Councils' Facebook and Twitter accounts. Specific organisations/groups that have been consulted are as follows:

- Monmouthshire Inclusion Group: Two task-and-finish groups made up of officers from MCC.
- Access 4 All Forum
- 50+ Forum.
- Monmouth Visually Impaired Group.
- SEWEG – South East Wales Equality Group.
- Members of the Public Service Board (PSB).
- Strong Communities Select Committee (scrutiny).

# Strategic Equality Objectives

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Monmouthshire County Council is committed to building sustainable and resilient communities. This is our clear and unifying purpose, running through everything we do. We can only achieve this by valuing and making the most of the abilities and contributions of everyone in our communities, irrespective of age, gender, race, sexual orientation or any of the other characteristics that make us who we are.

These objectives and the actions outlined on the following pages are the things that we are committed to delivering over the next four years to ensure that everyone in our county is able to achieve their full potential.

- **Objective 1:** Give children the best possible start in life overcoming barriers to attainment and opportunity
- **Objective 2:** Overcome inequalities in access to economic prosperity
- **Objective 3:** Create cohesive communities
- **Objective 4:** To provide services that are accessible to our public and support our workforce.
- **Objective 5:** Create a diverse and inclusive workforce
- **Objective 6:** Reduce the gender pay gap

Each of the sections below lists some of the evidence that has informed the development of the plan and should help explain why we identified these particular objectives. It also indicates which of the groups possessing protected characteristics will benefit directly from the activity.

## Objective 1: Give children the best possible start in life overcoming barriers to attainment and opportunity.

### Why This Matters/Evidence

- One in five reception age children in Monmouthshire are overweight or obese <sup>i</sup>;
- There is a gap in the educational attainment between children who are in receipt of free school meals and children who are not <sup>ii</sup>;
- 14.2% children in Monmouthshire live in low income households <sup>iii</sup>;
- There are a lack of opportunities for children with disabilities including play provision, travel to access education and multi-agency support <sup>iv</sup>.
- There are issues of lack of availability of accommodation and support for young people with complex needs that present as homeless

### Protected Characteristics

Age	x	Religion or belief	
Disability	x	Sex	
Gender reassignment		Sexual orientation	
Marriage or civil partnership		Welsh Language	
Pregnancy or maternity		Poverty	x
Race			

### Actions

Outcome	Action	Responsibility
Children, young people and families are supported to improve their well-being	Develop an integrated early intervention and prevention pathway to support children and families at the earliest opportunity and reduce the need for statutory intervention to keep people safe in particular those with Adverse Childhood Experiences (ACEs).	Head of Children's Services

Children attain their full potential	Map the current provision to support pupils eligible for Free School Meal (eFSM) through the Education Achievement Service (EAS) and Monmouthshire; identify any gaps and work with the EAS and wider partners to develop a cohesive strategy to raise the attainment of FSM pupils and close the gap between FSM and non FSM pupils.	Head of Achievement and Attainment.
Children, young people and families are supported to improve their well-being	Develop an effective 0 - 25 Partnership for Children and Young People;	Community and Partnerships Manager
Children, young people and families are supported to improve their well-being (narrowing the gap outcome)	Develop the Community Focussed School Scheme	Community and Partnerships Manager
Children & young people have sufficient opportunity to participate in play and physical activity	Carry out an annual Play sufficiency assessment.	Community Infrastructure Officer
Children & young people have sufficient opportunity to participate in play and physical activity	Deliver the playmaker leadership programme to year 5 and 6 pupils to support confidence, motivation, well-being and promote active citizenship	Youth Support and Active Travel Manager
Children & young people have sufficient opportunity to participate in play and physical activity	Reduce the inequalities in physical activity rates between males and females with the Girls Can and Ladies Stronger Together programmes	Youth Support and Active Travel Manager
Children and young people are supported to improve their well-being	Implement Youth Service activity from the Social Justice strategy.	Youth Service Manager

Children with disabilities are able to access sporting activities	Put an action plan in place to achieve the Disability Sports Gold Award	Disability Sports Officer.
Young people who are threatened with homelessness have improved access to accommodation and support	<p>Establish a positive pathway to identify potential homelessness at an early stage.</p> <p>Review services through Housing Support Grant</p>	<p>Housing and Communities Manager</p> <p>Flexible Funding Manager</p>

## Objective 2: Overcome inequalities in access to economic prosperity

### Why This Matters/Evidence

- Digital deprivation rates in Monmouthshire are 12.5% compared to 4% in the Cardiff Capital Region as a whole <sup>v</sup>
- 1 in 4 adults are in poverty in Wales.
- 23% of children living in poverty in Monmouthshire after housing costs. The figure is 14% before housing costs are taken into account <sup>vi</sup>
- There are low levels of access to the labour market for people with disabilities. 85% of people with learning disabilities want to work but only 4% do <sup>vii</sup>
- 34.6% of disabled people not in employment in Wales <sup>viii</sup>
- There is a lack of availability of buses and taxis (accessible and otherwise) and trains. <sup>ix</sup>
- Gender stereo-typing in employment is prevalent and leads to a gender pay gap <sup>x</sup>;
- The highest rate of unemployment is in the 16 – 24 years of age range <sup>xi</sup>

### Protected Characteristics

Age	x	Religion or belief	
Disability	x	Sex	x
Gender reassignment		Sexual orientation	
Marriage or civil partnership		Welsh Language	
Pregnancy or maternity	x	Poverty	x
Race			

### Actions

Outcome	Action	Responsibility
More people have access to high speed broadband	Increase the availability and take up of broadband across the county to address digital exclusion.	Head of Enterprise and Community Animation
People have the opportunity to raise their household income	Work as part of the Cardiff Capital Region to attract high skill, high wage jobs	Chief Officer, Enterprise

People have the opportunity to raise their household income	Deliver the communities for work programme to reduce the number of people in, or at risk of, poverty	Youth Enterprise Manager
Household are able to maximise their incomes and minimise their outgoings	Continue to develop a tackling poverty plan for the county aligned to the aspirations of the Social Justice Strategy	Head of Enterprise and Community Animation
A reduction in the number of people not in education, training or employment	Provide learning, training and employability opportunities for 11 to 24 year olds	Youth Enterprise Manager
More people with disabilities and care leavers in employment	Provide access to the labour market for people with disabilities and care leavers	Apprentice Graduate and Intern Co-ordinator.
Overcoming the barriers to accessing transport in rural areas	Work with technology companies to develop digital solutions for rural transport in Monmouthshire using funding from the Cabinet Office GovTech Catalyst Programme.	Head of Policy and Governance



## Objective 3: Create cohesive communities

### Why This Matters/Evidence

- There has been an increase in Race Hate Crime <sup>xii</sup>
- There is an increase in identity based bullying and sexual harassment in schools <sup>xiii</sup>
- Loneliness and Isolation can have a profoundly negative effect on people.

### Protected Characteristics

Age	x	Religion or belief	x
Disability	x	Sex	x
Gender reassignment	x	Sexual orientation	x
Marriage or civil partnership	x	Welsh Language	x
Pregnancy or maternity	x	Poverty	x
Race	x		

### Actions

Outcome	Action	Responsibility
Better data is available about hate-based bullying	Improve recording of incidents of hate-based bullying and piloting appropriate interventions.	Healthy Schools and Bullying Inclusion Group
Increased awareness of the effect of hate-based bullying amongst young children in school	Hold awareness sessions in the Chepstow cluster initially. Then arrange for the sessions across the county.	As above with Connected Communities Manager / Community Cohesion Officer
Increased awareness of the consequences of hate and discrimination in society	Hold an annual Holocaust Memorial Commemorative event in Community Hubs	Community Hub Officers
Increased awareness amongst children of the dangers of bullying in all of its forms	Promote Anti-Bullying Week on an annual basis	Communication and Engagement Team. Children and Young People Directorate

A reduction in the effects of loneliness and isolation	To deliver the outcomes under the Connected Monmouthshire Plan.	Communities and Partnership Development Leads
Overcoming the barriers to accessing transport in rural areas	Working in partnership with technology companies as part of the GovTech Catalyst to provide the foundations for improved connectivity.	Head of Policy and Governance

## Objective 4: To provide services that are accessible to our public and support our workforce.

### Why This Matters/Evidence

- Council communications need to be more accessible in all forms (fonts, language, colours, contrasts, design, presentations, alternative formats)
- 26.8% of adults in Wales report poor mental health <sup>xiv</sup>.
- Disabled people are three times more likely to report mental health issues <sup>xv</sup>.
- One in five women suffer from post-natal depression <sup>xvi</sup>.

### Protected Characteristics

Age	X	Religion or belief	x
Disability	X	Sex	x
Gender reassignment	X	Sexual orientation	x
Marriage or civil partnership	X	Welsh Language	x
Pregnancy or maternity	X	Poverty	x
Race	X		

### Actions

Outcome	Action	Responsibility
Ensure that we consider our diverse audience when we communicate as a council.	Continually adhere to the National Principles of Public Engagement	Communications and Engagement Team.
A fully accessible website providing information about council services	Refresh the council's website to ensure it meets the latest web content accessibility guidelines	Digital Marketing Officer
More services are available digitally thereby improving accessibility	Continue to make more services available digitally through the council's app and the Chatbot	Digital Programme Office Manager,
New and improved face-to-face access to council services	Open a new Community Hub in Abergavenny with significantly improved access	Head of Commercial and Landlord Services

Residents of Monmouthshire have access to independent advice	Continue to fund Monmouthshire Citizens Advice Bureau  Work closely with the Disability Advice Project to access advice from the Big Lottery funded project	Head of Policy and Governance.  Equality and Welsh Language Officer.
Improved services for dealing with mental health in Monmouthshire	Continue to work with MIND on delivering the Rural mental health project.  Improve the support for workforce mental health	Community and Partnerships Manager  Human Resources Manager
Support for women suffering from post-natal depression	Deliver the Flying Start – 1000 days project.	Flying Start Manager

## Objective 5: Create a diverse and inclusive workforce

### Why This Matters/Evidence

- There is a lack of diversity of the workforce <sup>xvii</sup>
- There is a lack of diversity in apprenticeships <sup>xviii</sup>

### Protected Characteristics

Age	x	Religion or belief	x
Disability	x	Sex	x
Gender reassignment	x	Sexual orientation	x
Marriage or civil partnership	x	Welsh Language	x
Pregnancy or maternity	x	Poverty	x
Race	x		

### Actions

Outcome	Action	Responsibility
Those working in key sectors such as home care are less likely to experience in-work poverty	Continue to pay the living wage to all council employees	Chief Officer, Resources / Chief Officer Social Care, Health and Safeguarding
More people with disabilities are applying to work for the county council	Deliver the action plan to attain Disability Confident Employer status	Equality and Welsh Language Officer
People are able to access more services fully using the Welsh language	Proactively target new job opportunities at Welsh speakers	Equality and Welsh Language Officer.
A more diverse workforce	Introduce more graduate and intern and cadetship opportunities to increase workforce diversity	Apprentice Graduate and Intern Co-ordinator.

## Objective 6: Reduce the gender pay gap in Monmouthshire County Council

### Why This Matters/Evidence

- Gender stereo-typing in employment is still prevalent and leads to a gender pay gap.
- There is inequality between female and male wage levels<sup>xix</sup>
- Scarcity of public transport and the high cost of running a car can be a barrier to females maximising their earning potential.

### Protected Characteristics

Age		Religion or belief	
Disability		Sex	x
Gender reassignment		Sexual orientation	
Marriage or civil partnership		Welsh Language	
Pregnancy or maternity	x	Poverty	x
Race			

### Actions

Outcome	Action	Responsibility
More people are able to use demand responsive public transport to access employment An integrated approach to addressing and improving rural transport options in the county	Pilot the use of technology-led solutions to improve access rural transport through the GovTech Catalyst which increases access to job opportunities	Head of Policy and Governance / Head of Enterprise and Community Animation
Contribution towards breaking the cycle of Gender Stereo-typing that exists in society and has a negative impact on gender pay equality.	Publish an annual Gender Pay Report	Human Resources Manager Equality and Welsh Language Officer.

