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Neuadd y Sir
Y Rhadyr
Brynbuga
NP15 1GA

Dydd Mercher, 14 Hydref 2020

Hysbysiad o gyfarfod:

Cyngor Sir

**Dydd Iau, 22ain Hydref, 2020 at 2.00 pm,
Council Chamber - Council Chamber**

AGENDA

Eitem No	Eitem	Tudalennau
1.	Ymddiheuriadau am absenoldeb	
2.	Datganiadau o Fuddiant	
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4.	Cyhoeddiad y Cadeirydd a derbyn deisebau	1 - 2
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6.	Rhestr o Gynigion	
6.1.	Cyflwynwyd gan y Cyngorydd Sir A. Easson	
	Mae Dechrau'n Deg yn gyfleuster arbennig ar gyfer rhieni sydd â phlant	

ifanc. Fodd bynnag, mae eu cod post yn atal rhai rhieni rhag cael mynediad at y gwasanaeth.

Yn fy ward i, yn enwedig, mae rhieni ifanc a oedd yn cael eu cefnogi gan Dechrau'n Deg wedi symud, efallai 100m, ac o ganlyniad, mae eu cod post wedi newid ac maent wedi syrthio allan o'r cynllun.

Yn yr hinsawdd sydd ohoni, dylid ehangu'r cymorth a roddir gan Dechrau'n Deg i deuluoedd mewn angen sy'n byw o fewn codau post eraill.

Rwy'n cynnig bod Cyngor Sir Fynwy'n edrych yn fanwl, a hynny ar frys, ar ehangu'r cynllun Dechrau'n Deg, er mwyn sicrhau y gallant roi cymorth i fwy o deuluoedd sy'n brwydro i gael dau ben llinyn ynghyd ar hyn o bryd.

6.2. Cyflwynwyd gan y Cynghorydd Sir D. Batrouni

Bod y Cyngor yn siomedig ynglŷn â phenderfyniad y cabinet i gau canolfan ailgylchu Brynbuga a'u bod yn teimlo y dylai'r cabinet fod wedi gweithio gyda thrigolion Brynbuga, grŵp yr ymgyrch Surf a Chyngor Tref Brynbuga er mwyn datrys y problemau ar y safle a chyflwyno datrysiad a fyddai wedi gweithio er budd pawb.

6.3. Cyflwynwyd gan y Cynghorydd Sir D. Batrouni

Y dylai'r Cabinet Ceidwadol gefnu ar gynlluniau i gynyddu cost casglu gwastraff gardd ar garreg y drws o 94%.

7. Cwestiynau'r Aelodau:

7.1. Gan y Cynghorydd Sir L. Dymock i'r Cynghorydd Sir S. Jones, Aelod Cabinet dros Gyfiawnder Cymdeithasol a Datblygiad Cymunedol

Pa gefnogaeth sydd wedi ei roi i blant a phobl ifanc yn ystod y 7 mis diwethaf o ran y rheiny sy'n dioddef â phroblemau iechyd meddwl a lles?

7.2. Gan y Cynghorydd Sir J. Watkins i'r Cynghorydd Sir J. Pratt, Aelod Cabinet dros Seilwaith a Gwasanaethau Cymunedol

Ar y 18fed o Fedi, cwblhawyd cam Gofod Cyrchfan The Cross, Cynllun Adfywio Cil-y-coed, er hyn, ni osodwyd arwyddion sy'n dynodi'r terfyn cyflymder a hawl tramwy cerddwyr. Ar adeg ysgrifennu'r cwestiwn hwn ar y 12fed o Hydref, nid oedd arwyddion wedi eu gosod (er gwaethaf sawl cyswllt â swyddogion y Cyngor). Mae hyn yn creu sefyllfa beryglus gan fod dryswch ymysg gyrwyr a cherddwyr. A oes modd i'r Aelod Cabinet roi manylion ynglŷn â phryd y bydd arwyddion yn cael eu gosod a sut y bu i hyn gael ei esgeuluso.

<p>7.3.</p>	<p>Gan y Cyngorydd Sir A. Watts i'r Cyngorydd Sir P. Jones, Aelod Cabinet dros Ofal Cymdeithasol, Diogelu a Iechyd</p> <p>Sut y bydd y Cyngor yn parhau i gefnogi cartrefi gofal?</p>	
<p>7.4.</p>	<p>Gan y Cyngorydd Sir A. Watts i'r Cyngorydd Sir P. Jones, Aelod Cabinet dros Ofal Cymdeithasol, Diogelu a Iechyd</p> <p>A oes unrhyw werthusiad yn cael ei wneud o well arferion ymysg lleoliadau gofal yn Sir Fynwy?</p>	
<p>7.5.</p>	<p>Gan y Cyngorydd Sir A. Watts i'r Cyngorydd Sir P. Murphy, Aelod Cabinet dros Adnoddau</p> <p>Faint o arian sydd wedi ei fuddsoddi gan y Cyngor er mwyn paratoi am ail don?</p>	
<p>8.</p>	<p>Cadarnhau cofnodion y cyfarfod a gynhaliwyd ar y 10fed o Fedi 2020</p>	<p>415 - 418</p>

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 gopiâu 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 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 gwrando 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.

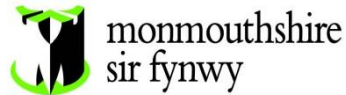
Hyblygrwydd. Byddwn yn parhau i newid a bod yn hyblyg i alluogi cyflwyno'r gwasanaethau mwyaf effeithlon ac effeithiol. Mae hyn yn golygu ymrwymiad gwirioneddol i weithio gyda phawb i groesawu ffyrdd newydd o weithio.

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 ddatrysyr 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.

Chairman's Report – 15th September – 13th October 2020

Tuesday 15 th September 11 a.m.	Visit to Caldicot Hub
Tuesday 15 th September 1 p.m.	Visit to Monmouth Hub
Wednesday 16 th September 1 p.m.	Visit to Usk Hub
Thursday 17 th September 1 p.m.	Visit to Chepstow Hub
Wednesday 23 rd September 6.30 p.m.	High Sheriff Awards Presentation The Bandstand, Bailey Park, Abergavenny
Friday 25 th September 2 p.m.	Unveiling of the Plaque Abergavenny Library and Hub
Tuesday 13 th October 11 a.m.	One year celebration of the Reuse Shop at Llanfoist HWRC

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SUBJECT: Corporate Plan Annual Report 2019/20
MEETING: County Council
DATE: 22nd October 2020
DIVISION/WARDS AFFECTED: All

1. PURPOSE:

- 1.1 To seek council approval of the Corporate Plan Annual Report 2019/20.
- 1.2 To ensure that members have a clear understanding of progress made against the aspirations within the Corporate Plan and the subsequent 'plan on a page' documents that were approved by Cabinet to ensure the organisation is focused on the things that matter most during its response to the Coronavirus pandemic.

2. RECOMMENDATIONS:

- 2.1 That the Corporate Plan Annual Report 2019/20 be approved, subject to the inclusion of any amendments agreed by Council.

3. KEY ISSUES:

- 3.1 The Corporate Plan set an ambitious five-year programme aligned to a clear and unambiguous purpose of building sustainable and resilient communities. Over the past few months our organisation has been tested like never before. Alongside our own services we have accelerated our work to support local volunteers. The efforts of thousands within our communities to pull together and help others has shone through paying testament to the resilience of Monmouthshire's communities and businesses.
- 3.2 This annual report would usually provide an update on progress against our strategic aims up until the 31st March. In light of the impact of the pandemic it will extend a little further into 2020 and describe some of the activity that has taken place in the past few months. Some of the aims within the plan have been paused or progressed at a slower pace than intended. This has enabled us to divert staff and resources into core services and meeting the needs of the most vulnerable.
- 3.3 To ensure accountability through this period Cabinet developed a Coronavirus Strategy, also known as the *Plan on a Page*. This was approved in May and subsequently updated in July in response to the changing nature of the response. It contained a purpose, strategic aims and associated actions and has been monitored by Cabinet throughout the pandemic.
- 3.4 Progress against each of the five priority goals in the Corporate Plan, which also serve as the Council's well-being objectives, is described in the annual report. Under each of these sits a number of programmes of work, twenty-two in total. The updates covered include:

- Publication of the Estyn inspection in early 2020 which concluded that the authority's education service does not give cause for significant concern and highlighted a number of positives including the distance travelled since 2012 particularly regarding safeguarding;
- A focus on early intervention and prevention to improve outcomes for vulnerable children and the creation of a multi-disciplinary intensive therapeutic fostering service for Looked After Children and Young People, which supports children with complex needs within a foster care setting;
- The declaration of a Climate Emergency and development of a strategy and action plan to respond.
- Development of a network of community support that brings a range of agencies together with a shared purpose of supporting people's wellbeing, this proved vital as we worked with volunteers to support vulnerable people through the early stage of the pandemic;
- The opening of the UK's first Council run community Post Office in Usk.

3.5 Alongside these the annual report highlights activity delivered under the subsequent coronavirus strategies. The pandemic has posed a significant and unprecedented challenge to how we continue to provide a range of vital services. The Council has continued to rise to the challenge by adapting, innovating and establishing new ways of delivering services that support residents and businesses, assists community activity and supports staff well-being. These have run concurrently to our long-standing aspirations. With limited resources there has been a conscious trade-off between these two documents. The pandemic has also resulted in learning that will provide a lasting legacy, such as an acceleration towards more flexible ways of working and reduced car journeys.

3.6 Our purpose in the past few months has been to enable everyone to feel safe in their community, to continue to support each other and to reach out to those who need help over the past few months. Some of the things we have done in this period include:

- Provision of support and payment of more than £20 million of funding to 1,800 local businesses to help them survive the impact of the pandemic and protect jobs;
- Established hub schools to provide childcare for key workers and to support vulnerable children.
- Made phone calls to over 3000 people who were shielded to check on their well-being and offer the delivery of food parcels where these were needed
- Rapid acceleration of our digital capabilities to enable the organisation to function remotely during the pandemic, swiftly re-introducing decision-making processes and facilitating new ways to deliver services including appointments at household waste recycling centres.
- Continued to safely collect waste and recycling from all households;
- Contributed beyond our borders to regional emergency response structures and the staffing of a regional Test Trace Protect contact tracing service that has proved vital to slowing the spread of the virus in the county.

3.7 The Annual Report also provides a wider evaluation of the Council's arrangements over this period in line with requirements under the Well-being of Future Generations Act and Local Government (Wales) Measure 2009. The Corporate

Plan is an ambitious five year 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.

- 3.8 The Council's established performance framework has been adjusted to reflect the response to the pandemic. Some processes have been disrupted, postponed or delayed while many services have had a lessened focus on service planning processes to direct efforts towards the emergency response arrangements. Some adjustments have been made to the annual report to take account of this and the continued uncertainty in the conditions the Council operates in. The usual scrutiny of progress against each of the goals ahead of the full annual report being presented to Council has not been undertaken. Significant effort has been made by all services to facilitate as fuller update of performance in 2019/20 as possible in the annual report, facilitating the completion of the report in advance of the statutory deadline of 31st October 2020.
- 3.9 There continues to be uncertainty in understanding fully the wellbeing impacts of the pandemic, particularly in the longer term, and the long-term outcome for public finances. It is likely that there will be a need to revisit some of the aspirations in the Corporate Plan to reflect the latest evidence on well-being in the county and financial impact.
- 3.10 The Annual Report is a public document and should be accessible to a wide audience. The plan will be published by 31st October 2020 on the council's website alongside a shorter summary version.

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

- 4.1 This report is an evaluation of previous commitments and is not seeking a decision that would have an impact on these areas. The progress the Council has made on the Future Generations Act, equalities, social justice, and safeguarding is set out in the report.

5. OPTIONS APPRAISAL

- 5.1 The annual report is an evaluation of previous commitments and is not seeking a decision on a future policy direction. The report provides an analysis, using a range of information, on the council's performance in 2019/20. The structure of the report has been informed by the legislation it is required to meet, including expectations for and feedback on annual reports by the Future Generations Commissioner.

6. EVALUATION CRITERIA

- 6.1 The report provides a comprehensive analysis of the performance of the council in 2019/20 utilising a range of performance information and evidence. Some adjustments have been made to the annual report to take account of the disruption to processes caused by efforts being focused on the Council's response to the coronavirus pandemic. Significant effort has been made by all services to facilitate as fuller update of performance as possible in the annual report.

7. REASONS:

- 7.1 To ensure that the council can be held to account for performance and can demonstrate progress towards delivering better outcomes for citizens.
- 7.2 To comply with the Well-being of Future Generations (Wales) Act and Local Government (Wales) Measure 2009.

8. RESOURCE IMPLICATIONS:

- 8.1 None. This report is a review of performance in 2019/20.

9. CONSULTEES:

Senior Leadership Team;
Cabinet;

10. BACKGROUND PAPERS:

Corporate Plan 2017 – 2022, 'A Monmouthshire that works for everyone'

11. AUTHOR:

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



**ANNUAL REPORT
2019/20**



monmouthshire
Page 7
sir fynyw

Title	Corporate Plan Annual Report – 2019/20
Purpose	<p>To assess our progress and performance in 2019/20 against the goals, also the Council’s well-being objectives, set in the Corporate Plan 2017-2022.</p> <p>A mid-term refresh of the Corporate Plan was completed in March 2020 to ensure that the aspirations remain relevant, are deliverable with the resources available, and reflect the things that are important to our communities.</p> <p>To provide clarity and ensure accountability through the Council’s response to the coronavirus pandemic, the Council has established a revised purpose and set of strategic aims that are continuing to be reviewed. This report largely looks back over the period April 2019 – March 2020, although reference will be made in relevant sections to some of the impact or latest information on the Coronavirus pandemic.</p> <p>To evaluate how well we have done to help citizens hold us to account on our performance.</p> <p>This plan meets the council’s responsibility under the Well-being of Future Generations (Wales) Act 2015 to report on the progress it has made in meeting its well-being objectives for the preceding financial year (2019/20)</p> <p>This plan also meets the council’s responsibility to review its Improvement Objectives and assess its performance in the previous financial year in line with the Local Government (Wales) Measure 2009 and shows how the council is delivering the 7 aspects of improvement.</p>
Owner	Monmouthshire County Council
Approved by	Not yet approved
Date	22 October 2020 (For Council approval)
Version Number	1.0
Status	For approval
Review Frequency	Annual
Next review date	September 2021
Consultation	Strategic Leadership Team Cabinet

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Introduction

Our Corporate Plan set an ambitious five-year programme aligned to a clear purpose of building sustainable and resilient communities. The annual progress report would usually describe what we have done to achieve our strategic aims in the 12 months to 31st March. This time the world looks very different and some of the things we set out to do have been paused while we have focused on keeping people safe, stopping the spread of Coronavirus and reaching out to those who need help the most.

When we prepared our Corporate Plan, we examined evidence from a variety of sources and used this to guide the areas we focus on. The plan, available at www.monmouthshire.gov.uk/improvement, identifies the things we thought we would be working on up to 2022. It restates the Council's long-standing purpose of building sustainable and resilient communities and sets five priority goals, which also serve as the Council's well-being objectives. These things remain important and we have continued to deliver most of them. However, the pandemic has posed an unprecedented challenge to our well-being and our way of life.

Some planned activity has needed to be paused as we have re-directed staff and spending towards our coronavirus response. This does not mean we stop being accountable. Our purpose has evolved to reflect the new challenges. We established strategic aims to address the new challenge and tasked the organisation with delivering these. We wanted to ensure that every person or family in crises that we were aware of could access support. This included providing hub schools for the children of key workers during lockdown, phoning all 3000 of the shielded households in our county, paying millions of pounds in grants to support local jobs businesses and co-ordinating community volunteering. We also re-deployed hundreds of staff so that we could continue to safely deliver core services like waste collection and home care.

The first section of this document describes progress against our five goals. These are shown in diagram 1. Each of these goals includes a number of commitments which the organisation will deliver between 2017 and 2022. These were refreshed at the mid-point of the Corporate Plan in Autumn 2019 to ensure our activities remain relevant, are deliverable with the resources available, and reflect the things that are important to our communities. Within this section and the following section of the document we pick up on the things we have been doing to address the challenges posed by the coronavirus, this extends beyond 2019-20 but we felt it was important to include it to provide an open and honest account of our activity.

Our activity continue to reflect the ways of working and national goals established by the Well-being of Future Generations Act. As always, your feedback is important to us and there is a short survey and contact details at the back of this report for you to provide your views.

WELLBEING OF FUTURE GENERATIONS

The Well-being of Future Generations (Wales) Act is about improving the social, economic, environmental and cultural well-being of Wales. It makes public bodies think more about the long-term, work better with people, communities and each other, look to prevent problems and take a more joined-up approach. This will help us to create a Wales that we all want to live in, now and in the future.

Our Priority Goals

Our Purpose is to 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. We share this with our partners in the Public Service Board (PSB) and the priorities set for our organisation in the Corporate Plan 2017-2022 also reflect our contribution to well-being objectives set for the county by the PSB (diagram 1).

It is important that the 22 commitments to action are not considered in isolation, since they can impact on each other and need to be considered in an integrated way (diagram 2).

GLOSSARY

Well-being Objectives, as referred to in the Wellbeing of Future Generations Act = the five priority goals identified in the Corporate Plan

Steps, as identified in the Wellbeing of Future Generations Act = the commitments to action identified in the Corporate Plan.

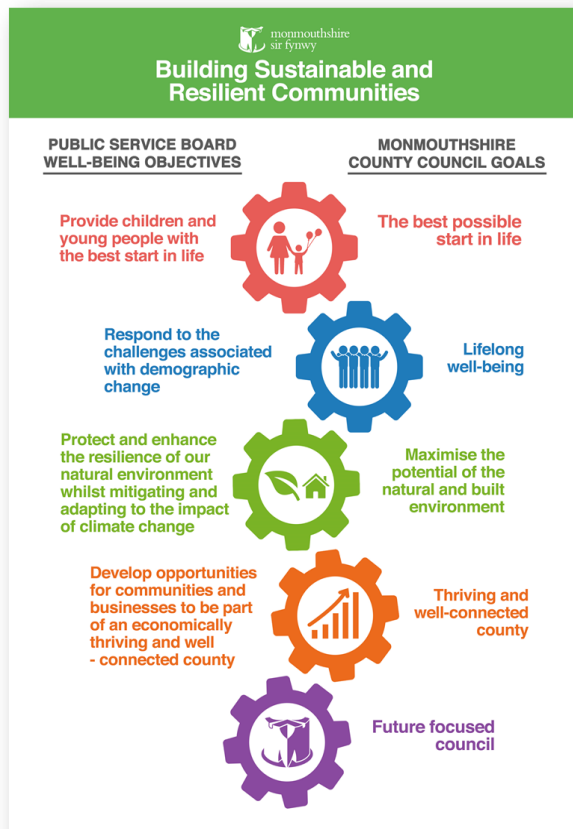


Diagram 1

The Corporate Plan is an ambitious five year 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. The long-term nature of some objectives means the impact of some activity may not be clearly demonstrable over short timescales, and some activity will be in the early stages or not yet started. We have also considered the extent to which:

- Our goals will contribute to the achievement of the seven well-being goals identified in the Well-being of Future Generations Act
- We are taking all reasonable steps to meet them
- They remain consistent with the sustainable development principle, in particular, the five ways of working. More detail on the how the five ways of working are applied is provided in the progress on each goal later in this report.

We have included the following icons in each commitment to action to illustrate their contribution to the wellbeing of future generations act goals:



The Coronavirus (COVID-19) pandemic has posed a significant and unprecedented challenge to how we continue to provide a range of vital services. The Council has continued to rise to the challenge by adapting, innovating and establishing new ways of delivering services that support residents and businesses, assists community activity and supports staff well-being.

To provide clarity and ensure accountability through the Council's response to the coronavirus pandemic, a revised purpose and set of coronavirus strategic aims were set by Cabinet in May 2020. These were updated in July 2020 in the Coronavirus 'Transition' Strategy and continue to be monitored. Some planned activity in our Corporate Plan has needed to be paused or had a lessened focus as we have re-directed staff and spending towards our coronavirus response.

When we set our goals in the Corporate Plan, we identified a clear framework for how we would evaluate progress. In previous iterations of the Annual Report, each priority goal and commitment to action has received a progress evaluation level and rating to provide a headline indication of how well we are doing. In this report, an update has been provided against each goal and commitment providing an accurate representation of progress in 2019/20 and, where relevant, the impact of the coronavirus pandemic in recent months, underpinned by a range of local and national measures. Allocating a formal progress rating has been paused for the 2019/20 report. The re-focusing of our capacity to deal with the virus response means we do not have the same depth of evidence to support this evaluation that we would normally rely on and the continuing dynamic environment the Council operates in has increased uncertainty in evaluating impact.

Diagram 2 illustrating how each of the commitments integrate with other commitments

	1.FUTURE SCHOOLS	2.RAISING STANDARDS IN SCHOOLS	3.STRATEGIC EDUCATION REVIEW	4.CHILDREN AND FAMILIES	5.LOOKED-AFTER CHILDREN	6.ECONOMY AND ENTERPRISE STRATEGY	7. CARDIFF CAPITAL REGION CITY DEAL	8.INFRASTRUCTURE CONNECTIVITY	9.LOCAL LIVING, WORKING & LEISURE	10. PROCUREMENT	11.PLAN FOR LOCAL ENVIRONMENT	12. REDUCE CARBON EMISSIONS	13.KEEPING ROADS AND AREAS SAFE	14.HERITAGE, ARTS AND CULTURE	15.INDEPENDENT LIVING	16.SOCIAL JUSTICE, PROSPERITY AND INEQUALITY	17. VOLUNTEERS AND SOCIAL ACTION	18.LEISURE, RECREATION AND WELLBEING	19.LOCAL SERVICES AND CUSTOMER EXPERIENCE	20.DEMOCRATIC ENGAGEMENT	21.SUSTAINABLE AND RESILIENT ORGANISATION	22. WORKPLACE AND EMPLOYEES	
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2.RAISING STANDARDS IN SCHOOLS		█																					
3.STRATEGIC EDUCATION REVIEW			█																				
4. CHILDREN AND FAMILIES				█																			
5.LOOKED-AFTER CHILDREN					█																		
6.ECONOMY AND ENTERPRISE STRATEGY						█																	
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8.INFRASTRUCTURE CONNECTIVITY								█															
9.LOCAL LIVING, WORKING & LEISURE									█														
10. PROCUREMENT										█													
11.PLAN FOR LOCAL ENVIRONMENT											█												
12. REDUCE CARBON EMISSIONS												█											
13.KEEPING ROADS AND AREAS SAFE													█										
14.HERITAGE, ARTS AND CULTURE														█									
15.INDEPENDENT LIVING															█								
16.SOCIAL JUSTICE, PROSPERITY AND INEQUALITY																█							
17. VOLUNTEERS AND SOCIAL ACTION																	█						
18.LEISURE, RECREATION AND WELLBEING																		█					
19.LOCAL SERVICES AND CUSTOMER EXPERIENCE																			█				
20.DEMOCRATIC ENGAGEMENT																				█			
21.SUSTAINABLE AND RESILIENT ORGANISATION																					█		
22.WORKPLACE AND EMPLOYEES																						█	

Corporate Goal template explained

Goal: this identifies what we want to achieve over the medium term. The information below relates to our progress towards achieving this.				
Why we are focusing on this		Summary of progress in 2019/20		
This provides an explanation of why we thought this was an important area of focus.		This will provide a summary of our activities, successes and outstanding actions.		
Detailed Progress update				
Commitment to action		What we said we would do	Progress in 2019/20	
These are the steps that will help us achieve our overall goal The images show contribution to the wellbeing of future generation act goals		This breaks down the activities we intend to do	This identifies what we have achieved so far, and where our focus will be going forward.	
Well-being of Future Generations Act impact				
This provides an explanation of how our actions contribute to the Well-being of Future Generations act well-being goals and ways of working				
Measures of progress				
Measure	Previous	Current	Target	Comment
This section provides an understanding of key performance information for some of our activity that can be quantified now. The long-term nature of the goals means that performance can sometime be hard to measure in the short-term, with potential benefits not being seen for many years				

Goal A: Best possible start in life

Monmouthshire County Council Goal: A. Best possible start in life

Why we are focusing on this

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.

Summary – Progress 2019/20



Following the successful completion and opening of Monmouth Comprehensive School, work has continued on writing the Business Cases for the Abergavenny Educational Investment project. Progress with work on projects has been impacted by the pandemic and work is being progressed to revised deadlines.

An Estyn inspection of the Council in February 2020 concluded that the authority's education service does not give cause for significant concern. The inspections showed there has been considerable progress against our safeguarding procedures, and commitment to partnership working. It also highlighted areas for development, such as the performance of children eligible for free school meals, and plans are being developed to address these recommendations.


There has been a real focus in the last year in Children's Services to implement a coordinated approach to early intervention and prevention. Early help and support services are developing well, and have continued to respond to the demand pressure, expanding and developing services, particularly through the family support offer, so that the right help is provided at the right level of intensity. Whilst we continue to develop interventions to support children and families, the increase in the number of looked after children means that services are under pressure.

The impact of the Covid-19 lockdown has presented unprecedented challenges to children and young people in the county. This includes the potential impact on physical and mental health and well-being of children and young people, and the significant time away from school will have affected the learning trajectory of many learners. A range of activities are underway to determine the extent of this, and to address the potential impact on the wellbeing of children and young people.


Detailed Progress Update



Commitment to Action	What we said we would do	Progress in 2019/20
<p>1) THE COUNCIL INVESTS IN FUTURE SCHOOLS</p> 	<ul style="list-style-type: none"> • Conclude comprehensive redevelopment of new secondary school with community leisure facilities in Monmouth <i>(Completed)</i> • Commence Abergavenny school redevelopment • Develop 'Band C' proposals for the re-provision of secondary learning in the Chepstow area 	<p>The new 21st century school in Monmouth was opened in September 2018, quickly followed by the newly built, state-of-the-art leisure centre.</p> <p>The 21st Century Schools Team has been developed and work continued on writing the Business Cases for the Abergavenny project for submission to Welsh Government. Delivery of the project has been constrained by changes as a result of COVID-19. The key strands of work; the Outline Business Case (OBC) and the statutory consultations regarding the governance of the new school are progressing to new deadlines. The programme is due to complete its combined OBC and Strategic Outline Case (SOC) in the autumn of 2020, in line with funding expectations.</p> <p>Work has commenced on reviewing the capacity and pupil projections within the Chepstow area in readiness for Band C and looking at options for developing learning within the Chepstow area. Strategic work has been put on hold due to operational requirements during the pandemic.</p>
<p>2) THE COUNCIL HAS A PLAN FOR RAISING STANDARDS IN SCHOOLS</p> 	<ul style="list-style-type: none"> • Continue to raise standards in education and ensure an ongoing focus on vulnerable learners • Prepare for the new curriculum in Wales including a focus on the broader skills required by employers. • Strengthen the links between schools, their communities and local businesses to improve the 	<p>For the 2018/19, academic year we have had to recast our reporting of school performance in line with Welsh Government direction. This uses a broad range of school level data when reporting school performance. Evaluating the performance of individual schools rather than generating aggregated data at local authority level is more helpful to supporting and challenging individual schools with their improvement journeys.</p> <p>The Chief Officer Report for Children and Young People was presented to Council in June 2020. The report informed Council of the progress that the education system made in the previous twelve months since the last report, the impact of COVID-19 on outcomes, and future action being taken. Some of the conclusions for the 2018/19 academic year include; across the four</p>

	<p>well-being of children and young people (<i>New</i>)</p>	<p>compulsory key stages of education mathematics and science perform in line with expectation when compared to the regional performance.</p> <p>However, there remains too much variation across schools and across phases. Whilst the progress of many groups is strong, the performance of our learners eligible for free school meals is still not at the required level. Learners with additional learning needs are making good progress. However, levels of fixed term exclusions for this group remains higher compared to other groups and remains an issue.</p> <p>The Council and EAS continue to work with schools in ensuring that they are preparing for the new curriculum and meeting the needs of students. Together, the EAS and local authority staff continue to monitor where schools are making suitable progress and where they may need additional support.</p> <p>Monmouthshire County Council underwent an Estyn Inspection of Local Government Education Services in February 2020. The Estyn report recognises the clear vision and strong focus on ensuring ‘the best possible start in life’ and also identified the commitment to partnership working that has resulted in a good track record of improvement. Furthermore, it recognises the distance travelled since 2012 particularly regarding safeguarding, where it notes the authority’s exemplar safeguarding procedures.</p> <p>There are areas for development clearly identified: the need to improve outcomes of pupils eligible for free school meals; further strengthen our focus on excellence; articulate a clear vision for SEN provision and make better use of information gathered through self-evaluation.</p> <p>Plans are being developed and implemented to address the recommendations.</p> <p>The inspection concluded that the authority’s education service does not give cause for significant concern.</p>
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		<p>The impact of school closures during the Covid-19 lockdown has presented unprecedented challenges to children and young people in the county. The significant time away from school will have affected the learning trajectory of many learners. This is not likely to be a uniform impact, with the impact on disadvantaged pupils likely to be more significant.</p> <p>All schools have been progressing the delivery of a distance learning offer to their learners. To assist this, we have established digital learning technologies and approaches, which are being further developed into a blended learning approach going forward. Guidance has been developed for schools to ensure that staff and children and young people are safeguarded when using digital learning platforms. Schools have prioritised professional learning on the development of skills to develop and deliver an effective blended learning offer for learners.</p> <p>Following announcements and guidance from Welsh Government, extensive plans have been implemented for the full reopening of all Monmouthshire schools for the autumn term. Schools have been assessing pupils on return in September to identify the support and intervention needed for pupils to continue to make accelerated progress and close gaps in learning.</p>
<p>3) THE COUNCIL CARRIES OUT A STRATEGIC EDUCATION REVIEW</p> 	<ul style="list-style-type: none"> Implement the findings and recommendations of the independent Additional Learning Needs Review Review of Catchment and Nearest School Policy 	<p>Mounton House was closed in August 2020. This has resulted in resources being made available for earlier interventions to support vulnerable learners and those at risk of exclusion within secondary provision.</p> <p>The ALN team have been a key part of the regional preparations and developments for the new ALN and Tribunal Act legislation. There has been recent confirmation from the Welsh Government that the implementation will retain its original timeline.</p>

	<ul style="list-style-type: none"> • Review of Home to School Transport 	<p>The Additional Learning Needs Coordinators (ALENCos) network has been developed across the county and the Special Need Resource Base network has been developed to capitalise on expertise in the County.</p> <p>The admissions criteria used to allocate school places has been reviewed and consulted upon. The review of secondary school catchment areas has also begun through consultation on proposals for change in the north of the county. The recommendations arising from both consultations have been accepted by Cabinet, and implemented with effect from September 2020. There remain areas of the county that require catchment reviews that have been unable to be progressed to consultation at the moment. Catchment areas in Abergavenny will be reviewed as part of band B proposals, and a working group will be established to form proposals affecting the south of the county.</p> <p>A working group has been established to review home to school transport arrangements, and the new home to school transport policy has been reviewed. This will need further consideration in light of the impact and learning from the pandemic.</p> <p>There have been significant developments in the leadership cadre across Monmouthshire. There has been commitment to ensuring that new models of school leadership are considered and there have been successful appointments to executive headship in four schools. Two are within the authority, one where the leadership capacity is brought in from another authority and another where we support another school out of county.</p>
<p>4) THE COUNCIL IMPLEMENTS A MODEL OF EARLY INTERVENTION AND</p>	<ul style="list-style-type: none"> • Integrate preventative children and family services within each locality into one prevention focused function 	<p>There has been a real focus in the last year in Children’s Services to implement a co-ordinated approach to early intervention and prevention. Early help and support services are developing well, and have continued to respond to the demand pressure, expanding and developing services, particularly through</p>

<p>PREVENTION FOR CHILDREN AND FAMILIES</p> 	<ul style="list-style-type: none"> • Provide services that meet mental health and emotional well-being 	<p>the family support offer, so that the right help is provided at the right level of intensity. Early evaluation of family support services indicates clear and positive outcomes for families. For example, the Achieving Change team is currently working with 50 plus children on the 'edge of care' to enable them to remain living safely with their parents.</p>
	<ul style="list-style-type: none"> • Promote active lifestyles for children and young people through a broad range of activities including sport, exercise and the natural environment 	<p>The number of looked after children has increased significantly from 173 at the end of 2018/19 to 219 at the end of March 2020 continuing the upward trend in recent years. Whilst we develop interventions to address early identification, and manage appropriately pre- and post-statutory intervention with families, the growing numbers mean that services are under pressure. Work is underway to maximise the opportunities to reduce the current trends.</p>
	<ul style="list-style-type: none"> • Roll out the 'Children's Voices in Play' toolkit across the county to support the creation of play-friendly communities <i>(New)</i> 	<p>A number of potential risks have been identified due to the Coronavirus pandemic that will need to be managed and mitigated as far as possible. This includes the impact on physical and mental health and well-being of children and young people, and the potential for harmful behaviours, abuse and neglect to remain hidden.</p> <p>The Educational Psychology Service and Healthy Schools will provide advice and support to practitioners to support the well-being of children and young people impacted by the COVID -19 pandemic.</p> <p>Working with the Public Service Board and Children & Young People Strategic Partnership, Adverse Childhood Experiences (ACE) awareness training has been delivered within Monmouthshire via the ACE Hwb and the Early Action Team throughout 2019. Alongside this, a mapping and scoping exercise has been conducted to identify the extent of youth support services and community-based provision available to young people and their families. This is complemented by a similar exercise across all schools within Monmouthshire to identify what systems and processes are in place to</p>

		<p>identify and respond to concerns about ACE's, with a particular focus on children and young people's behaviour and mental well-being.</p> <p>All Monmouthshire schools participate in the Healthy Schools programme, with 97% achieving Phase 3, and four schools achieving the National Quality Award. An increasing number of schools (22) participate in the Daily Mile scheme in partnership with sports development. Overall, childhood obesity levels in Monmouthshire show a three-year improving trend, remaining below the rate across the ABHB region and Wales during this period.</p> <p>During the pandemic MonLife have provided 'Summer Hub' provision over summer 2020 for children with a total of 4,170 attendances, an average of 166 children per day. The provision supported 124 vulnerable pupils and 76 pupils eligible for free school meals.</p>
<p>5) THE COUNCIL ENSURES PERMANENT ACCOMMODATION AND SUPPORT FOR LOOKED-AFTER CHILDREN</p>  	<ul style="list-style-type: none"> • Increase the number of Monmouthshire foster carers 	<p>The council has collaborated with Blaenau Gwent Council to implement the MYST service, a multi-disciplinary intensive therapeutic fostering service for Looked After Children and Young People, which will help to support children with complex needs within a foster care setting.</p> <p>Monmouthshire is aiming to attract more foster carers to offer placements to looked after children. Active campaigns are being run to increase the rates of in-house foster carers, including the 20 for 20 reasons to foster. During 2019/20, the overall number of foster carers increased from 65 to 80. Although this is a positive increase, the increasing number of looked after children means that demand remains high and therefore recruitment campaigns are continuing and have now recommenced during the coronavirus pandemic. The impact of the coronavirus pandemic on foster placements and/or carer recruitment continues to be monitored.</p>

Well-being of Future Generations Act impact
Contribution of Council goal to Future Generations Act 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 **long-term** nature of this goal is intrinsic to its success. Working with and **involving** children and young people, as early as possible, to identify their needs will give them the best chance of achieving their maximum potential. **Preventing** problems before they start will provide our young people with the best chance to develop. By focusing on prevention we will aim to reduce the number children who rely on statutory services and should support them in a way that provides them with a better outcome. Using a **collaborative** approach and aligning services provides a rounded resource, with the right people in the right place at the right time. It also reduces duplication, avoids the need for multiple referrals and provides a complimentary methodology of care that works in harmony for the young person. Overall, this approach **integrates** the needs of our young people, ensuring they have the best opportunity to achieve their goals.

Measures of progress

Measure	Previous	Latest	Target	Comment
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%	78.5%	Increase	Latest is summer 2019 data
Percentage of pupils with a statement of special educational learning need who are educated in mainstream setting within the county	69.7%	62.4%	Increase	The calculation method has been refined and the measure will be further reviewed

Percentage of Year 11 leavers not in education, training or employment (NEET) ¹	1.6%	1.3%	1.1%	Latest is 2019 data, data produced annually by Careers Wales
Percentage of looked after children who experience non-transitional school moves	5.3%	12.7%	<10%	
Percentage of families supported by early help services who report being helped with what matters to them: i) Pre statutory Services ii) Statutory services	Baseline in 19/20	i) 71% ii) 86%	Baseline	Pre statutory is early intervention prior to receiving statutory children's social services. Statutory services is early intervention through prevention into care.
Percentage of children placed with generic/kinship foster carers	37.6%	36.1%	Increase	
Percentage of pupils who take part in sport on three or more occasions per week ²	45%	Next survey 2021	Next survey 2021	Previous is 2018 survey data from Sports Wales.
Number of young people trained in the playmaker award	914	923	900	

Goal B: Thriving and well-connected county

Monmouthshire County Council Goal: B. Thriving and well-connected county

Why we are focusing on this

Monmouthshire is the most competitive economy in Wales after the capital city of Cardiff, is best placed for growth per head of population 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.

Summary – Progress 2019/20


Monmouthshire Business and Enterprise have continued to work to support businesses in the county, with 75 businesses assisted or referred to partners. Support and advice has been offered on areas such as the town centre environment and the business rates relief scheme. This support has been particularly focused during the pandemic, when the council has strived to ensure businesses are aware of the support available to help them survive and thrive. So far, 1,881 businesses have been supported through Business Support Grants.

A Digital Infrastructure Action Plan has been developed. The plan identifies opportunities to address the issue of 13% of premises not having next generation access to broadband. Considerable work has been undertaken to bridge the broadband gap, such as access to Superfast Cymru and the second Rural Community Development Fund broadband deployment project. Projects and learning on 5G have also been advanced. Digital infrastructure works have been slow to move forward in the county, impacted by the flooding and the pandemic. Future planned activity will start to reduce the County’s digital deprivation rates.



Work on the Replacement Local Development Plan (RLPD) has been progressing but has seen significant delays due to the pandemic. A revised delivery agreement is being drafted to set out the revised timetable. In 2019/20, fewer new dwellings were completed, below the LDP target, and 82 affordable homes were completed, 85% of the target.

The latest tourism figures for Monmouthshire show that it contributed £244.99 million to the County’s economy, a 2.6% increase on the 2018 economic impact figure. The pandemic has had a considerable impact on tourism. Work will continue to understand the impact, and to support tourism and local businesses in the area.

Detailed Progress Update

Commitment to Action	What we said we would do	Progress in 2019/20
<p>6) THE COUNCIL DEVELOPS AND DELIVERS A NEW ECONOMY AND ENTERPRISE STRATEGY</p> 	<ul style="list-style-type: none"> • Work with business to create and deliver a new strategy focused on increasing competitiveness productivity and innovation • Develop incentives and support to encourage indigenous business growth and inward investment • Develop more employment opportunities, such as apprenticeships and the youth enterprise scheme, increasing the retention of a younger economically active demographic • Ensure planning policies and land allocations for employment uses enable appropriate growth sectors. • Raise the profile of Monmouthshire, support and grow the foundational economy including developing proposals for shorter supply chains to 	<p>Monmouthshire Business and Enterprise engagement with business has been ongoing throughout the year, providing information to businesses regarding support available, and signposting events being delivered by Business Wales and Superfast Business Wales. Information has been provided regarding the town centre environment, the business rates relief scheme and other issues of concern, and land and property searches have been conducted and potential sources of funding identified for a range of start-ups and existing businesses. 75 businesses have been assisted by Monmouthshire Business and Enterprise and referrals to partners</p> <p>Following consultation, the draft 'Vision Monmouthshire 2040: 'Growing your Business in Monmouthshire' Inward Investment Prospectus was subsequently approved by Cabinet in March 2020. The purpose is to work alongside the Economic Growth and Ambition Statement, approved in November 2019, and the Replacement Local Development Plan (RLDP). The documents will work collectively in identifying and encouraging suitable employment sites and premises for development.</p> <p>The Apprentice, Graduate and Intern Strategy was approved in July 2019 and a Coordinator post has been appointed to deliver on the priorities and actions within the strategy.</p> <p>Numerous events have been celebrated with schools including International Women's Day, which included talks and workshops with inspirational women from a range of sectors. Schools also celebrated Global Entrepreneurship Week, which consisted of a series of talks and workshops from business mentors.</p> <p>Monmouthshire was one of three locations benefitting from the learning associated with a £2m DCMS fund programme to trial the use of 5G technology acting as a testbed</p>

	<p>benefit consumers and growers. <i>(New)</i></p>	<p>to bring world-class digital infrastructure to Monmouthshire. The project provided one village, Llanddewi Rhydderch, with gigabit speeds.</p> <p>On 20th February 2020, the Council received notice of the approval of CoCoRE, a 5G testbed in South East Wales to connect rural communities across Monmouthshire and semi-urban communities in Blaenau Gwent. Cabinet approved the council's role as a partner in the project in July 2020. The Council will be involved in developing test cases for the use of 5G in:</p> <p>Tourism: Scalable AR Experience for a Sensitive Site and Preservation & Safety specifically at Raglan Castle Diverse Rural Economy: Farms Security & Safety and Farmer Mental Wellbeing & Isolation</p> <p>The Coronavirus pandemic has been a challenging time for businesses in the area, and support has been provided, wherever possible, specifically through the timely payment of COVID-19 grants. The Council has strived to ensure businesses are aware of the support available and have continued to provide business advice and support throughout. Financial support and advice has been provided to approximately 2000 businesses during the pandemic. So far 1,881 businesses have been supported through Business Support Grants and 58 through Start Up Grants.</p>
<p>7) THE COUNCIL MAXIMISES ECONOMIC POTENTIAL THROUGH DELIVERING THE CARDIFF CAPITAL REGION CITY DEAL</p>	<ul style="list-style-type: none"> • Develop support for rural businesses including improvements in rural broadband: acting as a testbed for rural applications of 5G and facilitating agricultural technology <i>(New)</i> • Lead 'Innovation theme' and play a key governance role in the Cardiff Capital Region <i>(Completed)</i> • Work as part of the Cardiff Capital Region to attract high skill, high wage jobs to ensure that people have the opportunity to raise their household income <i>(New)</i> 	<p>Cardiff Capital Region (CCR) City Deal has streamlined its governance in order to aid delivery of key priorities for the region around skills, transport, strategic development, planning and business growth. Monmouthshire County Council has approved the Cardiff Capital Region Five-Year strategic Business Plan.</p> <p>The CCR Cabinet has also set out its Industrial and Economic Plan, Investment Framework and Investment Fund with three investment priorities, which focus on infrastructure, innovation and challenge.</p>


	<ul style="list-style-type: none"> • Develop and deliver projects of regional significance including capitalizing on new Compound Semi-conductor Foundry 	<p>Following the COVID-19 Pandemic, the CCR updated its Regional Industrial and Economic Growth Plan and its Investment and Intervention Framework. This converts the ten priorities into a clear addendum to act as a guide to set out the ways in which CCR is best able to help mitigate some of the worst effects on the economy and businesses in the region as a result of the crisis and its ongoing impact.</p>
<p>8) THE COUNCIL DELIVERS BETTER INFRASTRUCTURE CONNECTIVITY & OPPORTUNITY</p> 	<ul style="list-style-type: none"> • Develop and deliver solutions to improve rural broadband • Develop a range of options to improve rural transport and better public transport linked to opportunities throughout the Cardiff Capital Region, including improvements at Severn Tunnel Junction • Make use of new technology to improve how we maintain highways services • 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> • Identify ways to reduce the difference in pay between men and women in the county 	<p>The Council has continued to work with Welsh Government to support access to Superfast Cymru and officers represent the council on the newly formed Wales Digital Infrastructure Group.</p> <p>Due to the pandemic, and the preceding flooding that took place in November 2019 and February 2020, digital infrastructure works have been slow to move forward in the county, and the digital deprivation rate still stands at 12.5%. Monmouthshire still has 8,000 premises in the county with poor broadband. Of these, 5,600 are under review with the possibility of Altnets supplying services, and 2400 premises are still considered with 'no potential suppliers available'. In July 2020, following the Welsh Government announcement of additional funding for 'Full Fibre to the Premise' (FFTP) by Openreach, the number of connected premises is likely to increase from 1581 to 2163, however further analysis is needed into this investment and how it can maximise other planned activity in the County.</p> <p>Cabinet approved a revised version of the Digital Infrastructure Action Plan in July 2020, which identifies opportunities to address the 12.5% of premises in Monmouthshire with limited or no connectivity to Next Generation Access broadband. Delivery of the second Rural Community Development Fund broadband deployment project was completed in March 2020 with an additional 550 premises having access to the new network. Whilst progress to date has been slow, future planned activity will start to reduce the County's digital deprivation rates.</p> <p>The Monmouthshire GovTech challenge, funded by the Cabinet Office, was launched in July 2018 to encourage technology firms to develop and pilot technology-led solutions to loneliness and limited rural transport. These were to be developed and</p>



tested in Monmouthshire with the potential to scale around the UK and beyond as commercially viable solutions.

From the five companies who were awarded £50,000 each to undertake research and development, two were subsequently identified to take their projects forward with additional Cabinet Office funding. The Behavioural Insights Team was focused predominantly on loneliness and isolation, whilst Box Clever Digital had a greater focus on rural transport. The latter project has worked closely with Bridges Community Car Share scheme to pilot digital solutions to make the service more efficient and has been successful in helping them increase passenger miles. The team are also working closely with the Grass Routes bus service to increase efficiency. Box Clever are also developing secure lift-share scheme called 'tag-along' however, work has been paused as a result of the coronavirus.

The Council's Social Justice Strategy demonstrates the Council's commitment to address inequalities and improve outcomes for the county's people and communities. It includes programs of work related to overcoming inequalities in access to economic prosperity. Informed by the impact of the coronavirus pandemic as part of the Council's continued commitment to Social Justice, evidence is being reviewed and activity related to poverty and inequality in Monmouthshire being planned. Further analysis of data is also being undertaken to inform resources to be targeted more effectively

The latest information from 2019 on the average (median) weekly earnings for employees working in Monmouthshire shows there was a £1.60 difference in pay between men and women. This shows a considerably lower difference in pay that varies significantly from the previous year and recent years' trends, the longer term trend in pay needs to be considered.

<p>9) THE COUNCIL PROVIDES MORE OPPORTUNITIES FOR LOCAL LIVING, WORKING & LEISURE</p> 	<ul style="list-style-type: none"> Review the current Local Development Plan to ensure an appropriate supply of land for homes and businesses 	<p>Work on the Replacement Local Development Plan (RLPD) has been progressing. As a result of the circumstances surrounding COVID-19, the decision was taken in March 2020 to postpone the RLDP Preferred Strategy engagement events until further notice and to keep open, with an extended deadline, both the Preferred Strategy consultation period and the second call for candidate sites. A revised Delivery Agreement will be reported to Council in October 2020 setting out an updated timetable for future key stages of plan preparation.</p> <p>Progress on the Strategic Development Plan has been delayed by the governance changes being introduced via the Local Government and Elections (Wales) Bill.</p> <p>The Minister for Housing and Local Government issued a letter in July 2020 requesting that all local planning authorities undertake an assessment of the RLDP evidence base, strategy and policies to assess the consequences the current pandemic before progressing with plan preparation. Welsh Government has recently confirmed that the end date provision in the Planning (Wales) Act 2014 does not apply to LDPs adopted before that legislation was enacted meaning this significant risk has been removed for Monmouthshire.</p> <p>In 2019/20, 356 new dwellings were completed, this is a decrease from 443 in 2018/19, and is still below the LDP target. Of the dwellings completed in 2019/20, 82 were affordable homes, 85% the 96 target.</p> <p>The Destination Management Plan (DMP) for Monmouthshire establishes a clear framework to address identified priorities and deliver year round sustainable tourism growth. Latest STEAM (Scarborough Tourism Economic Activity Monitor) figures for Monmouthshire show that in 2019 tourism contributed £244.99 million to the County's economy, a 2.6% increase on the 2018 economic impact figure. Tourism revenue grew in real terms by 18.5% between 2015 and 2019 (against a target of 10% between 2015-2020).</p> <p>The pandemic has had a considerable impact on tourism as the national message was to 'stay home' and save lives. Most of the Tourism businesses and attractions have now</p>
	<ul style="list-style-type: none"> Participate in and shape opportunities for regional strategic land-use development plans 	
	<ul style="list-style-type: none"> Increase the volume, quality, variety and affordability of housing 	
	<ul style="list-style-type: none"> Provide flexible support for tourism development in the county 	
	<ul style="list-style-type: none"> 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> 	

		<p>reopened in Monmouthshire. Since restrictions have allowed, the council has supported the promotion 'Visit Monmouthshire, Safely' to make it as easy and safe as possible for visitors to visit the places and landscapes they love in Monmouthshire.</p> <p>During the Coronavirus pandemic, widespread consultation has taken place to seek the opinions of our residents and to gather ideas about how Monmouthshire's town and village centres could re-open safely and look in the future. Changes have been made supporting the safe re-opening of Monmouthshire's town and village centres, and the businesses that reside within them. Based on learning and feedback, arrangements continue to be refined to adapt our main town centres to make sure they are safe.</p> <p>We promoted the 'Shop Local, Shop Monmouthshire' campaign, which celebrates Monmouthshire's unique towns and villages and aims to support our shops and high streets as they work to safely re-open and recover from the impact of the Covid-19 lockdown.</p>
<p>10) THE COUNCIL UNLOCKS ECONOMIC VALUE OF ITS SPENDING POWER</p>  	<ul style="list-style-type: none"> Review our procurement spend, improve analysis of expenditure and build local supply chains where possible 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 Ensure we play an active part in national-led commissioning consortia 	<p>An external consultant has been appointed to conduct a review of procurement spending in the council to identify areas that have the potential to deliver additional savings. Work on the review been delayed due to the pandemic, plans are underway to scrutinise findings of the review to create a plan for addressing them.</p> <p>The council has been involved in embedding sustainable outcomes within the procurement process, in tender specifications and scoring criteria.</p> <p>Given the impact of Covid-19, the Strategic Procurement Unit has refocused its purpose to ensure that there is resilience and security in the organisations future requirements for goods and services. The key objective has been to endeavour to keep the council's pound within the county boundaries and its neighbouring authorities, whilst ensuring compliance with the procurement rules and regulations. For example, by working closely with colleagues in high spending service areas, contracts to the value of £11 million have been awarded to local suppliers since April 2020.</p>

Well-being of Future Generations Act impact
Contribution of Council goal to Future Generations Act 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
✓	✓	✓	✓	✓		✓

This goal is aimed at the **long-term** viability of Monmouthshire as a thriving place to live, work and visit. The City Deal is one example where we work **collaboratively** with neighbouring authorities to maximise opportunity. Keeping Monmouthshire thriving and well-connected promotes **integration** and will impact on the social, economic, environmental and cultural well-being of the county. This will require collaboration with local businesses and other organisations, and **involvement** from the local community to maximise the opportunities being presented. Considering the global wellbeing of Wales is also important and this goal will focus on ensuring decisions are made with future generations in mind and takes a **preventative** approach to help enable the retention of young people.

Measures of progress

Measure	Previous	Current	Target	Comment
Gross Value Added (£ per head) ³	£20,985	£22,307	Increase	Gross value added estimates the total output of an economy. Current data is from 2018
Difference in average pay between men and women ⁴ :	£120.40	£1.60	Reduce pay difference	The average (median) weekly earnings for employees working in Monmouthshire, current is 2019 data. This shows a significantly lower difference in pay, which varies significantly from recent years' trends.
Men	£578.90	£563.60		
Women	£458.50	£562.00		
Average weekly earnings of people who work in Monmouthshire ⁵	£529.50	£570	Increase	The average (median) weekly earnings for employees working in Monmouthshire, current is 2019 data.

Number of active business enterprises in the county ⁶	4170	4165	Increase	Data is recorded on a calendar year basis; current is 2018 data
Number of businesses assisted by Monmouthshire Business and Enterprise Team and referrals to partners	82	75	75	
Total income generated from tourism ⁷	£238.67 million	£244.99 million	10% increase by 2020	Data is recorded on a calendar year basis; current is 2019 data. Tourism revenue grew in real terms by 18.5% between 2015 and 2019 (against a target of 10% between 2015-2020).
Number of market and affordable housing units built	443 (of which 131 affordable)	356 (of which 82 are affordable)	488	
Number of premises with access to high speed broadband through the Superfast Cymru 2 scheme	New Measure	Not available	2163 (over 3 years)	Targeted intervention increased from 1580 this year
Number of white premises gaining access to high speed broadband	New measure	800	New measure	

Goal C: Maximise the Potential of the natural and built environment

Monmouthshire County Council Goal: C. Maximise the Potential of the natural and built environment

Why we are focusing on this

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.

Summary – Progress 2019/20


Efforts to improve recycling rates in the county have continued this year. The provisional recycling rate for 2019/20 is 65.56%, above the national target of 64%. Performance needs to improve to ensure recycling rates increase going forward. The coronavirus pandemic caused disruption to some waste and recycling services in the County. Evidence continues to be reviewed to determine if any learning can be taken from recent months to improve recycling figures going forward

A green infrastructure strategy has been developed and £628,000 of funding was secured for green infrastructure improvements and opportunities across Monmouthshire.


Considerable work has been undertaken to progress the active travel offer in Monmouthshire, with a focus around education, key employment sites and public transport. Consultation has taken place to determine residents priorities going forward and a new governance framework for the management of projects has been developed. An Active Travel Fund Investment of £1.5m has been secured from Welsh Government.


In May 2019, Council voted unanimously to declare a Climate Emergency. Following the declaration, a strategy and action plan was developed, containing the objectives and actions in place to reduce the council’s carbon emissions. A Climate Emergency working group has been established to take responsibility for ensuring the action plan continues to progress. There has been some disruption to progress as a result of the pandemic and it has created some uncertainty over funding. Work is underway to understand the impact and to develop the strategy in line with areas of learning seen during the pandemic. For example, we have seen changes to the way we work, the amount we travel, how we manage greenspaces and promote active travel.


Detailed Progress Update

Commitment to action	What we said we would do	Progress in 2019/20
<p>11) THE COUNCIL DEVELOPS & DELIVERS A SUSTAINABLE PLAN FOR ENHANCING THE LOCAL ENVIRONMENT</p> 	<ul style="list-style-type: none"> • Work with community groups to reduce litter and fly tipping while using technology to improve our own processes. 	<p>Fly tipping can now be reported using the My Monmouthshire App. In 2019/20, of those incidents confirmed as fly tipping for which the Council was responsible, clearance took an average of 5.96 days.</p>
	<ul style="list-style-type: none"> • Ensure that we reduce the amount of waste, achieving recycling targets and not exceeding national limits for the amount we can send to landfill 	<p>In September, we launched a campaign ‘Don’t Mess with Monmouthshire’ to raise awareness of littering and to encourage everyone to take their litter home, which coincided with Keep Wales Tidy’s Autumn Clean Cymru. Based on street cleanliness inspections completed in 2019/20, 98.22% of streets were reported as clean.</p>
	<ul style="list-style-type: none"> • Work towards becoming a plastic free county, reducing single use and unnecessary plastics to an absolute minimum. 	<p>The Household Recycling report was presented to Cabinet in December 2019, which set out measures necessary to achieve national recycling targets, minimise budget increases and provide sustainable waste services going forward.</p>
	<ul style="list-style-type: none"> • Deliver Green Infrastructure Policy to ensure people have access to green spaces 	<p>Monmouthshire’s recycling rate peaked in 2016 at 67% and there has been a slow but steady decline in performance since then. The recycling rate for 2018/19 was 63.37%, and the provisional recycling rate for 2019/20 is 65.56%, above the national target of 64%. Performance needs to improve in this area to ensure recycling rates increase going forward.</p>
	<ul style="list-style-type: none"> • Secure and deliver funds for projects including Living Levels, Agri-urban and Air Quality 	<p>The coronavirus pandemic caused disruption to some waste and recycling services in the County. Data has been reviewed, and will continue to be, to establish the impact on recycling rates, and to determine if any learning can be taken from recent months to improve recycling figures going forward. It is difficult to predict performance in 2020/21 but the first quarter saw the highest recycling rate ever of 74%, with record numbers of residents using kerbside recycling collections following the closure with Household Waste Recycling Centres.</p>
	<ul style="list-style-type: none"> • Install real time air quality monitoring equipment in four schools 	
	<ul style="list-style-type: none"> • Deliver more opportunities for active travel and 	

	<p>improved connectivity (New)</p> <ul style="list-style-type: none"> 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. (New) 	<p>A green infrastructure strategy was adopted in December 2019 and work in parks and green spaces is ongoing. £628,000 of funding was secured for green infrastructure improvements and opportunities across Monmouthshire.</p> <p>Work has also commenced to establish a new strategic Environment Partnership Board, comprising of multi-agency partners who have a role to play in addressing the issues in relation to biodiversity, climate change and other environmental matters. It is anticipated that this partnership will have the ability to support the council's Climate Emergency work by complimenting and maximising opportunities to take collective action in relation to carbon reduction etc.</p> <p>Considerable work has been undertaken to progress the active travel offer in Monmouthshire, with a focus around education, key employment sites and public transport. A comprehensive Active Travel consultation has been carried out to determine the public's priorities going forward. To support this, a more informative website has been developed to host the digital questionnaires and provide more information. A new governance framework for the management of projects has been introduced to provide clear monitoring and accountability for delivery. Work is underway to progress the draft Cycle strategy, which was published in April 2019. Finally, an Active Travel Fund Investment of £1.5m has been secured from Welsh Government, the largest investment Monmouthshire County Council has ever received.</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"> Develop and enable more local renewable energy schemes Develop an investment programme to help our services transition to a low carbon future Trial and test hydrogen vehicles through partnerships with 	<p>In May 2019, Council voted unanimously to declare a Climate Emergency. In October 2019, Council received the report to set out Monmouthshire's strategy and action plan to respond to the Climate Emergency declaration. The strategy describes the objectives and actions in place to reduce the council's carbon emissions. Council approved ten objectives within the plan, which cover the areas of activity that will need focus in order to achieve the goal of reducing carbon emissions to net zero by 2030.</p> <p>A member-led Climate Emergency working group, chaired by the cabinet member, has been established to take responsibility for ensuring the action plan</p>

	<p>organisations such as River Simple</p> <ul style="list-style-type: none"> • Install battery charge points for electric vehicles in all towns using funding opportunities such as grants from the Office for Low Emission Vehicles 	<p>continues to progress. The working group met for the first time in January and has used technology to continue meetings during the Coronavirus lockdown. There is clear progress against 53 of the 68 actions.</p> <p>It is clear that COVID-19 has caused some delays to progressing some of the Climate Emergency aspirations, and created some uncertainty over funding. There is a need to continue to understand the impact and to adapt/develop the strategy in line with areas of learning seen during the pandemic. For example, we have seen changes to the way we work, the amount we travel, how we manage greenspaces and promote active travel. There is also a growing recognition nationally and internationally of the need to build climate change into a green recovery.</p> <p>There have been delays in progressing some initiatives, namely due to work being paused or unable to start due to COVID-19, and uncertainty over available funding. Progress on specific projects this year include the installation of 4200 LED street lights, bringing the total to 9000. The remaining 1400 lights are now being converted to LED. There has been reduced mowing of green infrastructure, with over 3 million square metres managed in a more sustainable manner. A tree planting programme has started throughout the County, and finally, funding has been secured to pilot the use of a small number of e-bikes to encourage active travel.</p> <p>With the support of the Council, Riversimple are preparing to run a 12 month trial of 20 Riversimple Rasa hydrogen fuel cell cars in Monmouthshire. Arrival of the first few cars is anticipated in the coming months, available for trial to those who have registered an interest.</p> <p>A feasibility study for electric vehicle and charging points has been carried out to identify suitable locations within the county. Two new electric vans have been ordered for school catering at Deri View and Kymin View and installation of EV charging points has begun. A grant request was submitted to Welsh Government</p>
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		<p>in February for funding for various electric vehicles for schools, including a minibus, and pool car for residential home visits.</p>
<p>13) THE COUNCIL KEEPS ROADS AND AREAS SAFE</p> 	<ul style="list-style-type: none"> • Work with town and community councils and local people to identify where speed reduction measures are needed including 20 mph zones where appropriate • Support for Community Speed Watch and community-led speed safety initiatives 	<p>The Monmouthshire Road Safety Strategy (RSS) has been developed. The RSS sets out a coherent and coordinated plan of action to make Monmouthshire’s highways network safer for all users using a holistic approach based upon education, enforcement, engineering and communication. It has been developed in conjunction with the Welsh Governments Road Safety Framework for Wales. The RSS sets out what we intend to do to create safer streets for all road users over the next five years. It is important the residents of Monmouthshire and the organisations involved in road safety work together to achieve the targets set out in this Strategy.</p> <p>Town-wide 20mph schemes have been implemented as part of the Covid19 response to make town centres safer; it is anticipated that these speed limits will be maintained on a permanent basis. Monmouthshire is being presented to Welsh Government as a candidate authority for the countywide “20mph in urban areas” trial, prior to legislation coming into effect in 2023.</p> <p>The Authority continued to monitor vehicle speeds following receipt of concerns from local residents, councillors and community and town councils to ensure the effective and safe flow of traffic on its highway network. Concerns were also forwarded to partners such as Gwent Police and Go Safe to consider undertaking enforcement for those minority of motorists choosing to drive inappropriately and/or dangerously along the road(s). Community Speed Watch is operated by Go Safe/Gwent Police; we will continue to assist where necessary.</p>
<p>14) THE COUNCIL ENHANCES LOCAL HERITAGE AND DEVELOPMENT OF ARTS AND CULTURAL SERVICES</p>	<ul style="list-style-type: none"> • Support a resilient and sustainable cross-county museum offer whilst identifying opportunities for arts and cultural development-(New) 	<p>A Museum review was completed, resulting in a full complement of staff whose role descriptions better align with the needs of the service. This has allowed the time and space to start moving the service forward to meet customer expectations.</p>

	<ul style="list-style-type: none"> • Pursue opportunities to improve the facilities at the Borough Theatre (<i>New</i>) • Protect and enhance our built heritage including the submission of bids to the National Lottery Heritage Fund, where appropriate 	<p>Funding has been sourced from the National Lottery Heritage Fund to write a Heritage Strategy and to carry out a Collections review. A Heritage Strategy Officer has been appointed and subsequently, work has started on the collections review. A methodology has been established for assessing the collections and has been put into practice. In addition, the council has collaborated with colleagues in other Welsh Museums to redistribute collections to more suitable locations.</p> <p>A full programme of events was planned for 2020, which included events delivered both internally and in partnership with community groups. Unfortunately these have been cancelled/postponed due to Covid-19.</p>
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Well-being of Future Generations Act impact

Contribution of Council goal to Future Generations Act 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
✓	✓	✓		✓	✓	✓

Monmouthshire is a beautiful place, with a stunning natural and built environment. We have a collective responsibility to ensure this is available for future generations to enjoy so our plans must be focused on the **long-term** and look to **prevent** problems from occurring in years to come. **Involvement** is required with partners and communities to maximise the potential of the environment within the county. Working in **collaboration** with organisations who can enhance our environment will provide expertise in all aspects of our work, for example this will allow us to trial the latest technologies in renewable energies and hydrogen. Creating a prosperous, healthy and resilient area for people to enjoy demands the **integration** of this objective as the environment within Monmouthshire forms such an important part of achieving a range of goals.


Measures of progress

Measure	Previous	Current	Target	Comment
Percentage of waste reused, recycled or composted	63.37%	65.57%	64.5%	Current is provisional 2019/20 data
Average number of days taken to clear fly-tipping incidents	4.82	5.96	<5	
Percentage of streets that are clean	97.2%	98.2%	97.5%	
Percentage reduction of Council carbon dioxide emissions	9.9%	Not available	3%	
Capacity of renewable energy in the county driven by the Council	6240KW	Not available	Increase	
Levels of nitrogen dioxide (NO ₂) pollution in the air (µg/m ³) ⁸	8	8	Decrease	Current is data from 2018
Number of trees planted	Baseline in 19/20	356	10,000 (by 2022)	
Number of new active travel routes	0	0	Increase	No new routes, although considerable work has been undertaken to progress the active travel offer in Monmouthshire.
Number of rural communities in which speed safety initiatives are supported	0	4	Increase	
Percentage of roads in poor condition:				
A roads	2.7%	3.3%	<3%	
B roads	4.7%	5.1%	<5%	
C roads	7.3%	7.6%	<8%	
Total amount of Rural Development Plan funds committed to projects in Monmouthshire	£194,702	£197,170	£1,674,000 (total by Dec 2021)	

Goal D: Lifelong well-being

Monmouthshire County Council Goal: D. Lifelong well-being	
Why we are focusing on this	Summary - Progress 2019/20
<p>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.</p> <p>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.</p> <p>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.</p>	<p>Monmouthshire continues to develop a place based approach where advice and assistance will be delivered in people’s communities through a range of providers. This is a way of working that builds a network of community support by bringing a range of agencies together with a shared purpose of supporting people’s wellbeing.</p> <p>A well-established Adult social services programme looking at transformational approaches to the delivery of care at home has continued to be advanced. The model has developed an approach that changes the relationship between commissioners and service providers, working towards a shared aspiration of better outcomes for individuals.</p> <p>A Social Justice Strategy is in place and demonstrates the Council’s commitment to address inequalities and improve outcomes for the county’s people and communities. There is risk that coronavirus and lockdown measures could disproportionately impact on the well-being of some sections of our communities, resulting in increased poverty and inequality. As part of the Council’s continued commitment to Social Justice, evidence is being reviewed to help target resources more effectively.</p> <p>The COVID-19 pandemic has seen a tremendous volunteering response in Monmouthshire and these efforts have been vital in supporting those most in need. The Community Support Structure was established to coordinate those in need of assistance with the offers of support available. The Our Monmouthshire Community Networking platform has been implemented this year.</p> <p>Following the relaxation of the lockdown, all Leisure Centres have re-opened. An extensive amount of work has been undertaken to prepare facilities, in line with guidelines, to make sure users feel safe and comfortable. Since reopening on 10 August, there has been approximately 20,000 visits to our leisure centres.</p>

Detailed Progress update

Commitment to action	What we said we would do	Progress in 2019/20
<p>15) THE COUNCIL ENABLES CONNECTED AND CARING COMMUNITIES SUPPORTING PEOPLE TO LIVE INDEPENDENTLY</p> 	<ul style="list-style-type: none"> Maximise the opportunities for all people to live the lives they want to live and the positive outcomes they identify Co-produce our approaches to well-being, care and support Complete the move from task and time approach in social care to relationship-based care at home Develop opportunities for people to be involved in their local communities reducing isolation and loneliness Improve opportunities for people with care and support to actively contribute through employment and volunteering 	<p>Monmouthshire is developing a place based approach where advice and assistance will be delivered in people’s communities through a range of providers. This is a way of working that builds a network of community support by bringing a range of agencies together with a shared purpose of supporting people's wellbeing. We are able to share skills, expertise and time, and increase the opportunities for people to access support in the community without coming into formal social services.</p> <p>The provision of information, advice and assistance (IAA) continues to grow across Monmouthshire, with the number of access points expanding not just within social care and health, but also across other sectors. Of those people receiving advice or assistance between October 2018 and September 2019, 74.1% did not contact the service again for six months</p> <p>The Care Navigation approach was developed to train a variety of front line staff such as GP receptionists to direct people to relevant services. This is now being built on by piloting enhanced training for identified Practice Based Wellbeing Co-ordinators and colleagues from Integrated and Community services. This is co-ordinated and funded via the Gwent Transformation Programme. The approach is being piloted in the south of the county and will roll out to other hubs in due course.</p> <p>Integrated health and social care hubs are the cornerstone of place based delivery. At the front door of adult social care and health, integrated teams of nurses, therapists, community well-being officers and social workers provide a first point of response from hospital and community bases.</p> <p>Personal outcomes are set with each person we support and over time, are a means of understanding whether people are making progress with the things that matter most to them. Measurement of personal outcomes is being developed to embed within our Adults social care teams as a means of understanding whether we are able to support</p>

people to achieve the things that matter most to them. Adult's social care survey responses show 56% of adult services users feel they are part of their community.

Adult social services have a well-established programme looking at transformational approaches to the delivery of care at home. The model has also developed an approach that changes the relationship between commissioners and service providers, working towards a shared aspiration of better outcomes for individuals which continues to be advanced.

The domiciliary care sector is and remains under considerable pressure, Monmouthshire has specific challenges due to rurality and demographics. Adult Social Care has seen an increase in referrals for assessment and reablement and requests for care at home since lockdown easing, which continues to be managed but is putting pressure on services.

There is work with all providers to develop better ways of creating a sustainable way forward. There are a number of linked work streams that all contribute to helping change both the image of this sector and create capacity to sustain the support required into the future. These include our 'Turning the world upside down' programme and participation in a national programme called "We Care" to ensure we attract people to consider this very valuable role.

Reablement provides intensive short-term interventions aiming to restore people to independence following a crisis. At the end of the six-week reablement period, the goal is for people to be independent and not necessarily need long-term services in the immediate future. During 2019/20, 69.9% of all people who receive reablement had no package of care and support 6 months later and were consider independent.

The Covid-19 pandemic has caused challenges but also opportunities, for example, the potential to build on the immense value added by hard-working volunteers and the community spirit being fostered in often difficult circumstances. There will be a need to use using the latest evidence to understand the impact on the well-being of Monmouthshire communities throughout the pandemic and adapt delivery accordingly.

16) THE COUNCIL WORKS COLLECTIVELY TO DELIVER ON SOCIAL JUSTICE, ENABLING PROSPERITY AND REDUCING INEQUALITY BETWEEN COMMUNITIES AND WITHIN COMMUNITIES



- Continue to develop programmes to tackle poverty addressing worklessness and in-work poverty through schemes such as the Skills at Work programme.
- Ensure that all council policies services are focused on ensuring equity of access
- Promote equality and diversity and ensure opportunities are genuinely available to all
- Support and enable the development of community-led plans and placed-based working to improve well-being and increase prosperity.

A Social Justice Strategy is in place and demonstrates the Council’s commitment to address inequalities and improve outcomes for the county’s people and communities. It establishes the Council’s purpose, intentions and activities. This includes programs of work related to overcoming inequalities in access to economic prosperity, giving children the best start in life and overcoming barriers to attainment and opportunity and to tackle the scourge of loneliness and isolation.

There is risk that coronavirus and lockdown measures could have a potentially disproportionately negative impact on the well-being of some sections of our communities, resulting in increased poverty and inequality. As part of the Council’s continued commitment to Social Justice, evidence is being reviewed and activity related to poverty in Monmouthshire being planned. A Tackling Poverty and Inequality Team has been established and a draft Tackling Poverty and Inequality Action Plan is being developed. Further analysis of data is also being undertaken to inform resources to be targeted more effectively.

The Council has a long-standing commitment to equality and diversity. The Council has published its Strategic Equality Plan 2020-24 setting its strategic equality objectives. These objectives and the actions outlined are the things that the Council is committed to delivering over the next four years to ensure we deliver better outcomes for people with protected characteristics. The Council has introduced poverty as an additional characteristic in the equality and future generations impact assessments carried out on key policy decisions. This should ensure a focus on the need to reduce the inequalities of outcomes that result from socio-economic disadvantage.

Partners working as part of the PSB have continued to collaborate around well-being resources in a given place to work with communities and individuals to discover ‘what matters to them’ and moving away from “one size fits all” services.

The COVID-19 pandemic has seen a tremendous response in relation to the mobilisation of volunteering and community groups. Work on longer term arrangements will need to be advanced to ensure support is available to provide long-term benefit to our communities.

17) THE COUNCIL ENABLES BETTER LOCAL SERVICES THROUGH SUPPORTING VOLUNTEERS AND SOCIAL ACTION




- Ensure meaningful community engagement to understand the assets and priorities in each locality
- Approve volunteering policy, develop volunteering opportunities and continue to support the Be.Community Leadership Programme increasing the skills and knowledge of community volunteers
- Re-launch the Monmouthshire Made Open Platform to promote opportunities to engage with communities and improve well-being

The past years has seen a period of research, engagement and the building of a platform for targeted action on volunteering in the near future. Sustained engagement with the Joining Up Volunteering partnership group as part of the Public Service Board has allowed work on promoting active citizenship and an associated action plan to be shaped and owned by partners.

GAVO and the council delivered a ‘Power of Community’ event in March 2020, which brought together volunteers, community groups and organisations to focus on all aspects of the Active Citizenship well-being step. One hundred and thirty people attended the event, which explored and challenged the principles of Active Citizenship in Monmouthshire. We were able to utilise the event to prioritise what matters and also mobilise people around aspects of the step that they care about. We are now able to bring together the right people who are engaged and motivated to make a difference within our communities across the county.

Monmouthshire, A County That Serves (ACTS) volunteering programme is helping to highlight and support volunteering opportunities available within the county. A volunteering toolkit and network are in place and Leading Volunteering training is delivered to staff that support volunteers. A Volunteer Kinetic digital management system is in place and service area champions have also been introduced to ensure that all current and new volunteers are recruited through the appropriate channels. In June 2019, the first Volunteering Conference was held to put volunteering at the forefront of council planning for the future.

The COVID-19 pandemic has seen a tremendous response in relation to the mobilisation of volunteering and community groups. These efforts have been integral in supporting those most in need in our communities during the pandemic. The Community Support Structure was established to assist people needing support being coordinated with the offers of support. Work will be required to continue to support an increased volunteer network and longer term arrangements will need to be considered to ensure we can support our community volunteering network to provide long-term benefit.

		<p>After engagement with all partners and approval from the Public Services Board, the Our Monmouthshire Community Networking platform has been implemented. Our Monmouthshire provides the digital tools for active citizens to support each other in their communities, creating connections around purpose with the provision of a safe person to person time banking function. PSB partners are supporting the development of the platform which aims to be community-led.</p>
<p>18) THE COUNCIL BOOSTS LEISURE, RECREATION AND WELLBEING</p> 	<ul style="list-style-type: none"> • Deliver a new pool and leisure facilities in Monmouth (Completed) • Complete a business case on transfer of services to an Alternative Delivery Model (Completed) • Refurbish the leisure facilities in Caldicot (New) • Develop a business case for improved leisure facilities in Abergavenny and Chepstow (New) • Use section 106 funding strategically to develop local projects that maximise well-being • Improve well-being and support healthy lifestyles through initiatives such as the Exercise Referral Scheme • To develop a more sustainable delivery model for the Outdoor Education Service. 	<p>Monmouth Leisure Centre was fully reopened in February 2019. The £7.4m project includes a range of facilities to support well-being and physical activity.</p> <p>Views have been sought from residents and users on the re-development of Caldicot Leisure Centre before any final decisions about the new Leisure Centre are made.</p> <p>Following the relaxation of the lockdown, all Leisure Centres have re-opened. An extensive amount of work has been undertaken to prepare facilities, in line with guidelines, to make sure users feel safe and comfortable. Since reopening on 10 August, there has been approximately 20,000 visits to leisure centres.</p> <p>Monmouthshire’s National Exercise Referral Scheme works with people aged 17 years and over who have, or are at risk of developing, a chronic disease, and takes place in Monmouthshire’s four leisure centres. In 2019/20, 760 participants started the exercise programme, with 65% (494 participants) completing 16 weeks of the programme.</p> <p>In July 2020, cabinet received a report on the outdoor education services detailing the overspending position for 2019/20 of £116k and early indications of an overspend in 2020/21 in the region of £350k. This deficit should be reduced through the potential recovery of income loss shortfalls from Welsh Government. However, Cabinet agreed, due to the likely reduction in numbers of customers due to Covid-19, the service should remain closed for residential visits until the end of December 2020. A further report will be presented to Cabinet in Autumn 2020, which will consider the long term future of the service.</p>

Well-being of Future Generations Act impact

Contribution of Council goal to Future Generations Act 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
✓	✓	✓	✓	✓		

Adopting community-focused approaches promotes **collaboration** which in turn will support well-being. By working with communities, we hope to **prevent** problems from occurring. Opportunities are plentiful in our county so it is vital that everyone is able to be **involved** to maximise benefits to well-being. This should have a **long-term** benefit to individuals and communities. Our actions will have an **integrated** benefit for many aspects of the act, promoting a prosperous Wales, a more resilient and a healthier Wales. They will promote a Wales of cohesive communities and overall, help to create a more equal Wales. There is also strong integration with our responsibilities under the Social Services & Well-being Act.

Measures of progress


Measure	Previous	Latest	Target	Comment
Percentage of people living independently at home 6 months after reablement	74.3%	69.9%	75%	
Percentage of adult services users who are happy with the care and support they have had	88.3%	89.4%	90%	
Percentage of adult services users who feel they are part of their community	53.5%	56.3%	Increase	
Percentage of people living in households in material deprivation ⁹	9%	10%	Decrease	National survey for Wales and National well-being indicator under the well-being of Future generations act.
Percentage of people satisfied with their ability to get to/access the facilities and services they need ¹⁰	79%	Not available	Increase	National survey for Wales indicator current, latest 2019/20 data, not published
Number of volunteers directly supporting Monmouthshire County Council	1360	1319	Increase	


Percentage of people participating in sport 3 or more times a week ¹¹	38%	36%	Increase	National survey for Wales indicator
Percentage of people participating in the exercise referral scheme still active after 16 weeks	54%	65%	>50%	


Goal E: Future-focused Council


Monmouthshire County Council Goal: E. Future-focused Council	
Why we are focusing on this	Summary – Progress 2019/20
<p>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.</p> <p>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.</p> <p>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.</p>	<p>Our customer service offer has been enhanced this year through the opening of Usk Post Office, and the refurbishment of Abergavenny Town Hall. Our digital accessibility has also continued to be advanced via the development of our customer facing digital apps and processes. The pandemic also saw rapid improvements in our digital capabilities, both internally and externally. Some of our services moved online to allow residents to access them during lockdown, such as the booking system for the Household Waste Recycling centres, and electronic book reservations at our libraries.</p> <p>The Council was already facing financial challenges. Since entering 2020, the Council has faced significant and unprecedented challenges, notably the flood response and recovery and the COVID-19 pandemic. The Council’s revenue outturn for 2019/20 showed an overall net surplus due to the application of two one off items. The surplus also enabled the Council Fund to be supplemented to assist with the 2020/21 budget challenges, which have increased as a result of the COVID-19 pandemic. Specific pressures remain in service areas.</p> <p>The Council’s medium term financial planning was severely disrupted due to the pandemic, and work is ongoing to understand the full extent and the resulting challenges. The income loss and shortfall is significant and ongoing. Our latest financial forecasts show a £6.83 million overspend in 2020/21 due to additional costs in responding to the pandemic, the impact of which will be significantly reduced as a result of Welsh Government funding package. The Council needs to plan and plot a revised course to ensure it remains financially sustainable into the future.</p> <p>The safety and well-being of staff is a priority, and many mechanisms have been implemented to ensure support is always available. This has been particularly important during the coronavirus pandemic, a variety of mechanisms have been implemented to support staff well-being and connectivity.</p>

Detailed Progress Update

Commitment to action	What we said we would do	Progress in 2019/20
<p>19) COUNCIL ENABLES AND PROVIDES GOOD SUSTAINABLE LOCAL SERVICES WHILST DELIVERING AN EXCELLENT CUSTOMER EXPERIENCE ACROSS ALL CHANNELS</p> 	<ul style="list-style-type: none"> 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) Increase the publication and use of open data to increase accountability and enable others to develop apps that have a civic benefit Introduce Digital Service Standard 	<p>In May 2019, the local authority run community Post Office opened in Usk Community Hub. Feedback on the post office continues to underline the fact that the branch plays an important role in supporting the community, both economically and socially.</p> <p>The refurbishment of Abergavenny Town Hall was completed in August 2020 following delays caused by the complexity of the site. Gilwern Library has been refurbished, following investment by Llanelly Town Council and the micro hub opened its doors in December 2019.</p> <p>The Council's Chatbot, Monty alongside the My Monmouthshire app, is giving people greater channel choice.</p> <p>Work to develop our approach to open data has been progressed and our open data webpage has been refreshed. We are looking at how we can further develop our open data offer to build on existing information that is already published on our website such as council spend data in areas that are identified as being of most benefit.</p> <p>A Digital strategy has been produced and is based on seven key themes that together, aim to improve the digital maturity of the organisation and realise significant business efficiencies and economies through digitisation. The Digital Programme Office continues to support the development of customer facing digital apps and processes; the continued development of the My Monmouthshire App is one example of this work.</p> <p>Digital technology has been an integral part of our response to the Coronavirus pandemic and in re-opening services safely. For example, a booking system has been developed for Household Waste Recycling Centres that are open to keep numbers to a manageable level to maintain social distancing, and request and collect has been introduced for library books.</p>

<p>20) COUNCIL OPENS UP DEMOCRATIC ENGAGEMENT & COLLECTIVE DECISION-MAKING</p> 	<ul style="list-style-type: none"> • Re-shape our governance arrangements including more detailed options appraisals • Identify ways to get more people involved in local democracy and scrutiny to enhance local decision-making • Develop remote access and attendance at meetings to maximize participation • Revise all enabling strategies and plans – People, Digital and Customers, Assets and Economy and Enterprise <i>(Completed)</i> • Review and consolidate working groups and arrangements • Revise performance and improvement plans and replace with ‘real-time’ data dashboards 	<p>The impact of lockdown was considerable on the workings of the council and as such, Democratic and decision making arrangements have been adapted quickly to apply the Local Authorities (Coronavirus) (Meetings) (Wales) Regulations 2020. All decision-making and committee meetings have re-commenced and are being held remotely via the Microsoft Teams app, which is proving successful. Training and support has been provided to members to assist in utilising digital meeting technology.</p> <p>A new Policy and Scrutiny Officer was appointed to assist in creating the capacity to increase participation in local democracy. The Democratic Services Committee has overseen changes to report writing, including options appraisals and evaluations, which are now part of the standard report template.</p> <p>Work will continue to gather learning from the new ways of working adopted during the COVID-19 pandemic and to identify efficiencies and improvements to arrangements that need to be retained or built on.</p> <p>The technology is being tested to enable the creation of data dashboards, which will make use of automated open data feeds, where possible, and other internal and external data sources. The development of pilot dashboards has been undertaken, including work through the Monmouthshire Public Service Board exploring displaying selected data items that were used in the well-being assessment. The learning from these pilots will be used to inform the future direction.</p> <p>A mid-term refresh of the Corporate Plan was completed and published in March 2020 to ensure focus remained on the most significant issues to Monmouthshire. To provide clarity and ensure accountability through our response to the coronavirus pandemic, a set of strategic aims were set by Cabinet in May. These were updated in July. We have lessened our focus on some of the priorities in the Corporate Plan to re-direct capacity towards dealing with COVID-19.</p>
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<p>21) THE COUNCIL DELIVERS A SUSTAINABLE AND RESILIENT ORGANISATION AND RELEVANT, VIABLE AND VALUED PUBLIC SERVICES</p> 	<ul style="list-style-type: none"> • Explore and embed new ways of working – Artificial Intelligence, automation and collaborative technology • Develop a commercial strategy and approach <ul style="list-style-type: none"> • Establish and deliver a sustainable and viable Medium Term Financial Plan to meet the significant financial challenges faced by the Council. 	<p>Monty the Chatbot has been developed to use data analytics within leisure services to improve the automation of customer access. Work is progressing to understand how to analyse customer responses and prioritise work to improve the customer experience.</p> <p>As part of the delivery of the Corporate Plan, a Commercial Strategy was published to provide a framework for new commercial projects and for the delivery of future commercial activity. Based on income generated from our two commercial investment sites, our income for 2019/20 was above our target for the year. However, commercial income is currently forecast to fall below targets in 20-21 due to rental pressures as a result of the Covid pandemic. The Council is continuing to assess its commercial risk appetite and exposure.</p> <p>The revenue outturn for 2019/20 showed an overall net surplus on the revenue account of £1.8m. This surplus has arisen due to the application of two one off items, which mitigate a net deficit on services of £3.76m. The surplus was generated through the Council maximising flexible use of capital receipts and to enable the Council Fund to be supplemented by £1.8m to assist with the 2020/21 budget challenges, and that have increased as a result of the COVID-19 pandemic. However, this position should not distract from the underlying financial challenges that have to be addressed. Specific pressures remain, in particular in additional learning needs, social care generally and children’s services specifically, passenger transport, waste, car parking and Monlife activities.</p> <p>The budget proposals for 2020/21 saw a continuation of our preparedness to challenge all services to sustain themselves rather than to see the closure of services that matter to citizens.</p> <p>The Council was already facing financial challenges. Since entering 2020, the Council has faced significant and unprecedented challenges, notably the flood response and recovery in February 2020, and the COVID-19 pandemic and lockdown restrictions implemented in March 2020. The Council’s medium term financial planning was severely disrupted, and work is ongoing to understand the full extent and the resulting challenges. Many income generating services had to stop during lockdown in order to</p>
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		<p>comply with UK and Welsh Government guidance. There is also a delay in the implementation of some budget savings proposals for 2020/21 as a result of resources being directed elsewhere to respond to the pandemic. The income loss and shortfall is significant and ongoing.</p> <p>Our latest financial forecasts show a £6.83 million overspend in 2020/21 due to additional costs in responding to the pandemic and the loss of income suffered. The impact of this overspend will be significantly reduced as a result of Welsh Government announcing a further £264m funding package in mid-August to provide support to cover additional costs and income losses for the remainder of the financial year.</p> <p>The Council needs to plan and plot a revised course to ensure it remains financially sustainable into the future. A budget recovery plan, together with further budget savings proposals, is being developed, which will subsequently inform the budget setting process for 2021/22 and the medium-term financial plan.</p>
<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"> • Strengthen decision making and accountability through revisions to the constitution • Prioritise Health, Safety and workplace Well-being • Promote diversity and inclusion including a focus on socio-economic factors • Engage employees through personal development training and learning 	<p>In December 2017, Council adopted changes to the council’s constitution. A thorough review is currently being undertaken to ensure it reflects the latest legislation and council’s governance structures. This was due to be presented to Council in May 2020, but activity has been delayed in light of the Coronavirus response, with efforts focused on implementing legislation related to the coronavirus pandemic.</p> <p>The safety and well-being of staff is a priority, and many mechanisms have been implemented to ensure support is always available. The Go To Group is a place where staff can discuss issues with colleagues in an informal setting, and is proving to be successful amongst staff. In addition to this, a Counselling service is available for employees to access via HR or management referral, and a self-referral system is also available via the Department of Work and Pensions.</p> <p>Work on attendance management has continued to be a priority. The average number of working days per FTE (fulltime equivalent employee) lost to sickness absence in 2019/20 was 11.32 days, above the Councils targeted rate of 10.5, although a small reduction from the previous year. Work continues with managers to support them with attendance management. We are looking to produce digital attendance</p>

		<p>management training for managers to be able to access remotely in order to provide ongoing support in this area. We also run weekly Managers Q&A sessions to enable a network of support and for questions and discussion to take place on an informal basis.</p> <p>During the pandemic, the wellbeing of colleagues is our core priority. Absence rates initially increased when the virus was most prevalent, but fairly quickly, this began to reduce and was continually being monitored for the impact on priority services. The Health and Wellbeing Group was established to address issues across the workforce, and a weekly 'Digital CWTCH' meeting was set up to allow all colleagues to ask questions and receive updates from senior managers. The SUPPORTALL Hub portal was launched, which allows colleagues and schools to access information from any device, including mobiles, on a range of subjects, such as wellbeing, testing, travel & quarantine, supporting remote working, health & wellbeing tips including short video clips (for example on taking breaks, mindfulness and keeping active), bereavement and personal 121 support.</p> <p>Work continues on the staff 'Check In Check Out' appraisal process, with guidance offered to managers on how to best record their meetings with staff. Monitoring of the process has been impacted by the diversion of staff resources during the pandemic; this will continue to be developed going forward.</p>
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Well-being of Future Generations Act impact

Contribution of Council goal to Future Generations Act 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 **long-term** nature of our goal is evident – shaping our services to meet the needs of our communities now, and into the future, is essential if we are to remain relevant and viable. Utilising data more effectively to plan **preventative** approaches and enhancing our digital capabilities are just some of the ways we intend to do this. **Involving** people in decision-making and scrutiny will ensure our direction of travel is **collaborative** and fit for the generations

to come. **Integrating** our approach will make sure that our resources are used in the places they are needed the most, and as efficiently as possible. Making our reducing financial resources stretch as far as possible is vital for future sustainability.