	Look at alternative ways of recruiting staff to break down the barriers of gender stereotyping.	Communication, Marketing and Engagement Manager / Human Resources Manager.
Understand Gender pay differences in our organisation	Gather and analyse gender data	Human Resources Manager / Organisational Development Manager
Equal pay for work of equal value	Revise the People Strategy ensuring gender pay gap data is used to inform the strategy	Organisational Development Manager
Reduced gender pay difference in the County	Measures added to the Corporate Plan	Human Resources Manager / Organisational Development Manager

<sup>i</sup> Monmouthshire Well-being Assessment, <https://www.monmouthshire.gov.uk/our-monmouthshire/>

<sup>ii</sup> Is Wales Fairer 2018 + Monmouthshire Well-being Assessment.

<sup>iii</sup> Monmouthshire Well-being Assessment, ibid

<sup>iv</sup> Monmouthshire Well-being Assessment, ibid

<sup>v</sup> Monmouthshire Well-being Assessment + Population Needs Assessment.

<sup>vi</sup> <http://www.endchildpoverty.org.uk/poverty-in-your-area-2019/>

<sup>vii</sup> Is Wales Fairer 2018, ibid

<sup>viii</sup> Is Wales Fairer 2018, ibid

<sup>ix</sup> Is Wales Fairer 2018, ibid

<sup>x</sup> Is Wales Fairer 2018, ibid

<sup>xi</sup> Is Wales Fairer 2018, ibid

<sup>xii</sup> Is Wales Fairer 2018, ibid

<sup>xiii</sup> Is Wales Fairer 2018, ibid

<sup>xiv</sup> Is Wales Fairer 2018, ibid

<sup>xv</sup> Is Wales Fairer 2018, ibid

<sup>xvi</sup> Is Wales Fairer 2018, ibid

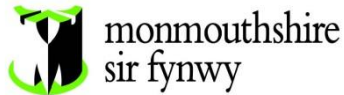
<sup>xvii</sup> Is Wales Fairer 2018, ibid

<sup>xviii</sup> Is Wales Fairer 2018, ibid

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<sup>xix</sup> Earnings by place of work – Male 563.6, Female 562. ONS annual survey of hours and earnings – October 2019  
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/placeofworkbylocalauthorityasetable7>





**SUBJECT: SAFEGUARDING EVALUATION REPORT April 2018 – March 2019**

**MEETING: Council**

**DATE: 5<sup>th</sup> March 2020**

**DIVISION/WARDS AFFECTED: ALL**

## **1. PURPOSE:**

The purpose of this report is:

- To evaluate the progress of Monmouthshire County Council's key safeguarding priorities during 2018/19, highlighting progress, identifying risks and setting out clear improvement actions and priorities for further development.
- To inform Members about the effectiveness of safeguarding in Monmouthshire and the work that is in progress to support the Council's aims in protecting children and adults at risk from harm and abuse.
- To inform Members about the progress made towards meeting the standards in the Council's Corporate Safeguarding Policy approved by Council in July 2017, amended January 2019 (see appendix 4).

## **2. RECOMMENDATIONS:**

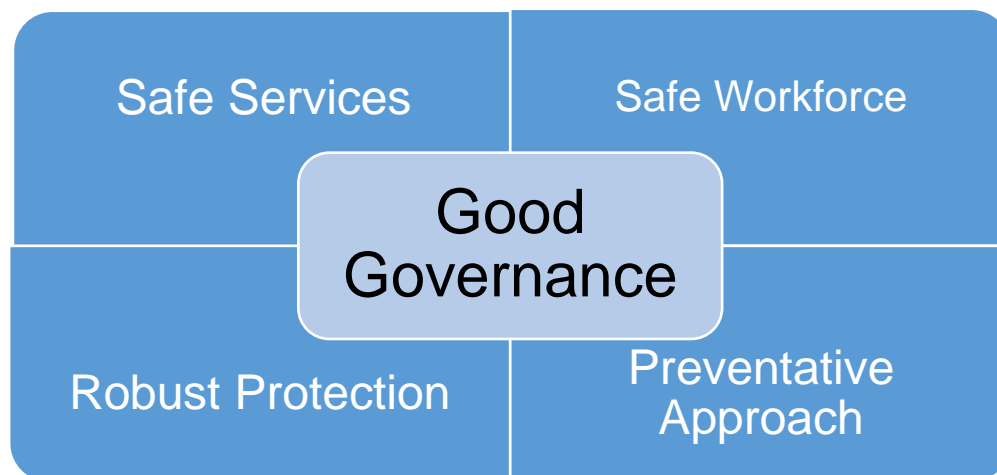
- 2.1 For members to receive the Annual Safeguarding Evaluation Report and Action Plan.

## **3. KEY ISSUES:**

- 3.1 This safeguarding evaluation (see appendix 2) is based on activity and information from April 2018 to March 2019. Where relevant we have taken an 'as is' position in terms of progress, given the time lag. Following the amended policy members should now expect an annual safeguarding report (rather than 6-monthly).
- 3.2 The report is developed within the context of the approved Monmouthshire County Council's Corporate Safeguarding Policy which covers duties for both children and adults at risk in line with the Social Services and Well Being (Wales) Act (2014). The analysis within the report reflects progress against priority areas set out within the policy and draws on data and information

concerning both groups. The 5 cornerstones of safeguarding within the Corporate Safeguarding Policy are set out below (Table 1).

**Table 1: The Cornerstones of safeguarding in Monmouthshire**



- 3.3 Embedding and sustaining the highest standards of safeguarding is a continuous endeavor. This evaluation report forms an integral part of the improvement of safeguarding practice across the Council, and drives the work of the Whole Authority Safeguarding Group. The report tries, wherever possible, to balance qualitative and quantitative data as well as drawing in other sources of information to support the evaluation. It asks critical questions about what are we trying to achieve, how well we are doing, what is the evidence to support our analysis and what are our next steps. The report is at appendix 2.
- 3.4 The self-assessment score has been agreed by the Whole Authority Safeguarding Group on the basis of evidence reviewed to date and critical challenge. It uses the corporate scoring framework (Appendix 1) to provide an overall judgement of effectiveness. The current self-assessment is at Table 2.

**Table 2: Self-assessment scores as at March 2019**

<u>Cornerstone of Safeguarding</u>	<u>April 17 -Sept 17</u>	<u>Oct 17- March 18</u>	<u>April 2018 – March 2019</u>
Good Governance	4	5	5
Safe Workforce	3	4	3
Preventative Approach	3	4	4
Robust Protection	4	4	4
Safe Services	2	3	3

- 3.5 Priority improvement actions arising from the evaluation form the basis of the WASG action plan which is implemented and monitored through the Whole Authority Safeguarding Group (see appendix 3).

#### **4. OPTIONS APPRAISAL**

Not applicable to this report

#### **5. EVALUATION CRITERIA**

Each 'cornerstone' section of the report opens with descriptors of 'what good looks like'. These descriptors provide the basis of how we measure the standard over time using both qualitative and quantitative sources.

Safeguarding progress is now reported on an annual basis to CYP and Adult Select Committees and Council.

#### **6. REASONS:**

- 6.1 This evaluation report is completed within the context of Monmouthshire County Council's background and history in respect of safeguarding as set out in brief below and represents a further opportunity for Members to consider the distance travelled by the Local Authority in improving safeguarding practice.
- 6.2 Council Members will be aware that in November 2012 the Local Authority was found to have inadequate safeguarding arrangements in place. Shortcomings

included a lack of safeguarding policy as well as operational weaknesses particularly within a schools based context.

- 6.3 The Safeguarding and Quality Assurance Unit was established within Children's Services in 2012 quickly extending its role to supporting the Authority's improvement journey around children's safeguarding.
- 6.4 In February 2014 an Estyn monitoring visit recognised that the council had appropriately prioritised safeguarding and 'set the foundations well for recovery' particularly at service and practitioner. However, the authority still did not have 'effective enough management information systems and processes to enable it to receive appropriate and evaluative management information about safeguarding'. This criticism was echoed by a subsequent Welsh Audit Office review of safeguarding in March 2014.
- 6.5 In response to this the council established the Whole Authority Safeguarding Group (WASG) initially chaired by the Chief Executive with a focus specifically on children. The inaugural meeting took place in July 2014.
- 6.6 The Local Authority came out of Special Measures in November 2015 when strong progress in safeguarding was recognised.
- 6.7 A recommendation was subsequently made to Cabinet and endorsed in July 2016 allowing the work of the WASG to incorporate safeguarding for adults at risk so that good practice and learning could be mutually shared, and marking the statutory basis of adult safeguarding as a consequence of the Social Services and Wellbeing (Wales) Act 2014.
- 6.8 Members will also be aware that Wales Audit Office issued statutory recommendations in respect of safeguarding in respect of the Council's Kerbcraft service in January 2017. This was followed by a Wales Audit Office led inspection which took place in January 2018, in partnership with both CIW and Estyn. The report to this was issued in August 2018 and scrutinised by CYP Select in October 2018. There were 4 main proposals within the report including further strengthening of the policy framework; further steps to ensure a safe workforce and safeguarding within commissioning.
- 6.9 The WAO conducted a follow up 'light touch' inspection to this in September 2019. The written outcome was received 5<sup>th</sup> February 2020. There are no further recommendations and the partially addressed actions which are being followed up form part of the WASG action plan in appendix 3.

## **7. RESOURCE IMPLICATIONS:**

There are no resource implications to this report.

**8. WELLBEING OF FUTURE GENERATIONS IMPLICATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING AND CORPORATE PARENTING):**

This report is critically concerned with the effectiveness of safeguarding in Monmouthshire County Council.

**9. CONSULTEES:**

Whole Authority Safeguarding Group  
Julie Boothroyd – Chief Officer  
Diane Corrister – Safeguarding Manager

Consultation feedback from the Joint Select Committee will be built in to the report as it is completed ready for full Council.

**10. BACKGROUND PAPERS:**

Corporate Safeguarding Policy (Appendix 4)

**11. AUTHOR:**

Jane Rodgers, Head of Children's Services

**12. CONTACT DETAILS:**

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01633 644054

## Appendix 1

### The Corporate Evaluation Framework

<b>The evaluation score from 1-6</b>	<b>The evaluative context</b>
<b>Level 6 Excellent</b>	<b>Excellent or outstanding</b>
<b>Level 5 Very Good</b>	<b>Good Major strengths</b>
<b>Level 4 Good</b>	<b>Important strengths with some areas for improvement</b>
<b>Level 3 Adequate</b>	<b>Strengths just outweigh weaknesses</b>
<b>Level 2 Weak</b>	<b>Important weaknesses</b>
<b>Level 1 Unsatisfactory</b>	<b>Major weakness</b>

**APPENDIX 2**  
**The Evaluation**

**1). Good Governance**

**SELF-ASSESSED SCORE = 5**

**What does good look like?**

In Monmouthshire County Council, we ensure that safeguarding for children and adults at risk is understood as “everyone’s responsibility”. We work effectively with regional structures including the Gwent Safeguarding Board. There is continuous focus – and aligned systems and activities – to ensure safeguarding is being culturally embedded across the Council at a “hearts and minds” level. Safeguarding is supported by policies and operating procedures which are embedded within all settings and services.

**Progress and Evidence**

The Corporate Safeguarding Policy was reviewed and updated in Jan 2019 to include a clearer link to Data Protection issues and Whistleblowing.

The policy will be routinely reviewed 3 yearly.

The Whole Authority Safeguarding Group meets 6-weekly, chaired by the Statutory Director (Chief Officer) and minutes are retained. Every directorate is represented.

A safeguarding ‘self-assessment’ is undertaken every other year on a directorate basis via the Safeguarding Assessment Framework for Evaluation (SAFE). This is currently underway and will be completed over the next 6 months. The key development this year, has seen directorates sharing the outcomes of their SAFEs through a work-shop approach, using real case studies from their service areas to demonstrate safeguarding in action.

There continues to be full representation at all levels of the work of the regional safeguarding board and VAWDSV board.