Measures of progress

Measure	Previous	Latest	Target	Comment
Over/underspend of Council revenue budget (£)	£49k under-spend	£1.8 million under-spend	£0	This surplus has arisen due to the application of two one off items which mitigate a net deficit on services of £3.76m.
Percentage of targeted budget reductions achieved	81%	84%	95%	2019/20 outturn data on mandated saving performance
Income generation from commercial investments (£)	£122,889	£620,184	£609,355	
Percentage of people who feel able to influence decisions affecting their local area ¹²	20%	Not available	Increase	National survey for Wales and National well-being indicator under the well-being of Future generations act. Latest, 2019/20 data, not published.
Number of open data sets published	5	9	10	
Number of apprentices on formal recognised apprenticeship schemes per 1,000 employees	Baseline in 19/20	Baseline to be established	Baseline	Baseline will now be established in 2020/21
Average days lost to sickness absence per FTE employee	11.5	11.3	10.5	Overall outturn figure for 19/20 represents a small decrease in overall absence from the previous year
Percentage of staff turnover	9.6%	9.43%	Track	Any significant variation in turnover will indicate a need to further review potential reasons

Our Response to the Covid-19 Pandemic

The Coronavirus pandemic has posed a significant and unprecedented challenge to our way of life and the way we provide services. The need to preserve life and stop the spread of the virus, while continuing to support communities, has meant that we have paused or re-purposed a lot of our usual work.

The Council has continued to rise to the challenge by establishing new ways of delivering services that support residents and businesses, assisting community activity and supporting staff well-being. The pace of change over the past six months has been unrelenting, with hundreds of staff re-deployed, new services created almost overnight, and millions of pounds re-directed towards preserving life and helping local businesses remain viable. To provide clarity and ensure accountability through the initial period of the pandemic, a revised purpose and set of strategic aims were established; these are shown in figure 1.

As the incidents of infection started to decline during the summer months, the focus shifted to creating the conditions for residents and businesses to take those first steps, while recognising that coronavirus remains an active threat to life and one that will cast a long shadow for many in our communities. Our county and our nation are still a long way from normal; we are not yet sure what the new normal will look like. For this phase, a new purpose was developed in July 2020, with a focus on making everyone feel safe in their communities, to continue to support each other and to reach out to those who need help, figure 2. This purpose was underpinned by eight strategic aims and included:

- Remodelling our town centres to encourage people to shop safely and shop locally
- Ensuring the safe re-opening of our schools to all learners
- Working with partners to operate the Test Track and Protect system to help identify people who have the virus
- Using technology to help reintroduce services such as request and collect service for library books

As we look to the months ahead, the situation remains uncertain. The Council continues to operate in a dynamic environment and arrangements are continually under review to evolve and adapt to changing circumstances, the latest evidence, learning gathered and changes to legislation and guidance.

Further information and updates on our revised purpose and accompanying Plan on a Page can be found on <https://www.monmouthshire.gov.uk/services/planning-for-emergencies/coronavirus/>

COVID-19 ACTIVITY

We have:

- Paid over £21.5 million of grants to local businesses to help them survive lockdown
- Established hub schools to provide childcare for the children of key workers
- Made phone calls to over 3,000 shielding people to check on their well-being and offer the delivery of food parcels, where needed
- Continued to safely collect waste and recycling from all households
- Helped coordinate and support a huge volunteer effort throughout the county, helping people with things like shopping and collecting prescriptions
- Contributed beyond our borders to regional emergency response structures, the drafting of legislation and national representative groups

Figure 1

OUR CORONAVIRUS STRATEGY

The Coronavirus COVID-19 pandemic has posed an unprecedented challenge to our way of life. By clearly setting our strategic aims we will focus on the things that matter most to our residents and businesses, shaping our immediate response and our transition into a re-launch.



OUR PURPOSE

To protect life and support our communities to be sustainable and resilient in these challenging times

OUR VALUES

OPENNESS

We are open and honest. People have the chance to be involved and tell us what matters.

FAIRNESS

We provide opportunities for people and communities to thrive. We will always try to treat everyone fairly and consistently.

FLEXIBILITY

We are flexible, enabling 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. We'll make the best of the ideas and resources available to make sure we do the things that most positively impact our people and places.

OUR DESIGN PRINCIPLES

- Working with and alongside local communities
- Being innovative and creative
- Learning and adjusting in real time
- Considerate of short-term response and medium-term recovery

OUR STRATEGIC AIMS

- Provide clear purposeful civic leadership
- Provide childcare for children of key workers and ensure continuation of learning for all young people
- Help vulnerable young people and adults who need our support
- Help local businesses to survive
- Keep our neighbourhoods clean and tidy whilst managing waste as sustainably as we can
- Be a trusted partner for other agencies / organisations
- Sustain a safe, healthy and productive workforce
- Ensure we remain financially sustainable as an organisation

WHAT WE ARE DOING

- Ensure that every person or family in crisis that we're aware of receives support
- Provide vital social care services for all those who need them, including child protection, care at home and residential care, 24/7
- Deliver our part in COVID contact testing, tracing and community surveillance
- Provide hub schools enabling childcare for key workers' children
- Provide digital technology and connectivity so all pupils can access learning, minimising any potential digital 'gap'
- Ensure all our staff who have the need can access the right Personal Protective Equipment (PPE)
- Provide access to emergency food parcels for shielded people who cannot leave home
- Coordinate community volunteering and support local food banks
- Support local businesses wherever possible and specifically through timely payment of COVID-19 grants
- Reconfigure our services so we can continue domestic waste and recycling collections
- Keep our roads and cemeteries safe by maintaining our levels of grounds maintenance
- Maximise our use of technology so our organisation can keep delivering the things that matter
- Influence and inform legislation changes so we can work effectively in our new context

Figure 2

OUR CORONAVIRUS 'TRANSITION' STRATEGY

The Coronavirus pandemic has posed an unprecedented challenge to our way of life and the way we provide services. We are transitioning out of the first wave now and this plan sets our actions to re-build community confidence. This is not our Recovery Plan – that will follow when we are confident that COVID19 is manageable into the medium term.



WHAT WE ARE DOING

- Continuing to provide vital social care services, including child protection, care at home and residential care, 7 days a week
- Remodelling our town centres and encourage people to shop safely and shop local
- Supporting our hospitality and tourism sectors to re-open as soon as possible
- Maximising the time that learners can safely spend in school from September onwards;
- Ensuring that consistent, high quality distance learning is in place to support children when they are not in school
- Delivering with partner agencies an effective Test Track and Protect system so we can identify virus outbreaks quickly and contain them
- Preparing to provide services which support individuals and families that lose their job / income
- Preparing those services that support vulnerable / high risk groups for an increase in demand as 'lockdown' eases
- Ensuring our staff working in all services are safe
- Providing a full waste management service and continue to develop our approaches to enhance the biodiversity and ecology of our open spaces
- Digitising services where possible to make them readily available to citizens
- Preparing for the re-opening of all leisure / cultural services as soon as guidelines allow
- Supporting our community volunteering network to provide long-term benefit to our communities
- Beginning our financial recovery programme

OUR PURPOSE

We want everyone to feel safe in their community, to continue to support each other and to reach out to those who need help

OUR VALUES

OPENNESS

We are open and honest. People have the chance to be involved and tell us what matters.

FAIRNESS

We provide opportunities for people and communities to thrive. We will always try to treat everyone fairly and consistently.

FLEXIBILITY

We are flexible, enabling 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. We'll make the best of the ideas and resources available to make sure we do the things that most positively impact our people and places.

OUR DESIGN PRINCIPLES

- Working with and alongside local communities
- Being innovative and creative
- Learning and adjusting in real time
- Considerate of short-term response and medium-term recovery

OUR STRATEGIC AIMS

- Provide clear purposeful civic leadership
- Maximise the time children can safely spend in school and have consistent, high quality distance learning in place when they can't be in school
- Help vulnerable young people and adults who need our support
- Assist local businesses to reopen and ensure our towns are safe places for traders and visitors
- Keep our neighbourhoods clean and tidy whilst managing waste as sustainably as we can
- Be a trusted partner for other agencies / organisations
- Keep a safe, healthy and productive workforce
- Ensure we remain financially sustainable

Performance Measures

The local authority performance benchmarking exercise through the Public Accountability Measures set by Data Cymru was not undertaken for 2019/20 performance due to the impact of the pandemic on the capacity of local authorities. We have continued to collate our performance as a council for most of the measures in 2019/20, and this is detailed in table 1 below. These national measures do not always reflect our local goals or focus on the outcomes of our services; nonetheless, they are an important tool in allowing people to hold the council to account. Information for 2018/19 is available to view on www.mylocalcouncil.info

National indicators have been set as part of the Future Generations Act for the purpose of measuring progress towards the achievement of the well-being goals in Wales as a whole. While the national indicators will not measure the performance of individual public bodies or public services boards, it is important they are considered to track the progress being made to improve wellbeing in Monmouthshire. Some of the national indicators that are relevant to the priority goals we have set in Monmouthshire, where an update is available at a county level, are in table 2 below. A number of the national indicators are produced on an annual basis and most will not yet cover any impact of the Coronavirus pandemic.

We are continuing to develop our use of data to strengthen how we plan and deliver services, and open up our data to help solve some of our problems and improve accountability. Work to develop our approach to open data has been progressed and our open data webpage has been refreshed. We are looking at how we can further develop our open data offer in areas that are identified as being of most benefit.

The use of mechanisms such as the Thriving Places Index and the Office of National Statistic's Measuring National Well-being programme, diagram 7, are ways in which we are trying to broaden our understanding of well-being in Monmouthshire, in addition to service specific performance measurement.

The Thriving Places Index in Wales is a framework of local authority level indicators, which builds a picture of an area summarised under the broad headings of local conditions, sustainability and equality to understand and assess the local conditions of well-being. Following initial work by Gwent PSB's on the Thriving Places Index, Data Cymru adopted the tool and expanded it to include all local authorities in Wales in 2018, the most recent release being published in April 2020. The full breakdown of the index is available on,

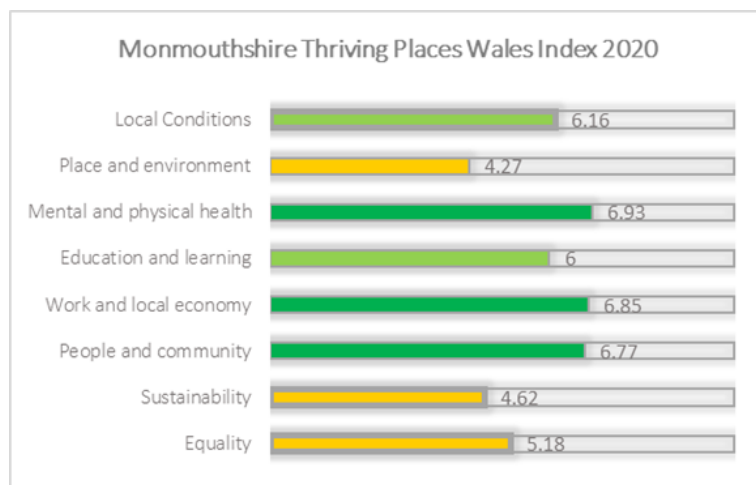


Diagram 3

www.thrivingplaces.wales, diagram 3 shows the headline scores from the 2020 index for the domains in Monmouthshire.

The COVID-19 pandemic has had a profound effect on our way of life and our well-being. In the annual report, we predominantly report information up to or before March 2020. Initial information already shows some of the impacts of the pandemic; the What Citizens Said section below shows some examples of evidence of the impact so far on personal well-being in Wales. Further work is needed to understand the impact on well-being in the County in more detail, in both the short and long term, and to assess changes over time. The Council will be working with its partners on the Public Service Board to utilise the latest evidence to understand the impact on the well-being of the pandemic in Monmouthshire.

Table 1 – National Performance Indicators 2019/20

* Trend information highlights if performance in 2019/20 compared to the previous year is: Improved or at maximum, Unchanged, Declined or Not applicable

Ref	Measure	2017/18	2018/19	2019/20	2019/20 Target	Progress against target	Trend*
PAM/001	Number of working days lost to sickness absence per employee	10.9	11.5	11.3	10.5	Missed	Improved
PAM/032	Average Capped 9 score for pupils in year 11 (interim measure version)	n/a	n/a	367.4 (18/19 academic year)	n/a	Not applicable	Not applicable
PAM/007	Percentage of pupil attendance in primary schools	95.6	95.2	95.4 (18/19 academic year)	95.9	Missed	Improved
PAM/008	Percentage of pupil attendance in secondary schools	95.2	95.0	95.1 (18/19 academic year)	95.3	Missed	Improved
PAM/046	Percentage of Year 11 leavers not in education, training or employment (NEET)	1.4	1.6	1.3	1.1	Missed	Improved
PAM/010	Percentage of streets that are clean	97.7	97.2	98.2	97.5	Met	Improved
PAM/035	Average number of working days taken to clear fly-tipping incidents	n/a	4.8	5.96	5	Missed	Declined
PAM/012	Percentage of households successfully prevented from becoming homeless	61	67.1	60.4	69	Missed	Declined
PAM/013	Percentage of empty private properties brought back into use	3.57	1.4	Not available	5	Not available	Not available
PAM/014	Number of new homes created as a result of bringing empty properties back into use	0	0	Not available	Not set	Not applicable	Not applicable
PAM/015	Average number of calendar days taken to deliver a Disabled Facilities Grant (DFG)	193	191	180	180	Met	Improved
PAM/040	Percentage of Quality Indicators (with targets) achieved by the library service	75	58	33 (provisional)	75	Missed	Declined
PAM/017	Number of visits to leisure centres per 1,000 population	7,376	8,184	9,054	8,750	Met	Improved
PAM/018	Percentage of all planning applications determined in time	91	88	91	80	Met	Improved

Ref	Measure	2017/18	2018/19	2019/20	2019/20 Target	Progress against target	Trend*
PAM/036	Number of additional affordable housing units delivered per 10,000 households	n/a	31	Not available	Not set	Not available	Not available
PAM/019	Percentage of planning appeals dismissed	36	46	86	70	Met	Improved
PAM/020	Percentage of A roads in poor condition	2.4	2.7	3.3	3	Missed	Declined
PAM/021	Percentage of B roads in poor condition	4.9	4.7	5.1	5	Missed	Declined
PAM/022	Percentage of C roads in poor condition	7.7	7.3	7.6	8	Met	Declined
PAM/023	Percentage of food establishments that meet food hygiene standards	97.05	96.9	97.07	96	Met	Improved
PAM/041	Percentage of National Exercise Referral Scheme (NERS) clients who continued to participate in the exercise programme at 16-weeks	74	54.5	65	50	Met	Improved
PAM/042	Percentage of NERS clients whose health had improved on completion of the exercise programme	n/a	Not available	Not available	Not set	Not available	Not available
PAM/025	Rate of people kept in hospital while waiting for social care per 1,000 population aged 75+	4.28	5.31	4.95 (Excludes March 2020 data)	4.02	Missed	Not applicable
PAM/028	Percentage of child assessments completed in time	87.31	95.87	96.96	95	Met	Improved
PAM/029	Percentage of children in care who had to move 3 or more times	5.76	6.94	7.3 Provisional	6.5	Missed	Declined
PAM/030	Percentage of waste reused, recycled or composted	65.77	63.37	65.57 Provisional	64.5	Met	Improved
PAM/043	Kilograms of residual household waste generated per person	n/a	187	150 Provisional	Not set	Not applicable	Improved

Table 2 – Selected national indicator set under the well-being of Future Generations Act

Well-being of Future Generations Act national indicators	Source	Link to Goal	Wales	Monmouthshire Previous	Monmouthshire Current
Average capped 9 points score of pupils (interim) <i>(This interim measure was introduced in 2019, and supersedes the old measure of capped 8 points score)</i>	Welsh Examination Database	Goal A	354.4 (2019)	unavailable	367.4 (2019)
Gross Value Added (GVA) per hour worked (relative to the UK average)	ONS Regional Economic Analysis: Sub-regional productivity indicators	Goal B	83.3 (2018)	87.1 (2017 - Monmouthshire and Newport)	86.2 (2018 - Monmouthshire and Newport)
Gross Value Added (GVA) per hour worked (£) <i>(Not a national indicator, included as further context to the “relative to the UK average” national indicator)</i>	ONS Regional Economic Analysis: Sub-regional productivity indicators	Goal B	£29.2 (2018)	£29.9 (2017 – Monmouthshire and Newport)	£30.2 (2018 – Monmouthshire and Newport)
Gross Disposable Household Income per head	ONS, gross disposable household income per head	Goal B & D	£17,100 (2018)	£20,761 (2017)	£21,707 (2018)
Percentage of people in employment.	ONS, Annual Population Survey	Goal B & D	73.7% (2020)	77.7% (2019)	79.5% (2020)
Percentage of people living in households in material deprivation.	National Survey for Wales	Goal B & D	13% (2019/20)	9% (2018/19)	10% (2019/20)
Levels of nitrogen dioxide (NO2) pollution in the air.	Department for Environment, food and rural affairs	Goal C	9 (2018)	8 (2017)	8 (2018)

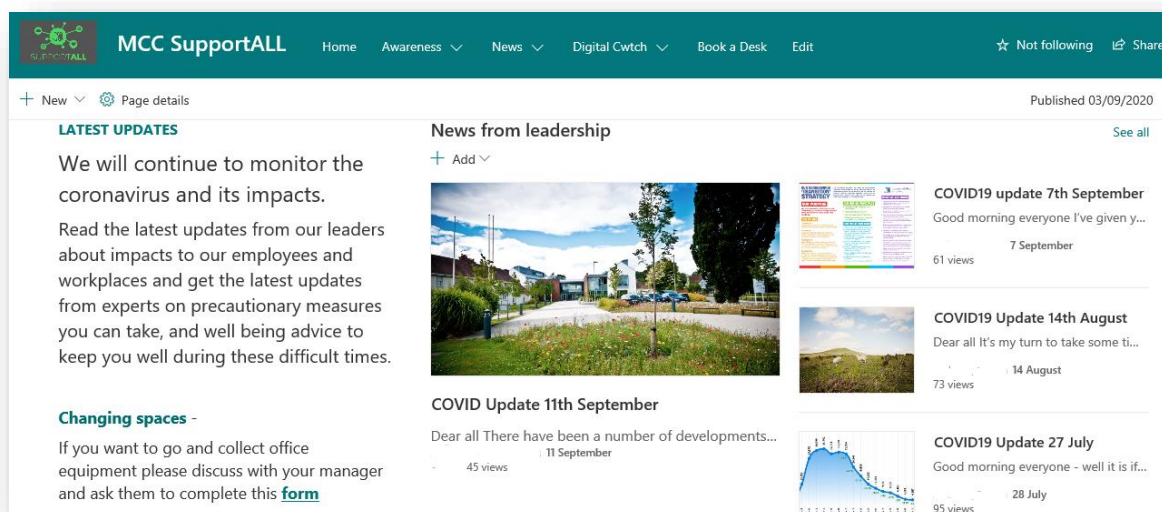
Capacity (in MW) of renewable energy equipment installed	Department for Business, Energy and Industrial Strategy	Goal C	3345.0 (2018)	84.9 (2017)	85.2 (2018)
Percentage of people satisfied with their ability to get to/ access the facilities and services they need.	National Survey for Wales	Goal B, D & E	80% (2018/19)	Not available	79% (2018/19)
Percentage of people satisfied with the local area as a place to live.	National Survey for Wales	All goals	85% (2018/19)	91% (2016/17)	92% (2018/19)
Percentage of people who Volunteer.	National Survey for Wales	Goal D	26% (2019/20)	2018/19 data not available	32% (2019/20)
Percentage of people participating in sporting activities three or more times a week.	Adult – National Survey for Wales	Goal D	32% (2019/20)	38% (2018/19)	36% (2019/20)
	Children – Sport Wales, school sport survey	Goal A	47.6% (2018)	48.8% (2015)	45.0% (2018)

Additional Actions to support the goals

To support the delivery of our priority goals, we have to make sure that all aspects of the council are working in line with the sustainable development principle set out in the Well-being of Future Generations Act. We need to remain relevant and viable for the next generation, while continuing to meet the needs of residents, visitors and businesses in the here-and-now. The Act specifies seven core areas of change in an organisation that need to adapt in order to meet the changing demands on our services and ensure their longevity and sustainability. The ways in which we are incorporating these changes are detailed here.

Workforce Planning

Our people are the bedrock of all that we do; our success depends upon them. Despite increasing demand and reduced numbers, we continue to provide over 700 services and the commitment, dedication and team work shown by our colleagues is testament to their professionalism and desire to deliver excellent services to our citizens. To safeguard the future of our organisation, we must make sure that our staff have the support, skills and resources they need to carry out their roles efficiently and to the best of their abilities.



The screenshot shows the 'MCC SupportALL' portal. The top navigation bar includes 'Home', 'Awareness', 'News', 'Digital Cwtch', 'Book a Desk', and 'Edit'. A user profile section shows 'Not following' and 'Share' options. The main content area is divided into sections:

- LATEST UPDATES:** A text block stating, "We will continue to monitor the coronavirus and its impacts. Read the latest updates from our leaders about impacts to our employees and workplaces and get the latest updates from experts on precautionary measures you can take, and well being advice to keep you well during these difficult times."
- Changing spaces -** A text block stating, "If you want to go and collect office equipment please discuss with your manager and ask them to complete this [form](#)".
- News from leadership:** A section with a '+ Add' button and a large image of a modern building.
- COVID Update 11th September:** A text block starting with "Dear all There have been a number of developments..." and "11 September", with "45 views".
- COVID19 update 7th September:** A text block starting with "Good morning everyone I've given y..." and "7 September", with "61 views".
- COVID19 Update 14th August:** A text block starting with "Dear all It's my turn to take some ti..." and "14 August", with "73 views".
- COVID19 Update 27 July:** A text block starting with "Good morning everyone - well it is if..." and "28 July", with "95 views".

Supporting the well-being of staff has been more critical than ever during 2020. The impact of the Covid-19 pandemic has been considerable on everyone, and ensuring we sustain a safe, healthy and productive workforce has been a priority. We have provided a range of support services to all colleagues to support their wellbeing. We established the Health and Welfare Group to address issues across the workforce. A weekly Digital 'cwtch' was introduced to bring staff together, virtually, to discuss topics of concern, to provide updates, and to answer questions. The SupportAll portal was launched to allow staff to access information on a range of subjects, such as testing, protecting homeworkers and bereavement. We provided IT accounts for 670 members of staff who didn't already have them so they could access the latest information and our whole organisation to be kept up to date.

The focus on staff well-being has continued and there has been a variety of activity to encourage our staff to consider ways in which to improve their health, both physically and mentally. The Go To Group was established to provide an informal setting in which staff can discuss issues and concerns with colleagues. It has proven successful amongst staff and feedback has identified that employees appreciate the informal nature of the group. In addition to this, a Counselling service is available for employees to access via HR or management referral.

Other mechanisms for improving the sustainability of the workforce, and for creating succession planning opportunities, includes the development of a framework for Apprenticeships, Internships and Cadetships. This includes the development of a Monmouthshire County Council Apprentice, Graduate and Internship Strategy and tool kit. The strategy aims to develop and support apprenticeship, graduate jobs and internships across the local authority and is already seeing the development of new posts in various departments. The strategy is under constant review and is evolving as demand changes, particularly during these uncertain times.

Assets

The Council's Asset Management strategy sets out the Council's vision, priorities and key actions associated with managing our assets. Our aim is to ensure sustainability, and maximise the financial and social value of our assets for our communities. The ongoing financial conditions mean we must have robust policies and programmes in place to ensure our estate is lean, efficient, meets the needs of service users and is fit for purpose. The revised strategy also recognises the importance of maximising the income we can generate from our property assets and we have started to actively seek opportunities to increase revenue generation.

A project is underway within the council to consolidate its sites through the relocation of all services from Innovation House in Magor to County Hall in Usk. The relocation will reduce the carbon footprint of the council and to minimise the amount of time staff are commuting between sites, thus reducing their carbon footprint as well. Work to renovate an existing building on the County Hall site in Usk was completed in spring 2020, and staff had started to move from Magor to Usk when lockdown happened.

Since the Coronavirus pandemic, an extensive amount of work has been undertaken to make sure our buildings and accommodation are safe and legally compliant. In a short time, the pandemic meant hundreds of our staff were using established digital capabilities to work from home, where possible in their roles, and digital capabilities were enhanced to support them to fulfil their role, maintain contact with colleagues and support services.

A changing spaces project has commenced, which as well as ensuring our buildings and accommodation are safe now, is also looking at the future of the workplace. The project will consider

SUSTAINABLE DEVELOPMENT PRINCIPLE

The Future Generations Act defines Sustainable Development in Wales as: "The process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the well-being goals."

how to use the space in our buildings in a creative, collaborative and cost-effective way, how we can be even more agile and flexible, and how digital technology can help even more. The project will work with different teams on how to best deliver services into the future.

In June 2020, Council approved a report to secure financial approval for Re:fit programme Phase 1, installing energy conservation measures across a portfolio of the council's buildings. The Re:fit programme will play a vital role in identifying and implementing energy efficiency improvements and renewable energy generation to reduce carbon emissions.

In order for the County to thrive, research has been commissioned to identify the economic and social infrastructures that will need to be put in place to create the right conditions for sustainable growth. As a landowner, this Council has a role to play in ensuring suitable sites are made available for the development of employment, and for ensuring housing sites meet affordable allocation requirements and support the creation of networked communities.

Council has approved the findings of the initial appraisal into the feasibility and need for the Council to set up its own development company to undertake residential and commercial developments. The vision is to support employment opportunities within the area and to encourage younger generations to reside within Monmouthshire under new affordable housing proposals. Progress on this will be given further consideration in the coming months.

We have received an initial draft of the Renewable Energy Assessment prepared by The Carbon Trust to inform the preparation of the Replacement Local Development Plan (RLDP). It will help to establish renewable energy targets for the plan, and will identify 'preferred areas' for renewable energy schemes. These include three potential solar sites on council land. In addition, we have an opportunity to look at some of our other RLDP developments (residential/employment/tourism etc.) with a view to being very proactive on our climate objectives.

Work has continued to refurbish Abergavenny Town Hall to accommodate a community hub, bringing it in line with the other towns within Monmouthshire. The work was completed in August 2020.



Finally, work has started, alongside our Social Services department, to build a dementia friendly care home on Crick Road. Detailed planning has received consent and funding has been granted from the Integrated Care Fund. Progress on this has been impacted by the Coronavirus pandemic. The project is now due out to tender imminently with the intention of commencing onsite development in spring 2021.

Procurement

In order to deliver the aspirations set out within the procurement strategy, the Council commissioned an independent company to undertake a health check of the procurement function. The primary purpose was to establish whether there are any opportunities to reduce our external costs, as well as to examine our current level of capacity to deliver against stretching targets identified within the

procurement strategy. Progressing the recommendations made in the review has been delayed due to staff capacity being redirected to the council's response to the pandemic.

The Future Generations Commissioner has also been carrying out a review of procurement in public bodies in Wales, and the Council provided information as part of that review. In light of the pandemic and the additional pressure being placed on Public Bodies who are dealing with the impact of COVID-19, the Commissioner decided to pause the review. Once it is complete, the council will review the findings for any areas that require development.

The majority of our procurement resource in 2019-20 was put into building the foundations to help deliver true sustainable procurement outcomes.

ENVIRONMENTAL ACTIVIST, ELLA DAISH

'Welsh Government and Bridgend, Cardiff, and Monmouthshire councils have shown fantastic leadership by listening and bringing sustainability to the forefront in decision making. This shows the change that can happen, and we need more governments and councils to take note and follow in their footsteps.'

The council has been involved in embedding sustainable outcomes within the procurement process, in tender specifications and scoring criteria. Some of the contracts awarded this year that included sustainability criteria are; Period Dignity, Vehicle spare parts, Photocopying paper, Horticultural products, Bus Maintenance, Refit (Building assets), Street Lighting and Household Waste & Recycling (HWRC)

An example of embedding sustainable outcomes is the decision to ensure that all the Council's Welsh Government period dignity funding should be spent on sustainable and eco-friendly products. The Council talked to other local authorities and worked closely with eco campaigner Ella Daish to

understand the impact of different products on the environment. The funding was spent on eco friendly disposable or re-usable products, which will be distributed via schools.

Given the impact that Covid 19 has had on the economy and employment, the Strategic Procurement Unit has refocused its purpose to ensure that there is resilience and security in the organisations future requirements for goods and services. The key objective has been to endeavour to keep the council's pound within the county boundaries and its neighbouring authorities, whilst ensuring compliance with the procurement rules and regulations. For example, by working closely with colleagues in high spending service areas, contracts to the value of £11 million have been awarded to local suppliers since April 2020.



Corporate Planning, Performance Management and Risk Management

These three areas of work form part of the Council’s performance management framework, shown in diagram 4, which ensures our planning is integrated and everyone is pulling in the same direction to deliver real and tangible outcomes. The application of the Wellbeing of Future Generations Act throughout the framework is essential to ensure we are applying the ethos of the sustainable development principle and the ways of working within it.

Each of our teams has a service business plan that guides their activity. There has been a focus on strengthening business planning, including improving the long-term consideration of actions and the ways of working in the Future Generations Act.

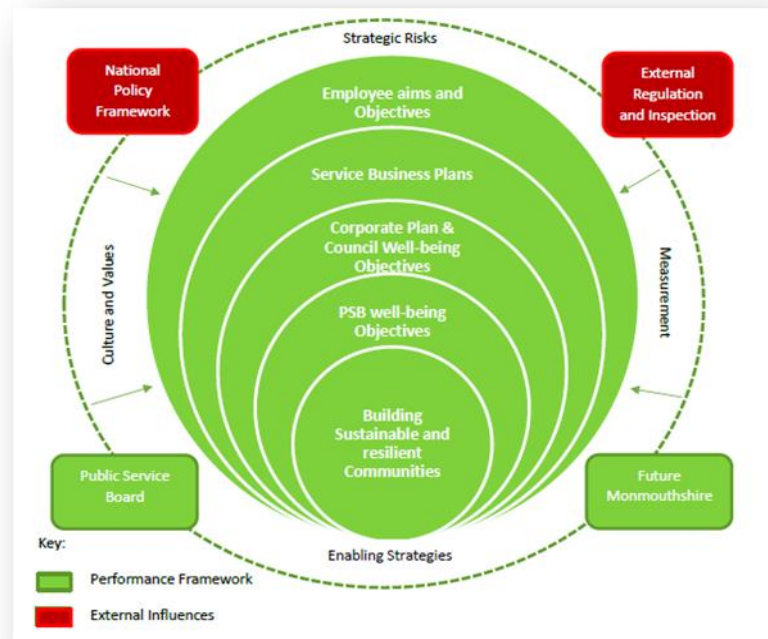


Diagram 4

To provide clarity and ensure accountability through the Council’s response to the coronavirus pandemic, a revised purpose and set of coronavirus strategic aims were set by Cabinet in May 2020. These were updated in July 2020 in the Coronavirus ‘transition’ strategy and continue to be monitored. To support this work, we have put structures and mechanisms in place to track progress and ensure we remain focussed on our purpose. The Council’s established performance framework has been adjusted and prioritised in its application, where necessary, to reflect the council’s response to the pandemic. As well as supporting the Council’s response to many challenges, these arrangements will also support the Council to evaluate its response, which has resulted in many new ways of doing things, some of which can form part of a lasting longer term transformation with needs being met in new ways.

The Council’s strategic risk management policy and Strategic Risk Register ensures strategic risks are identified and monitored and is regularly reviewed and updated based on the latest information. This has continued throughout the council’s response to the Coronavirus pandemic. Councillors and Officers are using the risk assessment to monitor and mitigate, as far as possible, a range of risks to the authority. In line with the Well-being of Future Generations Act, identification and mitigation of longer-term risks that will impact on future generations at community level, but will have a lesser impact on the medium term delivery of council services, is an area for continued development. We are working with the Public Service Board and partners across Gwent to develop our understanding of longer term risks and opportunities and how we respond to them.

Financial Planning

Over recent years, the Council has delivered millions of pounds of savings from its service budgets. At

CUMULATIVE FINANCIAL IMPACT

We recognise that when we increase charges and put up Council Tax, while there is support to assist, it can have an impact on those who can least afford it. This does not just mean those who are unemployed, many people experience in-work poverty while others are impacted upon by disability or other protected characteristics that affect their opportunities. Whenever we introduce changes to policy or charges we evaluate the impact of these upon different groups and identify any mitigations where required. As part of the 2020/2021 budget as well as completing a Future Generations Evaluation for each proposal we also completed an overall evaluation of the 2020/21 budget, assessing the collective impact of proposals. This included a cumulative financial impact of the budget proposals on households with different income levels and groups with protected characteristics as defined by the Equality Act 2010.

the same time, pressures on the budget have been increasing in terms of demographic growth, demand and expectations. Over the past year, the Council has faced significant and unprecedented challenges, notably the flood response and recovery in February 2020, and the COVID-19 pandemic and lockdown restrictions implemented in March 2020 with uncertainty continuing.

The Council has 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 and we have worked to maintain the things that matter.

During 2019/20, through careful financial management, the Council was able to use two one-off benefits to deliver within its budget and use the surplus of £1.8 million to support the 2020/21 budget. Despite this, there remains significant underlying financial challenges.

We develop 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 hampering our ability to contribute to the longer term in line with Well-being of Future Generations Act.

After several years of delivering significant savings from the budget, the means of achieving further reductions becomes increasingly more challenging. The Welsh Government settlement increase for Monmouthshire in 2020/21 was the lowest of any Council in Wales at 3%. The Council's budget process for 2020/21 saw a continuation of the preparedness to challenge all services to sustain themselves rather than to see the closure of services that matter to citizens and consider supporting commitments set out in the Corporate Plan.

Applying the Future Generations Act was an important part of the budget process. A future Generations Evaluation of budget proposals was completed, explaining the impact the proposal has on the well-being goals and five ways of working, along with an equality impact assessment. The use of the evaluation provides councillors making the decisions with the information required on the impact of these decisions.

Involvement was also an important part of the budget process; the budget consultation allowed a period for public consultation and scrutiny. Engagement events were held to capture public responses and these were supported through a communications plan with various media and social media channels used to encourage engagement.

Following public consultation and revised saving and pressure proposals, the council had brought forward budget savings proposals for 2020/21 of £8.5m to manage budget pressures of £9.5m. The pandemic presents its own additional financial challenges with additional costs and significant loss of income across services; our latest financial forecasts show this to be a £6.83 million overspend in 2020/21. The impact of this overspend will be significantly reduced as a result of Welsh Government announcing a further funding support package in mid-August.

The Council's medium term financial planning has been severely disrupted by the impact of the Coronavirus pandemic on the Council's finances. Continuing to understand the financial circumstances and challenges resulting from the COVID-19 pandemic will in turn lead the Council to need to plan and plot a revised course to ensure it remains financially sustainable into the future. The requirements of the Future Generations Act will be embedded in this process.

What we spent in 2019/20

In 2019/20, the council spent £154.7 million providing services for Monmouthshire residents.

The proportion of our spending on different services in 2019/20 is shown in diagram 5. These services are paid for by a combination of central government grants, council tax, non-domestic rates and a contribution from the Council Fund.

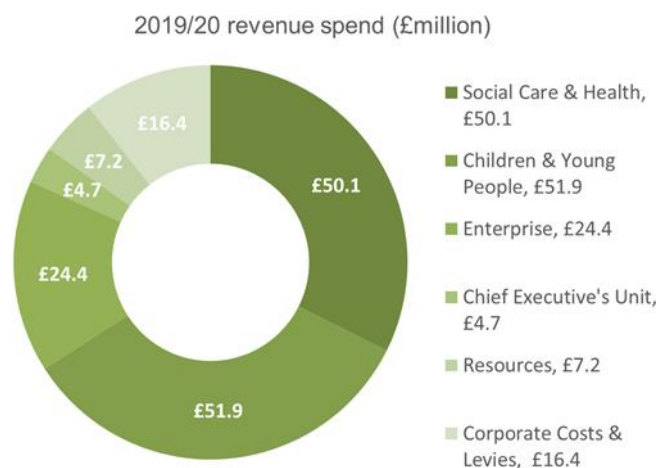
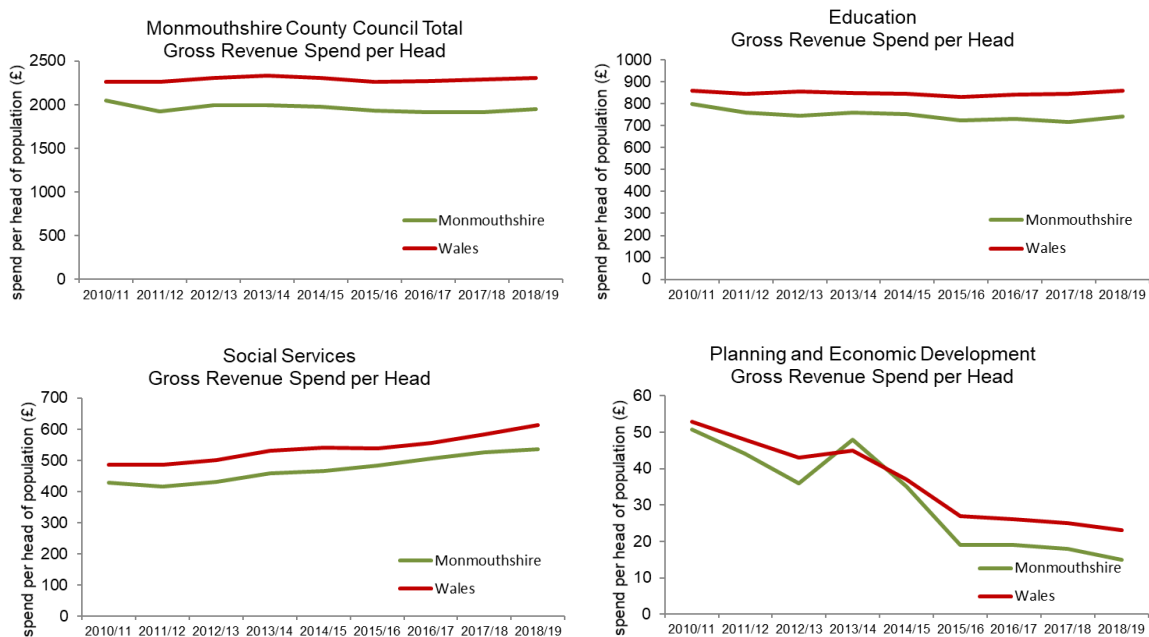


Diagram 5

How our revenue spend compares with other areas

The diagrams below, diagrams 6, show how much we spend per head of population in some of our priority areas. Our budget settlement from Welsh Government was the lowest per capita of councils in Wales. We are spending less on services per head of population than the average for local authorities in Wales and had the lowest gross revenue spend per head of all councils in Wales. However, we also work hard to make sure this money goes where it matters. Comparable data is only available up to 2018/19 at the time of publication.

Diagram 6



Digital

Although this is not one of the seven core areas of change, our digital offer is an important enabler of service delivery. The core business of our digital service is to organise, simplify and join up services so that our communities can find what they need, in whatever way suits them best. We are also improving the digital skills of our staff, creating solid foundations for workforce digital competence and turning it into excellent digital customer service delivery.

We want our workforce to work in the new digital norm rather than get left behind. Our technology needs to be good enough to support our digital vision, which will allow people to access services from our website, search engines, chat bots, email, voice or whatever technology comes next, making us future ready to deliver in a digital world.

Information is vital to our services and we will ensure it is kept safe and secure, and at the same time accessible to the right people at the right time. Some of the things we have done to help with our digital ambitions:

- Delivered Cyber Security Training to staff via 'Cyber Security Week'
- School children in the area were invited to take part in a competition to give our chatbot, Monty, a new face. Monty has been developed over the past year to broaden the answers available to many new questions, and proved to be a considerable help during the pandemic when we were dealing with a huge increase in queries
- Engaged with Digital Wales to source training for our staff to become volunteer Digital Ambassadors within the community, raising awareness of the power of digital to improve digital inclusion and passing on digital skills
- Developed a prototype waste and recycling service that operates over smart speakers like Alexa to help digitally excluded customers self-serve without having to log into a computer



Covid-19 had a huge impact on our digital infrastructure and we needed to work extremely quickly to ensure all staff were able to access online services and systems. In a short time, hundreds of staff were provided with digital capabilities to work from home and maintain contact with colleagues and support services. ICT accounts were set up for 670 non-connected workers in order to allow them access to all staff information. The rollout of new Teams technology has had an enormous impact on the way we work and for business continuity.

There has been a focus on upgrading the schools digital infrastructure to make sure it is able to respond to the impact of Covid-19. Hundreds of laptop have been distributed to children with limited access to the internet for home and blended learning. Mifi units have also been procured for people with poor broadband capability.

Governance & Scrutiny of Council Business

Good governance is about how we ensure we are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. Good governance is essential for the effective use of public money and the continued delivery of efficient and effective public services. The scrutiny process is an integral part of this and ensures openness, transparency and accountability in the council's decision-making.

The Council's Annual Governance Statement sets out how Monmouthshire demonstrates it has appropriate governance arrangements in place and how they are continually reviewed to strengthen them moving forward. The statement brings together the principles of good governance with the requirements of the Well-being of Future Generations (Wales) Act 2015 and assesses the effectiveness of the council's arrangements taking account of responsibilities under the Future Generations Act. The Statement itself demonstrates that Monmouthshire has governance arrangements in place to meet the challenges of the governance principles and that a review has been undertaken to assess the effectiveness of those arrangements. We have demonstrated that in most areas we have effective governance arrangements in place, which are continually improving, but also recognise that there is further work to do. We have also put in place an action plan to address the main areas for improvement identified in 2019/20.

The council's scrutiny committees undertake a wide range of scrutiny of council business from ongoing work, programmed items, such as Revenue and Capital Financial monitoring and performance monitoring, to specific policy development/review, including ensuring that future generations are considered through their scrutiny of decision-making.

A scrutiny workshop approach has been established to ensure value added scrutiny that delivers timely outcomes. The workshops provide a timely and effective method of engaging members in shaping the future strategic direction, and help the council to respond more promptly and dynamically to challenges posed. In addition to planned scrutiny committee meetings, the workshop approach helps facilitate scrutiny to apply the principles of the Futures Generation Act, such as involvement and long term planning, through deeper exploration of the subject matter. In the past year the council has agreed to broaden the focus of the former Public Service Board Select Committee to broader collaborative working while still retaining oversight of activity delivered through the PSB.

DEMOCRACY DURING LOCKDOWN

Legislation required local authorities to meet in person and to make meetings open to the public, but restrictions during the Coronavirus pandemic made this impossible. The Local Authorities (Coronavirus) (Meetings) (Wales) Regulations 2020 were introduced to provide flexibility for local authorities to operate safely, effectively and lawfully, while retaining the principles of openness and accountability. This included enabling meetings to be conducted via remote attendance and by making provision for the electronic publishing of documents. We rapidly adapted to this new legislation and implemented digital systems so that councillors could continue to meet and take decisions ensuring openness and accountability.

During 2019/20, the Committee has held key partners to account for the progress made, ensuring their activity was in line with the sustainable development principle.

The lockdown implemented at the start of the Coronavirus pandemic resulted in severe disruption to the usual scrutiny protocol for the council. By July 2020, all decision-making and committee meetings were stood back up in line with the requirements of the legislation with meetings held on-line and live streamed. We will gather learning from the new ways of working adopted during the COVID-19 pandemic to build on the things that worked well.

The details of all scrutiny meetings held are available on www.monmouthshire.gov.uk/your-council and are streamed on the council's YouTube channel.

Partnership & Collaboration

Monmouthshire is committed to working in partnership and has a good track record of delivering jointly with health, the police and voluntary sector amongst others. Under the leadership of the Public Service Board, the partnership landscape in Monmouthshire fully embraces multi-agency working, with representation from a wide range of partner organisations who work collaboratively to improve the outcomes for residents.

The Public Service Board (PSB) has approved four well-being objectives that underpin a clear purpose of building sustainable and resilient communities; these were based on the well-being assessment for Monmouthshire. The 'steps' within the well-being plan aim to address some of the most significant challenges and opportunities for well-being in Monmouthshire. As a result, they are often complex and there are no quick solutions to address them. You can read more about the progress in 2019/20 in the PSB Annual Report www.monmouthshire.gov.uk/our-monmouthshire

One example of the work of the PSB in 2019/20 is activity of the Children and Young People's Strategic Partnership. This group has progressed extensive work concerning Adverse Childhood Experiences and children's mental health over the last twelve months. You can read more about this work in the Monmouthshire PSB Annual Report.

The Council's Partnership and Community Development Team act as enablers, working with our communities and partners to help them to realise their full potential through the identification and achievement of common goals. By taking a hybrid approach using collective, asset and place based methodologies, the team is improving well-being within our communities in line with delivering the PSB objectives and the council's goals.

A strength that arose out of the pandemic was the value of community and our volunteers. This will be a specific area of focus for the PSB partners, capitalising on the abundance of social capital that exists within our communities, exploring how we can continue to build networks of care for all ages and models of care built on informal as well as formal provision.

Some of the key service partnership collaborations the council is involved in include the Education Achievement Service (EAS) and the Shared Resource Service (SRS) on IT. Supporting social services and wellbeing requires effective partnership working outside of the council as well as within it. Social care needs to be integrated with partners and the community. At a regional level, the Regional Partnership Board (RPB) has developed its area plan for health and social care services in the Gwent region. The RPB has, through its investment of Integrated Care Fund, in line with those priorities, developed some innovative and creative services and approaches.

VOLUNTEERING

The pandemic has seen a tremendous response in relation to the mobilisation of volunteering and community groups. These efforts have been integral in supporting those most in need in our communities. A Community Support Structure was established to connect people needing support to offers to help. We will continue to support an increased volunteer network and develop longer term arrangements to ensure we can support our community volunteering network to provide long-term benefit.

What Citizens Said

Engagement

Involvement was important in setting the 2020-21 budget. Face to face events were held throughout the county to capture public responses. Fifteen events were held in January 2020 to discuss the budget proposals, including 11 public consultation events. Various media channels were also used to encourage engagement, including local press articles and social media promotions through Facebook and Twitter.

The Monmouthshire Youth Forum was held in January 2020, which invited young people from each of the four comprehensive schools in Monmouthshire, along with other groups of young people outside of school settings, to capture their thoughts and opinions on emerging issues facing young people today. A range of partners were active in discussions on the four priority topics chosen by young people in the Make Your Mark Campaign. These centred on Climate Change, Mental Health, Modern Sex Education and Substance Misuse.



We have also worked with partners, including the Gwent Association of Voluntary Organisations to bring together volunteers, community groups and organisations. One hundred and thirty people attended a 'Power of Community' event on 4th March 2020. This explored and challenged the principles of Active Citizenship in Monmouthshire engaging with community leaders, groups and organisations to prioritise what matters, and to mobilise people around the things they care about. This was a big step in assisting the Public Service Board and council to strengthen engagement with citizens, and to address how, as organisations, they need to respond to help facilitate and build on the wealth of social capital amongst Monmouthshire residents. The Council is now better equipped to bring together the right people who are engaged and motivated to make a difference.

Engagement through the Coronavirus Pandemic

Involvement has been key to our response in Monmouthshire. Engaging with and bringing together community volunteering responses has been key throughout the pandemic, and the partnerships team have done a great deal of work to co-ordinate numerous voluntary groups formed to help their communities. We have noticed a significant change in the age profile of volunteers with far more younger, working age volunteers. The discussions that have taken place at a local and national level

with Voluntary Sector representatives suggest an appetite to work collectively on ways to keep these 'younger' volunteers engaged. Suggestions for doing this include working to make volunteering opportunities easy to access and flexible, and also asking better questions to engage more people in the things they care about.



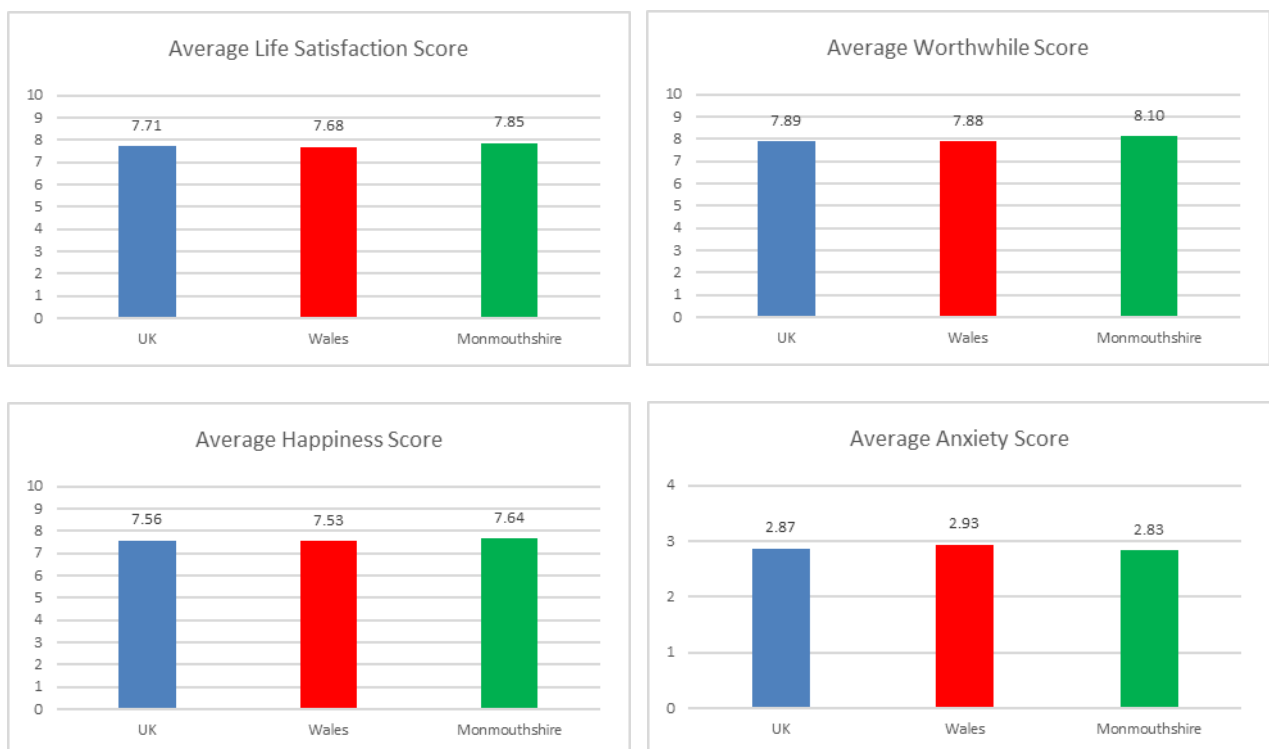
Widespread consultation has taken place to seek the opinions of our residents on how Monmouthshire's towns and village centres could re-open safely and how they should look in the future. Over 1500 responses were received to a survey that sought opinions and ideas. As the county started to look towards a gradual reopening of businesses and facilities, the council

wanted to take the opportunity to re-evaluate many aspects of town and village centres to boost local businesses and make staying local more rewarding than ever before.

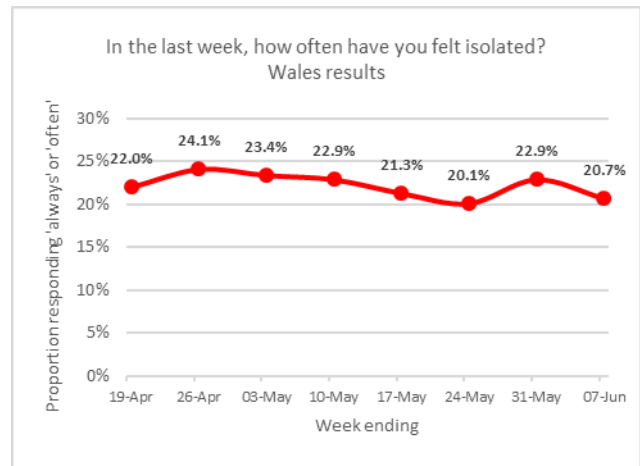
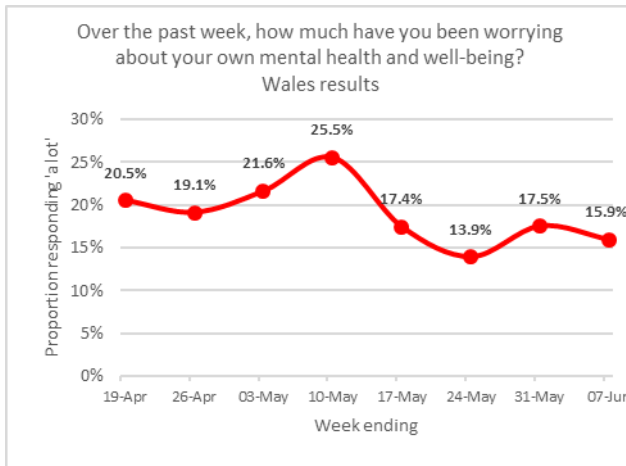
Measuring Individual well-being

The Office of National Statistics's Measuring National Well-being programme assesses personal well-being as part of the Annual Population Survey. The latest results for Monmouthshire (from 2018/19) for these questions are shown below alongside the UK and Wales averages. This shows that Monmouthshire residents' responses are very similar or slightly higher than both the UK and Wales.

Diagram 7



Public Health Wales is conducting a public engagement survey asking members of the public how coronavirus and related control measures are affecting their health and well-being. Some of the questions particularly related to personal well-being in Wales are shown below, up until week ending 7th June 2020¹³. Public Health Wales recognise longer-term monitoring is required to establish trends



Climate Emergency

Having responded to the views of citizens by declaring a climate emergency in May 2019, community engagement has helped shape Monmouthshire's response to the emergency. Workshops were held with officers to develop a long list of potential actions to include in our Climate Emergency Action Plan, and the Community Climate Champions group had an input into these proposals. The Climate Emergency Strategy and Action Plan were then agreed by Council in October 2019. A Climate Emergency Working Group was formed in January 2020 to oversee the delivery of the plan, comprising of members of the community, officers and Elected Members. They have continued to meet remotely during lockdown to monitor progress. Actions discussed are then taken to the wider Community Climate Champions to consider ways in which they can be delivered in partnership with the community.



What Regulators Said

We work closely with our regulators and inspectors to quality assure our activities as this is vital to ensuring improvement. Their feedback is valued and we use their assessments to help us focus on the things we need to improve across the council.

Each year, Audit Wales reports on how well councils are planning improvement in delivering their services. This is published as part of an Annual Improvement Report (AIR). The AIR related to 2018/19 was published in July 2019 and summarises the audit work undertaken by Audit Wales since the last report. The report concludes the council is meeting its statutory requirements in relation to continuous improvement and states:

“Based on, and limited to, the work carried out by the Wales Audit Office and relevant regulators, the Auditor General believes that the Council is likely to comply with the requirements of the Local Government Measure (2009) during 2019-20.”

The AIR for 2019/20 has not yet been published.

During 2019/20, a number of performance audits were completed by Audit Wales. Work included a follow up review on Leisure Services, which sought to determine if the delivery of leisure services offered value for money. Another review was carried out to determine if the Council has robust and effective arrangements for dealing with whistleblowing disclosures and employee grievances. Audit Wales also carried out an examination of the extent to which the Council has acted in accordance with the sustainable development principle when taking the step to reduce child poverty and social isolation, and improve economic inclusion. The reports detailing the findings of these audits have been reported to the Council’s Audit Committee and responses to proposals for improvement identified in the reports developed.

Further reports produced by Audit Wales are available to download on the Audit Wales website (www.audit.wales/publications). This includes local government national reports produced by Audit Wales.

Monmouthshire County Council underwent an Estyn Inspection into Local Government Education Services in February 2020. The inspection recognised the clear vision and strong focus on ensuring ‘the best possible start in life’ and also identified the commitment to partnership working that has resulted in a good track record of improvement. Furthermore, it recognises the distance travelled since 2012 particularly regarding safeguarding where it notes the authority’s exemplar safeguarding procedures. There are areas for development clearly identified such as the lack of ‘excellent’ judgements for standards, the performance of children eligible for free school meals, and a lack of clarity in how services for learners with special educational needs will be strengthened. Plans are being developed and implemented to address the recommendations in the report. The inspection concluded that the authority’s education service does not give cause for significant concern.

Inspection reports about education are produced by specialist regulators Estyn www.estyn.gov.wales/ and social services by Care Inspectorate Wales (CIW) www.careinspectorate.wales . Their latest reports are available to download online.

Public Service Ombudsman's Annual Letter

The Public Services Ombudsman for Wales has legal powers to look into complaints about public services. He is independent of all government bodies and provides a free and independent service. The Ombudsman's Annual Letter for 2019-20 is due to be presented to Cabinet in November 2020. It will show that 16 complaints were made by Monmouthshire residents. This equates to 0.16 per 1000 population and is below the Wales average of 0.28.

The greatest number of complaints were received about Children's Social Services, Education, Planning and Building Control. One of the sixteen complaints was upheld. The letter will be published on the Ombudsman's website at <https://www.ombudsman.wales/annual-letters/>

Equality and Diversity

We can only achieve our purpose 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.

The Council has a long-standing commitment to equality and diversity. The council's Social Justice Strategy demonstrates our commitment to address inequalities and improve outcomes for the county's people and communities. This dovetails with the Strategic Equality Plan, produced under the Equality Act 2010. The latest Strategic Equality Plan was approved in March 2020 and sets the council's objectives to ensure we deliver better outcomes for people with protected characteristics. This is clearly aligned with the evidence provided by the Well-being Assessment and also evidence provided by the Equality and Human Rights Commission's report "Is Wales Fairer 2018".

As well as this, it is important to us as it is the right thing to do. Annual monitoring reports provide updates on progress on the action plans in the Strategic Equality Plan and evidence of good practice being carried out across the council departments.

The Welsh Language

The Welsh language is central to the goals introduced as part of the Well-being of Future Generations Act, particularly for our contribution to a Wales of vibrant culture and thriving Welsh language. It also makes an important contribution to the Welsh Government goal of having a million Welsh speakers by 2050.

The Welsh Language (Wales) Measure 2011, and accompanying Welsh Language 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 been allocated 175 standards that we are required to comply with. This is a significant challenge but systems have been put in place 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 5 years, and is accompanied by targets to help achieve that vision. The Annual monitoring reports reflect the Council's progress on its Welsh language commitments under the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards.

The Welsh Language Commissioner annually monitors user experience by testing specific services, including correspondence, telephone, reception and websites through mystery shopper exercises, site

visits, and online inspection. This process has identified a number of areas that require improvement including Welsh language responses to telephone calls and callers at reception areas.

In 2012, Welsh Government produced a new strategy known as “More Than Words”. This requires us, as a care provider, to ask people whether they want services through the medium of Welsh, known as the “Active Offer”.

Future Generations Commissioner for Wales

We continue to work closely with the Future Generations Commissioner and her office to further our understanding on how to best apply the ‘five ways of working’ in everything we do, and to work towards the seven national goals.

The general duty of the Future Generations Commissioner for Wales is to promote the sustainable development principle (the five ways of working), and to act as a guardian of the ability of future generations to meet their needs, and encourage public bodies to take greater account of the long-term impact of the things that they do. To do this, the Commissioner can monitor and assess the extent to which well-being objectives set by public bodies are being met.

The Commissioner can:

- Provide advice to Public Bodies and Public Services Boards
- Carry out reviews into how public bodies are taking account of the long-term impact of their decisions
- Make recommendations following a review

In 2019/20 and beyond there have been a number of important reports published. In October 2019 the Future Generations Commissioner's report "Progress towards the Well-being of Future Generations Act: Overall Findings" was published. The report presents the main findings from the monitoring and assessing exercise through self-reflection tools and collaborative workshops. It includes the top five findings and examples of excellent innovation across Wales.

In May 2020, the Commissioner published the Future Generations Report 2020. As this is a once in five year report and has to cover all policy areas covered by the well-being goals, the report has a significant number of findings and over 100 recommendations covering both policy and process directed at Government and other bodies covered by the Act.

We will study the recommendations of these, and other relevant reports closely to better understand where our policy or practice needs to change and to ensure that we are taking any necessary steps. Some of the feedback may take longer to embed and the impact may not be recognised immediately; we continue to work to strengthen the application of the act in our work.

Other work with the Commissioner's Officer during 2019/20 has included supplying information for the procurement review described in the ‘Procurement’ section of this report

Further information on the role and work of the Future Generations Commissioner for Wales is available on www.futuregenerations.wales/

Appendix 1 –Additional Evidence that informed the Priority Goals

The table demonstrates how each of the Monmouthshire County Council five priority goals contribute to the national well-being goals. Every well-being goal is directly contributed to by at least two of our priority goals.

Monmouthshire Council priority goal (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	✓		✓	✓		✓	
Lifelong well-being	✓	✓	✓	✓	✓		
Maximise the Potential of the natural and built environment	✓	✓	✓		✓	✓	✓
Thriving and well-connected county	✓	✓	✓	✓	✓		✓
Future-focused Council	✓	✓			✓		✓

Improvement Objectives

The council is still required under the Local Government (Wales) Measure 2009 to set annual Improvement Objectives and to produce an improvement plan. In order to deliver sustainable development, the council recognised that the setting of wellbeing objectives needed to be at the heart of the council's improvement framework. Therefore, the two requirements were combined when setting the five priority goals in the Corporate Plan 2017-2022, which also serve as the Council's well-being objectives.

Social Services and Well-being Act and Safeguarding

The Act came into force in April 2016 and will transform the way care and support is delivered, making it a responsibility for more than just the social services department. It is about promoting people's independence to give them a stronger voice and more control, and supporting people of all ages as part of families and communities so they are less dependent on institutional services. The Act will:

- Engage with and empower citizens
- Promote independence and well-being
- Give people who receive support and their carers control over their lives and the support they receive to maximise independence.

We have aligned our approach to this legislation with the Future Generations Act as they are strongly related and have a number of common features, such as a strong emphasis on prevention and integrated approaches. A Population Needs Assessment was carried out and provided an assessment of needs and priorities for health and social care within the Greater Gwent Region over a 3 - 5 year period. Regional priorities were subsequently identified and developed into a regional area plan in 2018.

In Monmouthshire, responsibility for well-being and safeguarding is everyone's business. Services have a clear responsibility for ensuring the safeguarding and wellbeing of adults, children and young people.

Other important requirements

The Future Generations Act sets out a number of further areas to consider when setting the well-being objectives; these included:

- United Nations Convention on the Rights of the Child, which sets out the civil, political, economic, social and cultural rights of children.
- Poverty – the well-being assessment identifies there is inequality between communities and within communities in Monmouthshire.
- Biodiversity and Resilience of Ecosystems Duty - Section 6 of the Environment (Wales) Act 2016 places a duty on public authorities to seek to maintain and enhance biodiversity where it is within the proper exercise of their functions.

Appendix 2 – Glossary

We try to avoid the use of jargon. However we recognise that we sometimes use these when they are commonly used in the media or are likely to be understood by informed readers. Some of those that crop up in this plan are listed below:

CIW	Care Inspectorate Wales who register, inspect and take action to improve the quality and safety of services for the well-being of the people of Wales
Estyn	Inspectorate for Education and Training in Wales who inspect quality and standards in education and training in Wales.
PSB	Public Service Board. This is a group of the main public sector service providers in Monmouthshire
AW	Audit Wales. They are responsible for overseeing how public money is spent and are the council's regulators

Feedback

Please let us know what you think of this plan and whether it is clearly written. We are always interested to know what you think about our services and our priority goals. You can complete this form and return it to us via e-mail or post, or get in touch using the details below.

1. Do you agree that the priority goals identified were the right areas for us to focus on?


	Yes	No	Not sure	Comments
Priority Goal A				
Priority Goal B				
Priority Goal C				
Priority Goal D				
Priority Goal E				

2. Is there anything else that you think should be a Priority Goal in the future? Please tell us here.

3. We're interested to know what you thought of our plan. Please let us know:

	Yes	No	Not sure	Comments
Was it easy to understand?				
Was the content informative?				
Would you like to see additional information in future plans?				

 improvement@monmouthshire.gov.uk

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

 @MonmouthshireCC

-
- ¹ Careers Wales, Annual Survey of School Leavers <http://destinations.careerswales.com/>
- ² Sport Wales, School Sport Survey data <http://sport.wales/research--policy/surveys-and-statistics/statistics.aspx>
- ³ Stats Wales, Gross Value Added <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/Regional-Accounts/Gross-Value-Added-GDP>
- ⁴ Stats Wales, Average (median) gross weekly earnings <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/People-and-Work/Earnings>
- ⁵ Stats Wales, Average (median) gross weekly earnings <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/People-and-Work/Earnings>
- ⁶ Stats Wales, Active Business Enterprises <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/Businesses/Business-Demography>
- ⁷ The total economic impact of tourism, STEAM data. The economic impact of Tourism is indexed each year.
- ⁸ Stats Wales, Air quality <https://statswales.gov.wales/Catalogue/Environment-and-Countryside/Air-Quality>
- ⁹ Stats Wales, National Survey for Wales <https://statswales.gov.wales/Catalogue/National-Survey-for-Wales/Well-being-and-Finances/percentageofpeoplelivinginhouseholdsinmaterialdeprivation-by-localauthority-year>
- ¹⁰ Stats Wales, National Survey for Wales <https://statswales.gov.wales/Catalogue/National-Survey-for-Wales/Local-Area-and-Environment/percentageofpeoplesatisfiedwithaccesstofacilitiesandservices>
- ¹¹ Stats Wales, National Survey for Wales <https://statswales.gov.wales/Catalogue/National-Survey-for-Wales/Sport-and-Recreation/percentageofpeoplewhoparticipateinsport3ormoretimesaweek-by-localauthority-year>
- ¹² Stats Wales, National Survey for Wales, <https://statswales.gov.wales/Catalogue/National-Survey-for-Wales>
- ¹³ Public Health Wales, How are we doing in Wales? Public Engagement Survey on Health and Well-being during Coronavirus Measures, <https://phw.nhs.wales/>

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SUBJECT: AUDITED STATEMENT OF ACCOUNTS 2019/20
MEETING: Council
DATE: 22nd October 2020
DIVISIONS/WARD AFFECTED: All

1. PURPOSE:

- 1.1. The purpose of this report is to provide the audited annual accounts for the Authority for 2019/20 for final approval, subsequent to the audit process undertaken by Audit Wales and review and endorsement by the October Audit Committee.

2. RECOMMENDATIONS:

- 2.1. That the final audited Monmouthshire County Council Statement of Accounts for 2019/20 (Appendix 1) are approved by Council.

3. KEY ISSUES

- 3.1. Under current legislation the draft statement of accounts, prior to audit, have to be produced each year by 15th June. Despite extraordinary circumstances the draft statement of accounts for 2019/20 were prepared and handed over for audit on the 15th June 2020. These were subsequently reviewed by the Audit Committee at its June meeting.
- 3.2. Council approval of the final audited accounts should follow the audit process and under current legislation this has to be completed by 15th September.
- 3.3. Despite the best efforts of the Authority and Audit Wales it was not possible to complete the audit process to meet the statutory deadline of 15th September. The outbreak of the COVID-19 pandemic has caused significant disruption both to the Authority and Audit Wales in being able to complete the necessary work to satisfy audit requirements to the required deadline.
- 3.4. As a result under Regulation 10(2) of the Accounts and Audit (Wales) Regulations 2014, the Authority was required to publish a notice highlighting the delayed conclusion of the audit which can be viewed at: <https://www.monmouthshire.gov.uk/app/uploads/2020/09/Audit-Wales-Delayed-Notice-of-Conclusion-of-Monmouthshire-CC-Audit-2019-20.doc>
- 3.5. The revised timetable is therefore:

15th October 2020	Review & endorsement by Audit committee
22nd October 2020	Approval by Council
26th October 2020	Sign off by Audit Wales

4. REASONS

- 4.1. To approve the Authority's final audited statement accounts which incorporate all adjustments for "corrected misstatements" identified by Audit Wales and noted in their ISA260 Audit of Accounts report.
- 4.2. It is pleasing to note that the auditors intend to provide an **unqualified opinion** on the Accounts, and management would wish to acknowledge the strength of relationship between Council and Audit Wales, and the professional and helpful way that audit colleagues have conducted their activities despite unprecedented circumstances.
- 4.3. Of significant note, the ISA260 Audit of Accounts report raises the following recommendations, the council's response to which is included alongside to reassure Members of the ongoing steps being taken to ensure the quality of the accounts.

- **Investment properties had not been revalued by the Council before preparation of the draft accounts, as required by the CIPFA Code** – The Authority carries out revaluation of its investment property portfolio on a sample basis across the various asset classes and then extrapolates the movement in valuation over the remainder of the class. For 2019/20 the initial sample of assets was not comprehensive enough to allow the exercise to be completed in full. Given the onset of the COVID-19 pandemic and staff retirement at a key point in the closure process, the necessary management scrutiny of the revaluation process was not carried out.

For the 2020/21 closure process the intention is to agree the valuation considerations with the valuation team much earlier in the process and for a robust scrutiny process to be carried out to ensure compliance with code requirements.

- **The 2019-20 draft accounts contained a number of casting errors (which have been corrected) and rounding errors (which remain uncorrected)** - It is accepted that significant casting errors, like those identified within the reserves notes should be identified by the review process in place and corrected prior to the draft accounts being published. This will be fed back into the review process for the 2020/21 statement of accounts.

In relation to minor rounding errors, the Authority acknowledges the issue this causes auditors when making detailed cross reference within the accounts. However the added value to the intended reader of the accounts of correcting these rounding errors is considered extremely low. The Authority will endeavour to correct these rounding errors during the 2020/21 closure process but also accepts that due to the size and complicated nature of the accounts document and that over 20 separate officers provide the information contained within it, that getting to a faultless position will be extremely challenging.

- **Not all requested documentation, as per the agreed "audit deliverables schedule" was presented for audit at the time of handover of the draft accounts** – It is acknowledged that Audit Wales were not supplied with all of the agreed deliverables prior to the start of the audit process.

Following the onset of the COVID-19 pandemic the financial team has rightly been focussed on managing the financial consequences of the Authority's response to COVID-19 and the ongoing financial sustainability of the Authority. In doing so it was accepted that some areas of work would be significantly impacted and that certain deliverables would be delayed. Wherever possible officers attempted to ensure that the implications of delaying were low and accepted that supplying some of the audit deliverables throughout the audit process, rather than up front, would be an acceptable compromise. It is anticipated that for the 2020/21 closure process that agreed timescales can be achieved.

6.4 The outbreak of the COVID-19 pandemic has significantly influenced the Statement of accounts process and the main impacts can be summarised as follows:

<p>Staff resources</p>	<p>The outbreak of the COVID-19 pandemic coincided with a key stage of the accounts closure process. Staff resources were naturally diverted to manage the Authority’s financial response and to manage the ongoing financial sustainability of the Authority. Despite this the statutory deadline for draft accounts was met.</p> <p>The impact has continued to be felt throughout the audit process and continued social distancing measures has meant that audit information and responses to queries have been provided electronically. Although this has proved efficient in many areas, where queries have involved detailed interrogation of data this has inevitably extended the process.</p>
<p>Additional estimation used in the calculation of provisions</p>	<p>The provision made for earned staff benefits not taken before year-end has been established using an average of the previous three year’s samples of data due to the staff resourcing pressures brought about by the COVID-19 crisis.</p>
<p>Uncertainty in land and building valuations</p>	<p>When undertaking valuation of the Authority’s land & building portfolio the valuers have identified a ‘material valuation uncertainty’ arising from the COVID-19 pandemic. This means that less certainty – and a higher degree of caution should be attached to the valuation than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market, it is recommend that valuations are kept under frequent review.</p>
<p>Uncertainty in pension fund property assets</p>	<p>The Council is provided with data from the actuary of the Greater Gwent Pension Fund for inclusion in the accounts in line with International Accounting Standard 19.</p> <p>The auditors of the pension fund have identified estimation uncertainty regarding property assets held by the Pension Fund. The Local Government Pension Scheme property assets attributable to Monmouthshire County Council account for £8.139m or 2.5% of total assets held.</p>

5. OPTIONS APPRAISAL

5.1. Not applicable.

6. EVALUATION CRITERIA

7. Not applicable

8. RESOURCE IMPLICATIONS

8.1. As outlined in the respective Accounts to be found in the Appendices.

9. WELLBEING OF FUTURE GENERATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING AND CORPORATE PARENTING)

- 9.1. There are no implications directly arising from the recommendations and decisions highlighted in this report.

10. CONSULTEES

Strategic Leadership Team
Cabinet Members
Chief Officer - Resources
Head of Legal

11. BACKGROUND PAPERS

- 11.1. Appendix 1: Statement of Accounts 2019/20

12. AUTHORS:

- 12.1. Jonathan Davies – Finance Manager

13. CONTACT DETAILS

- 13.1. email: jonathandavies2@monmouthshire.gov.uk

MONMOUTHSHIRE COUNTY COUNCIL

STATEMENT OF ACCOUNTS

2019/20



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1 NARRATIVE REPORT

1.1 Introduction

Monmouthshire County Council's Statement of Accounts provides a record of the Council's financial position for the year. This section of the document supplements the financial information contained in the accounts, with the aim of providing an overview of the more significant financial and accounting issues which affected the Council during the year.

Key facts about Monmouthshire



Monmouthshire is the most South Eastern County in Wales covering the area from the towns of Abergavenny & Monmouth in the North to Chepstow & Caldicot in the South. It is a predominantly rural County covering an area of 880sq miles and serving a resident population of around 93,000.

The majority of the Council's administrative and political functions are carried out at County Hall at The Rhadyr, Monmouthshire.

Political and management structure

The Council uses a Leader and Cabinet (Executive) governance model, with the Cabinet comprised of elected members, who each have lead responsibility for an area of the Council's business, including the Leader. Council determines the Authority's policy framework and budget and other constitutional functions. Below Cabinet and Council level there are a number of committees and panels that fulfil various scrutiny, statutory oversight and regulatory functions.

There are 43 locally elected councillors representing 42 wards who sit on the various committees of the Council, the current political make-up (at 31st March 2020) of the Council is 25 Conservative, 10 Labour, 5 Independent and 3 Liberal Democrat Councillors.

The Cabinet and elected members are supported by the Council's Senior Leadership Team which is led by the Chief Executive. For management purposes the Council's operations are organised into Service Areas each of which is headed by a chief officer reporting to the Chief Executive. The Service Areas with a brief overview of their functions are:

Social Care, Health & Safeguarding

Adult services, Community care, Children's services, Partnerships, Resources & performance management, Commissioning and Public protection.

Children & Young People

Schools and Early Years provision, Standards and Resources.

Chief Executive's Unit

Monitoring (Legal & land charges) and Governance, Democracy & Support.

Resources

Finance, Information communication & technology, People, Commercial and corporate & landlord services, Future Monmouthshire.

Enterprise

Business growth & enterprise, Tourism life & culture, Planning & housing and Operations (including waste, recycling, street cleansing, highways maintenance & street lighting).

Corporate

Corporate management, Non-distributed costs, Precepts & levies and Insurance

1.2 Non-Financial Performance for the Year

2019/20 Corporate plan performance summary (February 2020):

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.

1.3 Financial Performance for the Year

Revenue Budget for 2019/20

The net revenue budget of £161.8m was financed from council tax, government grants, business rates & fees and supplemented by charges for services. The Council has a good track record of managing within approved budgets and has carefully managed its services during the year despite ongoing financial pressures. Following the application of two one-off mitigations to the revenue budget the non-schools outturn reports a surplus of £1.8m as outlined in the table below.

This surplus has been allocated to the general fund to support future service provision in light of ongoing revenue pressures outlined in section 1.4 below. Further details on the outturn position are provided in the June Cabinet report.