There is strong engagement in regional approaches to Multi-Agency Sexual Exploitation meeting (MASE) Child Sex Exploitation (CSE), Violence Against Women Domestic Abuse and Sexual Violence (VAWDASV) and Contest (PREVENT anti radicalisation).

**Analysis**

The work of the WASG continues to be a major strength which is reflected in our self-assessment score as 5.

The key development this year, has seen directorates sharing the outcomes of their SAFEs through a work-shop approach, using real case studies from their service areas to demonstrate safeguarding in action. This reinforces that safeguarding is part of everyone’s day job, as well as increasing cross-directorate understanding and allowing any issues regarding safeguarding practice to be emerge and promoting a learning culture.

The previous use of the SBAR to report and record risks and the management of risk has been considered by the Whole Authority Safeguarding Group and different forms of reporting and management are being developed to support a learning culture as well a safe management of risk.

There continues to be a strong Monmouthshire engagement with regional safeguarding boards and involvement in the Strategic and Operational Safeguarding groups. Across GWENT Monmouthshire is leading in terms of the development of Exploitation and Modern Day Slavery processes and training, including Criminal Exploitation and "County Lines" Drug supply.

Monmouthshire has also had an active role in the new All Wales Child and Adult Protection Procedures consultation processes, and are preparing for their launch in November 19

### Key Next Steps for 2019 - 2020

Complete the SAFE process and evaluate learning and outcomes for future planning

Develop the process for 'learning in action' for the WASG based on case scenarios / areas of concern to replace the SBAR approach.

Ensure that there is good awareness across the Council of the new All Wales Child and Adult Protection Procedures

## **2). Safe Workforce**

### SELF-ASSESSED SCORE = 3

#### What does good look like?

We ensure that safe recruitment and human resource practices operate effectively and are embedded across the Council for the whole workforce (on pay roll and volunteer). We ensure that the workforce working with children and adults at risk are suitable for the role they are employed to do and are focused on outcomes for people. The whole workforce is clear about their duty to report concerns and to keep children and adults at risk safe.

#### Progress and Evidence

##### Safe Recruitment

During this time period all new appointments to regulated activity posts (including volunteers) were cleared for safe recruitment prior to taking up posts.

Business Partner school visits have been undertaken to check safe recruitment compliance. These are reporting 100% compliance.

There is a Safe Recruitment Training programme in place.

##### Volunteers

In regards to volunteers, a Volunteer Kinetic digital management system is in place. This means we have a live central record of volunteer safe recruitment information and activity. The system is structured so, dependent on the role, the proportionate amount of safe recruitment checks are carried out and logged on the volunteers' profile, also training is logged on the system for example Safeguarding Level 1.

##### Training

78.5% (1,683 out of 2,142 staff members) of the workforce (non-school based) have attended safeguarding training.



100% of volunteers recruited in this period undertook Safeguarding Training.

38 trainers within the council are trained to deliver Level 1 Safeguarding within their service areas.

Safeguarding training has been undertaken by 38 Council Members at Level 1, 35 at Level 4.

Governor specific safeguarding training is delivered each term as necessary by the Education Safeguarding Lead

100% of schools have up to date whole school Safeguarding training plans in place

100% of teachers are trained at level 1 or 2

100% Teaching assistants are trained at level 1

Every Leisure Centre has appropriately trained Safeguarding Leads

### Managing Professional Allegations

## Managing Professional Allegations

The Safeguarding and Quality Assurance Unit has managed the following professional allegations between April 18 and March 19:

33 adult professionals discussed in relation to 33 children:



In Relation to Professional Concerns in Adult Safeguarding new guidance is currently being drafted by the Protocols Group of the Safeguarding Board to support developing process.

In Relation to Professional Concerns in Adult Safeguarding new guidance is currently being drafted by the Protocols Group of the Safeguarding Board to support developing process.

### Analysis

Safe recruitment under the Corporate Safeguarding Policy continues to be a priority. Processes to ensure that safe recruitment checks for paid and unpaid staff are undertaken prior to full employment and compliance levels around this shows a robust system, that is now thoroughly embedded. Systems are in place to support safe recruitment and an

established risk assessment process is in place to review any anomalies within these processes.

The identification of role-related safeguarding training needs has informed the Safeguarding Training Plan, and processes for accessing training have been simplified and are working effectively. There is further opportunity for checking safeguarding training needs through the current SAFE process, with the Safeguarding Unit ensuring that staff appointed to the Designated Safeguarding Lead roles are trained to the correct level, and that the training plan is robust and resilient.

Monmouthshire is fully compliant with the management of Professional Concerns Guidance within Children and Adult Services. Changes to these processes are anticipated in the new Wales Adult and Children Protection Processes launched by the Welsh Assembly Government in November 19, and Monmouthshire are actively involved in the drafting of new protocols with the Gwent Safeguarding Boards.

The downward score of 3 from 4 represents the concerns of the WASG that achieving a watertight system for centrally recording and monitoring employee data regarding safeguarding training from the point of recruitment onwards remains problematic. There is due to be a significant upgrade to the current data base, however, in the interim and during the upgrade it is an area of potential vulnerability.

#### **Key Next Steps for 2019 – 2020**

Collate training data from the outcomes of the SAFEs and revise the training plan accordingly

Implement the upgrade of the HR data base from safeguarding perspective

Ensure that interim arrangements for delivering and recording safeguarding training is collated consistently, so that WASG can assure the council that any risks are minimised during this interim period.

### **Preventative Approach**

#### **SELF-ASSESSED SCORE = 4**

##### **What does good look like?**

We are working well with partners to identify emerging issues, risks and challenges to our communities. We are able to demonstrate clear multiagency approaches to developing protocols, processes and practice in how we are responding to these issues therefore reducing risks through early intervention and preventative approaches.

##### **Progress and Evidence**

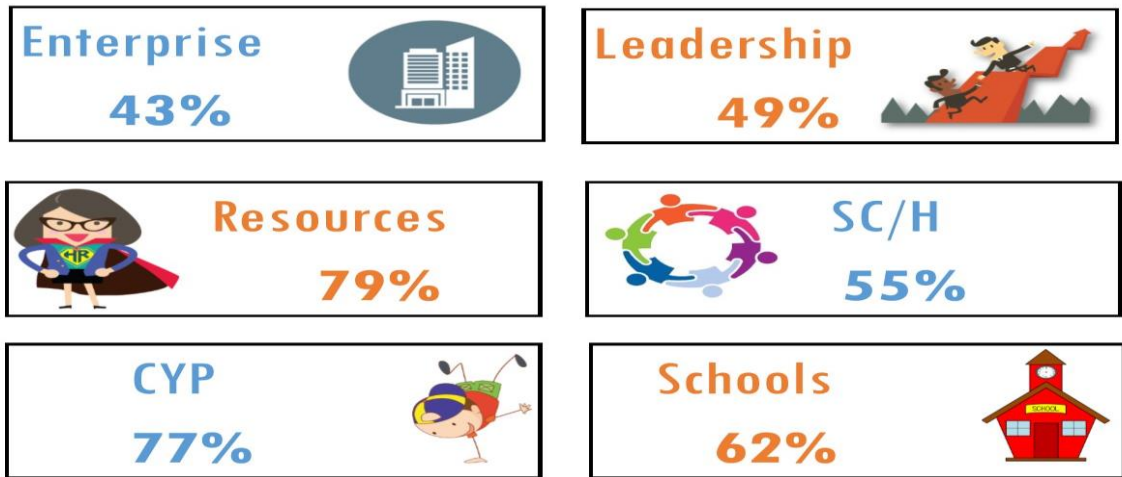
###### **Responding to Emerging Issues**

Training plans are in place to ensure the right levels of training in VAWDASV and PREVENT including at staff induction.



**PREVENT awareness raising has been delivered in all Monmouthshire Schools and continues to be a rolling program of training with a new Gwent funded.**

**PREVENT co-ordinator Year end Figures March 2019 for delivery of VAWDASV level 1 training are;**



Child Sexual Exploitation, County Lines, and Modern Day Slavery is delivered as a Level 3 training, included in Level 2 training and training and included in Level 1 integrated Safeguarding training.

Working through multi-agency approaches to tackle safeguarding issues

During this period 17 children were subject to Child Sexual Exploitation Strategy Meetings.

Local Safeguarding Networks Meetings were held in Sept 18, Jan 19 and March 19 with increased attendance from statutory and 3rd sector organisations.

Safeguarding Practitioner Forums in May 18 focused on Adult and Child Mental Health and in Nov 18 focused on Criminal Exploitation and Modern Day Slavery.

120 members of statutory and 3rd Sector services attended Practitioner Events May and November 2018.

Child Protection Co-ordinator attends monthly meetings with licencing to discuss arising regulation and community safeguarding issues.

Fortnightly MASE Meetings continue with Monmouthshire's CP Co-ordinator vice chair - (Multi Agency Sexual Exploitation meetings) with Police to identify patterns, locations and perpetrator identification.

This year has seen the Development of the Monmouthshire Exploitation Group which has representation from Safeguarding Unit, Public Protection, Partnerships, Police, Gwent Missing Children's Team, Education, Community Based teams.

This group has overseen the development of a Monmouthshire Protocol for responding to Modern Day Slavery and Exploitation. This protocol supports the links and the works of SAFER Monmouthshire Group, and the Monmouthshire Organised Crime Group. It continues to include collaborative working between Licencing and the Gwent Missing Children's team and Police in regard to Operation Make Safe - (aimed at tackling Child Sexual Exploitation through working directly with Hotels, Pubs, Taxi's)

The Safer Monmouthshire partnership Group now has clear lines of communication via membership and reporting lines to the newly developed Crime and Disorder Group, Serious Organised Crime Group and Monmouthshire Exploitation Group.

#### Providing Effective Early Help

The Information/ Advice and Assistance (IAA) facility at the front door of Children's and Adults (FISH) services are regularly monitored and reviewed.

1911 Adults received IAA Sept -March (an increase from 1515 during the same period last year)

703 Children/families received IAA Sept- March.

The Early Help Panel within Children's Services has been operating since Jan 18 and continues to develop. This now includes Primary Mental Health Services and CAMHS.

#### Analysis

Preventative approaches remain a strong area of safeguarding practice within Monmouthshire. The score remains at 4 in recognition that there is always more to do in ensuring that all aspects of the council are equally informed about and can recognise safeguarding issues. Equally, safeguarding is an ever changing landscape and whilst there are mechanisms in place to recognise emerging issues (such as county lines) there is never room for complacency. The SAFE process this year, and the WASG meeting programme, is aimed towards supporting preventative approaches.

This period has seen the network and partnership approach embed structures and processes which identify and target vulnerabilities in our communities. Newly developed Exploitation protocols have built on the foundations of previous strengths within the authority, and the reporting and information sharing pathways between statutory services, and operational partners have supported the early identification of concerns, and multiagency strategies to address these issues at an earlier point. Newly developing work streams will need to be monitored and adapted in order to develop baselines for reporting and working flexibly as themes and understanding evolve.

Community based resources identified previously (Community Hubs, Families First programs, and Community Wellbeing Development Officers) continue to support our communities and meet need and support information sharing in relation to risk.

Partnership working to link community safety and wellbeing to wider community based criminality has focused on the identification of persons of concern, locations and disruption activities

The Early Support Referral Pathway continues to work effectively in meeting need and outcomes for families and children, this continues to develop with new developing strands of work with health to consider early intervention with Child and Adolescent mental health.

#### **Key Next Steps for 2019 - 2020**

Support the on-going development of integrated approaches to exploitation through the MASE work

Ensure full roll-out of the Modern Day Slavery protocol

Review the outcomes from the Early Help Panel

WASG to retain oversight of the implementation of the Transport Programme board from a safeguarding perspective.

#### **4). Robust Protection**

##### **SELF-ASSESSED SCORE = 4**

##### **What does good look like?**

We operate best practice in protecting children and adults at risk and ensure that all concerns about possible abuse or neglect are recognised and responded to appropriately. Multi-agency plans and interventions reduce risks and needs for children and vulnerable adults including those at risk of significant harm.