	Revised Budget £000	Actual £000	Variance £000
Net Expenditure:			
Net cost of services prior to one-off mitigations	155,398	160,238	4,840
<i>One-off mitigations taken to Net cost of services in year:</i>			
Capitalisation directive	0	(3,250)	(3,250)
One-off VAT receipt following Ealing judgement	0	(2,304)	(2,304)
Net cost of services (as per internal management reporting)	155,398	154,684	(714)
Attributable costs – Fixed Asset Disposal	47	47	0
Interest and Investment Income	(205)	(506)	(301)
Interest Payable and Similar Charges	4,195	4,095	(100)
Charges Required Under Regulation	5,705	5,677	(28)
Borrowing Cost Recoupment	(3,402)	(3,402)	0
Capital Expenditure Financing	11	11	0
Earmarked Contributions to/(from) Reserves	46	46	0
Net Revenue Budget	161,795	160,652	(1,143)
Financed by:			
General government grants	(62,548)	(62,548)	-
Non-domestic rates	(30,682)	(30,682)	-
Council tax	(75,124)	(75,628)	(504)
Council Tax Benefit Support (included in NCS)	6,559	6,410	(149)

Net Financing Budget	(161,795)	(162,448)	(653)
Council Fund (surplus)/deficit - Non-Schools	0	(1,796)	(1,796)
Council Fund (surplus)/deficit - Schools	1,481	203	(1,278)
Council Fund (surplus)/deficit - Total	1,481	(1,593)	(3,074)

The net cost of services in the table above of £154.68m is reported on a management accounting basis, i.e. the same basis as the budget reports to Cabinet during the year. The figure for the net cost of services in the Comprehensive Income and Expenditure (CIES) in Section 6 of £173.68m is different because it is prepared on a financial accounting basis, which is specified by accounting guidelines.

Note 11.1 to the accounts shows how the figures reconcile.

Level of general and specific reserves/balances

The following summarises the Council's general and earmarked reserves, together with specific service reserves and trading account balances. Further information on these can be found in Section 10 of the accounts.

Reserves & balances	2017/18 £000	2018/19 £000	2019/20 £000
Council Fund Balance	7,110	7,110	8,906
School Balances	175	(232)	(435)
Earmarked Reserves	6,390	5,549	5,181
Service Reserves	147	403	402
Trading Accounts	837	661	800
Total Usable Reserves & balances available for Revenue Purposes	14,660	13,490	14,853

Capital expenditure & financing

In addition to revenue spending the Council also spent £23.4m on its assets which is detailed below along with the corresponding finance streams:

2018/19 £000		2019/20 £000
	Expenditure	
21,522	Schools modernisation programme	1,427
6,550	Infrastructure	7,316
34,360	Asset management schemes	6,225
519	Other	659
1,256	Inclusion schemes	908
560	ICT schemes	477
1,284	Regeneration schemes	5,573
4,261	Vehicles	831
70,311	Total Expenditure	23,416
	Financing	
(8,510)	Capital receipts	(5,910)
(44,625)	Borrowing and Finance Lease Commitments	(8,673)
(16,895)	Grants and Contributions	(8,547)
(281)	Revenue and Reserve Contributions	(286)
(70,311)	Total Financing	(23,416)

Significant capital receipts

The most significant capital receipts received in 2019/20 were £1.6m for holdings at New Trecastle Farm and £2.6m for Crick Road. All other receipts totalled £0.3m. The Council currently ring fences all capital receipts to support the Schools modernisation programme.

Revaluation and disposals of non-current assets

The Council has a policy of revaluing all Land & Building assets every five years on a rolling programme. During 2019/20 the valuations included Car Parks, Community Centres, Industrial Properties, Corporate Facilities and Chepstow & King Henry VIII Comprehensive Schools. The programme for subsequent years is as follows:

- 2020/21 – Leisure centres, Public conveniences, Hubs, Refuse tips, Residential homes & Sheltered housing
- 2021/22 – Community Centres, Recreational Spaces, Corporate Facilities and Cemeteries

In addition to this rolling asset revaluation programme, an annual review is also undertaken of our assets for any significant changes in their use. The Investment Property portfolio is assessed annually by the Authority's Estates section ensure the value is accurately reflected in the accounts.

During the year the value of our non-current assets has increased from £392.4m to £399.0m, arising from recognising the in-year asset enhancing spend of £15.9m; the rolling programme of revaluations increasing their held value by £3.8m; depreciation of £11.7m, the sale of assets valued at £1m and transfers to current assets of £0.2m

Borrowing arrangements and sources of funds

The Council's overall borrowing, on a principal valuation basis, totalled £187.7m as at 31st March 2020 (£179.4m as at 31st March 2019), comprising of the following:

31st March 2019 £000		31st March 2020 £000
86,483	Public Works Loan Board	89,627
13,815	Market Loans & Bank loans	13,816
4,683	Welsh Government	5,248
71,416	Local Government bodies	76,023
3,000	Special Purpose Vehicle	3,000
179,398	Total borrowing	187,714

Further information on borrowing arrangements is disclosed in notes 13.3 and 13.4 to the accounts. The Council continues to operate within its limits as set according to the Local Government Act 2003 and the CIPFA Prudential Code.

Collection of Council Tax and Non-Domestic Rates

The Council Tax bill for Monmouthshire County Council in 2019/20 (including amounts raised for Police and Community Councils) was £1,629.72 (£1,538.93 in 2018/19) for properties in valuation Band D. We collected 97.7% in year of the total due (97.8% 2018/19). Our collection rate for Non-Domestic Rates was 97.7% in 2019/20 (97.7% in 2018/19). During the year £168,000 Council Tax and £200,000 Non-Domestic Rates' debts were written off (£207,000 and £284,000 in 2018/19).

Pension Liabilities

We are required to state the cost of paying retirement pensions when we become committed to the costs, not when we actually pay them. An Actuary is used to estimate the figure for Monmouthshire and 2019/20 shows a net liability of £230,526,000 (£268,213,000 in 2018/19).

This figure will vary each year depending on the Actuary's assumptions, and over the year to 31 March 2020 there is a decrease in the combined net liability of the Greater Gwent pension funds. This has resulted from a fall in the value of scheme liabilities of £67m offset by a reduction in the value of scheme assets. The reduction in liabilities is due to changes in financial assumptions and there have been reductions for both the projected rate increases for salaries & pensions going forward and also life expectancies.

The date of the latest actuarial valuation was 31 March 2019 and this updated the employers' contribution rates from April 2020 until 31 March 2023. Further details are given in section 14 of the notes to the Accounts.

1.4 The Financial Outlook

Over the last five years, the Council has managed significant savings from its service budgets. Funding from Welsh Government has reduced over the period and the 2020/21 settlement was extremely disappointing and left a significant budget gap to be managed. At the same time pressures on the budget have been increasing in terms of demographic growth, demand for services and expectations.

2020/21: In setting its 2020/21 revenue budget the Council was required to make difficult choices regarding service delivery and Council Tax levels. As part of the process the Council approved an annual Council Tax increase of 4.95%, which increased the annual band D charge by £73.88 to £1,380.76 (excluding amounts raised for Police and Community Councils). It also approved £8.5m of savings measures to ensure that the approved budget is delivered.

In respect of the Council's forward capital programme this has been constructed to principally support the Schools modernisation programme, Disabled Facilities Grants, Asset management and Infrastructure, with some £84.5m (including contributions to the Cardiff Capital Region City Deal initiative) forecast to be spent from 2020/21 to 2023/24.

The Medium Term: The medium term prognosis is still of concern, there are no indicative settlement figures published which significantly impedes and impacts on forward planning of budgets over the medium term. Demand led cost pressures continue to increase in areas such as Children's services, Adult Social Care, Passenger Transport and Waste.

The recent flooding events bring their own financial challenges in terms of meeting the costs within both the response and recovery stages to the floods. Commitments from Welsh Government to meet the full cost of these events are still uncertain and therefore brings a significant financial risk especially in respect of the medium term recovery costs.

Covid19 Impact

For the majority of 2019/20 the Council operated in a 'business as usual' manner; however, in March 2020, as result of the Covid19 pandemic an emergency response necessitated the Council changing how it delivers its services.

- Much of the administrative business undertaken continued with officers working remotely.
- Immediate business critical services were maintained i.e. waste collection, school hubs, social care, benefits etc. Staff within other services that have either been closed or the service reduced were redeployed as appropriate.
- The Council provided representation to the Gwent Strategic Coordinating Group and sub groups for strategic and operational decision making. The Council also established an Emergency Response Team which, alongside the Council's Cabinet and Senior Leadership Team, oversaw the response/delivery.

The ongoing crisis presents its own additional financial challenges and uncertainty both in terms of additional cost and significant loss of income across services. Some of these impacts are difficult to model and will potentially only manifest themselves once a degree of normality returns to service delivery.

In terms of the financial impact of the Covid19 situation it has been recognised that it will have a significant impact upon ongoing operations and the finances associated with providing our services. The Council, through its partnering arrangements, continues to work with the Welsh Government, the Welsh Local Government Association (WLGA) and other councils to ensure support is available to enable core services to be delivered.

It is important to recognise that when we move into the recovery phase the economy will be in recession and UK and global economies will have been hit hard by the pandemic which will considerably impact and shape future public spending. This will inevitably have a significant impact on our local Monmouthshire communities and will lead to both direct and indirect impacts to Authority and the finances required to respond.

There is currently uncertainty around Welsh Government funding to Local authorities as a result of the COVID19 impact, in terms of the full consequential funding being passed through; how that funding will be passed through (on a claims basis or allocation); and whether there will be further funding announced by UK Government which will allow Welsh Government to make further commitments.

Given the significant risk of a situation developing where funding is not sufficient to offset the losses, additional costs and other financial impacts on the Authority of the response to the COVID19 crisis, and given the fact there is limited reserve and capital receipt capacity to meet these demands, the Authority will look to undertake a detailed financial sustainability assessment and budget recovery plan which will re-evaluate financial commitments and funding forecasts.

The revenue surplus generated during 2019/20 of £1.8m was used to increase the Council fund balance to allow the Authority the maximum flexibility to respond to and mitigate the financial risks surrounding the ongoing COVID19 crisis.

Cardiff Capital Region City Deal (CCRC)

The Council continues to be an active member of the Cardiff Capital Region City Deal initiative, which will invest £1.2 billion into the wider area over a 20 year period. This investment comprises the £734 million METRO scheme managed by the Welsh Government and a wider £495 million Investment Fund, which comprises the ten constituent councils' commitment to borrow £120 million over the 20 years together with £375 million from the UK Government. This Council will make a 6.1% contribution to the £120 million with the percentage being based on its proportion of the regional population, and fund the annual costs of this investment. No capital contribution was required in 2019/20 (£0.75 million in 2018/19) as the forecasted spend did not materialise. The Investment Fund is the responsibility of the CCRC Regional Cabinet.

1.5 The Accounting Statements

The Authority's accounts for the year are set out in sections 5 to 17. They consist of:

Movement in Reserves Statement

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

Comprehensive Income and Expenditure Statement

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

Balance Sheet

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the authority. The net assets of the authority (assets less liabilities) are matched by the reserves held by the authority. Reserves are reported in two categories:

- The first category of reserves are usable reserves, i.e. those reserves that the authority may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt).
- The second category of reserves is those that the authority is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

Cash Flow Statement

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

Notes to the Accounts

The core financial statements outlined above are supported by notes to further assist the reader in interpreting the Authority's financial position for the year ended 31st March 2020. The notes are sectioned to aid the user of the accounts to navigate the extensive supporting notes.

Peter Davies
Chief Officer - Resources (Acting S151 Officer)

Date

2 STATEMENT OF RESPONSIBILITIES

2.1 The Authority's Responsibilities

The Authority is required to:

- make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs, in line with statute this is the Section 151 Officer;
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets; and
- approve the Statement of Accounts.

2.2 The Section 151 Officer's Responsibilities

The Section 151 Officer is responsible for the preparation of the Authority's Statement of Accounts in accordance with proper practices as set out in the *CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom* (the Code).

In preparing this Statement of Accounts, the Section 151 Officer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with the Local Authority Code.

The Section 151 Officer has also:

- kept proper accounting records which were up to date; and
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

APPROVAL OF STATEMENT OF ACCOUNTS

I certify that the accounts set out within sections 5 to 17 gives a true and fair view of the financial position of the Council as at the 31st March 2020 and its income and expenditure for the year ended 31st March 2020.

Peter Davies
Chief Officer - Resources (Acting S151 Officer)

Date

I confirm that these accounts were approved by the Leader of the Council on behalf of Monmouthshire County Council.

Cllr Peter Fox
Leader of the Council

Date

Monmouthshire CC

Annual Governance Statement 2019-20

May 2020

Executive Summary

The Statement itself demonstrates that Monmouthshire has governance arrangements in place to meet the challenges of the governance principles and that a review has been undertaken to assess the effectiveness of those arrangements. We have demonstrated that in most areas we have effective governance arrangements in place which are continually improving.

AUDIT WALES's review of Good Governance concluded that the Council has a clear strategic approach for significant changes, although, better information would help Members when deciding the future shape of the Council.

Progress against the 2018/19 action plan is shown at Appendix 1.

- 1 This Statement has been prepared in accordance with guidance produced by the Chartered Institute of Public Finance and Accountancy (C.I.P.F.A.) and the Society of Local Authority Chief Executives and Senior Managers (S.O.L.A.C.E.), the 'Delivering Good Governance in Local Government Framework 2016' and Delivering Good Governance in Local Government Guidance Notes for Welsh Authorities 2016'. It embraces the elements of internal financial control required by the 'Code of Practice on Local Authority Accounting in the United Kingdom'.
- 2 The Statement itself demonstrates that Monmouthshire has governance arrangements in place to meet the challenges of the governance principles and that a review has been undertaken to assess the effectiveness of those arrangements. We have demonstrated that in most areas we have effective governance arrangements in place which are continually improving, but also recognise that there is further work to do. Progress against the 2018/19 action plan is shown at Appendix 1.

Scope of Responsibility

- 3 Monmouthshire County Council (the Council) (MCC) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government (Wales) Measure 2009 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to strategic effectiveness, service quality, service availability, fairness, sustainability, efficiency and innovation.
- 4 In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions and which includes arrangements for the management of risk.
- 5 The Council's financial management arrangements conform to the governance requirements of the 'CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010)'.
- 6 The Code of Corporate Governance, which is consistent with the principles of the C.I.P.F.A. / S.O.L.A.C.E. Framework 'Delivering Good Governance in Local Government', was approved by Council in July 2011; the Code was revised and updated in May 2014; a further revision was undertaken in 2020. A copy of the Code is available from the Chief Internal Auditor. This statement explains how the Council has complied with the revised Framework and Guidance (2016) and also meets the requirements of the Accounts and Audit (Wales) Regulations 2014.

The Purpose of the Governance Framework

- 7 The governance framework comprises the systems and processes, and culture and values, by which the Council is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its population outcomes, priorities and objectives and to consider whether those objectives have met the outcomes and led to the delivery of appropriate, cost effective services.
- 8 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, outcomes and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.
- 9 The governance framework has been in place at the Council for the year ended 31 March 2020 and up to the date of approval of the statement of accounts.

The Governance Framework

10 The Council's Corporate Governance is in line with the following principles:

Overarching requirements for acting in the public interest:

- A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- B. Ensuring openness and comprehensive stakeholder engagement

In addition achieving good governance in the Council requires effective arrangements for:

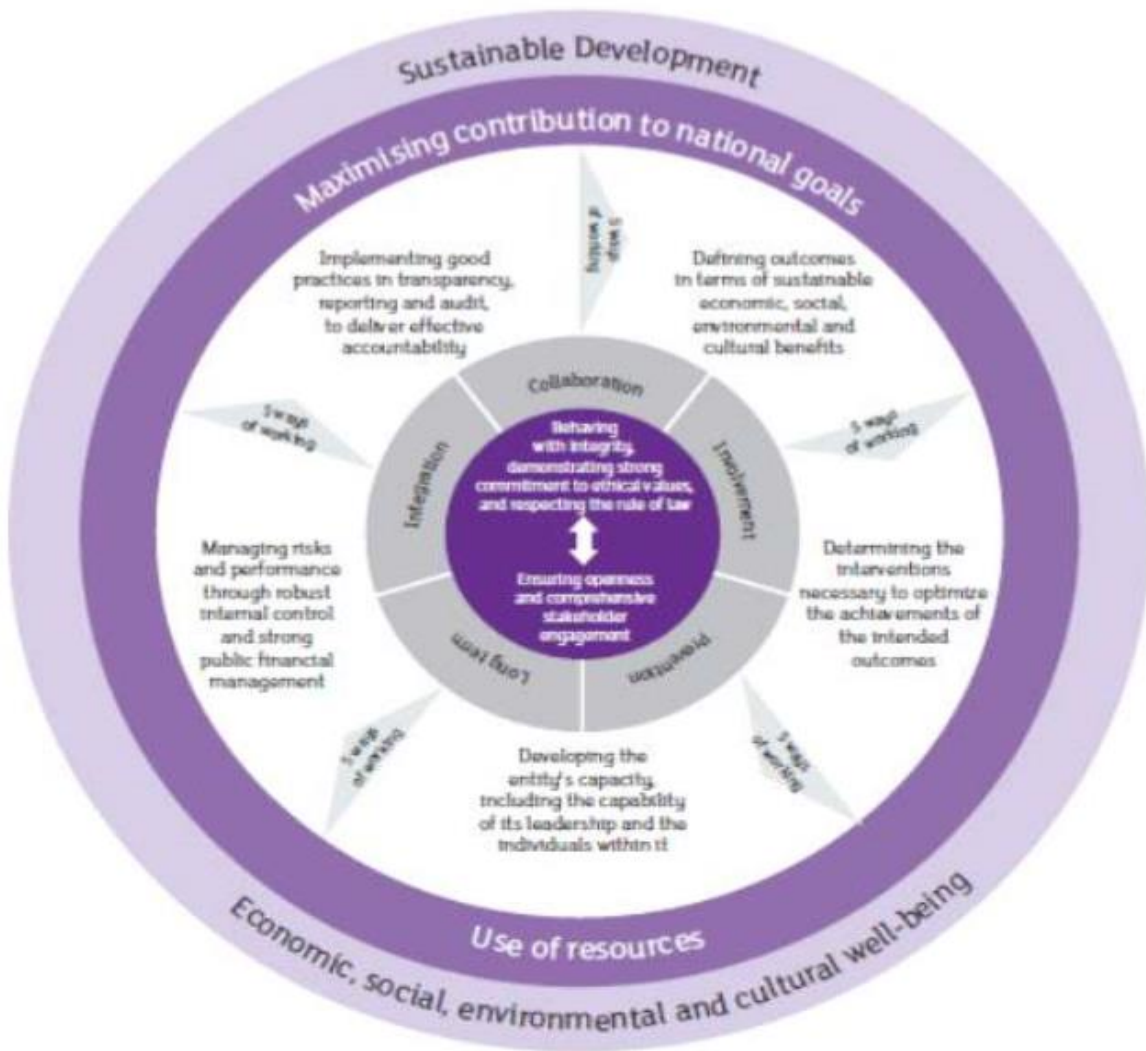
- C. Defining outcomes in terms of sustainable economic, social, environmental and cultural benefits
- D. Determining the interventions necessary to optimise the achievement of the intended outcomes
- E. Developing the entity's capacity, including the capability of its leadership and the individuals within it
- F. Managing risks and performance through robust internal control and strong public financial management
- G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Wellbeing of Future Generations (Wales) Act 2015

11 The diagram below brings together the above principles of good governance with the requirements of the Well-being of Future Generations (WFG)(Wales) Act 2015. It shows sustainable development as all-encompassing, with the core behaviours of:

- behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law; and
- ensuring openness and comprehensive stakeholder engagement

This needs to be applied to the five ways of working outlined in the 2015 Act. These five ways of working have to permeate all segments of delivering outcomes which, in turn, should ensure effective use of resources as the Council maximises its contribution to the economic, social, environmental and cultural well-being of Monmouthshire and Wales.



- 12 The key elements of the Council's governance arrangements are set out in its Corporate Plan 2017-2022, "A Monmouthshire that works for everyone" which was approved by Council in February 2018. A mid term refresh was presented to Cabinet (February 2020) to provide an overview of progress being made in 2018/19 to deliver the commitments set out in the Corporate Plan. In February 2019 Council adopted the goals contained in the Corporate Plan 2017-22, as the Council's Improvement Objectives for 2019-20 in order to comply with the requirements of the Local Government (Wales) Measure 2009. The Council's five priorities are:

**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**

- 13 As part of the requirements of the Well-being of Future Generations (Wales) Act 2015 the Public Service Board (PSB) is focused on improving social, economic, environmental and cultural wellbeing, in

accordance with the sustainable development principle. Public Service Boards have a planning responsibility to prepare and publish an assessment of local well-being, produce a local well-being plan and report annually on its progress.

- 14 The Public Service Board has approved four well-being objectives that underpin a clear purpose of “building sustainable and resilient communities”; its objectives are:
- Provide children and young people with the best possible start in life
 - Respond to the challenges associated with demographic change
 - Protect and enhance the resilience of our natural environment whilst mitigating and adapting to the impact of climate change
 - Develop opportunities for communities and businesses to be part of an economically thriving and well-connected county.
- 15 An update on the emerging actions being developed to deliver the objectives contained in Monmouthshire’s Well-being Plan was signed off by the PSB in April 2018. The PSB published its first annual report reviewing progress in 2018/19, in July 2019.

Coronavirus (Covid-19) Pandemic

- 16 The Coronavirus pandemic (WEF March 2020) has caused significant organisational disruption including new emergency responsibilities, increased staff absence and a requirement for staff to work from home (where possible) while continuing to ensure statutory services are maintained as expected. This statement assesses the governance in place during 2019/20 with the majority of the year being unaffected by Coronavirus, however, during March 2020 some key operations were affected and will continue to be during 2020/21.
- 17 In accordance with the Council’s Corporate Emergency Management Plan (revised March 2019) an Emergency Response Team (ERT) was established along with a regional multi-agency Strategic Co-ordination Group (SCG) to deal with this pandemic. These groups met on a daily basis during March 2020 and meetings continued into April 2020 and beyond.
- 18 Once enacted, the Corporate Emergency Management Plan allowed for an emergency management structure and delegation of emergency powers to the ERT Gold Duty Officer in consultation with the Leader of the Council.
- 19 The pandemic has impacted on the Council’s delivery of services as some staff have been diverted to front line duties to ensure that critical services are prioritised. There have also been new areas of activity as part of the national response to Coronavirus for example providing emergency assistance to businesses in Monmouthshire.
- 20 There has been funding and logistical consequences of delivering the local government response. To ensure appropriate governance and accountability, these costs have been identified by staff and appropriately coded on the Council’s Main Accounting System.
- 21 In line with public health measures to mitigate the spread of Coronavirus and to enable the Council to focus on the delivery of critical services, all public meetings were suspended. This included Council meetings, meetings of full Cabinet and all committee and sub-committee meetings, including Select, Planning and Licensing. The Council felt it was important to re-instate public meetings as soon as it was safe to do so. Using appropriate technology, key meetings were held virtually which could be viewed by the public through live streaming or through YouTube channels later. Cabinet held a virtual meeting on the 6th May 2020, Council was run virtually on 4th June 2020, with other public meetings following.
- 22 Urgent decisions have continued to be made in accordance with the officer and Members’ schemes of delegation as detailed in the Council’s Constitution and urgent decision-making procedures.
- 23 At this stage of the pandemic, the longer term disruption and consequences arising from Coronavirus is currently unclear however, existing projects and programmes may have to be put on hold, new priorities and objectives will need to be introduced and new risks will have to be identified.

- 24** As much as possible, the systems of internal control have continued to operate during the pandemic. The Council's recent implementation of Office365 has allowed the majority of employees to successfully work from home without major disruption.
- 25** In the Chief Internal Auditor's opinion, adequate assurance was obtained over the course of 2019/20 to result in an overall 'Reasonable' audit opinion to be issued for the Council's activities. Internal Audit coverage was adversely affected during the latter part of 2019/20 and 76% of the approved audit plan was completed against the target of 82%. At the start of March 2020, indications were that the audit team would have completed 82% of the audit plan. Further detail regarding the Internal Audit team's performance is included within the Internal Audit Annual Report 2019/20.
- 26** In conclusion, during 2019/20 the Coronavirus pandemic did not lead to significant internal control or governance issues which impacted on the overall review of effectiveness. This will be monitored during 2020/21 and reviewed as part of future Annual Governance Statements.

Review of Effectiveness

- 27** The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the Senior Leadership Team within the Authority which has responsibility for the development and maintenance of the governance environment, the Chief Internal Auditor's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.
- 28** The governance arrangements continue to be regarded as fit for purpose in accordance with the governance framework.
- 29** The processes that have been applied to maintain, review and improve the effectiveness of the governance framework include:
- i) The Monitoring Officer is in the process of thoroughly reviewing the Council's Constitution and ethical governance arrangements; revised Constitution last approved by Council in December 2017;
 - ii) Periodic reviews of the financial controls including the financial procedure rules by the Chief Finance Officer (Head of Finance); financial procedure rules were approved by Council in September 2014; Contract Procedure Rules are currently being reviewed and updated;
 - iii) Whole Authority Strategic Risk Management Assessment and amendments to the Policy were approved by Cabinet in March 2020;
 - iv) Formal risk management and regular ongoing review of the processes involved reported through Audit Committee
 - v) The Audit Committee undertook a self evaluation exercise towards the end of 2019/20;
 - vi) the Internal Audit function, whose work takes account of identified risks through regular audits of the major systems, establishments and major projects in accordance with the annual internal audit plan, and which includes 'follow-up' work to ensure that agreed recommendations are implemented;
 - vii) the work of the Council's Select and other Committees, including its Audit and Standards committees;
 - viii) the opinions and recommendations of the Council's external auditors, following both financial audit work and per the Local Government Measure in regard to matters, including governance issues, which are considered for action and implementation and reported to Council, Cabinet and Audit Committee, as appropriate;
 - ix) The opinions and recommendations of other inspection, regulation and review agencies which are reported to Council, Cabinet and Audit Committee as appropriate. Audit Committee receives a regular report on the progress made with recommendations and proposals issued by Audit Wales
 - x) regular monitoring of performance against the Corporate Plan and service plans and of key targets, and reporting of this to senior management and members;

ANNUAL GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

- xi) Audit Committee annual report (Council July 2020);
- xii) Corporate Safeguarding Policy taken through Council May 2018;
- xiii) Annual appraisal of the effectiveness of the authority's performance management arrangements reported annually to Audit Committee.
- xiv) Chief Officer for Children and Young People's Annual Report presented to Council May 2019; Chief Officer for Social Care, Safeguarding & Health's Annual Report presented to Council September 2019; Corporate Parenting Annual Report to Council October 2019.
- xv) Updated policies and strategies reported through Cabinet and Council

30 The following paragraphs review the effectiveness of the governance arrangements in Monmouthshire under the 7 principles.

Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

- 31** The Code of Conduct for Members and a protocol on Member / Officer relations are set out in the Constitution. A new version of the code of conduct for members was adopted by Council in May 2016. The Council also has a local protocol for the self-regulation of member conduct.
- 32** The Standards Committee, which includes a majority of independent representatives, advises on and monitors the Members' Code of Conduct, the Protocol for Member/Officer Relations, and any other Codes relating to the conduct of Members.
- 33** Public Service Ombudsman Wales Annual Report (2018/19) was presented to the Standards Committee in September 2019'

Conduct Complaints about MCC Members received by the Public Services Ombudsman:

	2016-17	2017-18	2018/19
Not upheld	8	3	20
Referred to Standards Committee	0	0	0
Referred to Adjudication Panel	0	1	0
TOTAL COMPLAINTS CLOSED	8	4	20

- 34** Agreed arrangements enable the Council to comply with statutory requirements in respect of child protection and the protection of vulnerable adults. Recruitment procedures help ensure that Council employees and Members working with children or vulnerable adults are checked for their suitability to do so through independent DBS checks.
- 35** In accordance with its statutory responsibilities, the Council has in place a Health and Safety Policy and related procedures.
- 36** There were no successful "call-in" challenges to decisions on procedural grounds and no judicial review challenges on grounds of legality during the year.
- 37** Policy and decision-making is facilitated through (i) the Cabinet, the meetings of which are open to the public and live streamed online except where exempt or confidential matters are being discussed, and (ii) a scheme of delegation to committees and officers as set out in the Constitution: Five select committees (including the statutory PSB Select Committee) and a separate Audit Committee review, scrutinise and hold to account the performance of the Cabinet, decision-making committees and officers.

A Scrutiny "Call-In" process for decisions which have been made but not yet implemented is incorporated in the Constitution in order to consider their appropriateness.

- 38** A Scrutiny and Executive Protocol is in place which is aligned to the updated constitution of December 2017 and provides parameters for effective executive and scrutiny relationships.
- 39** The Constitution is updated periodically by the Monitoring Officer; the latest update approved by Council in December 2017; The Constitution is currently going through a more thorough review process. It can be found on the Council's website and sets out:
- how the Council operates and makes decisions,
 - the procedures to ensure that decision-making is transparent and accountable to local people and other stakeholders,
 - the key roles of all members and chief officers, including the lead responsibilities for corporate governance of the Leader, the Chief Executive and other designated chief officers,
 - a scheme of delegated powers for decision-taking
 - responsibilities for reviewing and agreeing the Council's corporate governance arrangements,
 - arrangements for ensuring it is regularly reviewed and updated
 - its related codes and protocols.
- 40** To ensure agreed procedures and all applicable statutes are complied with the Monitoring Officer attends all Council meetings; to ensure sound financial management is a key factor in decisions, the Chief Officer Resources (Interim Head of Finance) attends SLT, Cabinet and Council meetings.
- 41** The ethical governance framework includes:
- codes of conduct for officers and members
 - a protocol governing Member/Officer relations
 - a whistle-blowing policy widely communicated within the Council
 - registers of personal and business interests for Members
 - an agreed policy and associated corporate procedures for ensuring that complaints about services can be properly made and investigated, and for ensuring that any lessons can be applied
 - equalities awareness training.
- 42** In accordance with the Local Government and Housing Act, 1989, the Monitoring Officer ensures compliance with established policies, procedures, laws and regulations. After appropriate consultation, this officer will report to the full Council in respect of any proposals, decisions or omissions which could be unlawful or which have been subject of an Ombudsman Investigation resulting in a finding of maladministration
- 43** All exemptions of the Contract Procedure Rules are reported through Audit Committee six monthly. The Internal Audit team continues to deliver awareness raising sessions on the importance of compliance with these Contract Procedure Rules and Financial Procedure Rules.
- 44** The Audit Committee has the opportunity to call in senior managers during the year and challenge them on why a procurement process went outside the Council's normal tendering processes. Following 2 consecutive **Limited** Assurance audit opinions, the Head of Strategic Projects was called into Audit Committee (March 2020) to justify the lack of improvement in internal controls re Fuel Cards. The Chief Officer Resources reported on progress following 2 consecutive **Limited** Assurance opinions regarding Anti Bribery, Fraud and Corruption.
- 45** 29 Internal Audit opinions were issued in 2019/20; 9 audit jobs resulted in **Limited** assurance.
- 46** The overall opinion on the adequacy of the internal control environment for 2019/20 was **REASONABLE**. Management agreed to implement the recommendations made in audit reports in order to address the weaknesses identified. The Internal Audit opinions issued in 2019/20 were as follows:

ANNUAL GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

	2017-18	2018-19	2019-20
Substantial Assurance (Very Good)	2	2	2
Considerable Assurance (Good)	11	11	11
Reasonable Assurance	16	13	7
Limited Assurance (Unsatisfactory)	8	6	9
Total	37	32	29

- 47** Reasons why the outcome of the audit reviews which were deemed to provide Limited assurance have been, or will be, presented in a separate report to Audit Committee; assurances have been sought from respective operational managers that action will be taken to make the necessary improvements in control.
- 48** The Internal Audit team did not have a full complement of staff for the full year due to a maternity leave. 77% of the 2019/20 plan was achieved, which was slightly lower than the previous year (84%). The team was also impacted by the Covid-19 pandemic. The Chief Internal Auditor's overall audit opinion is based on the number of audits undertaken and their individual opinions; he was able to give an overall opinion on the adequacy of the control environment.
- 49** The Internal Audit team continued to ensure its compliance with the Public Sector Internal Audit Standards (PSIAS). This was validated through a peer review process at the end of 2017/18 undertaken by the Chief Internal Auditor for Neath Port Talbot Council; the outcome of which was that the team are generally compliant, the highest level of compliance.
- 50** An Improvement Framework is in place to ensure the economic, effective and efficient use of resources and for securing continuous improvement. This is supported by a range of mechanisms including collaborative working initiatives and reviews undertaken both internally and by the external auditors and inspectors. This framework works in conjunction with the Local Government Wales Measure 2009. Performance is reported through Select Committees and Cabinet.
- 51** The strategies which support this Framework include the Asset Management Plan, People Strategy, Local Development Plan, Financial Plan, Digital Strategy, Economy & Enterprise Strategy which are delivered through service business plans and employee aims & objectives, evaluated and risk assessed.
- 52** Chief Officers and Heads of Service are accountable for ensuring that the Council Priorities are delivered and performance against key targets is regularly monitored via the performance management framework and is regularly reported to members via Select Committees.

Principle B: Ensuring openness and comprehensive stakeholder engagement

- 53** The agendas are published in advance of all meetings on the Council's website.
- 54** The scrutiny /select reports on recommendations/outcomes from scrutiny activity are presented to Cabinet quarterly. The scrutiny function has a 'Scrutiny Service Business Plan'. The plan is built into the Council's improvement framework. . At Monmouthshire, scrutiny is undertaken by 5 select committees:
- Children and Young People's Select Committee
 - Adults Select Committee
 - Economy and Development Select Committee
 - Strong Communities Select Committee
 - Public Service Board Select Committee

- 55** The Scheme of Delegation sets out responsibilities for decision making. The Council's website includes the Cabinet and Cabinet Member decisions / Member profiles. The Scrutiny Handbook and a Scrutiny and Executive Protocol have been developed to support Members to carry out their responsibilities effectively provides a guide for Members, officers and the public on the role and value of scrutiny and the website displays the Scrutiny Forward Work Programme and invites public submissions. Development of Customer Insight to better understand our communities. Dissemination of ward meeting minutes.
- 56** Social media, Twitter, Facebook and You Tube for example, is increasingly being used to engage local people and communicate the corporate message. Scrutiny has a Twitter account to help engage more effectively with the public on democracy. Chief Officers, Members and the Communications team are very proactive in engaging with the public.
- 57** Public engagement events and You Tube continued in 2019/20 for the budget proposals. The Council has encouraged the community within Monmouthshire to actively contribute to making stepped changes to improve the way in which services are provided and is a key workstream of the Future Monmouthshire programme established by the Council in May 2016; the intention is to transform public service delivery. This links back to the principles of the Well-being of Future Generations Act which sets out five ways of working including involvement.
- 58** In May 2018, Monmouthshire Public Services Board, adopted their Well-being Plan in line with the requirements of the Well-being of Future Generations (Wales) Act. The plan was informed by the Monmouthshire Well-being Assessment which sought the views of Monmouthshire residents and draws together findings from data, academic research and policy papers and the views of local people. This Plan is challenged publicly through Public Service Board Select Committee.
- 59** In October 2019, Council agreed to change the title of the Public Service Board Select Committee to Public Services Select Committee to enable scrutiny of wider public service provision in collaboration or by external partners.
- 60** The "Our Monmouthshire" approach, which was essential to the Well-being Assessment is about all of us addressing the needs of the future as well as current generations. People in Monmouthshire were asked "*what's good about your community and what would make it better, now and in the future*". The well-being assessment was also used as evidence to inform the Council's Corporate Plan, making sure it addresses some of the really big challenges that Monmouthshire faces in coming years.
- 61** Transparency and openness is important to Monmouthshire; the Annual Statement of Accounts was taken through the Audit Committee process before being endorsed by Council. All Council decisions, reports and questions asked by Members are available on the website. Financial information, Corporate Plan progress, Council activities, achievements, developments, updates and events were included on the Council's intranet and website, with all Council, Cabinet, Audit Committee and Select Committees now live streamed on You Tube. All public meetings of the Council are live streamed on YouTube and are available to view on the Council's YouTube channel at any time after the meeting, which provides greater transparency of the Council's business.
- 62** Individual Cabinet Members can make decisions under the scheme of delegation; agendas and decisions for all Cabinet Members are published on the Council's website.
- 63** The Council's website contains links to the following areas of open data in the interests of openness.

Data published by Monmouthshire County Council:

- List of expenditure over £500
- Our spend data as a useful dashboard
- Food Hygiene ratings
- Business property data set
- List of Primary Schools

- List of Secondary Schools

- 64 The Medium Term Financial Plan (MTFP) supports the vision for Monmouthshire and extensive public engagement continued in 2019/20 for the 2020/21 budget and Medium Term Financial Plan which engaged with the public in their own community; this included website, social media, drop in sessions YouTube and open meetings. These were key to providing people with the opportunity to become informed.
- 65 Public engagement and consultation is key to the WFG Act. One of the five ways of working is Involvement - *the importance of involving people with an interest in achieving the well-being goals, and ensuring that those people reflect the diversity of the area which the body serves*. This along with the other ways of working is now considered in all relevant decision making reports for Cabinet and Council through a Future Generations Evaluation which includes Equalities and Sustainability Impact Assessments. The progress of implementing the WFG Act was reported through the PSB and Cabinet in 2019/20.
- 66 Implementing Open Government standards which enable us to effectively engage with our citizens and open up our data for anyone who needs to use it. Making the most of digitisation and digital inclusion to enable us to engage with people across our County.

Principle C: Defining outcomes in terms of sustainable economic, social, environmental and cultural benefits

- 67 The Council's previous Improvement Plan and its improvement objectives were incorporated into the Corporate Plan for 2018/19. Building sustainable and resilient communities is the unifying purpose of the diverse range of services the Council delivers. This is shared with our partners on the PSBd, which is responsible for setting well-being objectives for the County.
- 68 Monmouthshire County Council is a member of the Monmouthshire PSB, where we work with other public services and the voluntary sector on the delivery of the local well-being plan. This includes countywide well-being objectives that are a focus for public services that are part of the PSB. Combining the ingenuity and initiative of all partners is key to finding new solutions to pressing, social, economic and environmental problems. This sense of 'power of the collective' is central to its core purpose, reflected in its values and embodied in its culture.
- 69 The Well-being Plan sets out the vision of the PSB. The four identified objectives are to:
- Provide children and young people with the best possible start in life
 - Respond to the challenges associated with demographic change
 - Protect and enhance the resilience of our natural environment whilst mitigating and adapting to the impact of climate change
 - Develop opportunities for communities and business to be part of an economically thriving and well connected county.
- 70 Under the Well-being of Future Generations (Wales) Act 2015 The Council has a responsibility to:
- Set and publish well-being objectives
 - Take all reasonable steps to meet those objectives
 - Publish a statement about well-being objectives
 - Detail arrangements to publish an annual report of progress
- 71 In March 2018 Council approved the Council's Corporate Plan 2017-2022, which incorporated the Council's well-being objectives, and endorsed the Area Plan. The well-being objectives bring together the latest evidence from the well-being assessment, policy and legislation and show how the Council will strive to deliver a public service that meets the needs of the present without compromising the ability of future generations to meet their own needs. The Well-being Objectives and Statement Annual Report (2017/18) was approved by Council in September 2018.

- 72** The Corporate Plan Objectives for 2017 to 2022 are supported by service business plans to operationally deliver these objectives. The Corporate Plan Annual Report (18/19) was taken to Council in September 2019. Service plans were updated for 2019/20 in all service areas and made available on the Council's Hub intranet site. These were quality assessed as part of the service planning process. All service plans were developed to align the delivery of the Council's Corporate Plan.
- 73** In February 2019 Council received the report to approve the continuation of the five objectives set in the Corporate Plan 2017-2022 as the Council's objectives for 2019-20 to comply with the Local Government (Wales) Measure 2009. In March 202 Council supported a mid term refresh of the Plan.
- 74** Audit Wales presented its Annual Improvement Report to Audit Committee in July 2019. AUDIT WALES has carried out work with all councils on improvement assessment, the Wellbeing of Future Generations Act, the service user perspective and scrutiny as well as some local work. Audit Wales reported to Audit Committee on work completed from previous years at Monmouthshire. It concluded that the Council meets its statutory requirements for continuous improvement and there are no formal recommendations.
- 75** Reports were taken through the scrutiny process during the year which included links to the Council's policies, priorities and objectives. The agendas and minutes of which became public documents are available through the Council's website.
- 76** Well-being and Future Generations continued to be a key theme and foundation through the reporting processes in 2019/20.
- 77** The Council is embracing the benefits of digital communications including social media use, for example "My Monmouthshire", which enables people to interact and transact with the Council using mobile devices. The Council's website includes more transactional functions. In 2018-19 the Council also launched a chatbot to further broaden the channels people can use to interact with their local authority. During 19/20 there was extensive use of Twitter, Facebook and You Tube to raise awareness of forthcoming events, to provide live streaming of Cabinet, Council and other political meetings, to promote the activities and services provided and to show support and encouragement for community groups.
- 78** Enhancing the digital services with economic (effective and efficient processes aiding business interaction), environmental (less travel and print consumables) and social (digital customer centric services) continued to be a key aspect of improving services throughout 2019/20. Outcomes are measured via the Digital Programme Office Service plan and performance planning process.
- 79** To ensure the best use is made of resources and that taxpayers and service users receive excellent value for money, there are a number of mechanisms within the Council to support this. The option appraisals for the 21st Century Schools considered cost and quality to determine the best outcome for the service; budget mandates were in place to monitor and capture the savings assessments; the IT Board reviewed business cases for future IT investment.
- 80** Regular budget / outturn reports for revenue and capital were presented to and approved by Cabinet during the year, and the budget management actions of Cabinet and senior officers are scrutinized by 4 of the Select Committees quarterly. The budget monitoring reporting cycle periodically contains some output measures and unit cost data, so that economic comparison of costs with other Councils can be made. Previously the Council has compared very favourably to others.
- 81** The MTFP process for 2020/21 to 2023/24 was reviewed and approved by Cabinet in September 2019. The Draft Capital Budget Proposals 2020/21 to 2023/24 were taken to Cabinet in December 2019. Draft Revenue Budget Proposals 2020/21 also went to Cabinet in December 2019. Final Proposals went to Cabinet in February 2020. Ongoing scrutiny of the Council's budget position in line with the MTFP has provided members with a greater understanding of the budget setting process and the pressures within individual directorates.
- 82** An authority-wide performance measurement system for the Council, the "data hub", hosted on the Council's intranet site continues to be updated. This enables members and officers to track and monitor data in key strategic plans through "dashboards". This also allows performance to be compared against

other council areas, where applicable. The "data hub" has been reviewed and streamlined to ensure information is up to date and focussed on the most pertinent performance data.