##### **Progress and Evidence**

Within Children Services Assessments being completed within statutory timescales remain high, benefited by a more stable workforce.

In Children's services an initial decision regarding a referral is made within 24 hours in 98.3% and 95% of assessments in children's services were completed within statutory timescales.

There is a continued upward trend in respect of both Child Protection Registrations and Children who are Looked After.

The number of children on the Child Protection Register at year end was 116.

The continued increase in children who are recorded as Looked After in Monmouthshire rose to a year end of 173.

Children's Services continues to work with partners to respond to children at risk of sexual exploitation. During this period 17 children were subject to Child Sexual Exploitation Strategy Meetings.

76.79% (down from 84.73%) of Adult Protection enquires were completed within 7 days.

Practitioners in adult and children's services work with multi-agency partners in domestic abuse. Between Sept 2018 –March 2019 25 women, and 31 children in Monmouthshire

were the subject of Multi Agency Risk Assessment Conference (MARAC) risk reduction plans.

### **Analysis**

Overall ensuring robust protection for people at risk of harm is a strength within the Council. There is a comprehensive range of mechanisms across children and adult services that allow for a robust approach to quality assurance.

These include:

- Managers monitor through live dashboards in Children's Services with weekly workforce meetings to check case-loads
- Children's Services Leadership Team receive 6-monthly reports from the Independent Reviewing Officer and Child Protection Co-ordinator
- Cases are reviewed regularly within the court process
- Front-line supervision is embedded
- DMT receives regular performance updates from service areas
- Adult Social Services practice improvement meetings are held regularly

Never-the-less, the continued upward trend in numbers within both children's and adults services puts services under pressure, and the current static score line at 4 reflects this.

A Review of Adult Safeguarding team performance and structure has demonstrated the significant increase in safeguarding concerns being referred to the department and an increased Safeguarding function with the demands of the Gwent Adult Safeguarding Board, and Corporate Safeguarding. This has impacted the timescales in which the safeguarding process can be completed and has led to recommendations in relation to structure, capacity and workload in order to meet current demand and prepare for the Wales Adult Safeguarding Procedures to be launched in Nov 2019.

Similarly, over the next 12 months children services will be looking at practice approaches around risk and strengths based working to support the practitioners to manage and report risk more effectively in order to protect but also work in partnership with children and families.

Both the introduction of the new All Wales Child and Adult Protection Procedures which launch in November, together with the services preparation for the change to WCCIS present a current a significant challenge to service stability. There are plans in place to ensure smooth implementation of both.

### **Key Next Steps for 2019 - 2020**

Ensure that plans are in place to implement new procedures and WCCIS without unnecessary disruption to operational issues / quality assurance processes

Consider capacity issues specifically for adult protection

Deliver risk assessment and strengths based practice across Children's Services

## **5). Safe Services – delivered through commissioning arrangements, grants, partnerships and volunteering**

**SELF-ASSESSED SCORE = 3**

### What does good look like?

We use our influence to ensure that services operating in Monmouthshire, both commissioned and those outside the direct control of the Council, do so in ways which promote the welfare and safety of children and adults at risk.

### Progress and Evidence

The Corporate Safeguarding Policy has been updated to include the agreed Framework for Minimum Standards for Safeguarding Across Commissioned Services

Social Care and Health have completed Matrix for Minimum Standards and other directorate areas are to follow. This indicated that safe commissioning practice was complied with. The Internal Audit Report into commissioning of external placements (within children's services) published in June 2019 provided reasonable assurance that proper controls were in place.

There are well developed arrangements in public protection to ensure safeguarding is given due regard:

- safeguarding training is a requirement for licenced taxi /hackney and private hire.
- voluntary safeguarding training is offered to alcohol/ entertainment and late night refreshment licensees.

Monmouthshire Letting and Hiring process requires evidence of the hirer's Safeguarding processes as mandatory prior to letting council property. This is set out in the Taxi and Private Hire Policy & Conditions 2016.

During the reporting period we saw:

- 100% compliance new licences
- 100% previous licences
- 100% renewed licence

The Corporate Safeguarding Policy and Volunteering Policy set out clear guidelines and expectations for volunteers in commissioned services. This is reflected in individual service contracts.

### Analysis

Progress has been made within Social Care and Health in respect of having clear operating process in place to ensure a robust approach for all social care commissioning for children and adults. A Commissioning Lead is in place and productive relationships with commissioned providers have been established allowing any emerging concerns to be addressed through good partnership working. There has also been an improvement in statutory social work visits being undertaken (within Children's Services) and the review of placements within statutory timescales remains strong. This means that within social care there is a robust, risk-based, contract management and quality assurance process across all providers. This was recognised within the follow up review of external placements (children's services) by Internal Audit.

Initial review of the evidence from schools, and other parts of the Council for children/ adults at risk indicate there are robust arrangements in place for contracted services (including individual school contracts, transport, leisure services).

However, the evaluative score remains at 3 because of the need to complete the commissioning matrix for each directorate. This will provide a greater understanding and increased assurance of the baseline position across the Council in respect of commissioning. Commissioning has been agreed as a future area of focus for Internal Audit.

**Key Next Steps for 2019 - 2020**

All directorates to complete the Minimum Standards Self-Assessment Matrix, and evaluate outcomes.

**Appendix 3**

**Safeguarding Key Actions for 2019 – 2020**

<b><u>Action</u></b>	<b><u>Responsibility</u></b>	<b><u>Timeframe</u></b>
Complete the SAFE process and evaluate learning and outcomes for future planning	All directorate leads Chair of WASG	March 2020
Develop the process for 'learning in action' for the WASG based on case scenarios / areas of concern to replace the SBAR approach.	Chief Officer Health and Social Care	March 2020
Ensure that there is good awareness across the Council of the new All Wales Child and Adult Protection Procedures	Safeguarding Service Manager	March 2020
Collate training data from the outcomes of the SAFEs and revise the training plan accordingly	Safeguarding Service Manager	March 2020
Implement the upgrade of the HR data base and provide oversight from a safeguarding perspective	Head of Human Resources	March 2020
Ensure that interim arrangements for delivering and recording safeguarding training is collated consistently, so that WASG can assure the council that any risks are minimised during this interim period.( As per P2a WAO partially addressed actions 2019 follow up review )	Head of Human Resources	March 2020
Support the on-going development of integrated approaches to exploitation through the MASE work	Safeguarding Service Manager	March 2020
Ensure full roll-out of the Modern Day Slavery protocol	Safeguarding Service Manager Head of Public Protection	March 2020
Review the initial outcomes from the Early Help Panel	Head of Children's Services	Jan 2020
WASG to retain oversight of the implementation of the Transport Programme board from a safeguarding perspective.	Chair of WASG Safeguarding Service Manager	March 2020
Ensure that plans are in place to implement new All Wales Procedures and WCCIS without	Head of Children's and Adult's Services	Jan 2020



unnecessary disruption to operational issues / quality assurance processes		
Consider capacity issues, specifically for adult protection	Chief Officer Health and Social Care	Jan 2020
Deliver risk assessment and strengths based practice across Children's Services	Head of Children's Services	Jan 2020
All directorates to complete the Minimum Standards Self-Assessment Matrix, and evaluate outcomes. ( As per P4 WAO partially addressed actions 2019 Follow up review)	All directorate leads Chair of WASG	March 2020
Enhance qualitative comparative data at Directorate level which will form part of the Annual Report ( As per P3 WAO partially addressed actions 2019 follow up review)	WASG	Sept 2020
Strengthen arrangements by establishing a process to actively check on-going compliance with licence conditions during 3-year licence period. ( As per WAO P1iic partially addresses actions 2019 follow up review)	Head Of Public Protection	Oct 2020

## **Appendix 4**



Corporate  
Safeguarding Policy

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## Future Generations Evaluation (includes Equalities and Sustainability Impact Assessments)

<b>Name of the Officer</b> completing the evaluation Jane Rodgers  <b>Phone no:</b> <b>E-mail:</b> janerodgers@monmouthshire.gov.uk	<b>Please give a brief description of the aims of the proposal</b>  This is not a proposal, it is a statement of progress for Scrutiny
<b>Name of Service:</b> Safeguarding – Social Care and Health	<b>Date Future Generations Evaluation form completed</b>  October 2019

**NB. Key strategies and documents that may help you identify your contribution to the wellbeing goals and sustainable development principles include: Single Integrated Plan, Continuance Agreement, Improvement Plan, Local Development Plan, People Strategy, Asset Management Plan, Green Infrastructure SPG, Welsh Language Standards, etc**





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**Does your proposal deliver any of the well-being goals below?** Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal.

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
<b>A prosperous Wales</b> Efficient use of resources, skilled, educated people, generates wealth, provides jobs	A Neutral Contribution	
<b>A resilient Wales</b> Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	A Neutral Contribution	

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
<b>A healthier Wales</b> People's physical and mental wellbeing is maximized and health impacts are understood	A Neutral Contribution	
<b>A Wales of cohesive communities</b> Communities are attractive, viable, safe and well connected	Safeguarding, is central to cohesive communities, in so much the Council must ensure appropriate services and processes in place to protect people as much as possible	
<b>A globally responsible Wales</b> Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	Safeguarding is recognised regionally and nationally as a key component to wellbeing and this report demonstrates the progress made against National, Regional and Local Policies	
<b>A Wales of vibrant culture and thriving Welsh language</b> Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation	A Neutral Contribution	
<b>A more equal Wales</b> People can fulfil their potential no matter what their background or circumstances	Safeguarding is a key part of ensuring that people can fulfil their potential no matter what their background. Equality is at the centre of the services the Authority provide and commission.	

2. How has your proposal embedded and prioritised the sustainable governance principles in its development?

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Long Term</p> <p>Balancing short term need with long term and planning for the future</p>	<p>This report is based on the 5 Safeguarding Priorities of the Council and demonstrates progress made within Governance, Safe Workforce, Preventative Agenda, Robust Protection and Safe Services. It details how services work in partnership with agencies from different sectors, considers involvement and collaboration with communities and details the progress made in relation to Safeguarding in Monmouthshire.</p>	
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	<p>As Above</p>	
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	<p>As Above</p>	
 <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p>	<p>As Above</p>	

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Considering impact on all wellbeing goals together and on other bodies</p>	As Above	

3. **Are your proposals going to affect any people or groups of people with protected characteristics?** Please explain the impact, the evidence you have used and any action you are taking below. For more detailed information on the protected characteristics, the Equality Act 2010 and the Welsh Language Standards that apply to Monmouthshire Council please follow this link: <http://hub/corporatedocs/Equalities/Forms/AllItems.aspx> or contact Alan Burkitt on 01633 644010 or [alanburkitt@monmouthshire.gov.uk](mailto:alanburkitt@monmouthshire.gov.uk)

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	Development of Safeguarding Practice and Safer Services	None	
Disability	Development of Safeguarding Practice and Safer Services	None	
Gender reassignment	Development of Safeguarding Practice and Safer Services	None	
Marriage or civil partnership	Development of Safeguarding Practice and Safer Services	None	

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Pregnancy or maternity	Development of Safeguarding Practice and Safer Services	None	
Race	Development of Safeguarding Practice and Safer Services	None	
Religion or Belief	Development of Safeguarding Practice and Safer Services	None	
Sex	Development of Safeguarding Practice and Safer Services	None	
Sexual Orientation	Development of Safeguarding Practice and Safer Services	None	
Welsh Language	Development of Safeguarding Practice and Safer Services	None	

**4. Council has agreed the need to consider the impact its decisions has on important responsibilities of Corporate Parenting and safeguarding. Are your proposals going to affect either of these responsibilities?** For more information please see the guidance <http://hub/corporatedocs/Democratic%20Services/Safeguarding%20Guidance.docx> and for more on Monmouthshire's Corporate Parenting Strategy see <http://hub/corporatedocs/SitePages/Corporate%20Parenting%20Strategy.aspx>

	Describe any positive impacts your proposal has on safeguarding and corporate parenting	Describe any negative impacts your proposal has on safeguarding and corporate parenting	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?
Safeguarding	This report is about the development of Safeguarding Practice in Monmouthshire	None	

Corporate Parenting	None	None	
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**5. What evidence and data has informed the development of your proposal?**

Both Quantitative and Qualitative evidence presented throughout the report

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**SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?**

The Main benefit is sharing information, receiving feedback and development of the process of assuring Safeguarding Process in Monmouthshire

**7. ACTIONS: As a result of completing this form are there any further actions you will be undertaking? Please detail them below, if applicable.**

What are you going to do	When are you going to do it?	Who is responsible	Progress
CYP & Adult Scrutiny	Nov 2019		
Council	Dec 2019		



**8. MONITORING:** The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.

The impacts of this proposal will be evaluated on:	Annually
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**9. VERSION CONTROL:** The Future Generations Evaluation should be used at the earliest stages of decision making, and then honed and refined throughout the decision making process. It is important to keep a record of this process so that we can demonstrate how we have considered and built in sustainable development wherever possible.

Version No.	Decision making stage	Date considered	Brief description of any amendments made following consideration

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**SUBJECT: URGENT BUDGET DECISION – FLOOD RECOVERY RESPONSE**

**MEETING: FULL COUNCIL**

**DATE: 5 MARCH 2020**

**DIVISION/WARDS AFFECTED: ALL**

## **1. PURPOSE**

- 1.1 This report is being presented at short notice in accordance with Constitutional rules following an urgent decision to allocate funding outside of the budget framework to deal with ongoing recovery work following the recent flooding.

## **2. RECOMMENDATION**

- 2.1 Councillors note this report and the decision made.
- 2.2 That a further report be brought back to Council in due course once the wider implications of the recent flooding is known and understood to the County, Council and its residents and businesses. Together with recovery action taken and planned and the resultant financial consequences for the Council.

## **3. KEY ISSUES**

- 3.1 Councillors will be familiar with the scale and depth of impact felt across Monmouthshire as a result of the recent storms Ciara and Dennis. The decision was taken on 20<sup>th</sup> February to establish a Recovery Coordinating Group (RCG) with the stated aim of returning our communities to a state of normality.
- 3.2 In a short period of time the RCG has identified a myriad of issues across the County and is starting to seek to coordinate solutions to those issues. The two core limitations are cost and resource: simply, Officers have been asked to address the RCG work while continuing 'routine' work, and against the current in-year budget constraints. This is hampering a degree of freedom of movement for those Officers.
- 3.3 Welsh Government (WG) has given a public indication that there will be £10m funding available to deal with flooding issues, with a commitment to this number increasing. More specifically, they have communicated to MCC that the funding and criteria for the emergency financial assistance scheme (EFAS), will be released week commencing 2<sup>nd</sup> March 2020.
- 3.4 In order to enable the RCG greater responsiveness to the issues at hand, a decision was taken by Chief Officer Resources to make initial budget provision of £500,000 and a sum sufficient to allow recovery efforts to be made as intended, whilst on the basis of a working assumption that Welsh Government will be bringing forward funding to compensate.
- 3.5 Access to this money will require appropriate supporting evidence or business cases as required, and scrutiny by Finance Officers and Chair of the RCG. It is not a blank cheque nor a target, and is simply designed to enable activity pending further information from WG on the EFAS funding.

- 3.6 Budget decisions are typically reserved to Full Council only. However, decisions outside of the budget framework may be made by a Cabinet Member or Officer if it is urgent, it is not practical to convene a quorate meeting of Full Council to make the decision in the desired timescale, and the Chair of a relevant select committee agrees it is a matter of urgency.
- 3.7 As the person with the duty of interpreting the Constitution, the Monitoring Officer determined that this was an urgent decision, it would not be practical to convene Council within a day, mitigated by the proximity of the 5<sup>th</sup> March 2020 meeting, and that the relevant select committees given where the impact of the flooding has fallen, would be the Economy and Development or Strong Communities Select Committees. Both Councillors Dymock and Pavia have communicated their approval for the decision.

#### **4. OPTIONS APPRAISAL**

- 4.1 To have done nothing, waited for Full Council to sit, or waited for the WG announcement, would have continued to limit the ability of the RCG to react to a still changing situation to the detriment of our communities impacted by flooding.

#### **5. EVALUATION CRITERIA**

- 5.1 Any financial commitments against this budget provision will require appropriate supporting evidence or business cases to be provided as required, and that will be scrutinised by Finance Officers and the Chair of the RCG.
- 5.2 When clarification has been sought it is proposed that a further report be brought back to Council and once the wider implications of the recent flooding is known and understood to the County, Council and its residents and businesses. Together with recovery action taken and planned and the resultant financial consequences for the Council.

#### **6. REASONS**

- 6.1 In order to ensure that the Council worked within its budgetary framework and when urgently needing to commit expenditure that responds to the flood recovery effort across Monmouthshire.

#### **7. RESOURCE IMPLICATIONS**

- 7.1 The consequence of this urgent decision is take make available budget provision of £500,000 to assist with the initial flood recovery response. To not have made the budget provision would have meant, and in a situation where the Council is managing an in-year overspend against services, that the Council would have been operating outside of its budgetary framework in committing further expenditure.
- 7.2 The full extent of the financial consequences of the recovery effort, now and immediately and over the coming months is still unknown. Welsh Government have been receptive and are signalling that they will be flexible in considering funding requests from affected local authorities. The Council has promptly registered the flooding events arising from storm Ciara and Dennis with Welsh Government under the conditions of their Emergency Financial Assistance scheme.
- 7.3 As stated above Welsh Government (WG) has given a public indication that there will be £10m funding available to deal with flooding issues, with a commitment to this number increasing. The affordability implications on the Council will continue to be assessed and on the basis of the EFAS funding and eligibility criteria being made clear.
- 7.4 The budget provision will be funded from capital receipts, or to the extent that is cannot from earmarked reserves. It is recognised that this will put additional strain on the Council's limited

resources and until such time as clarification is sought from Welsh Government that such costs will be fully funded.

**8. WELLBEING OF FUTURE GENERATIONS IMPLICATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING AND CORPORATE PARENTING)**

- 8.1 The budget provision provided to support flood recovery action strikes at the heart of supporting a resilient Wales. Furthermore it address all of the sustainable development principles of being long-term, collaborating and working with other partners and agencies, involving the views of residents, businesses and other stakeholders and putting resources into preventing problems occurring or getting worse.
- 8.2 No negative equality impacts are identified and there are no safeguarding and corporate parenting implications to be considered.

**9. CONSULTEES**

Cabinet  
Economy and Development Select Committee Chair  
Strong Communities Select Committee Chair  
Monitoring Officer

**10. BACKGROUND PAPERS**

None

- 11. AUTHOR:** Peter Davies – Chief Officer Resources

**12. CONTACT DETAILS:**

Tel: 07398 954828  
Email: [peterdavies@monmouthshire.gov.uk](mailto:peterdavies@monmouthshire.gov.uk)

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**SUBJECT: PUBLICATION OF PAY POLICY STATEMENT AS REQUIRED BY THE LOCALISM ACT**

**MEETING: Council**

**DATE: 5 March 2020**

## **1. PURPOSE:**

To approve the publication of Monmouthshire County Council's Pay Policy, in compliance with the Localism Act.

## **2. RECOMMENDATIONS:**

That Council approves the Pay Policy for the year 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2020.

## **3. KEY ISSUES:**

1. That Council approves to pay the nationally negotiated and agreed pay award of the Joint National Council (JNC) for Local Authority Chief Executive Officers. Chief Executive Officer terms and conditions of employment and pay are prescribed by the JNC for Local Authority Chief Executive Officers. The individual basic salaries of all officers within the scope of the JNC for Chief Executives of Local Authorities increased by 2% with effect from 1 April 2019. The pay agreement covers the period 1 April 2018 to 31 March 2020.
2. That Council approves to pay the nationally negotiated and agreed pay award for those employees who come under the Joint National Council (JNC) for Chief Officers. Chief Officers' terms and conditions of employment and pay are prescribed by the JNC for Local Authority Chief Officers. The individual basic salaries of all officers within the scope of JNC for Chief Officers of Local Authorities increased by 2% with effect from 1 April 2019. The pay agreement covers the period 1 April 2018 to 31 March 2020. The Council employs Chief Officers under JNC terms and conditions, which are incorporated into contracts of employment. The JNC for Chief Officers negotiates on national (UK) annual cost of living pay increases for this group, and any award is determined on this basis. Chief Officers employed under JNC terms and conditions are contractually entitled to any national JNC determined pay rises and this Council will therefore pay these as and when determined in accordance with contractual requirements.

3. Monmouthshire County Council recognises the need to have a clear written policy on pay and reward for employees. A policy provides a framework to ensure that employees are rewarded fairly, objectively and without discrimination.

4. The 2019-20 Pay Policy includes the following:

- Updated information in relation to pay bands (and salary information) effective 1 April 2019 as a result of the implementation of the new pay spine:-

Monmouthshire County Council's grading structure prior to 1 April 2019 consisted of 13 grades with 5 increments in each grade that spanned across Spinal Column Points (SCP) 6 - 57.

With effect from 1 April 2019, this changed and Monmouthshire County Council's grading structure now has 13 grades with 5 increments in ten of the grades, 3 increments in two of the grades and 4 increments in one of the grades. Grades span across Spinal Column Points (SCP) 1- 51.

- Updated information in relation to the pension contributions - effective 1 April 2019
  - Specific information relating to reporting requirements associated with exit payments
5. The policy is underpinned by the Single Status Agreement signed as a collective agreement with the Trades Unions on 2nd December 2010 and other nationally agreed terms and conditions for employees of the Council.
6. This is the ninth publication of the policy.
7. Should the Council at any time decide that it does not wish to implement the nationally negotiated & agreed JNC and NJC (National Joint Council) pay increases, the Pay Policy Statement would need to be amended again to reflect the decisions, which are taken by Council.

#### **4. OPTIONS APPRAISAL**

There is a statutory requirement to produce and publish an annual pay policy statement.

#### **5. EVALUATION CRITERIA**

An evaluation assessment is provided at the end of this document.



## **6. REASONS:**

The Council has a statutory requirement under s.38 of the Localism Act 2011 to prepare a pay policy statement on an annual basis. The statement needs to be in place by 31st March each year. The proposed Pay Policy will ensure compliance with this legislation.

## **7. RESOURCE IMPLICATIONS:**

The Council's budget includes the cost of its employees while the pay details for Chief Officer posts is published on an annual basis as part of the Statement of Accounts.

Those officers employed under Chief Officer's terms and conditions of employment receive national pay awards, irrespective of any pay awards to the Chief Executive Officer. The pay awards for the CEO and Chief Officers saw a 2% increase with effect from 1 April 2019.

The pay award for local government employees saw a 2% increase effective 1 April 2019.

As a reminder, the National Joint Council Pay Deal of December 2017 provided for implementation of the pay award in two phases, in April 2018 and April 2019. The 2018 phase involved only percentage increases to each of the 28 SCPs within the NJC grading pay structure and was implemented by the Council with effect from 1 April 2018. The second phase of the pay deal involved not only a percentage increase for all pay points it also introduced (with effect from 1 April 2019) a new pay spine.

Monmouthshire County Council introduced the Real Living Wage in April 2014 in line with the rate set by the Living Wage Foundation. The implementation of the new pay spine (effective 1 April 2019) introduced a minimum spinal column point of £9.00 per hour. This is in line with the rate set by the Living Wage Foundation.

## **8. WELLBEING OF FUTURE GENERATIONS IMPLICATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING AND CORPORATE PARENTING):**

The Wellbeing and Future Generations and Equality Impact Assessment is attached.