- 83 An Overview of Performance Management Arrangements was reported to Audit Committee in November 2019. This was an update on the current effectiveness of the Authority's performance management arrangements. It provides an appraisal of the arrangements that make up the performance framework to ensure that Audit Committee are able to take an overview of their effectiveness. Each arrangement has been scored based on the council's self-evaluation framework; the key elements were all scored *adequate* or *good*, no measure was scored *weak* or *unsatisfactory*.
- 84 The Equality Impact Assessment and Sustainable Development checklists were revised and combined to align with the Future Generations Act. The "Future Generations Evaluation " ensures the decisions the Council makes are carefully considered to take equality and sustainable development into account, this includes legislation that Monmouthshire County Council is subject to the Equality Act 2010, Wellbeing of Future Generations Act and Welsh Language (Wales) Measure 2011. A range of these were undertaken during 2019/20 which have been published on the website accompanying decision making reports.
- 85 The Council has a long-standing commitment to equality and diversity and under the Equality Act 2010, has to produce a Strategic Equality Plan. The Council's second Strategic Equality Plan 2016-2020 sets the council's objectives to ensure we deliver better outcomes for people with protected characteristics. An annual monitoring report for 2018/19 has been produced and scrutinised by Strong Communities Select Committee in February 2020.
- 86 The Council has a Welsh Language Strategy for 2017 – 2022, which sets out a vision of how Welsh language will look in Monmouthshire in 5 years, and is accompanied by targets to help achieve that vision. Also the Welsh Language Monitoring Report 2018/19 was presented to Strong Communities Select in June 2019 to note compliance and progress made with the Welsh Language Standards allocated to Monmouthshire County Council.

Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes

- 87 The Local Authority is a partner in the South East Wales Consortium Schools Causing Concern protocol. This Policy forms a part of, and is aligned with, the National Model for School Improvement in relation to the informal support and challenge provided by the Local Authority (LA) to a school prior to any issuing of a warning notice or invocation of formal powers of intervention based on the six grounds for intervention. It also aligns with the Welsh Government (WG) Guidance on Schools Causing Concern (March 2016).
- 88 Contract Procedure Rules exemptions are reported to the Audit Committee (July 2019); managers have been challenged in year to justify their procurement outside the Council agreed procedures.
- 89 Regular reporting into Cabinet, Scrutiny and Audit Committee enables the achievement of the Council's objectives to be challenged and appropriate actions put in place to address any identified issues so that the intended outcomes can be achieved. The Strategic Risk Assessment 2019/20 was also reported to Audit Committee (February 2020) and signed off by Cabinet during the year.
- 90 Dealing with customer complaints helps Monmouthshire to identify and deal with failures in service delivery. The Council's complaint / compliment procedure is available on the web site. Out of 143 complaints received in 2018/19, 132 were resolved informally although 2 complaint was referred to the Ombudsman, who decided not to investigate. 14 formal complaints were received, 5 of which were escalated. 187 comments were received along with 180 compliments. (Standards Committee September 2019)

Principle E: Developing the entity’s capacity, including the capability of its leadership and the individuals within it

- 91 The Council’s recruitment procedures provide equality of employment opportunities. The equality-assessed pay structure meets the requirements of the Single Status Agreement of 1997. The Single Status Collective Agreement was approved by Cabinet in September 2010. This is complemented by the People Strategy.
- 92 Developing the digital capabilities of people and systems to enable effectiveness, efficiency and enhanced customer services (measured via the Digital Programme Service Business Plan)
- 93 There is continued support for Members’ development through briefing sessions and other learning opportunities. A comprehensive training programme was developed for the intake of new members following Council elections in May 2017 including:

Council Induction	Licensing	Audit
Planning	Scrutiny	Children & Young People
Finance	Governance	Safeguarding
Security at Events	Equalities	

- 94 There is also ongoing training and development which meets the needs of officers and Members through the corporate programme. Coaching and leadership skills training will be rolled out to all managers in due course. Check in, Check Out provides a value-based performance assessment approach between staff and line managers and aims to ensure employees have clear and effective understanding of their contribution to the objectives of their teams and subsequently the Council.
- 95 A Scrutiny Member Development Training Programme is in place which provides ongoing specific skills based training for Members and includes scrutiny induction; this is agreed by the Scrutiny Chairs’ Group. The training programme forms part of the Scrutiny Service Plan.
- 96 Appropriate and relevant job descriptions were in place for the Chief Executive, Senior Leadership Team (SLT), Monitoring Officer and Head of Finance.

Partnerships/collaboration working

- 97 There is Council policy on information sharing along with numerous information sharing protocols with our partners; this is included within the Data Protection Policy. Information sharing is key to joined-up service delivery. The Wales Accord on the Sharing of Personal Information (WASPI) was developed as a practical approach to multi agency sharing for the public sector in Wales, and Monmouthshire signed up to this in January 2011. The Authority is required to meet statutory obligations regarding the handling and sharing of data, in accordance with the General Data Protection Regulation 2018. The Information Sharing protocol has been developed to ensure information is only shared appropriately, safely and compliantly.
- 98 The Council ensures that it has appropriate governance arrangements around its collaborations with other public agencies and other third parties. These can take a range of forms, from informal arrangements to those where governance arrangements are determined through legislation. The governance arrangements form a key part of the decision making processes that the Cabinet or Council follow when deciding to enter a collaborative arrangement, transparent local accountability is a key area of focus.
- 99 As a key example of our commitment to effective governance, arrangements have been developed for the PSB Select Committee.
- 100 The Community & Partnership Development Team was developed in order to help build sustainable and resilient communities that support the wellbeing of current and future generations in Monmouthshire which is a shared purpose with the public service board partners. The Team work with communities

and partners to help bring about social change and improve the quality of life in the county. The team act as enablers, unlocking potential and supporting sustainability through collective impact; providing a resource and tangible link between local communities and a wide range of partners; enabling the delivery of measureable and sustainable programme of activities that will constantly look to the future. The team will ensure MCCs statutory duties are fulfilled across the partnerships landscape in relation to:

- Crime & Disorder Act & Community Safety
- VAWDASV & DHR's
- UNCRC & Youth Support Services
- Older Peoples Phase 3 Strategy
- Armed forces Community Covenant
- Delivery of PSB wellbeing objectives
- Working closely with partners and communities to deliver a joined up approach against our Social Justice Strategy

Principle F: Managing risks and performance through robust internal control and strong public financial management

- 101** There are robust arrangements for effective internal financial control through the Council's accounting procedures and financial regulations. These include established budget planning procedures, which are subject to risk assessment, and regular reports to members comparing actual revenue and capital expenditure to annual budgets. The Chief Finance Officer is responsible for the proper administration of the Council's financial affairs, as required by Section 151 of the Local Government Act 1972. Procedures for tendering and contract letting are included in the Contract Procedure Rules and Financial Procedure Rules. The Council's Treasury Management arrangements follow professional practice, are subject to regular review and are contained in the Treasury Management Strategy approved by Council each year.
- 102** In July 2017 Audit Wales reported to Audit Committee that the "Council has a clear strategic approach for significant service changes, although better information would help Members when deciding the future shape of the Council" (Good Governance when Determining Significant Service Changes report, March 2017).
- 103** In its Annual Improvement Report 2018/19, reported to Audit Committee July 2019, AUDIT WALES concluded that the Council is meeting its statutory requirements in relation to continuous improvement and is likely to comply with the requirements of the Local Government Measure (2009) during 2019/20. No formal recommendations were made although there were a number of proposals for improvement.
- 104** The anti-fraud, bribery and corruption strategy was revised and updated during 2017/18. It was approved by Cabinet July 2017 and provides a deterrent, promotes detection, identifies a clear pathway for investigation and encourages prevention. The Council's Council Tax Reduction Anti-Fraud Policy was approved by Cabinet in June 2015. A training package has been developed and presented to Audit Committee (January 2020). This will be rolled out to all managers in order to raise awareness of anti-fraud, bribery and corruption issues.
- 105** The Audit Committee considers the effectiveness of the Council's arrangements for securing continuous improvement including risk management arrangements. The Audit Committee also considers corporate governance, monitors the work of auditors and inspectors, and monitors the relationships between auditors and staff and the responses to audit and inspection recommendations. It also has responsibility for reviewing the Annual Statement of Accounts and its associated reports (which include this statement) before approval by Council. The Audit Committee has an independent, non-political, Chairman who prepares an annual report of the work of the Audit Committee.
- 106** Internal Audit operate to the standards set out in the 'Public Sector Internal Auditing Standards' which have been developed from the Institute of Internal Auditors (IIA) International Internal Auditing Standards which came into effect in April 2013. The team's role and status is set out in the Council's Internal Audit Charter. The Chief Internal Auditor reports to the Audit Committee a summary of audit

findings for each quarter, and also reports annually an opinion on the overall adequacy and effectiveness of the Council's internal control environment.

- 107** The Chief Internal Auditor continues to ensure Internal Audit complies with the Public Sector Internal Audit Standards. A self assessment was undertaken during 2017/18 to assess compliance with the Standards which was validated in March 2018 by an external assessor, the Chief Internal Auditor of Neath Port Talbot Council.
- 108** The Council has an objective and professional relationship with its external auditors and statutory inspectors. It manages its information resource through strategies and policies to enable effective decision making which is managed via the Information Strategy and action plan.

Risk management

- 109** The Council's Strategic Risk Management Policy was updated and approved by Cabinet in March 2019; progress was reported into Audit Committee in February 2020. The policy requires the proactive participation of all those responsible for planning and delivering services in identifying, evaluating and managing high level strategic risks to the Council's priorities, services and major projects. The risk controls necessary to manage them are identified and monitored to ensure risk mitigation.
- 110** Within the Council the purpose of risk management is to:
- preserve and protect the Council's assets, reputation and staff
 - aid good management of risk and support whole authority governance
 - aid delivery of its population outcomes internally and when working with partners
 - improve business performance and anticipated risks in delivering improvements
 - avoid unnecessary liabilities, costs and failures
 - shape procedures and responsibilities for implementation.

The 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 Authority.

The risk assessment is prepared by drawing on a wide range of evidence including service plans, performance measures, regulatory reports, progress on the previous risk assessment and the views of select committees. In order to mitigate the risks, proposed actions are recorded and also aligned back into the respective service business plan. The risk assessment is a living document and is updated over the course of the year as new information comes to light.

- 111** The Council's Strategic Risk Assessment for 2019/20 contains 16 risks. These were reviewed throughout the year with the latest version was presented to Audit Committee in February 2020. The majority were rated initially as medium risks; 13 medium risks, 1 medium / high risk and 2 high risks pre mitigation. Following mitigation there were 3 low risks, 6 medium to low risks, 4 remained as medium, 1 risk moved from medium to high to low and 2 remained as high risks.

Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability

- 112** The South East Wales Education Achievement Service (EAS) Business Plan 2019/20 was presented to Cabinet in April 2019. The plan sets out the priorities, programmes and outcomes to be achieved by the EAS on behalf of the South East Wales Consortium.
- 113** Other reports were taken through Cabinet during 2019/20 demonstrating transparency and accountability, for example:

- Schools Admissions Policy 2020/21
- Agency & Self Employed Workers Policy
- Sudbrook S.106 Papermill off site recreation funding
- Social Justice Strategy
- Monmouthshire Replacement LDP Issues, Vision and Objectives
- Investment Proposal for Caldicot Castle
- Establish Monmouthshire MedTech
- The Resources restructure
- Council Tax base 2019/20
- Code of Practice – Ethical employment in supply chains

114 The updated People Strategy was endorsed by Cabinet in July 2018; this is the overarching framework for People and Organisational Development which supports its role in ensuring the organisation is equipped with the collective capacity, capability and mindset to meet financial and improvement challenges and respond to opportunities that present

115 The Council's first Commercial Strategy was endorsed by Cabinet in July 2018; The purpose of this report was to present for approval the Council's first Commercial Strategy and accompanying action plan. The strategy builds upon aspects of the Procurement, Digital and Asset Management Strategies and is a key means through which the Council can play a role in the self-determination of its future viability and sustainability.

116 In September 2019, the updated Digital Infrastructure Action Plan was approved by Cabinet. It recommended:

- a) encouraging broadband providers to install full fibre infrastructure in the County
- b) establishing a strategic broadband working group
- c) addressing digital deprivation issues
- d) to consider opportunities for funding install of 5G

117 There have been significant developments in technology in the last 4 years, and the experience, data and evidence we have collected from our customers about the way they wish to engage and transact with us has informed this new strategy. Our workforce needs to have the digital knowledge and skills to build in end to-end automated customer services and business processes. We need to reduce demand through self-service facilities and provision of accurate, relevant data and information that people can use with confidence to make decisions.

118 In July 2018, the Council's latest iteration of its Procurement Strategy was approved by Cabinet. The Strategy builds upon workshop sessions undertaken with the Economy and Development Select Committee and the aims, aspirations and priorities for procurement, identified throughout the participative process.

119 Transparency and openness is important to Monmouthshire; the Annual Statement of Accounts was taken through the Audit Committee process before being endorsed by Council. All public meetings of the Council, including Council, Cabinet, Select, Audit Committee, Planning Committee are live streamed on YouTube and are available to view on the Council's YouTube channel at any time after the meeting, which provides greater transparency of the Council's business.

120 The Council's enabling strategies have been revised to align to the delivery of the corporate plan, these include the Digital Strategy, People Strategy and Asset Management Strategy as well as linking in with MCC's Service Business Plans.

121 The Audit Committee continues to support the Internal Audit team and endorses its annual report and plan. The plan details the work and service areas the team will cover based on a risk assessment in order to provide assurance on the adequacy of the internal controls, governance arrangements and risk management process. The Audit Committee presents its Annual report to Council.

122 The Whole Authority Report complaints, comments and compliments 2018/19 was presented to Standards Committee in September 2019 which identified the number and types of feedback received and dealt with from 1 April 2018 until 31 March 2019.

Information Governance

123 Monmouthshire County Council (MCC) worked through a "Dripping tap campaign" to raise awareness of and comply with the General Data Protection Regulation 25th May 2018- specifically following the "12 Steps to Compliance" as recommended by the Information Commissioner's Office (ICO). The Information Governance Group chaired by Senior Information Risk Officer (SIRO), meet regularly to ensure that MCC is on track. GDPR Operational Leads have been established, along with Digital Champions linking in with teams, individuals and volunteers to ensure compliance and messages are communicated.

124 To provide tools to do the job, MCC have a dedicated GDPR website with templates (e.g. for privacy notices), charts (e.g. for establishing individual rights) and general advice/ updates on the regulation.

125 To keep the public informed, MCC has now published its online privacy notices for relevant service areas. Services also where appropriate, pro-actively promote notices by way of email, newsletter, app notification, letter, printed display or web link. Privacy notices are to be reviewed by Services on a regular basis for accuracy along with other GDPR related documents (Such as Information Audit- "Systems List" and Data Protection Impact Assessments).

126 The Corporate GDPR Policy is on the public website for clarity. Related policies will be updated accordingly by relevant lead officers, so that they satisfy GDPR requirement. Links are in place to work with the South East Wales Information Forum (SWIF) on a regular basis to share best practice. Good housekeeping is encouraged as is continuous improvement to mitigating against the risk of harm to individuals, although it is recognised further work is required to back date data cleansing tasks which require considerable capacity.

Main areas for Improvement

127 The Council will continue to monitor and review its governance arrangements and identify any gaps. These will be addressed during the year to further strengthen governance in Monmouthshire County Council:

- continue to deliver awareness raising sessions on the importance of compliance with Contract Procedure Rules and Financial Procedure Rules;
- Revise and update the Code of Corporate Governance and get it formally approved by Cabinet

Action Plan 2018/19

128 Appendix 1 shows how the 2018/19 Action plan areas for improvement have been addressed during 2019/20.

Monitoring & Evaluation

129 We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements

that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed:2020

Councillor Peter Fox Leader

Signed:2020

Paul Matthews Chief Executive

Progress against the Action Plan 2018/19

Governance Principle	Area for Improvement	Progress
Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law	Continue to deliver awareness raising sessions on the importance of compliance with Contract Procedure Rules and Financial Procedure Rules;	Internal Audit have continued to deliver training sessions within schools and on the manager's induction programme.
Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law	The Code of Corporate Governance was last approved by Council in July 2011. This will need to be updated and approved in line with Delivering Good Governance in Local Government Framework 2016'	Outstanding. The Code of Corporate Governance has been updated and will be presented to Audit Committee by the end of Q2 before being taken to Cabinet.
Principle F: Managing risks and performance through robust internal control and strong public financial management	The Council will work through the AUDIT WALES Proposals for improvement in the following areas: <ul style="list-style-type: none"> ▪ Scrutiny: Fit for the Future? ▪ Review of Asset Management ▪ Information Management ▪ Whole Authority review of children's safeguarding 	A corporate plan has been developed that sets out a clear direction for the Council up to 2022. The role and purpose of service planning has been reviewed and a revised process established aligned to the corporate plan. Council's enabling strategies have been revised to align to the delivery of the corporate plan, these include the Digital Strategy, People Strategy and Asset Management Strategy The Council's Strategic Risk Management Policy was updated

The independent auditor's report of the Auditor General for Wales to the Members of Monmouthshire County Council

Report on the audit of the financial statements

Opinion

I have audited the financial statements of Monmouthshire County Council for the year ended 31 March 2020 under the Public Audit (Wales) Act 2004.

Monmouthshire County Council's financial statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, and the related notes, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and the Code of Practice on Local Authority Accounting in the United Kingdom 2019-20 based on International Financial Reporting Standards (IFRSs).

In my opinion the financial statements:

- give a true and fair view of the financial position of Monmouthshire County Council as at 31 March 2020 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2019-20.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)). My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the Council in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter – effects of COVID-19 on the valuation of land and buildings and investment properties

We draw attention to Note 17.7 of the financial statements, which describes material valuation uncertainties regarding the valuations of land and buildings and of investment properties arising from the current COVID-19 pandemic. Our opinion is not modified in respect of these matters.

Emphasis of matter – effects of COVID-19 on the valuation of pension fund assets

We draw attention to Note 14 of the financial statements, which describes estimation uncertainties regarding the valuations of certain pension fund assets arising from the current COVID-19 pandemic. Our opinion is not modified in respect of this matter

Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the responsible financial officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Council's ability to continue to adopt the going concern

basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

Other information

The responsible financial officer is responsible for the other information in the Statement of Accounts. The other information comprises all information included other than the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated later in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

Report on other requirements

Opinion on other matters

In my opinion, based on the work undertaken in the course of my audit:

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Narrative Report has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2019-20; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and the Annual Governance Statement has been prepared in accordance with guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of the Council and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Annual Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- proper accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all the information and explanations I require for my audit.

Certificate of completion of audit

I certify that I have completed the audit of the accounts of Monmouthshire County Council in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

Responsibilities

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the responsible financial officer is responsible for the preparation of the Statement of Accounts, which give a true and fair view, and for such internal control as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the Statement of Accounts, the responsible financial officer is responsible for assessing the Council's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Adrian Crompton
Auditor General for Wales
26 October 2020

24 Cathedral Road
Cardiff
CF11 9L

Movement In Reserves Statement for the Year Ended 31st March 2020

	Note	Council Fund Balance £000	Earmarked Reserves £000	Capital Receipts Reserve £000	Total Usable Reserves £000	Unusable Reserves £000	Joint Arrangement - CCRC £000	Total Reserves £000
Balance at 1st April 2018		7,285	7,374	3,554	18,214	(2,630)	1,582	17,166
Movement in reserves during 2018/19								
Total Comprehensive Income and Expenditure		(12,875)	-	-	(12,875)	(42,280)	911	(54,244)
Adjustments between accounting basis & funding basis under regulations	10.2	11,706	-	1,027	12,733	(12,733)	-	-
Net Increase/(Decrease) before Transfers to Earmarked Reserves		(1,169)	-	1,027	(142)	(55,013)	911	(54,244)
Transfers to/(from) Earmarked Reserves	10.4	761	(761)	-	-	-	-	-
Increase/(Decrease) in 2018/19		(408)	(761)	1,027	(142)	(55,013)	911	(54,244)
Balance at 31st March 2019 carried forward		6,877	6,613	4,582	18,071	(57,643)	2,493	(37,077)
Movement in reserves during 2019/20								
Total Comprehensive Income and Expenditure		(23,337)	-	-	(23,337)	60,554	142	37,360
Adjustments between accounting basis & funding basis under regulations	10.2	24,700	-	(1,374)	23,327	(23,327)	-	(0)
Net Increase/(Decrease) before Transfers to Earmarked Reserves		1,363	-	(1,374)	(11)	37,228	142	37,360
Transfers to/(from) Earmarked Reserves	10.4	230	(230)	-	-	-	-	0
Increase/(Decrease) in 2019/20		1,593	(230)	(1,374)	(11)	37,228	142	37,360
Balance at 31st March 2020 carried forward		8,471	6,383	3,208	18,061	(20,415)	2,636	283

Comprehensive Income & Expenditure Statement for the Year Ended 31st March 2020

2018/19				2019/20			
Gross Expenditure £000 (Restated)*	Gross Income £000 (Restated)*	Net Expenditure £000		Note	Gross Expenditure £000	Gross Income £000	Net Expenditure £000
72,914	(10,963)	61,951	Children & Young People		73,298	(13,317)	59,981
65,623	(16,231)	49,392	Social Care & Health		71,689	(17,367)	54,322
61,278	(26,087)	35,190	Enterprise		63,253	(28,015)	35,238
5,035	(521)	4,514	Chief Executives Unit		6,649	(865)	5,784
39,303	(22,415)	16,889	Resources		40,854	(22,658)	18,196
2,493	(691)	1,803	Corporate		3,591	(2,748)	843
77	(259)	(182)	Cardiff Capital Region City Deal (CCRCD)	16.6	150	(308)	(158)
246,723	(77,166)	169,557	Cost of Services	11.1	259,483	(85,278)	174,206
			Other operating expenditure:				
			<i>Precepts & Levies:</i>				
10,960	0	10,960	Gwent Police Authority		11,779	0	11,779
4,351	0	4,351	South Wales Fire & Rescue Authority		4,383	0	4,383
2,676	0	2,676	Community and Town Councils		2,699	0	2,699
100	0	100	National Parks		106	0	106
94	0	94	Internal Drainage Boards		94	0	94
115	(593)	(478)	Gains/losses on the disposal of non-current assets		300	(229)	71
		17,703	Total Other operating expenditure				19,131
28,547	(22,894)	5,653	Financing and investment income and expenditure	11.3	17,189	(9,850)	7,340
			Taxation & non-specific grant income:				
0	(70,741)	(70,741)	Council Tax	11.5	0	(75,628)	(75,628)
0	(30,177)	(30,177)	Non-domestic rates redistribution	11.5	0	(30,682)	(30,682)
0	(79,309)	(79,309)	General government grants	11.6	0	(71,205)	(71,205)
0	(756)	(756)	Recognised Capital Grants & Contributions: CCRCD		0	0	0
34		34	Tax Expenses: CCRCD		33		33
		11,964	(Surplus) or Deficit on Provision of Services				23,195
			Other Comprehensive Income and Expenditure:				
		5,857	(Surplus) or deficit on revaluation of Property, Plant and Equipment assets	12.1			(4,139)
		(46)	Surplus or deficit from investments in equity instruments designated at fair value through other comprehensive income				401
		36,469	(Gains)/losses on remeasurement of pension assets / liabilities	14.3			(56,816)
		42,280	Total Other Comprehensive Income and Expenditure				(60,554)
		54,244	Total Comprehensive Income and Expenditure				(37,360)

* 2018/19 Expenditure and income has been restated to reflect the change in calculation of extinguishing direct internal recharges to ensure that expenditure and income is not overstated. There is no overall bottom line impact of making this restatement.

Balance Sheet as at 31st March 2020

31st March 2019 £000s		Note	31st March 2020 £000s
238,607	Other land and buildings	12.1	241,221
10,403	Vehicles, plant, furniture and equipment	12.1	10,470
66,086	Infrastructure	12.1	71,151
4,319	Community assets	12.1	4,459
3,019	Assets under construction	12.1	2,844
110	Surplus assets not held for sale	12.1	0
4,743	Heritage Assets	12.7	4,792
64,682	Investment Property	12.5	63,428
383	Intangible Assets		220
60	Long-Term Investments	13.1	91
5,847	Long Term Debtors	13.5	2,993
398,258	Long term assets		401,670
11,101	Short Term Investments	13.1	5,658
430	Inventories		482
26,693	Short Term Debtors	13.5	28,511
13,362	Cash and Cash Equivalents	15.3	22,377
2,100	Assets Held for Sale	12.6	2,060
53,687	Current Assets		59,088
(103)	Cash and Cash Equivalents	15.3	(1,475)
(73,588)	Short Term Borrowing	13.1	(95,123)
(27,811)	Short Term Creditors	13.6	(24,768)
(3,561)	Provisions	13.7	(4,534)
(105,064)	Current Liabilities		(125,900)
(268,213)	Liability related to defined benefit pension scheme	10.9	(230,526)
(592)	Provisions	13.7	(502)
(105,810)	Long Term Borrowing	13.1	(92,591)
(1,870)	Long Term Creditors: CCRC		(2,734)
(2,350)	Other Long Term Liabilities	13.1	(2,352)
(3,170)	Capital Grants Receipts in Advance	11.6	(3,852)
(1,954)	Revenue Grants Receipts in Advance		(2,018)
(383,959)	Long Term Liabilities		(334,576)
(37,077)	Net Assets		283
6,877	Council Fund Balance	10.3	8,471
6,613	Earmarked Reserves	10.4	6,383
4,581	Capital Receipts Reserve	10.6	3,208
250	Usable Reserves: CCRC		392
18,321	Usable Reserves		18,453
38,948	Revaluation Reserve	10.7	41,523
(268,213)	Pensions Reserve	10.9	(230,526)
166,977	Capital Adjustment Account	10.8	167,534
8,168	Deferred Capital Receipts Reserve	10.11	5,479
(631)	Financial Instrument Adjustment Account		(517)
46	Financial Instrument Revaluation Reserve		(355)
(2,939)	Accumulating Absence Adjustment Account	10.10	(3,553)
2,243	Unusable Reserves: CCRC		2,243
(55,400)	Unusable Reserves		(18,172)
(37,078)	Total Reserves		283

Cash Flow Statement for the Year Ended 31st March 2020

31st March 2019			31st March 2020
£000		Note	£000
11,964	Net (surplus) or deficit on the provision of services	15.1	23,195
(36,426)	Adjustments to net surplus or deficit on the provision of services for non-cash movements	15.1	(35,955)
18,933	Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities	15.1	14,723
(5,529)	Net cash flows from Operating Activities	15.1	1,963
70,287	Purchase of property, plant and equipment, investment property and intangible assets		21,405
11,096	Purchase of short-term and long-term investments		11,607
0	Other payments for investing activities		0
(9,321)	Proceeds from the sale of property, plant and equipment, investment property and intangible assets		(4,537)
(4,871)	Proceeds from short-term and long-term investments		(19,310)
(17,295)	Other receipts from investing activities		(10,487)
49,895	Net Cash (Inflow)/Outflow from Investing Activities		(1,321)
	Financing Activities		
2,065	Repayments of short and long-term borrowing		546
32	Cash payments for the reduction of the outstanding liabilities relating to finance leases and on-balance sheet PFI contracts		31
(51,592)	Cash receipts of short and long-term borrowing		(8,863)
0	Other receipts from financing activities		0
(49,496)	Net Cash (Inflow)/Outflow from Financing Activities		(8,285)
(5,130)	Net (increase) / decrease in cash and cash equivalents		(7,643)
8,128	Cash and cash equivalents at the beginning of the reporting period		13,259
13,258	Cash and cash equivalents at the end of the reporting period	15.3	20,902

**Notes to the Accounts
for the Year Ended
31st March 2020**

10 MOVEMENT IN RESERVES STATEMENT NOTES

10.1 Movement in Reserves

This statement shows the movement in the year on the different reserves held by the authority, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other 'unusable' reserves. A summary of the movement in reserves during the financial year is illustrated below. More detailed information to support the Movement in Reserves Statement follows this note.

	Note	Balance at 1st April 2018 £000	Movement in Reserve £000	Balance at 31st March 2019 £000	Movement in Reserve £000	Balance at 31st March 2020 £000
Usable Reserves:						
Council Fund balance: Authority	10.3	7,110	(0)	7,110	1,796	8,906
Council Fund balance: LMS School Balances	10.5	175	(408)	(232)	(203)	(435)
Earmarked reserves	10.4	7,374	(761)	6,613	(230)	6,383
Capital Receipts Reserve	10.6	3,554	1,027	4,581	(1,373)	3,208
Usable Reserves: CCRCD		95	155	250	142	392
Total Usable Reserves		18,309	12	18,321	133	18,453
Unusable Reserves:						
Revaluation Reserve	10.7	46,299	(7,351)	38,948	2,575	41,523
Capital Adjustment Account	10.8	170,061	(3,084)	166,977	557	167,534
Financial Instruments Adjustment Account		(744)	114	(631)	114	(517)
Pension Reserve	10.9	(217,645)	(50,568)	(268,213)	37,687	(230,526)
Deferred Capital Receipts Reserve	10.11	3,000	5,168	8,168	(2,689)	5,479
Financial Instrument Revaluation Reserve		0	46	46	(401)	(355)
Accumulated Absences Adjustment Account	10.10	(3,601)	662	(2,939)	(614)	(3,553)
Unusable Reserves: CCRCD	16.6	1,487	756	2,243	0	2,244
Total Unusable Reserves		(1,143)	(54,256)	(55,400)	37,228	(18,171)
Total Authority Reserves		17,165	(54,243)	(37,077)	37,361	282

10.2 Adjustments Between Accounting Basis and Funding Basis Under Regulations

This note summarises the adjustments that are made to the total comprehensive income and expenditure recognised by the Authority in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Authority to meet future capital and revenue expenditure. A more detailed overview is provided in the individual notes that follows for each reserve:

Movements in 2019/20:	Council Fund Balance £000	Usable Reserves £000	Unusable Reserves £000
Adjustments primarily involving the Capital Adjustment Account:			
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:			
Charges for depreciation and impairment of Property, Plant and Equipment assets	14,523	0	(14,523)
Charges for impairment of Heritage Assets	189	0	(189)
Revaluation movements on Heritage Assets	(0)	0	0
Revaluation movements on Property Plant and Equipment (charged to SDPS)	518	0	(518)
Revaluation movements on Assets Held for Sale (charged to SDPS)	0	0	0
Movements in the market value of Investment Properties	560	0	(560)

Amortisation and impairment of intangible assets	186	0	(186)
Capital grants and contributions applied	(8,658)	0	8,658
Revenue expenditure funded from capital under statute	4,161	0	(4,161)
Amounts of non current assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	1,290	0	(1,290)
<i>Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:</i>			
Statutory provision for the financing of capital investment (MRP)	(5,564)	0	5,564
Capital expenditure charged against the Council Fund	(286)	0	286
Adjustments involving the Capital Receipts Reserve:			
Transfer of sale proceeds credited as part of the gain/loss on disposal to the CIES	(1,847)	4,537	(2,689)
Use of the Capital Receipts Reserve to finance new capital expenditure	0	(5,910)	5,910
Adjustments involving the Financial Instruments Adjustment Account:			
Amount by which finance costs charged to the CIES are different from finance costs chargeable in the year in accordance with statutory requirements	(113)	0	113
Adjustments involving the Pensions Reserve:			
Reversal of items relating to retirement benefits debited or credited to the CIES	32,284	0	(32,284)
Employer's pensions contributions and direct payments to pensioners payable in the year	(13,155)	0	13,155
Adjustment involving the Accumulated Absences Account:			
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	614	0	(614)
Adjustment between the Capital Adjustment Account and the Revaluation Reserve:			
Depreciation of non-current asset revaluation gains	0	0	0
Total adjustments between accounting basis & funding basis under regulations	24,700	(1,374)	(23,327)

Movements in 2018/19:	Council Fund Balance £000	Usable Reserves £000	Unusable Reserves £000
Adjustments primarily involving the Capital Adjustment Account:			
<i>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:</i>			
Charges for depreciation and impairment of Property, Plant and Equipment assets	7,617	-	(7,617)
Charges for impairment of Heritage Assets	0	-	0
Revaluation movements on Heritage Assets	0	-	0
Revaluation movements on Property Plant and Equipment (charged to SDPS)	12,830	-	(12,830)
Revaluation movements on Assets Held for Sale (charged to SDPS)	62	-	(62)
Movements in the market value of Investment Properties	1,525	-	(1,525)
Amortisation and impairment of intangible assets	159	-	(159)
Capital grants and contributions applied	(16,218)	-	16,218
Revenue expenditure funded from capital under statute	1,479	-	(1,479)
Amounts of non current assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	10,334	-	(10,334)

Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:			
Statutory provision for the financing of capital investment (MRP)	(4,421)	0	4,421
Capital expenditure charged against the Council Fund	(281)	-	281
Adjustments involving the Capital Receipts Reserve:			
Transfer of sale proceeds credited as part of the gain/loss on disposal to the CIES	(14,706)	9,537	5,168
Use of the Capital Receipts Reserve to finance new capital expenditure	0	(8,510)	8,510
Adjustments involving the Financial Instruments Adjustment Account:			
Amount by which finance costs charged to the CIES are different from finance costs chargeable in the year in accordance with statutory requirements	(113)	-	113
Adjustments involving the Pensions Reserve:			
Reversal of items relating to retirement benefits debited or credited to the CIES	26,143	-	(26,143)
Employer's pensions contributions and direct payments to pensioners payable in the year	(12,044)	-	12,044
Adjustment involving the Accumulated Absences Account:			
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(662)	-	662
Adjustment between the Capital Adjustment Account and the Revaluation Reserve:			
Depreciation of non-current asset revaluation gains	-	-	-
Total adjustments between accounting basis & funding basis under regulations	11,706	1,027	(12,733)

10.3 Usable Reserves available for Revenue Purposes

The in-year movements in the Authority's usable Reserves that are available to be applied for revenue purposes are summarised below:

Each of the Authority's Schools is directly governed by a Board of Governors, which is responsible for managing the school's finances. The balance on the Council Fund includes £(435,000) in respect of underspent (or overspent) budgets which have been delegated to schools. These balances are at the disposal of the respective schools and represent an earmarked reserve which is not available for the Authority to use generally.

	At 1st April 2018 £000	In Year Movement £000	At 31st March 2019 £000	In Year Movement £000	At 31st March 2020 £000
Amount of Council Fund Balance held by Schools under Local Management Schemes	175	(408)	(232)	(203)	(435)
Amount of Council Fund Balance generally available for new expenditure	7,110	(0)	7,110	1,795	8,906
Total Council Fund Balance	7,286	(408)	6,877	1,592	8,471
Earmarked Revenue Reserves	7,374	(761)	6,613	(230)	6,383
Total Usable Reserves available for Revenue Purposes	14,660	(1,169)	13,490	1,362	14,853

10.4 Transfers to/from Earmarked Reserves

This note sets out the amounts set aside from the Council Fund into earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet Council Fund expenditure.

Earmarked reserves have been set up where there has been a need to set aside resources for a specific future purpose. The purpose of each earmarked reserve is detailed below. Utilisation of these reserves is under the control of the Cabinet and has been approved by it.

The transfers to and from Earmarked Reserves in 2019/20 can be summarised as follows:

	At 1st April 2018 £000	Transfer to Reserves £000	Transfer from Reserves £000	At 31st March 2019 £000	Transfer to Reserves £000	Transfer from Reserves £000	At 31st March 2020 £000
Invest to Redesign	1,302	68	(288)	1,083	278	(194)	1,168
Priority Investment	687		(282)	405			405
Insurance and risk management	1,046		(28)	1,019		(83)	935
IT Transformation	735		(256)	479		(225)	254
Treasury equalisation	990			990			990
Capital Investment	648		(5)	643		(16)	627
Redundancy and Pensions	497		(164)	333		(88)	245
Capital Receipt Generation	347	50	(118)	279		(98)	181
Other reserves							
Elections	58	25		83	35		118
Museums acquisition	56		(3)	53			53
Solar Farm Maintenance & Community Fund	23	18		41	23		64
Castlegate	0	80		80			80
Newport Leisure Park	0	62		62			62
Service Reserves:							
Local Resilience Forum	0	115		115	84	(2)	198
Grass Routes Buses	146	5		151	5		156
Schools sickness & maternity cover	1	136		136		(88)	48
Trading Accounts:							
Youth Offending Team	249		(99)	150			150
Outdoor education centres	129		(129)	0			0
Building Control	22		(8)	14		(13)	1
Rural Development Plan	278	136		413	116		530
Highways Plant & Equipment Replacement	150		(116)	34	75	(39)	69
Homeless Prevention	10	40		50			50
Total	7,374	734	(1,495)	6,613	617	(847)	6,383

Invest to Redesign Reserve - To fund service redesign to either improve the service, generate income or reduce costs.

I.T. Transformation Reserve - To invest in information technology in support of the organisations outcomes and generation of improved service efficiency, income generation or cost savings.

Capital Investment Reserve - To finance future capital expenditure.

Priority Investment Reserve - To fund additional one off investment in the Authority's agreed priorities.

Redundancy and Pensions Reserve - To meet redundancy costs and commuted payments for early retirements over a maximum of 5 years.

Insurance and Risk Management Reserve - To meet excesses and administration costs on claims against the Council, to provide cover on self insured risks and contribute to risk management activities.

Treasury Equalisation Reserve - Originally created from rescheduling discounts and premia, intended for use under the concept of prudence to permit a long term view to be taken of treasury decisions.

Capital Receipt Generation Reserve - Securing capital receipts is a vital element of the Authority's capital investment strategy. Improving the final disposal value by investment, either in the fabric of the asset or by proper disposal expertise ensures the Council obtains the best possible value for surplus assets.

Current accounting regulations are such that investing in disposal must be taken against the revenue account and these costs cannot be fully offset against the ultimate capital receipt. The reserve has been established to finance such expenditure.

Other Reserves - These include a number of other reserves where separate classification is not deemed necessary in the accounts due to the level of the reserve balance or its nature.

Service Reserves - Created from surpluses and deficits on the Authority's external and internal trading account activities, and maintained to support and develop these services.

Trading Reserves - Trading reserves at the year-end now represent balances created as a result of external trade or where the Authority assumes lead authority status for administering funds on behalf of other partner organisations.

10.5 School Balances

The balance on the Council Fund includes £(435,128) in respect of underspent (or overspent) budgets which have been delegated to schools. These balances are at the disposal of the respective schools and represent an earmarked reserve which is not available for the Authority to use generally. Details of the movements of these reserves are shown below:

	At 1st April 2018 £	In Year Movement £	At 31st March 2019 £	In Year Movement £	At 31st March 2020 £
Comprehensives					
Caldicot	(100,637)	35,624	(65,012)	(114,680)	(179,693)
Chepstow	158,456	(107,795)	50,662	(114,232)	(63,570)
King Henry VIII	(162,460)	79,663	(82,798)	(142,902)	(225,700)
Monmouth	(423,950)	(114,375)	(538,325)	75,795	(462,530)
Sub Total Comprehensives	(528,591)	(106,882)	(635,473)	(296,019)	(931,493)
Primaries					
Archbishop R Williams	79,455	(6,049)	73,405	10,311	83,716
Cantref	65,965	22,426	88,391	16,802	105,193
Castle Park	(43,659)	19,887	(23,773)	25,926	2,153
Cross Ash	59,356	(5,206)	54,151	10,007	64,157
Deri View	40,000	40,000	80,001	(6,044)	73,956
Dewstow	105,626	3,016	108,642	27,813	136,455
Durand	71,664	(42,578)	29,087	(16,396)	12,691
Gilwern	52,253	2,998	55,251	9,298	64,549
Goytre Fawr	10,803	(8,066)	2,738	32,156	34,893
Kymin View	34,657	(29,050)	5,607	32,348	37,955
Llandogo	(12,449)	(71,067)	(83,516)	(93,019)	(176,535)
Llanfair Kilgeddin CV	0	0	0	0	0
Llanfoist	49,579	(35,238)	14,341	10,530	24,871
Llantilio Pertholey	4,439	(14,082)	(9,643)	(11,373)	(21,016)

Llanvihangel Crucorney	511	33,830	34,342	15,343	49,684
Magor Vol Aided	(19,226)	(35,424)	(54,651)	35,866	(18,785)
New Pembroke Primary	181	(13,420)	(13,239)	14,444	1,205
Osbaston Church in Wales	635	(629)	6	(11,256)	(11,250)
Our Lady's & St Michael's Catholic Primary	(7,085)	(7,086)	(14,170)	30,030	15,859
Overmonnow	28,389	(46,862)	(18,473)	(15,456)	(33,928)
Raglan	(147,743)	39,292	(108,452)	75,340	(33,112)
Rogiet	26,145	(6,130)	20,014	(24,418)	(4,404)
Shirenewton	118,600	13,494	132,093	(3,203)	128,890
St Mary's (Chepstow)	6,055	(69,648)	(63,592)	17,074	(46,518)
The Dell	22,165	(5,776)	16,389	(13,357)	3,032
Thornwell	(9,566)	(44,157)	(53,722)	6,572	(47,150)
Trellech	87,650	(15,667)	71,983	(21,035)	50,948
Undy	(28,221)	(101,313)	(129,534)	(16,391)	(145,925)
Usk CV	62,920	(53,009)	9,910	36,032	45,942
Ysgol Gymraeg Y Fenni	58,965	(7,659)	51,306	(55,714)	(4,408)
Ysgol Gymraeg Ffin	(37,617)	4,637	(32,980)	(12,903)	(45,883)
Sub Total Primaries	680,449	(438,537)	241,912	105,324	347,236
Other					
Mounton House	(33,584)	175,089	141,505	30,555	172,060
Pupil Referral Unit	56,952	(37,299)	19,653	(42,584)	(22,931)
Sub Total Other	23,367	137,790	161,158	(12,029)	149,129
Total	175,225	(407,629)	(232,404)	(202,724)	(435,128)

10.6 Capital Receipts Reserve

Amounts in excess of £10,000 are categorised as capital receipts. The balance of receipts is required to be credited to the usable Capital Receipts Reserve, and can then only be used for new capital investment or set aside to reduce the Council's borrowing requirement. Receipts are appropriated to the reserve from the Council Fund via the Statement in Movements Statement.

2018/19 £000 (Restated)		2019/20 £000
3,554	Balance as at 1st April	4,581
9,321	Transfer of sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	1,847
108	Transfer from Deferred Capital Receipts Reserve upon receipt of cash	2,689
(8,403)	Less: use of the Capital Receipts Reserve to finance new capital expenditure	(5,910)
4,581	Balance as at 31st March	3,207

10.7 Revaluation Reserve

The Revaluation Reserve contains the net gains made by the Authority arising from increases in the value of its Property, Plant and Equipment, Heritage Assets and Intangible Assets. The balance is reduced when assets are:

- Revalued downwards or impaired;
- Used in the provision of services and the gains are consumed through depreciation; or
- Disposed of and the gains are realised.

The Reserve contains gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

2018/19 £000		2019/20 £000
46,299	Balance at 1 April	38,948
1,288	Upward revaluation of assets	5,411
(7,145)	Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the Provision of Services	(1,272)
(1,494)	Difference between fair value depreciation and historical cost depreciation	(1,564)
38,948	Balance at 31 March	41,523

10.8 Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Authority as finance for the costs of acquisition, construction and enhancement.

The Account contains accumulated gains and losses on Investment Properties that have yet to be consumed by the Authority. The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

This note provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

2018/19 £000		2019/20 £000
170,061	Balance at 1 April	166,977
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:	
(7,617)	Charges for depreciation and impairment of property, plant and equipment assets	(14,523)
0	Revaluation movements on heritage assets	0
0	Charges for impairment of heritage assets	(189)
(12,830)	Revaluation movements on Property, Plant and Equipment	(518)
(62)	Revaluation movements on Assets Held for Sale	0
(159)	Amortisation & impairment of intangible assets	(186)
(1,479)	Revenue expenditure funded from capital under statute	(4,161)
(10,334)	Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(1,290)
1,494	Adjusting amounts written out of the Revaluation Reserve	1,564
8,510	Use of the Capital Receipts Reserve to finance new capital expenditure	5,910
16,218	Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	8,658
4,421	Statutory provision for the financing of capital investment charged against the Council Fund	5,564
281	Capital expenditure charged against the Council Fund	286
(1,525)	Movements in the market value of Investment Properties debited or credited to the Comprehensive Income and Expenditure Statement	(560)
166,977	Balance at 31 March	167,534

10.9 Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post employment benefits and for funding benefits in accordance with statutory provisions. The Authority accounts for post employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Authority makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Authority has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

2018/19 £000		2019/20 £000
(217,645)	Balance at 1 April	(268,213)
(36,469)	Remeasurement gains or (losses) on pension assets and liabilities	56,816
(26,143)	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	(32,284)
12,044	Employer's pensions contributions and direct payments to pensioners payable in the year	13,155
(268,213)	Balance at 31 March	(230,526)

10.10 Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the Council Fund Balance from accruing for compensated absences earned but not taken in the year, for example, annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the Council Fund Balance is neutralised by transfers to or from the Account. Further information on the calculations of benefits can be found in notes 13.7(c) and 17.6 to the accounts.

2018/19 £000		2019/20 £000
(3,601)	Balance at 1 April	(2,939)
3,601	Settlement or cancellation of accrual made at the end of the preceding year	2,939
(2,939)	Amounts accrued at the end of the current year	(3,553)
(2,939)	Balance at 31 March	(3,553)

10.11 Deferred Capital Receipts

The Deferred Capital Receipts Reserve holds the gains recognised on the disposal of Land but for which full cash settlement has yet to take place. Under statutory arrangements, the authority does not treat these gains as usable for financing new capital expenditure until they are backed by cash receipts. When the deferred cash settlement eventually takes place, amounts are transferred to the Capital Receipts Reserve.

The balance at the 31st March 2020 is made up of £2,849,000 relating to the Old Abergavenny cattle market site disposed of under a finance lease and £2,630,000 relating to the phased receipts agreed for the disposal of land at Crick Road.

2018/19 £000		2019/20 £000
3,000	Balance at 1 April	8,168
5,262	Transfer of deferred sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	0
(94)	Transfer to the Capital Receipts Reserve upon receipt of cash	(2,689)
8,168	Balance at 31 March	5,479

11 COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT NOTES

11.1 Expenditure and Funding Analysis

The objective of the Expenditure and Funding Analysis is to demonstrate to council tax payers how the funding available to the authority (i.e. government grants, council tax and business rates) for the year has been used in providing services in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes between the council's directorates. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement (CIES).

2018/19				2019/20		
Net Expenditure Chargeable to the general fund £000	Adjustments between the Funding & Accounting Basis £000	Net Expenditure in the CIES £000		Net Expenditure Chargeable to the general fund £000	Adjustments between the Funding & Accounting Basis £000	Net Expenditure in the CIES £000
50,674	11,277	61,951	Children & Young People	51,883	8,098	59,981
46,269	3,123	49,392	Social Care & Health	50,087	4,234	54,322
21,888	13,302	35,190	Enterprise	24,376	10,862	35,238
4,270	244	4,514	Chief Executives Unit	4,735	1,049	5,784
6,928	9,961	16,889	Resources	7,191	11,005	18,196
20,362	(18,559)	1,803	Corporate	16,412	(15,569)	843
0	(182)	(182)	Cardiff Capital Region City Deal (CCRCD)	0	(158)	(158)
150,391	19,166	169,557	Cost of Services	154,685	19,521	174,206
(150,391)	(7,202)	(157,593)	Other Income & Expenditure	(156,481)	5,470	(151,011)
0	11,964	11,964	Surplus or Deficit	(1,796)	24,991	23,195
(7,111)			Opening General Fund Balance	(7,111)		
0			Surplus or Deficit on General Fund	(1,796)		
(7,111)			Closing General Fund Balance	(8,907)		

Adjustments from the General Fund to arrive at the CIES Amounts:

2018/19 (Restated)					2019/20			
Adjustments for Capital Purposes £000	Net Change for Pensions Adjustments £000	Other differences £000	Total Adjustments £000		Adjustments for Capital Purposes £000	Net Change for Pensions Adjustments £000	Other differences £000	Total Adjustments £000
11,093	1,620	(1,436)	11,277	Children & Young People	6,623	2,284	(809)	8,098
1,190	2,744	(811)	3,123	Social Care & Health	1,317	3,739	(821)	4,234
8,860	2,888	1,555	13,302	Enterprise	6,662	4,205	(5)	10,862
209	453	(417)	244	Chief Executives Unit	398	592	59	1,049
782	792	8,387	9,961	Resources	2,061	1,001	7,943	11,005
0	(379)	(18,181)	(18,559)	Corporate	2,768	723	(19,060)	(15,569)
0	0	(182)	(182)	Cardiff Capital Region City Deal (CCRCD)	0	0	(158)	(158)
22,133	8,118	(11,085)	19,166	Cost of Services	19,829	12,543	(12,851)	19,521
(21,189)	5,981	8,006	(7,202)	Other Income & Expenditure	(14,302)	6,586	13,186	5,470
944	14,099	(3,079)	11,964	Adjustments between the Funding & Accounting Basis	5,527	19,129	334	24,991

11.2 Expenditure & Income analysed by nature

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

2018/19 (Restated) £000		2019/20 £000
121,415	Employee benefits expenses	132,489
112,177	Other services expenses	117,623
28,093	Depreciation, amortisation and impairment	21,459
18,071	Precepts & levies	19,070
3,524	Interest payments	4,088
10,320	Gain/loss on disposal of non-current assets	1,337
293,600	Total Expenditure	296,066
(46,442)	Fees, charges & other service income	(51,115)
(268)	Interest and investment income	(440)
(100,917)	Income from council tax & NNDR	(106,310)
(119,317)	External grants and contributions	(113,158)
(14,691)	Gain/loss on disposal of non-current assets	(1,848)
(281,636)	Total Income	(272,871)
11,964	Surplus or Deficit on the Provision of Services	23,195

11.3 Financing and Investment Income and Expenditure

A summary level breakdown of Financing and Investment Income and Expenditure reported on the face of the Comprehensive Income and Expenditure Statement for the year is shown below. Further information is contained within the respective notes to the accounts.

31st March 2019			Note	31st March 2020			
Gross Expenditure £000	Gross Income £000	Net Expenditure £000		Gross Expenditure £000	Gross Income £000	Net Expenditure £000	
3,523	0	3,523	Interest payable and similar charges	13.2	4,088	-	4,088
5,981	-	5,981	Pensions interest cost and expected return on pensions assets	14.3	6,586	-	6,586
-	(228)	(228)	Interest receivable and similar income	13.2	-	(473)	(473)
-	(7)	(7)	Interest receivable and similar income: CCRC share		-	(17)	(17)
16,758	(20,289)	(3,531)	Income and expenditure in relation to investment properties and changes in their fair value		4,149	(7,025)	(2,876)
2,283	(2,355)	(72)	(Surpluses)/deficits on trading undertakings not included in the Net Cost of Services	11.4	2,367	(2,301)	66
0	(14)	(14)	Other investment income		-	(33)	(33)
28,546	(22,893)	5,653	Total Financing and Investment Income and Expenditure		17,189	(9,850)	7,340

11.4 Significant Trading Operations

The Council has established 5 trading units where the service is required to operate in a commercial environment by generating income from either other parts of the Authority, other organisations or the public to either offset expenditure incurred or, in certain instances, operate within an approved level of subsidy.

Trading operations are incorporated within the Comprehensive Income and Expenditure Statement.

2018/19			Trading Unit	2019/20		
£000 Expenditure	£000 Turnover	£000 (Surplus) / Deficit		£000 Expenditure	£000 Turnover	£000 (Surplus) / Deficit
901	(946)	(45)	Grounds Maintenance	952	(999)	(47)
564	(400)	164	Building Control	570	(403)	167
411	(373)	38	Markets	405	(245)	160
85	(180)	(95)	Industrial Units	102	(179)	(77)
322	(456)	(134)	Trade Refuse	338	(475)	(137)
2,283	(2,355)	(72)	Total	2,367	(2,301)	66

11.5 Council Tax & National Non-Domestic Rates

Council Tax

Council tax derives from charges raised according to the value of residential properties. Each dwelling has been classified into one of nine valuation bands according to its capital value at 1 April 2003 for this specific purpose. Charges are calculated by taking the amount of income required for the Authority, Office of Police and Crime Commissioner for Gwent and Town and Community Councils for the forthcoming year and dividing this amount by the Council Tax Base. The Council Tax Base is the total number of properties in each valuation band adjusted by a proportion to convert the number to a Band D equivalent, totalled across all bands and adjusted for discounts. The tax base was £46,096.27 for 2019/20 (£45,888 for 2018/19).

This average basic amount for a Band D property, £1,629.72 (£1,538.93 in 2018/19), is multiplied by the proportion specified for the particular band to give the individual amount due.

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

Band	A	B	C	D	E	F	G	H	I
Multiplier	6/9	7/9	8/9	1.0	11/9	13/9	15/9	18/9	21/9
Chargeable Dwellings	509	3,292	6,963	8,824	7,169	7,607	5,334	1,746	671
Valuation (£000)	up to 44	44-65	65-91	91-123	123-162	162-223	223-324	324-424	424+

The analysis of the net proceeds from council tax are as follows:

2018/19 £000		2019/20 £000
(70,687)	Council tax collectable	(75,619)
(53)	Provision for non-payment of council tax	(10)
(70,741)	Total Council Tax proceeds	(75,628)

National Non-Domestic Rates (NNDR)

NNDR is organised on a national basis. The Welsh Government specifies an amount for the rate, 0.526p per £ in 2019/20 (0.514p per £ in 2018/19) and, subject to the effects of transitory arrangements, local businesses pay rates calculated by multiplying their rateable value by that amount. The NNDR income after relief and provisions of £25,064,453 (£24,653,304 for 2018/19) was based on an average rateable value of £61,980,991 (£62,145,272 for 2018/19).

The Authority acts as the Welsh Government's agent and collects rates due from ratepayers in its area and then pays the proceeds into the NNDR pool administered by the Welsh Assembly Government. The Welsh Government redistributes the sums payable to the local authorities on the basis of a fixed amount per head of population. The total amount redistributed from the National Pool to the Council in 2019/20 was £30.7m (£30.2m in 2018/19).

A net debtor of £1,341,174 at 31st March 2020 (£11,075 Debtor as at 31st March 2019) is included in the balance sheet which represents the amount by which the cash received from Welsh Government exceeds the amount collected from ratepayers.

11.6 Grant Income

Capital Grants and Contributions

The Authority has credited the following capital grants & contributions to the Comprehensive Income and Expenditure Statement in 2019/20:

2018/19 £000		2019/20 £000
2,824	WAG General Capital Grant	2,275
914	Section 106 Developer Contributions	952
13,157	WAG Grants	6,321
0	Other Contributions	11
16,895	Total	9,559
	<i>Credited to the Comprehensive Income and Expenditure Statement:</i>	
(677)	Grants and contributions applied towards Revenue Expenditure Funded from Capital under Statute	(901)
(16,218)	Capital grants and contributions applied and credited to Taxation and Non-specific Grant Income	(8,658)
(16,895)	Total	(9,559)

Capital Grants and Contributions Received in Advance

The Authority has also received a number of capital grants and contributions that have yet to be recognised as income as they have conditions attached to them that will require the monies or property to be returned to the provider. The balances at the year-end are as follows:

2018/19 £000		2019/20 £000
	<i>Developer Contributions held in Advance:</i>	
3,170	S106 Developer contributions	3,852
3,170	Total	3,852

Revenue Grants and Contributions

The Authority credited the following revenue grants and contributions to the Comprehensive Income and Expenditure Statement:

2018/19 £000		2019/20 £000
	Revenue Grants credited to services	
	<i>Central Government:</i>	
20,168	Housing Benefit Subsidy	17,996
	<i>Welsh Assembly Government:</i>	
3,875	Education Improvement Grant (PDG)	3,886
3,109	Sixth Form Funding (DCELLS)	3,298
2,053	Supporting People	2,039
1,146	Children & Communities	1,146
0	Teachers Pension Grant	1,010
1,104	Waste Management	522
673	Concessionary Fares (PTSG)	970
679	Families First	650
494	Rural Development Plan	473
4,266	Other WAG grants	7,036

	Home Office:	
106	Afghan / Syrian Relocation Programme (Main Project)	186
118	Police and Crime Commissioner	111
2,040	Other Grants & Contributions	2,862
39,830	Total Revenue Grants credited to services	42,186
	Non-Specific Grant Income	
30,177	Non-Domestic Rates	30,682
63,091	Revenue Support Grant	62,548
93,268	Total Non-Specific Grant Income	93,229

12 NON-CURRENT ASSET & CAPITAL FINANCING NOTES

It should be noted that all valuations presented in this section, both for Property, Plant & Equipment and for Investment Property are reported on the basis of 'material valuation uncertainty' - that is less certainty, and a higher degree of caution should be attached to the valuations than would normally be the case due to the Covid19 pandemic. Section 17.7 to the accounts provides further detail.

12.1 Property, Plant and Equipment

The following tables summarise the movements in the Authority's property, plant and equipment portfolio by asset type for the years ending 31st March 2020 and 31st March 2019.

Movements in 2019/20:	Other Land and Buildings £000	Vehicles, Plant, Furniture & Equipment £000	Infrastructure Assets £000	Community Assets £000	Surplus Assets £000	Assets Under Construction £000	Total Property, Plant and Equipment £000	PFI Assets Included in Property, Plant and Equipment* £000
Cost or Valuation:								
At 1st April 2019	250,654	20,632	91,831	4,319	110	3,019	370,564	1,378
Additions	6,493	2,885	7,308	143	-	2,009	18,839	-
Revaluation movements taken to Revaluation Reserve	(239)	(52)	-	0	-	-	(292)	(119)
Revaluation movements taken to Surplus/Deficit on Provision of Services	(4,796)	-	-	-	-	0	(4,796)	-
Impairment movements taken to Surplus/Deficit on Provision of Services	(2,423)	(376)	(223)	(3)	0	-	(3,025)	-
Reclassified (to)/from Held for Sale	0	(1,259)	-	-	(110)	-	(1,369)	-
Disposals	-	-	(3,174)	(0)	-	-	(3,174)	-
Other reclassifications	(99)	-	-	-	0	-	(99)	-
CCRCD Assets	2,169	-	-	-	-	(2,183)	(14)	-
At 31st March 2020	251,758	21,830	95,742	4,459	0	2,844	376,633	1,259
Accumulated Depreciation:								
At 1st April 2019	(12,046)	(10,229)	(25,746)	0	0	0	(48,022)	(44)
Depreciation charge	(7,158)	(2,319)	(2,021)	-	-	-	(11,498)	(53)
Depreciation written out on revaluation to Revaluation Reserve	4,380	52	-	-	0	-	4,431	-
Depreciation written out on revaluation to Surplus/Deficit on Provision of Services	4,278	-	-	-	0	-	4,278	98
Depreciation written out on impairment to Surplus/Deficit on Provision of Services	-	-	-	-	-	-	0	-
Reclassified to/(from) Held for Sale	-	1,137	-	-	-	-	1,137	-
Disposals	-	-	3,174	-	-	-	3,174	-
Other reclassifications	11	-	-	-	0	-	11	-
At 31st March 2020	(10,536)	(11,359)	(24,592)	0	0	0	(46,487)	1
Net Book Value:	241,222	10,470	71,150	4,459	0	2,844	330,146	1,259

Movements in 2018/19	Other Land and Buildings £000	Vehicles, Plant, Furniture & Equipment £000	Infrastructure Assets £000	Community Assets £000	Surplus Assets £000	Assets Under Construction £000	Total Property, Plant and Equipment £000	PFI Assets Included in Property, Plant and Equipment* £000
Cost or Valuation:								
At 1st April 2018	217,288	14,607	88,699	4,235	910	34,366	360,105	1,411
Additions	4,472	6,345	5,482	84	-	21,002	37,385	-
Revaluation movements taken to Revaluation Reserve	(10,612)	-	-	0	-	-	(10,612)	(33)
Revaluation movements taken to Surplus/Deficit on Provision of Services	(16,376)	-	-	-	-	0	(16,376)	-
Impairment movements taken to Surplus/Deficit on Provision of Services	3,307	-	(181)	-	0	-	3,126	-
Reclassified (to)/from Held for Sale	0	(319)	-	-	(800)	-	(1,119)	-
Disposals			(2,190)				(2,190)	
Other reclassifications	52,575	-	20	-	0	(52,349)	246	-
At 31st March 2019	250,654	20,632	91,831	4,319	110	3,019	370,564	1,378
Accumulated Depreciation:								
At 1st April 2018	(12,689)	(9,361)	(26,038)	-	-	-	(48,088)	(37)
Depreciation charge	(7,658)	(1,187)	(1,898)	-	-	-	(10,744)	(54)
Depreciation written out on revaluation to Revaluation Reserve	4,755	-	-	-	0	-	4,755	47
Depreciation written out on revaluation to Surplus/Deficit on Provision of Services	3,546	-	-	-	0	-	3,546	-
Depreciation written out on impairment to Surplus/Deficit on Provision of Services	0	-	-	-	-	-	0	-
Reclassified to/(from) Held for Sale	-	319	-	-	-	-	319	-
Disposals			2,190				2,190	
Other reclassifications	-	-	-	-	0	-	0	-
At 31st March 2019	(12,046)	(10,229)	(25,746)	-	-	-	(48,021)	(44)
Net Book Value:	238,608	10,403	66,085	4,319	110	3,019	322,543	1,334

12.2 Revaluations of Property, Plant & Equipment

The Authority carries out a rolling programme that ensures that all Property, Plant and Equipment required to be measured at fair value is revalued at least every five years. All valuations were carried out by the Authority's Estates Section under the supervision of the Head Of Commercial and Integrated Landlord Services (MRICS). Valuations of land and buildings were carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors (RICS).

The following statement summarises the progress of the Authority's rolling programme for the revaluation of fixed assets:

- The 2019/20 revaluations were carried out or approved by qualified valuers within the Authority's Estates section or external qualified valuers. The basis for valuation is set out in the accounting policies within section 17 of the notes to the accounts.

- All assets requiring valuations have been revalued in the 5 year period ending 31st March 2020. The valuations carried out during 2019/20 primarily include Car Parks, Community Centres, Chepstow and King Henry VIII Comprehensive Schools, Industrial Properties & Corporate Facilities.

	Other Land and Buildings £000	Vehicles, Plant, Furniture & Equipment £000	Infrastructure Assets £000	Community Assets £000	Surplus Assets £000	Assets Under Construction £000	Total Property, Plant and Equipment £000
Carried at historical cost	2,252	10,470	71,151	4,459	-	2,844	91,177
Valued at current value as at:							
31st March 2020	39,944	-	-	-	-	-	39,944
31st March 2019	43,364	-	-	-	-	-	43,364
31st March 2018	54,621	-	-	-	-	-	54,621
31st March 2017	63,136	-	-	-	-	-	63,136
31st March 2016	37,904	-	-	-	-	-	37,904
Total Cost or Valuation	241,221	10,470	71,151	4,459	0	2,844	330,146

12.3 Schools Non-Current Assets

The Authority currently owns and runs four comprehensive schools, twenty four primary schools and one special school. In addition to the twenty four primary schools, there are two voluntary controlled schools and four voluntary aided schools.

The Authority runs the voluntary controlled schools on behalf of 3rd party organisations such as charities and religious organisations who own the underlying assets. The Authority does not record these school assets on its balance sheet other than Raglan Primary (£3,993,766 as at 31st March 2020) as the transfer of legal ownership to the third party is still ongoing.

With regards to voluntary aided schools within Monmouthshire, and similar to voluntary controlled schools, the assets are owned by 3rd party organisations and are not recorded on the Authority's balance sheet other than Osbaston Primary (£1,725,000 as at 31st March 2020) as the transfer of legal ownership to the third party is still ongoing.

The net book value of school non-current assets as at 31st March 2020, shown in the Authority's balance sheet, is £170,725,078 (£168,568,616 as at 31st March 2019).

12.4 Private Finance Initiatives

Monmouth Health & Social Care Facility (Monnow Vale)

The Authority has entered into a pooled budget arrangement with the Aneurin Bevan Local Health Board. Under the arrangements funds are pooled under Section 33 of the NHS (Wales) Act 2006 to provide health and social care in the form of inpatient, outpatient, clinic and day care facilities to individuals who have medical, social, community or rehabilitation needs. This agreement came into effect from the 1st June 2006.

The Facility is a unique project that replaced a number of out dated or separate facilities scattered throughout the County with a new building that has been financed by a private finance partner over a period of 30 years.

The Authority accounts for its 28% share of the PFI assets, comprising buildings and equipment, with a corresponding liability amounting to its long term obligation for financing these assets.

The life of the building had originally been established for valuation purposes as being 40 years and the equipment as being 15 years. As the life of the building is 10 years beyond that of the PFI agreement, it is anticipated that the facility will be used by the parties beyond the 30 year PFI agreement. At the end of the agreement, the buildings revert to the Health Board at nil consideration. There have been no changes in the arrangements during the year.

The Authority's share in the assets used to provide services at the facility are recognised on the Authority's Balance Sheet. Movements in their value over the year are detailed in the analysis of the movement on the Property, Plant and Equipment balance in Note 12.1, their total net book value at 31st March 2020 being £1,259,000.

12.5 Investment Properties

Investment Properties are those that are used solely to earn income and/or for capital appreciation. Investment Properties are not used in any way to deliver a service and are not held for sale. The Authority's current portfolio of investment properties consists of long held assets such as County Farms and District Shops and also a Solar Farm, Newport Leisure Park and Castlegate Business Park constructed/acquired more recently. The resultant impact on the Authority's net income is shown below.

The following items of income and expenditure have been accounted for in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement:

2018/19 £000		2019/20 £000
(2,176)	Rental income from investment property	(4,983)
1,151	Direct operating expenses arising from investment property	2,401
(1,025)	Net (gain)/loss	(2,582)

The following table summarises the movement in the fair value of investment properties over the year:

2018/19 £000		2019/20 £000
45,153	Balance at start of the year	64,682
31,485	Additions	235
(10,184)	Disposals	(1,018)
(1,525)	Net gains/(losses) from fair value adjustments recognised in Financing and Investment Income and Expenditure	(560)
(246)	Transfers (to)/from Property, Plant and Equipment	88
64,682	Balance at end of the year	63,428

Capital receipts totalling £4,206,058 were credited to the Capital receipts reserve during 2019/20 in relation to investment properties (£8,762,000 in 2018/19).

Fair Value Hierarchy

Details of the Authority's investment properties and information about the fair value hierarchy:

2018/19				Type of Property	2019/20			
Quoted Prices in active markets for identical assets	Other Observable inputs	Significant Unobservable inputs	Total		active markets for identical assets	Other Observable inputs	Significant Unobservable inputs	Total
Level 1	Level 2	Level 3	Total		Level 1	Level 2	Level 3	Total
£000	£000	£000	£000		£000	£000	£000	£000
		90	90	Freehold Reversions			90	90
	26,351		26,351	Agricultural Properties		29,531		29,531
		847	847	Retail Units			1,126	1,126
		1,815	1,815	Industrial Properties			1,709	1,709
		6,783	6,783	Solar Farm			4,642	4,642

		28,796	28,796	Properties acquired for rental income			26,330	26,330
0	26,351	38,331	64,682		0	29,531	33,897	63,428

There have been no transfers between levels during the year.

Level 2 Other Observable inputs: The fair value for the Agricultural Portfolio (at market rents) has been based on the market approach using current market conditions and recent sales prices and other relevant information for similar assets locally. Market conditions are such that similar properties are actively purchased and sold and the level of observable inputs are significant, leading to the properties being categorised at Level 2 in the fair value hierarchy.

Level 3 Significant Unobservable Inputs: The Freehold Reversions, Retail Properties, Industrial Properties & Solar Farm located in the local authority area & properties acquired in 2018/19 for rental income are measured using the income approach, by means of a term and reversion method. The approach has been developed using the authority's own data requiring it to factor in assumptions such as the duration, rent growth, occupancy levels, bad debt levels, maintenance costs, etc. These property types are therefore categorised as Level 3 in the fair value hierarchy as the measurement technique uses significant unobservable inputs to determine the fair value measurements (and there is no reasonably available information that indicates that market participants would use different assumptions).

Highest and Best Use: In estimating the fair value of the authority's investment properties, the highest and best use of the properties is their current use.

Valuation Techniques: There has been no change in the valuation techniques used during the year for investment properties.

Level 3 Investment Properties

A summary of the movement in the fair value of level 3 investment properties over the year:

2018/19 £000		2019/20 £000
8,145	Balance at start of the year	38,331
0	Transfers (to)/from Level 3	48
28,796	Additions	(19)
0	Disposals	0
1,390	Net gains/(losses) from fair value adjustments included in Surplus or Deficit on the Provision of Services	(4,464)
38,331	Balance at end of the year	33,896

Fair Value Measurement

The valuers arrive at a Fair Value for level 3 Investment Properties by applying a yield to the income stream. The yield reflects the risk and is derived from factors such as the use made of the property, the quality of the tenant, the length and security of the income and also in the case of retail, the location. These impact on rent growth, occupancy levels, bad debt levels and maintenance costs. The yield is arrived at from the valuers knowledge of the market, from contacts and published information alongside knowledge of the individual asset.

Type of Property	Valuation Technique used to measure Fair Value	Unobservable Inputs	Range	Sensitivity
Freehold Reversions	Income approach, by means of a term and reversion method	Yield	4%	The Fair Value of the Property will increase as the yield reduces.
Retail Units		Yield	7% - 10%	
Industrial Properties		Yield	12%	
Solar Farm		Yield	6%	
Investment Assets		Yield	6%	

12.6 Assets Held for Sale

Assets held for sale comprise those assets that are available for immediate sale and where the sale is highly probable and will be actively marketed at its market value. The in-year movement and balance of assets held for sale as at 31st March 2020 are shown below:

2018/19 £000		2019/20 £000
1,450	Balance outstanding at start of year	2,100
62	Additions	0
800	Assets newly classified as held for sale: From Plant, Property & Equipment	232
	- Assets declassified as held for sale: To Plant, Property & Equipment	-
	- Revaluation gains	-
	- Revaluation losses	-
(62)	Impairment losses	0
(150)	Assets sold	(272)
2,100	Balance outstanding at year-end	2,060

12.7 Heritage Assets

The Code requires that heritage assets are measured at valuation in the financial statements, together with comparative year information. The Code however permits some relaxations in the valuation requirements of heritage assets, meaning that the authority could potentially recognise more of the museums collections in the Balance Sheet. However, whereas the Authority recognises some heritage collections in financial statements, it is of the view that obtaining valuations for the vast majority of these collections would involve a disproportionate cost of obtaining the information in comparison to the benefits to the users of the Authority's financial statements. Whilst this exemption is permitted by the Code, the position will be subject to ongoing review.

The Authority would not typically consider disposing of any heritage assets even though previously offers have been received.

The following table summarises the movement in the carrying value of Heritage assets:

	Property Heritage Assets £000	Museum Exhibits £000	Civic Regalia, Artwork & Collect'n £000	Total £000
Cost or Valuation:				
1st April 2018	0	4,464	180	4,644
Additions	99	0	-	99
Revaluation increases/ (decreases) recognised in the SDPS	1	-	-	1
Impairment losses/(reversals) recognised in the SDPS	0	-	-	0
Reclassified from property, plant and equipment	0	-	-	0
31st March 2019	100	4,464	180	4,743
Cost or Valuation:				
Additions	237	-	-	237
Revaluation increases/ (decreases) recognised in the SDPS	0	-	-	0
Impairment losses/(reversals) recognised in the SDPS	(189)	-	-	(189)
Reclassified from property, plant and equipment	-	-	-	0
31st March 2020	149	4,464	180	4,792

Property Heritage Assets

The Authority owns six property assets which meet the criteria for inclusion as heritage assets. These comprise the following assets:

- Caldicot Castle

- Angidy Ironworks, Tintern
- The Slaughterhouse - Arches, Monmouth
- Clydach Ironworks, Clydach
- War Memorial, Frogmore St, Abergavenny
- Tintern Station, Tintern

These assets were last valued on an existing use value (EUV) basis and were carried out internally by the Authority's Estates Section under the supervision of the Head Of Commercial and Integrated Landlord Services (MRICS).

Further to this Abergavenny Museum and Castle is leased by the Authority.

Museum Exhibits

Monmouthshire operates four museums, namely Monmouth, (The Nelson Museum), Abergavenny, Caldicot (Castle) and Chepstow. Each individual museum maintains an inventory of exhibits and the Authority last commissioned a valuation of material items in August 2012.

The most significant museum exhibit is the Nelson collection which is included on the balance sheet at a valuation of £4.3m and was last valued by external valuers in August 2012. The valuation was limited to selected items with market prices in excess of £1,000.

Civic Regalia, Artwork & Collections

Five other assets are classified as Heritage assets under this classification where cost information was readily available. These comprise the following assets:

- Henry Tapestry
- Chairman's Chain of Office
- Vice Chairman's Chain & Insignia
- Lady Chairman's Chain & Insignia
- Vice Lady Chairman's Chain & Insignia

These assets are currently valued at their most recent insurance valuation. The Authority currently has insurance cover in place for the majority of the exhibits. This was agreed through negotiation with the insurance underwriters.

12.8 Capital Expenditure and Capital Financing

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

31st March 2019 £000		31st March 2020 £000
146,137	Opening Capital Financing Requirement	186,342
	Capital investment:	
	Enhancing value:	
35,467	Property, plant and equipment	14,802
31,208	Investment properties	(19)
40	Intangible assets	55
99	Heritage assets	49
	Not enhancing value:	
988	Property, plant and equipment	3,025
277	Investment properties	253
14	Intangible assets	0
62	Assets held for sale	0

0	Heritage assets	189
2,156	Revenue Expenditure Funded from Capital under Statute	5,062
	Sources of finance:	
(8,510)	Capital receipts	(5,910)
(2,824)	General Capital Grant	(2,275)
(13,157)	Capital Grants and Contributions	(5,320)
(914)	S106 Contributions	(952)
(281)	Direct revenue contributions	(286)
	Other:	
(4,421)	Minimum revenue provision	(5,564)
0	Capital receipt set aside	0
186,342	Closing Capital Financing Requirement	189,450
	Explanation of movements in year:	
2,410	Increase in underlying need to borrowing - supported by Government financial assistance	2,403
42,215	Increase in underlying need to borrowing - unsupported by Government financial assistance	6,270
(4,421)	Less: Minimum revenue provision	(5,564)
40,205	Increase / (decrease) in Capital Financing Requirement	3,109

12.9 Capital Commitments

At 31st March 2020, the Authority has not entered into any major contracts (i.e. those individually above £200,000) for the construction of Property, Plant and Equipment in 2020/21 (£2,493,000 at 31st March 2019).

12.10 Minimum Revenue Provision

The Council is not required to raise council tax to cover depreciation, impairment losses or amortisations. However, it is required to make an annual minimum revenue provision (MRP) from revenue to contribute towards the reduction in its overall borrowing requirement.

Provision is made in accordance with the Local Authorities (Capital Finance and Accounting) (Wales) (Amendment) Regulations 2014 and adjoining MRP guidance which places a simple duty for an authority each year to make an amount of MRP which it considers to be "prudent".

The Authority also makes additional voluntary revenue contributions in respect of finance leased assets.

The amount of revenue provision made by the Authority in 2019/20 was £5,564,000 (£4,421,000 in 2018/19).

12.11 Leases - Authority as Lessor

Operating Leases

The Authority has entered into operating lease arrangements to lease property assets to various individuals and organisations. These primarily consist of Industrial units, County Farms, Land parcels and Recreation halls.

The minimum lease payments receivable includes rents that are contingent on events taking place after the lease was entered into, such as adjustments following rent reviews. During the financial year £2,223,357 of minimum lease payments were receivable by the Authority (£1,172,000 in 2018/19 - restated from £524,000 due to updated information available).

The future minimum lease payments receivable under non-cancellable leases in future years are:

2018/19 £000		2019/20 £000
2,593	Not later than one year	2,137
7,887	Later than one year and not later than five years	6,716

14,644	Later than five years	12,793
25,123		21,646

Finance Leases

In 2016/17, the Authority entered into a Finance lease arrangement for land at the Old Cattle market in Abergavenny.

The gross carrying amount and present value of the minimum lease payments receivable under this finance lease is detailed below.

2018/19			2019/20	
Present Value of Minimum Lease Payments to	Gross Amount outstanding from Lessee		Present Value of Minimum Lease Payments to the Authority	Gross Amount outstanding from Lessee
£000			£000	
96	160	Not later than one year	156	160
406	480	Later than one year and not later than five years	592	640
2,347	3,040	Later than five years	2,004	2,720
2,849	3,680		2,753	3,520

The present value of the minimum lease payments has reduced during 2019/20 by the £160,000 receivable in year, offset by finance lease interest receivable.

12.12 Leases - Authority as Lessee

Operating Leases

The Authority has acquired property, vehicles, plant and equipment by entering into operating leases.

The expenditure charged to the services within the Comprehensive Income and Expenditure Statement during the year in relation to these leases was £326,411 (£216,650 in 2018/19).

The future minimum lease payments due under non-cancellable leases in future years are:

2018/19 £000		2019/20 £000
181	Not later than one year	281
159	Later than one year and not later than five years	582
50	Later than five years	155
390		1,018

13 FINANCIAL INSTRUMENTS, CURRENT ASSETS & LIABILITIES NOTES

13.1 Categories of Financial Instruments

A financial Instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Non-exchange transactions, such as those relating to taxes, benefits and government grants, do not give rise to financial instruments.

The Council adopted the IFRS 9 Financial Instruments accounting standard with effect from 1st April 2018. The main changes include the reclassification and remeasurement of financial assets and the earlier recognition of the impairment of financial assets.

Under the new Accounting Standard IFRS 9, financial instruments may be held at amortised cost or at fair value either through other Comprehensive income or Profit & Loss.

Financial assets are held as amortised cost where cash flows are solely payments of principal and interest and the Council's business model is to collect those cash flows. This is the majority of our treasury investments such as term deposits, certificate of deposits, call accounts, trade debtors for goods and services provided contractually and also lease receivables. This excludes council tax debtors and grants receivable as they are non-exchange transactions.

Financial assets held at amortised cost are shown net of a loss allowance reflecting the statistical likelihood that the borrower or debtor will be unable to meet their contractual commitments to the Council. For most assets, this is 12 month expected credit losses until the risk increases significantly, then it is lifetime expected losses. For trade debtors expected lifetime losses are always used. Due to the high credit rating of counterparties used for treasury investments 12 month expected credit losses are minimal.

Financial assets are held at fair value through other comprehensive income where cashflows are solely payments of principal and interest and it is the Council's business model to collect these cashflows and sell the instruments before maturity. The authority does not hold any such investments. The standard also allows the authority to elect to account for equity investments through other comprehensive income if they are being held for strategic investment purposes, see table below.

All other financial assets are held at fair value through Profit & Loss. This includes an existing unquoted equity investment; a principal of £40,000 representing an equal share with Torfaen County Borough Council in SRS Business Solutions Limited. This investment comprised seed funding for the company and is revalued at £60,000 representing the most likely cash inflows resulting from this asset in the future. Further information is provided in note 16.6.

The following categories of financial assets are carried in the Balance Sheet as at 31st March 2020:

Long-Term 31st March 2019 £000	Short-Term 31st March 2019 £000		Note	Long-Term 31st March 2020 £000	Short-Term 31st March 2020 £000
	Restated	Financial Assets			
		Investments at amortised Cost:			
	9,000	Principal invested	13.4	32	3,000
	42	Accrued Interest			0
		Investments at fair value through other comprehensive income:			
	2,059	Equity Investments elected FVOCI			2,658
		Investments at fair value through profit & loss:			
60	0	Unquoted equity investments	13.4	60	0
60	11,101	Total Investments		91	5,658
		Cash & Cash Equivalents at amortised cost:			
	13,346	Principal	15.3		22,363
	16	Accrued Interest			14
0	13,362	Total Cash & Cash Equivalents		0	22,377
		At amortised cost:			

2,876	13,015	Trade Receivables		70	11,857
	(745)	Loss allowance		0	(611)
2,753	96	Lease Receivables		2,710	98
218	(0)	Loans made for service purposes		214	(9)
5,847	12,366	Included in Debtors	13.5	2,993	11,336
5,907	36,829	Total Financial Assets		3,084	39,371
	2,530	Current assets which are not Financial Instruments			2,542
	14,327	Debtors which are not Financial Instruments	13.5		17,175
5,907	53,686	Total Financial Assets		3,084	59,088

Long-Term 31st March 2019 £000	Short-Term 31st March 2019 £000		Note	Long-Term 31st March 2020 £000	Short-Term 31st March 2020 £000
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All of the Council's financial liabilities are held at amortised cost including short and long term loans, bank overdraft, lease payables, PFI contracts and trade payables for goods and services.