## **9. CONSULTEES:**

Chief Executive  
Head of Finance/Section 151 Officer  
Monitoring Officer  
UNISON  
GMB

## **10. BACKGROUND PAPERS:**

None

**11.AUTHOR:**

Sally Thomas - HR Manager

**CONTACT DETAILS:**

Tel: 07900 651564

E-mail: [sallythomas@monmouthshire.gov.uk](mailto:sallythomas@monmouthshire.gov.uk)

## Evaluation Criteria – Cabinet, Individual Cabinet Member Decisions & Council

<b>Title of Report:</b>	<b>Pay Policy</b>
<b>Date decision was made:</b>	<b>February 2020</b>
<b>Report Author:</b>	<b>Sally Thomas</b>

### **What will happen as a result of this decision being approved by Cabinet or Council?**

All employees of the County Council will be paid in accordance with the information set out in the annual Pay Policy Statement

### **What benchmarks and/or criteria will you use to determine whether the decision has been successfully implemented?**

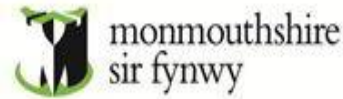
All employees of the County Council will be paid in accordance with the information set out in the Pay Policy Statement

### **What is the estimate cost of implementing this decision or, if the decision is designed to save money, what is the proposed saving that the decision will achieve?**

Council budget accounts for pay awards to staff as part of budget monitoring and forecasting procedures.

Any other comments  
Statutory requirement to produce and publish an annual Pay Policy Statement





## **MONMOUTHSHIRE COUNTY COUNCIL PAY POLICY 2019/20**

### **1. INTRODUCTION**

The purpose of a Pay Policy Statement is to increase accountability in relation to payments made to senior employees in the public sector by enabling public scrutiny.

Monmouthshire County Council recognises that in the context of managing scarce public resources remuneration at all levels needs to be adequate to secure and retain high quality employees dedicated to the service of the public, but at the same time needs to avoid being unnecessarily generous or excessive.

The publication of a Pay Policy supports Monmouthshire County Council's values of openness and fairness. This policy aims to ensure that all staff are rewarded fairly and without discrimination for the work that they do. It will reflect fairness and equality of opportunity, the need to encourage and enable staff to perform to the best of their ability and the desire to operate a transparent pay and grading structure.

Monmouthshire County Council recognises that pay is not the only means of rewarding and supporting staff and offers a wider range of benefits, e.g. flexible working, access to learning and a wide range of family friendly policies and procedures.

It is important that local authorities are able to determine their own pay structures in order to address local priorities and to compete in the local labour market.

In particular, it is recognised that senior management roles in local government are complex and diverse functions in a highly politicised environment where often national and local pressures conflict.

Monmouthshire County Council's ability to continue to attract and retain high calibre leaders capable of delivering this complex agenda, particularly during these times of financial challenge is crucial.

### **2. LEGISLATION**

Under Section 112 of the Local Government Act 1972, the Council has the 'power to appoint officers on such reasonable terms and conditions as the authority thinks fit'. This Pay Policy statement sets out the Council's approach to pay policy in accordance with the requirements of section 38 of the Localism Act 2011.

The Localism Act requires local authorities to develop and make public their pay policy on all aspects of Chief Officers remuneration (including when they cease to hold office), and that of the 'lowest paid' in the local authority. It also explains the relationship between

the remuneration for Chief Officer and other groups of staff. The Act and supporting guidance provides details of matters that must be included in this statutory pay policy, but also emphasises that each local authority has the autonomy to take its own decisions on pay.

The Pay Policy must be approved formally by Council by the end of March each year, but can be amended in year, and must be published on the Monmouthshire County Council's website and must be complied with when setting the terms and conditions for Chief Officers and employees.

In determining the pay and remuneration of all its employees, Monmouthshire County Council will comply with all relevant legislation. This includes the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, Agency Workers Regulations 2010 and where relevant the Transfer of Undertakings (Protection of Earnings) Regulations (TUPE). With regard to the Equal Pay requirements contained within the Equality Act, the Council ensures that all arrangements can be objectively justified through the use of job evaluation techniques.

In its application, this policy seeks to ensure that there is no discrimination against employees either directly or indirectly on grounds prohibited by the Equality Act 2010 which covers age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation This policy is inclusive of partners of the opposite or same sex.

### **3. SCOPE AND DEFINITIONS**

This Pay Policy includes-

- The level of remuneration for Chief Officers
- The remuneration of the lowest paid employees
- The relationship between the remuneration of Chief Officers and other officers
- Other specific aspects of Chief Officers' remuneration, fees and charges, and other discretionary payments.

The Localism Act 2011 defines '**Chief Officers**' as being -

**The Head of Paid Service.** This is the Chief Executive Officer.

**Statutory Chief Officers.** In Monmouthshire County Council these are the-

- Chief Officer, Children and Young People
- Chief Officer, Social Care and Health
- Head of Finance (incorporating statutory Section 151 Officer role)
- Head of Policy & Governance (incorporating statutory Head of Democracy role)
- Head of Law & Monitoring Officer

**Non-statutory Chief Officers** – These are non-statutory posts that report directly to the Head of Paid Service. In Monmouthshire County Council these are the-

- Chief Officer, Enterprise
- Chief Officer, Resources

**Deputy Chief Officers** – These are officers that report directly to statutory or non-statutory Chief Officers and are listed below.

In addition to the above statutory and non-statutory chief officers, posts on Chief Officers' terms and conditions in Monmouthshire County Council are -

- Head of Achievement & Resources
- Head of Achievement & Attainment
- MONLIFE - Chief Operating Officer
- Head of Place-making, Housing, Highways & Flood
- Head of Enterprise & Community Animation
- Head of Commercial, Property, Fleet & Facilities
- Head of People & Information Governance
- Head of Public Protection
- Head of Integrated Services
- Head of Children's Services
- Head of Business Transformation
- Head of Strategic Projects (Fixed Term post)
- Head of Neighbourhood Services

#### **Senior Leadership Team.**

In Monmouthshire County Council, our Senior Leadership Team consists of:

Chief Executive Officer

Chief Officer, Children & Young People

Chief Officer, Enterprise

Chief Officer, Resources

Chief Officer, Social Care & Health

Head of Law & Monitoring Officer

Gender make-up: 4 male; 2 female

The Localism Act 2011 requires the Council to define its 'lowest paid employee' within our pay policy statement. Within Monmouthshire County Council our lowest paid employees are those paid in accordance with the Living Wage.

The Localism Act 2011 defines remuneration as 'salary, bonuses, charges, fees or allowances payable, any benefits in kind, increase or enhancement of pension entitlement. This definition is adopted for the term "pay" used in this policy.

#### **4. PAY INFORMATION – PAY RANGES for NJC (National Joint Council) 'GREEN BOOK' STAFF**

All National Joint Council (NJC) 'Green Book' positions within Monmouthshire County Council have been subject to a job evaluation (JE) process using the Greater London Provincial Council (GLPC) scheme back dated to 1 April 2009 following the signing of a collective agreement with UNISON and GMB on 2 December, 2010.

Monmouthshire County Council has linked the scores from the job evaluation results directly to the NJC pay structure.

Monmouthshire County Council's grading structure has 13 grades with 5 increments in ten of the grades, 3 increments in two of the grades and 4 increments in one of the grades. Grades span across SCP 1- 51 with associated salaries from £17,364 (SCP 1) to £53,718 (SCP 51). More information about the GLPC and the grades can be found in the Council's Single Status Collective Agreement.

The implementation of the new pay spine (with effect from 1 April 2019) has introduced a minimum spinal column point of £9.00 per hour. This is in line with the rate set by the Living Wage Foundation. On 9 January 2019, Monmouthshire County Council Cabinet approved the new pay spine (which was effective 1 April 2019)

## **5. PAY INFORMATION – CHIEF EXECUTIVE OFFICER ON CHIEF EXECUTIVE TERMS AND CONDITIONS**

The salary for the Chief Executive Officer is a local grade established following an analysis of the degree of responsibility in the role and market rates at the time the post was last advertised (2009) and approved by Council. The salary for the Chief Executive is £116,744 (as at 1 April 2019). The individual basic salaries of all officers within the scope of the JNC for Chief Executives of Local Authorities increased by 2% with effect from 1 April 2019. This pay agreement covers the period 1 April 2018 to 31 March 2020.

There are no additional bonus, performance, honoraria or ex gratia payments. The salary is subject to nationally agreed pay rises for JNC for local authority Chief Executive Officers.

In Monmouthshire County Council, the role of the Electoral Registration Officer and Returning Officer is held by the Chief Executive. The fee for parliamentary, European Union, Welsh Government, Police and Crime Commissioner Elections and all referenda are set by legislation. Local Authorities have the discretion to set the fee for local elections. In the Council, the fee for local elections is set in line with the fee agreed for the Welsh Government elections.

## **6. PAY INFORMATION – CHIEF OFFICERS & HEADS OF SERVICE ON CHIEF OFFICER TERMS AND CONDITIONS**

Monmouthshire County Council employs Chief Officers under Joint National Council (JNC) for chief officers' terms and conditions, which are incorporated in their contracts. The JNC for Chief Officers negotiates on national (UK) annual cost of living pay increases for this group, and any award of same is determined on this basis. Chief Officers employed under JNC terms and conditions are contractually entitled to any national JNC determined pay rises, and this Council will therefore pay these as and when determined in accordance with contractual requirements. The individual basic salaries of all officers within the scope of JNC for Chief Officers of Local Authorities increased by 2% with effect from 1 April 2019. The pay agreement covers the period 1 April 2018 to 31 March 2020. With effect 1 April 2019, all salaries within this range are as follows:



<b>POST</b>	<b>RANGE</b>	<b>SALARY</b>
Chief Executive	N/A	£116,744
Deputy Chief Executive	Band A+ Points 1-3	£89,310 £90,500 £91,691
Chief Officer, Children & Young People (CYP) Chief Officer, Enterprise (3 year fixed term post) Chief Officer, Resources Chief Officer, Social Care & Health (SCH)	Band A: Points 1 – 4	£82,165 £83,355 £84,546 £85,737
Head of Law & Monitoring Officer Head of Finance/Section 151 Head of Strategic Projects (Fixed Term) Head of Integrated Services Head of Children’s Services Head of People & Information Governance MONLIFE – Chief Operating Officer Head of Enterprise & Community Animation Head of Place-making, Housing, Highways & Flood Head of Commercial, Property, Fleet & Facilities Head of Neighbourhood Services	Band B: Points 1 – 4	£71,448 £72,638 £73,829 £75,020
Head of Public Protection Head of Achievement and Resources Head of Achievement & Attainment Head of Policy & Governance/Head of Democracy Head of Business Transformation	Band C: Points 1 – 4	£61,326 £63,707 £66,089 £68,471

There are no other additional elements of remuneration in respect of overtime, flexi-time, bank holiday working, stand-by payments etc., paid to these senior staff, as they are expected to undertake duties outside their contractual hours and working patterns without additional payments. There is no performance related pay and no bonuses. As an equal opportunity employer all posts are advertised.

Posts at Chief Officer and Heads of Service level are employed on JNC Chief Officer terms and conditions. Chief Officers and Heads of Service whose grades offer incremental progression must achieve at least a 'satisfactory' judgement in their annual appraisal process to advance to the next incremental point within grade.

Monmouthshire County Council publishes pay details for Chief Officers on the website. The information can be found in the 'Statement of Accounts.'

Monmouthshire County Council is the 'host' local authority for the employment of the **Cardiff Capital Region City Deal – Programme Director**. This appointment is on a 3 year fixed term basis (with effect from 1 August 2018) on a salary of £113,676 per annum (effective 1 April 2019), on JNC chief officer terms and conditions of employment. This temporary post is being hosted by Monmouthshire County Council on behalf of the City Deal Partnership and is wholly funded by the City Deal Partnership. Under the Local Authorities (Standing Orders) (Wales) Regulations 2006, as amended in 2014, this post has been reported and approved by Council and has been the subject of a referral to the Independent Remuneration Panel.

## **7. PAY INFORMATION – STAFF ON 'GREEN BOOK' TERMS AND CONDITIONS REFERRED TO AS "OPERATIONAL MANAGERS"**

Operational Managers are those who fall within the definition of Deputy Chief Officer but who are paid on NJC (National Joint Council) terms and conditions rather than Chief Officers' terms and conditions. Their salaries span from Grades I – M, with the lowest being SCP 31 (£33,799) and the highest being SCP 51 (£53,718).

## **8. PAY INFORMATION – STAFF OTHER THAN 'GREEN BOOK' AND CHIEF OFFICERS**

Monmouthshire County Council also has staff on other national terms and conditions, i.e. JNC Soul bury and Teacher terms and conditions. Pay for these is based on the relevant nationally agreed rates of pay.

National Pay Grades – Soul bury Committee. The Soul bury Committee has its own pay scales and includes the following groups of staff:

- Educational Inspectors and Advisers
- Educational Psychologists
- Youth & Community Service Officers

In addition to the annual pay increase, the Soul bury Committee determines the national salary framework. The Council will pay future pay rises as and when determined in accordance with contractual requirements

Teachers' Pay Policy – the Teachers pay Policy provides a framework for making decisions on Teachers' pay. It has been developed to comply with the requirements of the School Teachers' Pay and Conditions Document (STPCD) and has been the subject of consultation with teaching trade unions. A Policy is provided to all schools each year with a recommendation from the Council that the Governing Body adopt it.

## **9. INCREMENTAL PROGRESSION**

For staff employed under NJC (National Joint Council) terms and conditions of employment, the 'Green Book', incremental progression is automatic. Increments are normally awarded on 1 April each year. Where Chief Officers and Heads of Service have incremental pay grades, progression is normally on 1 April each year.

## **10. SALARY ON APPOINTMENT**

Posts are advertised on the agreed grade/range for that particular post. Information regarding the minimum and maximum pay is provided in the advert. In practice most appointments are made at the bottom of the range. However, there is discretion to appoint at a higher point on the range. This would normally only apply if there is a need to match a candidate's current level of pay.

## **11. PAY REVIEW – ALL STAFF**

All pay is reviewed in line with the national pay awards negotiated for the cost of living increases when these occur.

## **12. MARKET SUPPLEMENTS**

It is recognised that there will be exceptional occasions where the market rate for certain key jobs is higher than that provided for by the new pay and grading structure. In these circumstances, the grading of the post will be reviewed in accordance with the Market Forces Policy.

## **13. ADDITIONAL PAYMENTS – NJC (National Joint Council) 'GREEN BOOK' STAFF**

Additional payments are made to this staff group as detailed in Monmouthshire County Council's single status agreement. The types of additional payments made include-

- Weekend Working payments are made for Saturday (time and a quarter) and Sunday (time and a half).
- Bank Holiday – Paid at double time or plain time plus a day off in lieu.

- Night Workers – Employees who work night shifts between the hours of 10.00 pm and 6.00 am are paid time and a third.
- Overtime can be paid for employees who are requested to work in excess of 37 hours and who are paid on NJC Bands A to F.

Examples of other payments that could be made are first aid allowance, and relocation payments. MCC does not reimburse the payment of professional registration or subscription fees, for any employee/group of staff.

#### **14. ADDITIONAL PAYMENTS – CHIEF OFFICERS & HEADS OF SERVICE**

- Business mileage incurred by the employee is refunded at the HMRC rate.
- Relocation – Monmouthshire County Council may provide financial assistance to new recruits as part of the employment package under the terms of our Relocation Scheme.
- Returning Officer Fees – the appointment of Electoral Registration Officer is required by S8 of the Representation of the People Act 1983 and the appointment of Returning officer by S35 of the Representation of the People Act 1983.
- In Monmouthshire County Council, the role of the Electoral Registration Officer and Returning Officer is held by the Chief Executive Officer. The fee for parliamentary, European Union, Welsh Government, Police and Crime Commissioner Elections and all referenda are set by legislation. Local Authorities have the discretion to set the fee for local elections. In the Council the fee for local elections is set in line with the fee agreed for the Welsh Government elections.
- Honorarium is paid to officers when carrying out duties in another local authority.

#### **15. HONORARIA AND ACTING UP SCHEME**

Monmouthshire County Council has a scheme for an additional payment to be made where an employee acts up into a post at a higher level of pay or where they undertake additional duties at a higher level of responsibility. This scheme is applicable for all employees.

#### **16. MULTIPLIERS**

The statutory guidance under the Localism Act recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers, as included within the Hutton 'Review of Fair Pay in the Public Sector' (2010).

The Hutton report was asked by Government to explore the case for a fixed limit on dispersion of pay through a requirement that no public sector manager can earn more than 20 times the lowest paid person in the organisation. The report concluded that the relationship to median earnings was a more relevant measure and the Government's Code of Recommended Practice on Data Transparency recommends the publication of the ratio between highest paid salary and the median average salary of the whole of the Local Authority's workforce.

The multiples of pay for Monmouthshire County Council are as follows-

- Multiple between lowest paid FTE employee and CEO is 7:1 (same as previous year)
- Multiple between lowest paid FTE employee and average chief officer is 4:1 (same as previous year)
- Multiple between the median FTE employee and CEO is 5:1 (same as previous year)
- Multiple between the median FTE employee and the average chief officer is 3:1 (same as previous year)

## 17. PAYMENTS/CHARGES AND CONTRIBUTIONS

All Monmouthshire County Council employees (except teachers) are entitled to join the local government pension scheme (LGPS) which is offered by the Local Government Employers. If staff are eligible they will automatically become a member of the scheme under the auto enrolment provisions (to join they must have a contract for at least 3 months duration and be under the age of 75).

Employees can decide to opt out of the scheme within one month of auto enrolment. The benefits and contributions payable under the pension fund are set out in the LGPS regulations.

All employees who are members of the Local Government Pension Scheme make individual contributions to the scheme in accordance with the following table:

### Local Government Pension Scheme deduction percentages (01/04/2019)

Pensionable Pay Banding	Main Section	50/50 Section
Up to £14,400	5.5%	2.75%
£14,401 to £22,500	5.8%	2.9%
£22,501 to £36,500	6.5%	3.25%
£36,501 to £46,200	6.8%	3.4%
£46,201 to £64,600	8.5%	4.25%
£64,601 to £91,500	9.9%	4.95%
£91,501 to £107,700	10.5%	5.25%
£107,701 to £161,500	11.4%	5.7%
£161,501 or more	12.5%	6.25%

## 18. DISCRETIONARY PAYMENTS

The policy for the award of any discretionary payments is the same for all staff regardless of their pay level. The following arrangement applies for redundancy payments under regulation 5 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006.

- Payment of an overall lump sum of 1.7 times the statutory redundancy payment multiplier based on actual weeks' pay up to a limit of Spinal Column Point 43. This is payable to employees made redundant with 2 or more years local government service regardless of their age, subject to them being eligible to join the pension scheme.
- Monmouthshire County Council introduced the real Living Wage in April 2014. Monmouthshire County Council isn't accredited for the Living Wage, and it is optional for it to apply any Living Wage pay increases when they arise. The implementation of the new pay spine (effective 1 April 2019) introduced a minimum spinal column point of £9.00 per hour. This is in line with the rate set by the Living Wage Foundation.

## **19. DECISION MAKING**

The appointment of the Chief Executive Officer and the statutory chief officers is a function of Council.

Details of exit payments will be approved by the relevant Chief Officer (and Chief Executive for settlement agreements) in consultation with the Cabinet Member and must have robust business cases justifying departure & representing value for money. Any exit payment in excess of £100,000 will reported to full Council.

## **20. REVIEW OF THE POLICY**

This Pay Policy outlines the current position in respect of pay and reward within the Council and it will be reviewed over the next year to ensure it meets the principles of fairness, equality, accountability and value for money for the citizens of Monmouthshire. The Policy will be reviewed annually and reported to Council in line with the requirement of the Localism Act 2011. In December 2016, the Public Services Staff Commission in Wales published observations and advice to Welsh Government in respect of the 'Transparency of Senior Pay in the Devolved Public Sector'. When reviewing the Pay Policy for 2019/20, much of the guidance is reflected in this policy.

# Public Document Pack Agenda Item 14

## MONMOUTHSHIRE COUNTY COUNCIL

**Minutes of the meeting of County Council held  
at Council Chamber - Council Chamber on Thursday, 16th January, 2020 at 2.00 pm**

**PRESENT:** County Councillor S. Woodhouse (Chairman)

County Councillors: P. Clarke, D. Batrouni, J.Becker, L.Brown, A.Davies, D. Dovey, L.Dymock, A. Easson, R. Edwards, D. Evans, M.Feakins, P.A. Fox, M.Groucutt, J. Higginson, G. Howard, S. Howarth, R.John, D. Jones, L.Jones, S. Jones, P. Jordan, M.Lane, P. Murphy, P.Pavia, M. Powell, J.Pratt, R.Roden, V. Smith, B. Strong, F. Taylor, T.Thomas, J.Treharne, J.Watkins, A. Watts, A. Webb and K. Williams

### **OFFICERS IN ATTENDANCE:**

Matthew Phillips	Head of Law/ Monitoring Officer
Paul Matthews	Chief Executive
Peter Davies	Chief Officer, Resources
Will McLean	Chief Officer for Children and Young People
Nicola Perry	Senior Democracy Officer
Frances O'Brien	Chief Officer, Enterprise
Julie Boothroyd	Chief Officer Social Care, Safeguarding and Health

### **APOLOGIES:**

County Councillors D. Blakebrough, R.J.W. Greenland, L. Guppy, R. Harris, P. Jones and S.B. Jones

The Chairman requested that Council observe a minute silence in remembrance of Samuel Barker, a pupil at Osbaston Church in Wales School, who had tragically lost his life in a road traffic accident.

### **1. PRE AGENDA - SIGNING OF THE ARMED FORCES COVENANT**

The Chairman welcomed guests for the signing ceremony of the Armed Forces Covenant.

The pledge was signed by Cllr Sheila Woodhouse as Chairman of the Council and Lt Col JPR Gossage RE on behalf of the Royal Monmouthshire Royal Engineers (Militia). Signing on behalf of the Town Councils were Chepstow: Cllr Tom Kirton (Mayor), Caldicot: Cllr Dave Evans (Mayor), Monmouth: Cllr Richard Roden (Mayor), Usk: Cllr Christine Wilkinson (Mayor), Abergavenny: Cllr Tony Konieczny (Mayor).

The Leader welcomed this important occasion where we recognise armed services families within our area. He thanked Joe Skidmore, the Communities and Partnership Development Lead for organising the occasion and looked forward to an ongoing powerful and strong relationship over the coming years.

### **3. Declarations of interest**

None.

## MONMOUTHSHIRE COUNTY COUNCIL

### Minutes of the meeting of County Council held at Council Chamber - Council Chamber on Thursday, 16th January, 2020 at 2.00 pm

#### **4. Public Questions**

None.

#### **5. Chairman's announcement and receipt of petitions**

Council received the Chairman's announcement.

There were no petitions.

The Chair welcomed Michelle Daltry of Disability Sport Wales who presented the insport Development Silver Accreditation to Council.

The Cabinet Member for Children and Young People and MonLife thanked MonLife staff adding that he looked forward to ongoing work for MCC to achieve the gold standard.

#### **6. Report of the Chief Officer for Enterprise**

##### **6.1. Caldicot Leisure Centre Refurbishment and Chepstow Gym and Cafe upgrade**

The Cabinet Member for Children and Young People and MonLife presented a report to inform Members of the results of the Caldicot Leisure Centre Refurbishment Feasibility Study RIBA stage 2 and to update on options.

Members were also informed of the need to improve the offer at Chepstow Leisure Centre to ensure it remains fit for purpose and attractive to customers.

We welcomed consultants from Alliance Leisure, Paul Cluett and Julia Goddard.

Following the presentation Members were invited to comment:

Reservations were raised around the access to the site, having previously discussed the possibility of a tree lined façade. This is something that would still be welcomed by the community.

It was suggested that the surplus being made at Monmouth should be used to further support the Caldicot development.

Questions were asked around the size and functionality of the swimming pool and the use of demountable for the changing facilities.

Concerns were raised regarding the removal of the squash facilities, particularly in terms of facilities available to the older generation.

The introduction of the skate park was welcomed.

Reference was made to inadequate gym facilities at Abergavenny Leisure Centre.

It was noted that the final projection would be brought back to Council.

Upon being put to the vote Council resolved to accept the recommendations:

- To proceed to the next stage of cost certainty RIBA 4 on the proposed model of "Remodel the Existing Centre" as outlined in the report at an additional cost of £244,569.



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### Minutes of the meeting of County Council held at Council Chamber - Council Chamber on Thursday, 16th January, 2020 at 2.00 pm

- To approve preliminary investigative and design work of £30,000 and proceed with a feasibility study for upgrades to the fitness facilities at Chepstow Leisure Centre and to remodel the café and reception areas depending upon cost.

*Councillor V. Smith left at 15:20pm*

#### **7. Report of the Head of Policy and Governance**

##### **7.1. Diary of Meetings 2020 - 2021**

The Cabinet Member for Governance presented the draft diary of meetings for 2020/2021 for Council approval.

Members recognised the need for flexibility, and a work/life balance, as well as the issues surrounding attendance at meetings, and were therefore keen to alternate times of meetings.

A Member urged that Senior Officers adhere to report deadlines, vital for effective scrutiny.

Reference was made to digital issues and the IT equipment. The Cabinet Member suggested that there is Capital Budget in place to improve digital systems, which should be taken advantage of.

The Cabinet Member proposed an amendment to the recommendations:

- That the diary of meetings for 2020/2021 be approved with the 8 full Council meetings remaining at 2pm.
- That the remaining committees resolve to set their meeting times at the first meeting of the Council year.

Upon being put to the vote the amendment was carried and approved.

#### **8. Report of the Chief Officer for Resources**

##### **8.1. Council Tax Reduction Scheme 2020/2021**

The Cabinet Member for Resources presented the report, the purpose being:

- To advise of the arrangements for the implementation of the Council Tax Reduction Scheme and to approve it for 2020/21
- To affirm that, in the absence of any revisions or amendments, annual uprating amendments will be carried out each year.

The Head of Revenue and Benefits for Monmouthshire and Torfaen confirmed that 5675 were currently receiving the council tax reduction, being around 15% of households in Monmouthshire. This is a slight increase since the introduction of the scheme in 2013.

Welsh Government contribute £22m across Wales towards the council tax reduction scheme. Monmouthshire County Council receives about £6.8m, within which is a supplement that would

## MONMOUTHSHIRE COUNTY COUNCIL

### Minutes of the meeting of County Council held at Council Chamber - Council Chamber on Thursday, 16th January, 2020 at 2.00 pm

be contributed Welsh Government to maintain the 100% as the benefit had been restricted to 90% when transferred by DWP.

Upon being put to the vote Council resolved to accept the recommendations:

- To note the making of the Council Tax Reduction Scheme and Prescribed Requirements (Wales) Regulations ("the Prescribed Requirements Regulations") 2013 by the Welsh Government on 26 November 2013.
- To adopt the provisions within the Regulations above ("the Prescribed Requirements Regulations") and any 'annual uprating regulations' in respect of its Scheme for the financial year 2020/21 including the discretionary elements previously approved as the Council's local scheme from 1<sup>st</sup> April 2020.

#### **9. Notices of Motion:**

##### **9.1. Submitted by County Councillor Batrouni**

*The Labour group believes inequality and poverty are major problems in Monmouthshire and the council should campaign for an Income Inequality grant.*

In seconding the motion Councillor Groucutt referred to the strategy submitted with the motion and shared a view that Council are fortunate to have a social scientist among Members who has undertaken the analysis provided.

The Cabinet Member for Social Justice, Councillor Sara Jones proposed an amendment that *'This Council believes that inequality and poverty are major problems in Monmouthshire and this Council should campaign for an income equality grant'*.

The amendment was duly seconded.

The Cabinet Member went on to explain that she understands and appreciates the scale of the problem and acknowledges the challenge being faced. She outlined current commitments and wished to make it clear to residents and Members that this Council is totally and utterly committed to tackling poverty and the challenges that inequality presents within our communities.

The Leader of the Independent Group welcomed the analysis and the time invested in the report. She added the timeliness of the motion given the introduction of the socio-economic duty in April 2020, meaning when we make any decisions, we will have to consider socio-economic factors as well as the other protected characteristics under the Equalities Act.

*Councillor J. Pratt left at 16:10pm*

The Leader of the Liberal Democrats supported the amendment and welcomed the opportunity to work cross-party. She commended Councillor Batrouni on the background work supporting the motion.

*Councillor F. Taylor left at 16:23pm*

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The Chair of Strong Communities Select Committee supported the amended motion and welcomed all Members to attend the meeting of the committee on 23<sup>rd</sup> April 2020.

Upon being put to the vote the amended motion was carried.

#### **9.2. Submitted by County Councillor Batrouni**

*That this Council is disappointed that the Tory administration decided to close Mounton House, especially without any future plan for the site as a whole or for the long-term provision of educational services for children with social, emotional and behavioural difficulties (SEBD). Moving forward, the Council will:*

- 1. Place restrictions on the site of Mounton House that requires any future use or redevelopment to be allowed only for educational or local community purposes in order to ensure the site is not sold for housing by the current or any future administration;*
- 2. Bring forward plans in this calendar year as to the long-term plans for SEBD children in the county.*

The motion was duly seconded by Councillor Tudor Thomas, in doing so he added his support agreeing this is a valuable site in a sought after area. He expressed disappointment that the school is closing and was concerned of the long-term plan for pupils. He sought clarity on the future of staff and pupils.

The Chairman reiterated that this was not an opportunity to revisit the consultation on the closure of Mounton House.

The Chief Officer explained that with regards to the future of the Pupil Referral Service, funding discussed at Cabinet is to support our four secondary schools to manage children who are at risk of exclusion in a mainstream setting. It does not relate to any child at Mounton House. Children at Mounton House are being carefully supported through the ongoing annual statementing process. There are likely to be differing solutions depending on the age of the child. Children in key stage 3 are likely to be placed in a specialist school, one child in key stage 4 will have a bespoke curriculum created for them and managed by the PRS.

Reassurance was sought that the building would be used for an educational or community use.

The Cabinet Member for Children and Young People responded that they have been clear throughout the process that the decision was made on the basis of the best interests of children with additional learning needs in Monmouthshire. At no point did the consultation documents or discussions include the notion of disposal of the land for housing. He confirmed that no consideration has been given to selling the land for housing.

The Leader moved the motion and upon being put to the vote the motion was defeated.

*Councillors S. Jones and L. Jones left at 17:05pm*

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### **9.3. Submitted by County Councillor P. Fox**

*This Council:*

*Notes with frustration that Monmouthshire County Council consistently receives the lowest per head funding of any local authority in Wales from the Welsh Government.*

*Recognises the significant financial pressures on local authority services, particularly in demand for social care and additional learning needs.*

*Expresses extreme disappointment that in 2020-21 Monmouthshire is set to receive the worst settlement of any council with a rise of just 3% compared to 5.4% in neighbouring authorities.*

*Calls on the Leader and Cabinet to continue to make robust representations to the Welsh Government for a funding floor to reduce inequality and commission a review of the local government funding formula, which fails to recognise the challenges.*

The Leader of the Opposition proposed an amendment that the last paragraph should read:

*Calls on the Council collectively to make robust representations to the Welsh Government for a funding floor to reduce inequality and commission a review of the local government funding formula, which fails to recognise the challenges.*

Councillor K. Williams seconded the amendment.

The challenges around the demographics in Monmouthshire were highlighted.

Council voted upon the amendment which was defeated.

Debate returned to the original motion.

The Chair of Economy and Development Select stated that the Committee had asked at least twice for WLGA to attend and present a seminar to explain the funding formula.

Upon being put to the vote the motion was carried.

*Councillors J. Treharne; R. John; A. Webb; R. Edwards left at 17:40pm*

## MONMOUTHSHIRE COUNTY COUNCIL

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### 10. Members Questions:

#### 10.1. From County Councillor M. Groucutt to County Councillor R. John, Cabinet Member for Children and Young People and MonLife

*In light of the budget consultation item that schools budgets be reduced by 2%, what would be the direct financial impact of such a cut on the budgets of our four comprehensive schools? Has any consideration been given to the impact that this would have on standards and outcomes in these schools and the provision that they are able to offer, particularly for our most vulnerable and needy pupils?*

The Cabinet Member responded by thanking the Member for his question. He explained that as the worst funded county in the country our budget consultation for 2020-2021 has proposed a reduction of 2% in the individual schools' budget. This excludes funding for additional learning needs. He added that he does not feel comfortable with the proposed reduction, but this is a consultation. We will continue to work closely with schools to identify where savings can be made to ensure there is minimal impact on standards. The grants for schools distributed through the EAS are not affected. Financial pressures faced by schools are recognised and we have proposed to introduce a loan facility which will allow schools to pay back their deficit over a longer period of time. Monmouthshire is not alone in experiencing such challenges in the school system with some authorities with significantly larger deficits. He urged Welsh Government to increase its pupil funding to narrow the funding gap between Wales and England which currently stands at £645 per pupil, in addition to adding a floor in the funding formula.

As a supplementary Councillor Groucutt asked if the Cabinet Member was aware that the Headteacher of King Henry VIII Comprehensive School had written an open letter to all parents stating that a 2% reduction would lose £75k from the budget and if approved would impact on the ability to maintain all aspects of current core provision. He questioned the financial logic around the proposals.

The Cabinet Member responded that he had not seen the letter and reiterated that he does not want to see the reduction of 2% take place. He is proud that, in spite of significant financial challenges in recent years, we have protected school budgets. He explained the financial pressures caused by the funding gap and hoped opposition members recognise that unless these pressures change we will have to take unwanted decisions.

#### 10.2. From County Councillor M. Groucutt to County Councillor R. Greenland, Cabinet Member for Innovation, Enterprise and Leisure

*Is the cabinet member concerned at the apparent lack of consultation between officers of this council and the BBNP over the proposals submitted by the Monmouthshire Housing Authority to build on land adjacent to the Lansdown ward lying within the National Park? This proposal includes 70% affordable housing and would be adjacent to wards which already have areas of considerable social isolation and poverty. Would such a development, in an area where current roads would make the development inaccessible by public transport and commercial traffic, create an 'out of sight, out of mind' community that would only make worse the social problems faced by large areas in north Abergavenny? Will he confirm that the council will oppose such development*

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*should the National Park Authority proceed beyond Stage 2 with the proposal still in its developing LDP?*

The Leader provided the following response on behalf of Cabinet Member Councillor R. Greenland.

I can confirm that MCC Planning Officers have been in consultation with the Brecon Beacons National Park regarding the development of the National Park LDP Preferred Strategy. MCC Planning Officers will continue to engage with BBNP and work collaboratively during development of the LDP to ensure cross boundary objectives are realised. With regards to this particular candidate site, given the affordability challenges in the Abergavenny housing market, the objective to provide a high level of affordable housing is welcomed in principal. The Council has raised concerns with the National Park about access to the site and landscape impact. There are likely to be more sustainable developments in and adjacent to Abergavenny to meet housing needs that should be considered before developing in the National Park. It is now for them to consider our comments.

As a supplementary Councillor Groucutt asked if National Park planners give Monmouthshire Housing Association permission to build their proposed development of primarily social housing, will the County Council take into full account the difficulties of developing a suitable infrastructure and ways to support the social and economical needs of an enlarged population in North Abergavenny?

The Leader responded that MCC have raised concerns regarding the inclusion of the site in the National Park's LDP and we will have a further opportunity to comment at the deposit plan stage if the site remains in their LDP. We support the provision of affordable housing but believe this should be achieved in mixed, inclusive and accessible communities and will ensure that the National Park is aware of our position should the site remain in their emerging LDP.

#### **11. To confirm the minutes of the meeting of County Council held on 24th October 2019**

The minutes of the meeting held on 24<sup>th</sup> October 2019 were approved and signed by the Chair.

**The meeting ended at 5.50 pm**