The following categories of financial liabilities are carried in the Balance Sheet as at 31st March 2020:

		Financial Liabilities			
		Loans at amortised Cost:			
(105,781)	(72,557)	Principal sum borrowed		(92,563)	(94,325)
0	(1,030)	Accrued Interest		0	(797)
(28)	(1)	EIR adjustments		(28)	(1)
(105,810)	(73,588)	Total Borrowings	13.4	(92,591)	(95,123)
		Loans at amortised Cost:			
0	(103)	Cash & cash equivalents	15.3	0	(1,475)
0	(103)	Total Cash & Cash Equivalents		0	(1,475)
		Liabilities at amortised Cost:			
(739)	0	PFI and finance lease liabilities		(708)	
(1,611)	0	Other Long Term Liabilities		(1,644)	0
(2,350)	0	Total Other Long Term Liabilities		(2,351)	0
		Liabilities at amortised Cost:			
0	(7,402)	Trade Payables		(7,034)	(2,014)
0	(7,402)	Included in Short Term Creditors	13.6	(7,034)	(2,014)
(108,160)	(81,093)	Total Financial Liabilities		(101,976)	(98,612)
0	(20,409)	Short term creditors which are not Financial Instruments	13.6	0	(22,754)
(275,799)	(3,562)	Other Current & long term liabilities which are not Financial Instruments:		(232,599)	(4,534)
(383,959)	(105,064)	Total Balance Sheet Liabilities		(334,576)	(125,899)

Equity instruments elected to fair value through OCI						
31st March 2019 £000	31st March 2019 £000	31st March 2019 £000		31st March 2020 £000	31st March 2020 £000	31st March 2020 £000
Fair value	OCI	Dividends		Fair value	OCI	Dividends
1,049	44	13	Kames Capital diversified monthly income fund	1,295	(254)	66
1,010	2	8	Investec Asset Management Ltd diversified income fund	914	(92)	37

0	0	0	CCLA LAMIT Property Fund	449	(56)	15
2,059	46	21	Total Balance Sheet Asset	2,658	(401)	119

The Council has elected to account for the investments in pooled funds above which are equity instruments at fair value through other comprehensive income because they are long-term strategic holdings and changes in their fair value are not considered to be part of the Council's annual financial performance.

13.2 Financial Instruments - Income, Expense, Gains and Losses

The Income, expense, gains and losses recognised in the Comprehensive Income and Expenditure Statement in relation to financial instruments are made up as follows:

31st March 2019 £000		Fair value through P&L	Fair value through OCI	Fair value through OCI - elected	Amortised cost	31st March 2020 £000
	Financial Liabilities measured at:					
20	Interest expense - finance lease /private finance initiative debtors	0	0	0	18	
0	Losses on de-recognition	0	0	0	0	
0	Losses from changes in fair value	0	0	0	0	
0	Impairment losses	0	0	0	1	
3,504	Other Interest expense	0	0	0	4,068	
3,524	Subtotals	0	0	0	4,088	
3,524	Total Interest payable and similar charges				4,088	
	Financial assets measured at:					
(66)	Interest income relating to finance lease debtors	0	0	0	(64)	
0	Interest from deferred receipts	0	0	0	(151)	
(21)	Dividend income (elected equity instruments)	0	0	(119)	0	
0	Gains on derecognition	0	0	0	0	
(20)	Gains from changes in fair value	0	0	0	0	
0	Impairment loss reversals	0	0	0	0	
(121)	Other Interest income	0	0	0	(139)	
(228)	Subtotals	0	0	(119)	(355)	
(228)	Total Interest & Investment income				(473)	
3,296	Net impact on surplus/deficit on provision of services				3,614	
	Impact on other comprehensive income:					
(46)	Gains on revaluation	0	0	401	0	
0	Losses on revaluation	0	0	0	0	
0	Amounts recycled to surplus/deficit on provision of services	0	0	0	0	
(46)	Subtotals	0	0	401	0	
(46)	Impact on other comprehensive income				401	
3,250	Net (gain)/loss for the year				4,015	

13.3 Fair Values of Financial Instruments

Financial instruments, except those classified at amortised cost, are carried in the Balance Sheet at fair value. For most assets, including pooled funds, the fair value is taken from the market price. The fair values of other instruments have been estimated by calculating the net present value of the remaining contractual cash flows at 31st March 2020, using the following methods and assumptions

- Shares in SRS Business Solutions Limited have been valued by discounting the expected future cashflows at a rate reflecting the risk to the cashflows.

The value of financial instruments held at amortised cost have been estimated by calculating the net present value of the remaining contractual cash flows at 31st March 2020, using the following methods and assumptions:

- Loans borrowed by the Council have been valued by discounting the contractual cash flows over the whole life of the instrument at the appropriate market rate for local authority loans.
- The value of “Lender’s Option Borrower’s Option” (LOBO) loans have been increased by the value of the embedded options. Lenders’ options to propose an increase to the interest rate on the loan have been valued according to a proprietary model for Bermudan cancellable swaps. Borrower’s contingent options to accept the increased rate or repay the loan have been valued at zero, on the assumption that lenders will only exercise their options when market rates have risen above the contractual loan rate.
- The fair values of other long-term loans and investments have been discounted at the market rates for similar instruments with similar remaining terms to maturity on 31st March 2020.
- The fair values of finance lease assets and liabilities and of PFI scheme liabilities have been calculated by discounting the contractual cash flows (excluding service charge elements) at an appropriate rate.
- The fair value of short-term instruments, including trade payables and receivables, is assumed to approximate to the carrying amount given the low and stable interest rate environment.

Fair values are shown in the table below, split by their level in the fair value hierarchy:

- Level 1 – fair value is only derived from quoted prices in active markets for identical assets or liabilities, e.g. bond prices
- Level 2 – fair value is calculated from inputs other than quoted prices that are observable for the asset or liability, e.g. interest rates or yields for similar instruments
- Level 3 – fair value is determined using unobservable inputs, e.g. non-market data such as cash flow forecasts or estimated creditworthiness

Financial liabilities

Balance Sheet 31st March 2019 £000 (Restated)*	Fair Value 31st March 2019 £000		Balance sheet position	Fair Value Level	Balance Sheet 31st March 2020 £000	Fair Value 31st March 2020 £000
Financial liabilities held at amortised cost:						
(179,398)	(200,648)	Borrowings	Borrowing (ST & LT)	2	(187,714)	(210,863)
(739)	(748)	PFI and finance lease liabilities	Other LT Borrowing	3	(708)	(678)
(180,137)	(201,396)	Subtotal			(188,422)	(211,541)
Financial liabilities held at amortised costs for which fair value is not disclosed:						
(103)		Cash & Cash equivalent	C & C E		(1,475)	
(7,402)		Trade payables	Short term creditors		(2,014)	

(1,611)		Net agency creditor and lease deposits	Other LT Borrowing		(1,644)	
(189,254)		Total financial liabilities			(193,556)	

The fair value of financial liabilities held at amortised cost is more than the carrying amount because the authority's portfolio of loans includes a number of fixed rate loans where the interest rate payable is higher than the current rates available for similar loans at the balance sheet date. This commitment to pay interest above current market rates increases the amount that the authority would have to pay if the lender requested or agreed to early repayment of the loans.

Financial Assets

Balance Sheet 31st March 2019 £000 (Restated)*	Fair Value 31st March 2019 £000				Fair Value Level	Balance Sheet 31st March 2020 £000	Fair Value 31st March 2020 £000
Financial assets held at fair value:							
2,059	2,059	Equity investments elected FV through OCI	ST Investments	2	2,658	2,658	
60	60	Unquoted equity investments held at FVP&L	LT Investments	3	60	60	
2,119	2,119	Subtotal			2,718	2,718	
Financial assets held at amortised cost:							
2,849	2,906	Lease receivables	LT debtors	3	2,753	2,662	
2,571	2,625	Trade receivables - deferred receipt	LT debtors	3	2,630	2,573	
4,967	5,025	Subtotal			8,100	7,952	
Financial assets held at amortised cost for which fair value is not disclosed:							
13,362		Cash & Cash equivalent	C&CE		22,377		
11,101		Short term investments	ST Investments		5,658		
13,015		Trade Receivables	Short term debtors		11,857		
218		Loans made for service purposes	Long term debtors		214		
42,663		Total financial assets			48,206		

There is a small difference between the fair value and carrying value of long term lease receivables and long term trade receivables.

* There has been restatement of 2018/19 figures for Financial liabilities and Assets to reflect updated calculation methodology and ensure comparability of prior year figures is meaningful.

13.4 Nature and Extent of Risks arising from Financial Instruments

The Council complies with CIPFA's Code of Practice on Treasury Management and Prudential Code for Capital Finance in Local Authorities, both revised in December 2017.

In line with the Treasury Management Code, the Council approves a Treasury Management Strategy before the commencement of each financial year. The Strategy sets out the parameters for the management of risks associated with financial instruments. The Authority's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services. Risk management is carried out by a central treasury team in conjunction with appointed treasury advisors.

The Treasury Management Strategy includes an Investment Strategy in compliance with the Welsh Government Guidance on Local Government Investments. This Guidance emphasises that priority is to be given to security and liquidity, rather than yield. The Council's Treasury Management Strategy and its management practices seek to achieve a suitable balance between risk and return or cost.

Whilst the majority of Investments used continue to be with institutions which are given a high credit rating by external rating agencies and which continue to show other measures of credit worthiness, the authority's investment portfolio now includes £3m in strategic pooled funds which achieve higher returns. The risk is controlled by following the advice of the Authority's treasury management advisors, by the use of experienced fund managers and diversification within the funds purchased.

The Authority's activities expose it to a variety of financial risks:

- Credit risk – the possibility that the counterparty to any of the Authority's financial assets will fail to meet its contractual obligations to pay the amounts due, causing a loss to the Council.
- Liquidity risk – the possibility that the Authority might not have cash available to make contracted payments on time
- Market risk – the possibility that an unplanned financial loss will materialise because of changes in market variables such as interest rates or equity prices.

The revised Borrowing Strategy continues to take into account the fact that it is cheaper to borrow for shorter periods than for long periods as previously was the case. It also took into account that there was a net benefit to be gained from internal borrowing, where surplus cash is utilised to fund capital expenditure, compared to borrowing externally. This approach reduces surplus cash balances but produces a net benefit as the cost of borrowing is higher than the returns from investing the additional surplus cash.

a) Credit Risk

Treasury Investments

The Council manages credit risk by ensuring that treasury investments are only placed with organisations of high credit quality as set out in the Treasury Management Strategy. These include commercial entities with a minimum long-term credit rating of A-, the UK government, other local authorities, and organisations without credit ratings upon which the Council has received independent investment advice. Recognising that credit ratings are imperfect predictors of default, the Council has regard to other measures including credit default swap and equity prices when selecting commercial entities for investment.

A limit of £2m is placed on the amount of money that can be invested in unsecured investments with a single counterparty (other than the UK government) for the majority of the Authority's activities (for more details see the Treasury Strategy).

The table below summarises the credit risk exposures of the Council's treasury investment portfolio by credit rating and remaining time to maturity:

Balance Long-term 31st March 2019	Balance Short-term 31st March 2019	Counterparty Group	Investment Vehicle	Average	Country	Balance Long-term 31st March 2020	Balance Short-term 31st March 2020
£'000	£'000			rating		£'000	£'000
0	3,000	UK Government	Term Deposit with DMADF	AA+	United Kingdom	0	3,000
0	4,000	Local Authority	Term Deposit	AA+	United Kingdom	0	0
0	2,000	Bank	Term Deposit	A+	United Kingdom	0	0
0	9,000					0	3,000
		Credit risk Not applicable *					
0	2,059	Pooled funds			United Kingdom	0	2,658
60	0	Unquoted Equity			United Kingdom	91	0

60	11,059	Total Investments		91	5,658
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* Credit risk is not applicable to shareholdings and pooled funds where the Council has no contractual right to receive any sum of money.

Loss allowances on treasury investments have been calculated by reference to historic default data published by credit rating agencies, multiplied by 365% to adjust for current and forecast economic conditions. A two-year delay in cash flows is assumed to arise in the event of default. Investments are determined to have suffered a significant increase in credit risk where they have been downgraded by three or more credit rating notches or equivalent since initial recognition, unless they retain an investment grade credit rating. They are determined to be credit-impaired when awarded a "D" credit rating or equivalent. At 31st March 2020, £nil of loss allowances related to treasury investments.

Trade & Lease receivables and Contract assets

Credit risk also arises from the Authority's customers and other contractual debtors. Customers for goods and services are assessed taking into account their financial position, past experience and other factors such as the current economic climate. Risk of default and uncollectability is assessed based on the nature of the underlying debt and historic collection rates. Receivables as at the year-end are illustrated in note 13.5 to the accounts, together with any associated impairment age.

Trade receivables are normally written off to the Surplus or Deficit on the Provision of Services when over due, but steps are still taken to collect sums owing until all economic avenues have been explored. The amount provided for but still subject collection processes and its age profile is provided in note 13.5.

The Council has one finance lease receivable as a result of a lease disposal of a piece of land, which is held on the balance sheet at amortised cost. The Council's credit risk on lease receivables is mitigated by its legal ownership of the asset leased, which can be repossessed if the debtor defaults on the lease contract, so no loss allowance has been applied. At the 31st March 2020 the carrying value was £2,753,000. The fair value was £2,662,000 reflecting the difference in interest rates used for the two estimates.

Loans, Financial Guarantees and Loan Commitments

The Council has not made any material Loans, Financial Guarantees and Loan Commitments.

b) Liquidity Risk

The Authority has a comprehensive cash flow management system that seeks to ensure that cash is available as needed. If unexpected movements occur, the authority has ready access to borrowing at favourable rates from the Public Works Loans Board, other local authorities. There is no significant risk that it will be unable to raise finance to meet its commitments. It is however exposed to the risk that it will be bound to replenish a significant proportion of its borrowings at a time of unfavourably high interest rates. This risk is managed by maintaining a spread of fixed rate loans and ensuring net short term borrowing is no more than 50% of the Council's net total borrowing.

The maturity analysis of financial instruments is as follows:

31st March 2019				31st March 2020		
£000	£000	£000		£000	£000	£000
Borrowings	Investments	Net		Borrowings	Investments	Net
The Loans Mature as follows:-						
0	(2,119)	(2,119)	No defined maturity	0	(2,718)	(2,718)
73,588	(9,042)	64,546	Less than one year	95,201	(3,000)	92,201
20,504	0	20,504	Between one and two years	7,921	0	7,921
16,290	0	16,290	Between two and five years	13,207	0	13,207
10,604	0	10,604	Between five and ten years	13,739	(32)	13,708
12,571	0	12,571	Between ten and twenty years	12,717	0	12,717
45,842	0	45,842	More than twenty years	44,928	0	44,928
179,398	(11,161)	168,237	Total	187,714	(5,750)	181,965

The Counterparty analysis of Borrowing is shown below:

31st March 2019	31st March 2020
£000	£000

86,483	Public Works Loan Board	89,627
13,815	Market Loans & Bank loans	13,816
4,683	Welsh Government	5,248
71,416	Local Government bodies	76,023
3,000	Special Purpose Vehicle	3,000
179,398	Total	187,714

The financial liabilities due to Welsh Government at the 31st March 2020 are the outstanding balances totalling £2,040,000 from interest free loans provided to fund energy saving Street Lighting capital schemes and £3,208,000 from a loan which funded the Oak Grove solar farm construction. Accounting requirements require financial liabilities in the form of loans to be carried at amortised cost. However, some of these interest free loans have not been carried at amortised cost on the grounds that the figures quoted are not materially different.

Market loans are considered long term loans based on the remaining time to maturity, but it should be noted that they are currently within their call period. If a lender should exercise a call option on one of these loans, Monmouthshire County Council has the right to repay the loan immediately.

c) Market Risk

i) Interest rate risk

The Authority is exposed to significant risk in terms of its exposure to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Authority. For instance, a rise in interest rates would have the following effects:

- Borrowings at variable rates – the interest expense charged to the Comprehensive Income and Expenditure Statement will rise
- Borrowings at fixed rates – the fair value of the borrowing liabilities will fall
- Investments at variable rates – the interest income credited to the Comprehensive Income and Expenditure Statement will rise
- Investments at fixed rates – the fair value of the assets will fall

Investments measured at amortised cost and loans borrowed are not carried at fair value, so nominal gains and losses on fixed rate borrowings would not impact the Comprehensive Income and Expenditure Statement. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services and affect the Council Fund Balance. Movements in the fair value of fixed rate investments measured at fair value will be reflected in Other Comprehensive Income or the Surplus or Deficit on the Provision of Services as appropriate.

The Authority has a number of strategies for managing interest rate risk. The current 2020/21 treasury strategy includes a limit on the Authority's exposure to interest rate risk. This limit of 50% applies to the percentage of net variable rate debt to total net debt, where net debt is debt net of investments.

The treasury management team has an active strategy for assessing interest rate exposure that feeds into the setting of the annual budget. In-year analysis allows any adverse changes to be accommodated. The analysis will also advise whether new borrowing taken out is fixed or variable.

The interest payable and interest receivable during 2020/21, on borrowings and investments held at the 31st March 2020, with all other variables held constant, would increase / (decrease), if interest rates were 1% higher. The most significant impact would relate to variable rate and short term loans & investments, with long term instruments not being affected:

31st March 2019	Effect of a 1% increase in interest rates	31st March 2020
£000		£000
685	Increase in interest payable on borrowings	650

(76)	Increase in interest receivable on investments	(29)
0	Decrease in fair value of investments held at FVP&L	0
609	Impact on Surplus or Deficit on the Provision of Services	621
(13,154)	Decrease in fair value of fixed rate borrowing *	(13,459)

* No impact on Comprehensive Income and Expenditure

The impact of a 1% fall in interest rates would be as above but with the movements being reversed.

ii) Price risk

The market prices of the bond component in the Council's multi asset pooled funds are governed by prevailing interest rates and the price risk associated with these instruments is managed alongside interest rate risk. It is carrying a £60,000 investment in shares of SRS Limited, a company set up with and jointly owned by Torfaen Borough Council & Gwent Police Authority. The property element of the Council's multi asset pooled funds is subject to the risk of falling commercial property prices. The equity element of the Council's multi asset pooled funds is subject to the risk of falling share prices. These risks are limited by the Council's maximum exposure to strategic pooled funds of £6m. A 5% fall in the value of the property component or equity component held within these funds could result in a £30,000 charge for each to Other Comprehensive Income and Expenditure. The due diligence carried out before these investments purchased would indicate that any such loss is expected to be either temporary or compensated for by the dividend income. One advantage of a multi asset pooled funds is that property, equity and bonds prices are not fully correlated with each other reducing the risk of losses.

iii) Foreign exchange risk

The Authority has no financial assets or liabilities denominated in foreign currencies and thus has no exposure to loss arising from movements in exchange rates.

13.5 Debtors

The nature and value of payments due to the Council for the year but not received as at 31st March 2020, repayable in the short term (within 12 months of the balance sheet date) and long term (after 12 months of the balance sheet date), is summarised below:

31st March 2019					31st March 2020			
Long Term £000	Short Term £000	Impairment £000	Net £000		Long Term £000	Short Term £000	Impairment £000	Net £000
				Central Government Bodies:				
	3,847	0	3,847	Welsh Government	0	3,671	0	3,671
	1,942	0	1,942	HM Customs & Excise	0	1,274	0	1,274
	286	0	286	NNDR Debtor	0	1,238	0	1,238
	58	0	58	Council Tax and Housing Benefit Subsidy	0	708	0	708
	38	0	38	Other	0	0	0	0
				Other entities and individuals:				
	7,794	(127)	7,667	Other Local Authorities	0	4,871	(22)	4,849
2,581	2,690	0	5,271	Deferred Capital receipts	0	2,655	0	2,655
2,753	288	0	3,041	Finance Lease	2,710	195	0	2,905
	2,792	(57)	2,735	Revenue debtors	0	6,657	(55)	6,602
	2,508	(1,676)	832	Council tax arrears	0	2,671	(1,667)	1,004
	2,254	(206)	2,048	Corporate sundry debtors	0	842	(154)	688
	1,455	(607)	848	Housing benefit overpayments	0	1,540	(664)	876
	2,618	(24)	2,594	NHS Bodies	0	2,729	(2)	2,727
	732	(147)	585	Social Services debtors	0	901	(168)	733
	307	(241)	66	Rent arrears	0	256	(172)	84

	144	0	144	Capital debtors	0	752	0	752
208	0	0	208	Housing Advances	204	0	0	204
305	25	0	330	Other	79	455	0	534
5,847	29,778	(3,085)	32,540	Total Debtors	2,993	31,415	(2,904)	31,505

The aged analysis of short term debtors outstanding as at 31st March 2020 is as follows:

	Not Overdue £000	Up to 3 Months £000	3 Months - 12 Months £000	Over 12 Months £000	Over 24 Months £000	Total £000
Central Government Bodies:						
Welsh Government	3,671	0	0	0	0	3,671
HM Customs & Excise	1,274	0	0	0	0	1,274
NNDR Debtor	549	185	277	180	47	1,238
Council Tax and Housing Benefit Subsidy	708	0	0	0	0	708
Other	0	0	0	0	0	0
Other entities and individuals:						
Other Local Authorities	3,649	561	647	14	0	4,871
Deferred Capital receipts	2,655	0	0	0	0	2,655
Finance Leases	0	0	0	0	0	0
Revenue debtors	6,657	0	0	0	0	6,657
Council tax arrears	0	0	0	1,465	1,206	2,671
Corporate sundry debtors	316	324	132	91	174	1,037
Housing benefit overpayments	0	0	667	328	545	1,540
NHS Bodies	2,162	551	13	3	0	2,729
Social Services sundry debtors	166	115	271	191	158	901
Capital debtors	752	0	0	0	0	752
Rent arrears	32	30	52	123	18	255
Housing Advances	0	0	0	0	0	0
Other	455	0	0	0	0	455
Total	23,046	1,767	2,060	2,396	2,147	31,415

The associated impairment for potential default and uncollectability for debtors outstanding as at 31st March 2020 is as follows:

	Not Overdue £000	Up to 3 Months £000	3 Months - 12 Months £000	Over 12 Months £000	Over 24 Months £000	Total £000
Other Local Authorities	0	0	(22)	0	0	(22)
NHS Bodies	0	0	0	(2)	0	(2)
Revenue debtors	0	0	(21)	(13)	(21)	(55)
Council Tax Arrears	0	0	0	(940)	(727)	(1,667)
Social Services sundry debtors	(44)	(5)	(35)	(46)	(38)	(168)
Corporate sundry debtors	0	(1)	(66)	(23)	(64)	(154)
Rent arrears	0	0	(30)	(124)	(18)	(172)
Housing benefit overpayments	0	0	(122)	(112)	(430)	(665)
Total	(44)	(6)	(296)	(1,260)	(1,298)	(2,904)

13.6 Creditors

It is the Authority's policy to pay creditors promptly, without undue delay and within mutually agreed terms. 93.94% of payments were paid within a 30 day target settlement date (94.47% in 2018/19).

The nature and value of payments due to be made by the Council in the year but not actually made as at 31st March 2020 is summarised below:

31st March 2019 £000		31st March 2020 £000
2,974	Central Government Bodies	2,852
3,673	Other Local Authorities	3,383
666	NHS Bodies	409
4,269	Capital Creditors	2,307
16,229	Other entities & individuals	15,817
27,811	Total	24,768

13.7 Provisions and Contingent Liabilities

The value of provisions as at 31st March 2020, together with their movement for the year, is summarised below:

	Note	As at 1st April 2019 £000	Additional Provisions Made £000	Amounts Used £000	Unused Amounts Reversed £000	As at 31st March 2020 £000
Insurance Claims	13.7a	1,040	356	(201)	(400)	794
Insurance Claims - MMI	13.7b	32	0	0	0	32
Accumulating Compensated Absences	13.7c	2,939	3,553	(2,939)	0	3,553
Shared Resource Service (Public) Debt	13.7d	86	0	0	0	86
School Redundancies	13.7e	0	482	0	0	482
CCRCDC Consolidation		56	89	(56)	0	89
Total		4,153	4,480	(3,197)	(400)	5,036

The analysis of provisions between those that are short-term and long-term where it is expected that the provision will be settled within 12 months or greater than 12 months of the balance sheet date respectively, are summarised below:

Current 31st March 2019 £000	Long Term 31st March 2019 £000		Current 31st March 2020 £000	Long Term 31st March 2020 £000
520	520	Insurance Claims	397	397
16	16	Insurance Claims - MMI	16	16
2,939	0	Accumulating Compensated Absences	3,553	0
86	0	Shared Resource Service (Public) Debt	86	0
0	0	School Redundancies	482	0
0	56	CCRCDC Consolidation	0	89
3,561	592	Total	4,534	502

a) Insurance Claims

The Authority maintains insurance policies to cover itself against claims made. The effect of these policies is to limit the Council's costs in relation to successful claims made against it. Annual insurance premiums have been recharged to services during the financial year along with costs of claims incurred.

To satisfy IAS 37 Provisions, Contingent Liabilities and Contingent Assets, a full actuarial assessment of open insurance claims was carried out at 30th September 2015 by the Authority's insurance brokers. The Authority has used this data to project future potential liabilities on the basis of current claims received, policy excesses and stop losses (the capped loss we can incur in any policy year). This assessment has allowed the Authority to reflect the estimated cost of liabilities at 31 March 2020. Provision has only been made where the Authority's insurers indicate a settlement is likely. The result is that the total provision is at the most likely level to be paid out in the future. Any movement in provisions has been charged against the services to which the claims relate.

The Authority maintains the insurance and risk management reserve to assist in the control of the Authority's insurance risks. The balance in the reserve is reviewed annually as part of the assessment on the adequacy of reserves by the Section 151 Officer. The reserve is required to cover potential claims not yet reported as well as recorded claims, which do not merit a provision, referred to above. It therefore represents additional cover, over and above the provision, to cover all foreseeable claims as at the balance sheet date.

The provision in place at 31st March 2020 was £794,000 (£1,040,000 at 31st March 2019) and the balance on the insurance and risk management reserve as at 31st March 2020 was £846,000 (£930,000 as at 31st March 2019). These balances are deemed to provide sufficient cover for the Authority's claims exposure.

A breakdown of the provision made across policy types is provided below:

2018/19 £000		2019/20 £000
809	Public Liability	622
231	Employer's Liability	172
1,040	Total	794

b) Municipal Mutual Insurance (MMI)

For the policy years before 1992/93, the local authority is exposed to an insurance liability relating to the closure of the MMI Fund on 30th September 1992. MMI had insufficient funds to meet existing and future claims and its liquidators exercised the option of recovering an initial levy from each scheme member of 15% via a levy notice on 1st January 2014. The levy was increased to 25% by way of a second notice on the 1st April 2016.

In addition to the levy paid for settled claims, a percentage payment is also applied to outstanding claims which are subsequently settled against the Authority. As at the 31st March 2020, a provision of £31,137 has been made for outstanding claims of this nature, unchanged from 2018/19.

c) Accumulating Compensated Absences

Short-term accumulating compensated absences comprise employee benefits in the form of holiday entitlements (or any form of leave, e.g. time off in lieu) earned by employees but not taken before the year-end which employees can carry forward into the next financial year and are due to be settled within 12 months of the year-end.

A provision is made as a result of the earned benefit not taken before year-end being established on an average of the previous three year's employee sample due to staff resourcing pressures brought about by the Covid19 crisis. These samples were extrapolated to establish the estimated total accrued benefit. The provision is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit.

The provision is charged to Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement as required by regulations in place, so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

The value of the provision made in respect of such employee benefits at the 31st March 2020 was £3,552,832 (£2,938,789 at 31st March 2019).

d) Shared Resource Service (SRS) Public Debt

Financial administration of the Shared Resource Service (Public) transferred to Torfaen CBC on 1st April 2019. As part of the winding up of the administration it is possible that Monmouthshire CC may incur a write off for unrecoverable debt relating to bills raised by SRS Public up to and including the 31st March 2019. The probability and timing of these write offs still remains uncertain at the balance sheet date and therefore an FRS12 provision of £86,254 has been maintained.

e) School Redundancies

Following the Cabinet decision to close Mounton House School at its meeting on 18th September 2019 there is the potential requirement for redundancy payments when the school closes. The CYP directorate will follow the Authority's protection of employment policy to ensure that all staff are afforded the maximum protection. The timing and value of these payments is reliant on many variable factors, some outside of the control of the Authority which means that a provision at 31st March 2020 is the most appropriate treatment.

f) Asbestos Indemnity (Contingent Liability)

As part of the process of transferring the Authority's council housing stock in 2007/08, Council approved changes to the Stock Transfer Agreement to include an asbestos indemnity.

It was a standard requirement of stock transfers that the local authority provides an indemnity to the funders and new landlord, in this case Monmouthshire Housing Association, with respect to the presence of asbestos in the property transferring. The indemnity does not apply in respect of the first £2.55million of costs incurred in relation to such works, as updated annually by RPI.

The resultant provision is one where the authority has negotiated a limited contingent liability of £6.003million, as updated annually by RPI, for a period of 15 years from the date of transfer of 20th January 2008. 3 years remain of this period.

There are no immediate financial implications and professional advice suggests a low risk of future liability arising. Low risk does not however equate to "no risk" and there is a potential future liability of up to £6.582 million as updated by RPI (£6.483 million as at 31st March 2019) , in the event the asbestos indemnity is called upon.

The latest available information indicates spend to date by Monmouthshire Housing Association (for the period 21st January 2008 to 31st March 2020) is £124,456 (previously £111,478 for the period 21st January 2008 to 31st March 2019).

14 POST-EMPLOYMENT BENEFIT NOTES

The Coronavirus (COVID-19) pandemic has impacted global financial and property markets. As a result of the volatility in market conditions, year-end valuation reports provided to the Greater Gwent Pension Fund include a statement that there is a material valuation uncertainty related to the UK property fund managed on behalf of the Fund.

The Local Government Pension Scheme property assets attributable to Monmouthshire County Council account for £8.139m or 2.5% of total assets.

14.1 Participation in Pension Schemes

The council is required to account for its pension costs in accordance with IAS19 - employee benefits.

The Council makes contributions towards the cost of post employment benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make the payments that need to be disclosed at the time that employees earn their future entitlement. The Council participates in two separate pension schemes; the Greater Gwent Pension Fund (Local Government Pension Scheme (LGPS)) and the Teachers' Pensions Scheme (TPS), both of which provide defined benefits to members (retirement lump sums and pensions) earned as employees worked for the Council.

Teachers Pension Scheme (TPS) – Unfunded Defined Benefit Scheme Accounted for as a Defined Contribution Scheme

Whilst this is an unfunded multi-employer defined benefit scheme it is required to be accounted for as if it were a defined contribution scheme, because the arrangements are such that the liabilities cannot ordinarily be identified specifically to the Council. A notional fund is used as the basis for calculating the employer's contribution rate paid by local authorities and valuations of the notional fund are undertaken every four years. This scheme is administered by the Teachers' Pensions Agency (TPA). No liability for future payments of these benefits is recognised in the Council's Balance Sheet.

The Authority's payments to the scheme relating to 2019/20 totalled £4,992,000 (£3,875,000 in 2018/19) in respect of teachers' retirement benefits, representing 23.6% of teachers' pensionable pay (16.48% for 2018/19).

Under this scheme there are separate arrangements for the award of discretionary post employment benefits upon early retirement – these are unfunded defined benefit arrangements, under which liabilities are recognised when awards are made.

There were £479,000 of contributions remaining payable to the scheme at the year end (£324,000 at 31st March 2019). The Council is not responsible for any other employers' obligations under this pension plan.

Greater Gwent Pension Fund

The Authority participates in two pension schemes administered by Torfaen County Borough Council:

- The Local Government Pension Scheme - This is a funded defined benefit scheme, meaning that the Authority and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets in the long term. Pension benefits accrued up until March 2014, based on pensions being a percentage of final salary. Benefits since that time have accrued on an average salary basis.
- Unfunded Teachers Discretionary Benefits - the Authority is responsible for the costs of any additional benefits awarded upon early retirement outside of the terms of the teachers' scheme above. This is unfunded, meaning that there are no investment assets built up to meet pension liabilities, and cash has to be generated to meet actual pension payments as they eventually fall due.

The following sections of the notes provide further supporting information covering the Authority's interest in the Greater Gwent Pension Fund.

14.2 Pension Fund Stakeholders

14.3 Entries in the comprehensive income and expenditure statement

- 14.4 Expected future pension contributions
- 14.5 Actuarial Assumptions
- 14.6 Sensitivity analysis
- 14.7 Investments held by the pension fund
- 14.8 The movement in the authority's share of the assets and liabilities within the Fund
- 14.9 A summary explanation of the movement in assets and liabilities

14.2 Pension Fund Stakeholders

The total defined benefit obligation for the Authority's share of the Greater Gwent Pension fund (excluding unfunded liabilities) as at the 31st March 2020 is split as follows, along with the weighted average duration of each group:

2018/19			2019/20		Weighted Average Duration (Years)
£000's	%		£000's	%	
323,628	53%	Active	242,171	44%	23.8
106,506	17%	Deferred	101,334	19%	23.8
181,783	30%	Pensioners	202,078	37%	12
611,917	100%	Total	545,583	100%	19.6

A breakdown of the investments held by the Greater Gwent pension fund, quoted and unquoted is given in 14.7 giving an indication of the level of diversification and therefore risk within the Investment Portfolio.

14.3 Entries in the comprehensive income and expenditure statement

The Authority recognises retirement benefits in the net cost of services, as they are earned by employees not when the benefits are eventually paid as pensions. However, the charge we are required to make against council tax is based on the cash payable to the pension fund in the year, so the real cost of post-employment/ retirement benefits is reversed out of the Council Fund via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the Council Fund Balance via the Movement in Reserves Statement during the year.

The Actuary has included an approximate impact of the McCloud & Sargent judgements (£1,205,000) within the Past Service Cost figure, increasing the total pension liability as any related cash settlements will be made in the future. The McCloud and Sargeant judgements concerned the introduction of career average revalued earnings (CARE) pension schemes to replace the former final salary based pension schemes as part of the Hutton recommendation to reform public service pension schemes. There was protection provided for older members under each scheme. The McCloud and Sargeant judgements have upheld the claimants' cases that the method of implementation of the new schemes discriminated against younger members. The government was refused leave to appeal the McCloud and Sargeant Judgements on 27 June 2019. This means that the various parties return to the respective employment tribunals to formulate a remedy which will resolve the age discrimination of the pension changes.

Finance is only required to be raised to cover teachers unfunded discretionary benefits when the pensions are actually paid.

Local Government Pension Scheme	Teachers' Unfunded Discretionary Benefits		Local Government Pension Scheme	Teachers' Unfunded Discretionary Benefits
2018/19 £000's	2018/19 £000's		2019/20 £000's	2019/20 £000's
		Comprehensive Income and Expenditure Account		
		Net Cost of Services:		
20,121	0	current service cost	24,341	0
41	0	past service cost / (gain) including curtailments	1,357	0
0	0	settlement gain	0	0

20,162	0	Total Net Cost of Services	25,698	0
		Financing and Investment Income and Expenditure:		
14,831	126	interest cost on pension liabilities	14,982	109
(8,976)	0	interest income on plan assets	(8,505)	0
0	0	Impact of asset ceiling on net interest	0	0
26,017	126	Total Post Employment Benefit Charged to the Surplus or Deficit on the Provision of Services	32,175	109
		Other Comprehensive Income and Expenditure:		
36,472	(3)	(Gains) and losses on remeasurement	(56,332)	(484)
0	0	Effect of business combinations and disposals	0	0
36,472	(3)	Total Other Comprehensive Income and Expenditure	(56,332)	(484)
62,489	123	Total Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement	(24,157)	(375)
		Movement in Reserves Statement		
(26,017)	(126)	reversal of net charges made to the Surplus or Deficit for the Provision of Services for post-employment benefits	(32,175)	(109)
		Actual amount charged against the Council Fund for pensions in the year:		
11,600	444	employers' contributions payable to scheme	12,724	431

14.4 Expected future pension contributions

The total contributions expected to be made to the Local Government Pension Scheme by the Authority in the year to 31 March 2021 is £11,989,000. Expected contributions for Teachers Unfunded Discretionary Benefits scheme in the year to 31 March 2021 are £438,000.

Statutory arrangements are in place to ensure that the financial position of the fund remains healthy. In the 31 March 2016 Actuarial Valuation, a shortfall of 28% of the fund's liabilities was identified. The Fund's 'funding target' is to achieve and maintain a funding level of 100% of liabilities. The maximum deficit recovery period has been set at 25 years. At each Actuarial Valuation, a contribution rate is set to meet the funding target over the deficit recovery period.

14.5 Actuarial Assumptions

A draft report of the results of the latest full actuarial valuation of the Greater Gwent (Torfaen) Pension Scheme, based on the position of the fund at 31st March 2019, was released in December 2019. In between formal valuations which occur every three years the actuary assesses the extent of the employers pension assets and liabilities. The Actuaries report for 31st March 2020 including the projections for 20/21 is therefore based on this 31st March 2019 full valuation.

Both the Teachers unfunded discretionary benefits and the County Council fund liabilities have been assessed by Hymans Robertson LLP, an independent firm of actuaries. The actuary has used the projected unit credit method to arrive at their valuation. This is dependent on the underlying assumptions which have been made about mortality rates, salary levels, discount rates etc. Any differences which arise between these assumptions and actual trends will cause an associated change in the net pension liability arising.

The principal assumptions used by the actuary in their calculations have been:

Financial Assumptions	Local Government Pension Scheme & Teachers Unfunded Discretionary Benefits		
	31st March 2020	31st March 2019	31st March 2018
Rate of increase in salaries	2.2%	2.9%	2.8%
Rate of increase in pensions (inline with CPI)	1.9%	2.5%	2.4%
Rate for discounting scheme liabilities	2.3%	2.4%	2.7%
Life Expectancy:			

Current male pensioner aged 65 (years)	20.6	21.5	21.5
Current female pensioner aged 65 (years)	22.9	23.9	23.9
Future male pensioner aged 65 in 20 years' time (years)	21.6	23.6	23.6
Future female pensioner aged 65 in 20 years' time (years)	24.6	26.1	26.1

The discount rate used to value fund liabilities is based on market yields on high quality corporate bonds over appropriate terms. To facilitate this, Hymans Robertson produce a corporate bond yield curve based on the constituents of the iBoxx AA corporate bond index.

14.6 Sensitivity Analysis

As noted above, changes to the financial assumptions disclosed in 14.5 will result in movements in the key pension related financial outcomes. An estimation of the results of such movements are given below.

Change in assumption at 31st March 2020	Approximate % increase to Employer	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	10%	53,643
0.5% increase in the Salary Increase Rate	1%	5,624
0.5% increase in the Pension Increase Rate	9%	47,548

In addition the actuary estimates that a one year increase in life expectancy would approximately increase the Employers Defined Benefit Obligation by around 3-5%. In practice this is dependent on the age groups predominantly affected.

14.7 Investments held by the pension fund

Teachers unfunded discretionary payments have no assets to cover its liabilities. The Local Government Pension Scheme's assets are valued at fair value, and consist of the following categories, by proportion of the total assets held:

31st March 2019		Category	Quoted in Active markets	31st March 2020	
£000	%			£000	%
52,162	18.7%	Equities	Yes	47,772	14.8%
		Investment funds & Unit Trusts			
201,623	57.6%	Equities	No	186,585	57.8%
61,362	16.2%	Bonds	No	54,190	16.8%
26,761	4.2%	Other	No	23,466	7.3%
9,550	2.4%	Property	No	8,129	2.5%
1,714	0.8%	Cash accounts	No	2,838	0.9%
0	0.0%	Alternatives	No	0	0.0%
353,171	100.0%	Total		322,980	100.0%

14.8 The movement in the authority's share of the assets and liabilities within the fund

The Movement in Fund Assets

Local Government Pension Scheme	Teachers Unfunded Discretionary Benefits		Local Government Pension Scheme	Teachers Unfunded Discretionary Benefits
2018/19 £000	2018/19 £000		2019/20 £000	2019/20 £000

331,910	0	As at 1st April	353,171	0
0	0	Settlement costs	0	0
8,976	0	Interest on plan assets	8,505	0
11,600	444	Employers contributions	12,724	431
3,121	0	Contributions by scheme participants	3,352	0
10,744	0	Gains / (losses) on remeasurement of assets	(39,633)	0
0	0	Administration expenses of plan assets	0	0
(13,180)	(444)	Benefits paid	(15,139)	(431)
353,171	0	As at 31st March	322,980	0

The Movement in Fund Liability

(544,485)	(5,070)	As at 1st April	(616,635)	(4,749)
(20,121)	0	Current service cost	(24,341)	0
(41)	0	Past service (cost) / gain (including curtailments)	(1,357)	0
0	0	Settlement gains	0	0
0	0	Curtailment costs	0	0
(14,831)	(126)	Interest on pension liabilities	(14,982)	(109)
(3,121)	0	Contributions by scheme participants	(3,352)	0
(47,216)	3	Gains / (losses) on remeasurement of liabs	95,965	484
13,180	444	Benefits paid	15,139	431
0	-	Effect of business combinations & disposals	0	0
(616,635)	(4,749)	As at 31st March	(549,563)	(3,943)

There were £1,119,000 of contributions remaining payable at the year end for the Local Government Pension Scheme (at 31 March 2019 £1,020,000 was payable) and £2,000 was owed to the Authority for the Teachers unfunded discretionary benefits scheme (£2,000 at 31 March 2019).

Within the £549,563,000 of pension liabilities for the Local Government Pension Scheme at 31 March 2020 (£616,635,000 31 March 2019), there are £3,993,000 of unfunded liabilities (£4,718,000 as at 31st March 2019). £327,000 of employer contributions were made in respect of these liabilities during the year.

14.9 Summary of the movement in assets and liabilities

Over the five years ending the 31 March 2020, the fund's actuaries have estimated that the Authority had the following assets and liabilities:

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
Local Government Pension Scheme					
Present value of scheme liabilities	(436,585)	(531,153)	(544,485)	(616,635)	(549,563)
Fair value of scheme assets	254,271	319,333	331,910	353,171	322,980
Surplus / (deficit) in the scheme	(182,314)	(211,820)	(212,575)	(263,464)	(226,583)
Teachers Unfunded Discretionary Benefits					
Present value of scheme liabilities	(5,911)	(5,417)	(5,070)	(4,749)	(3,943)
Fair value of scheme assets	0	0	0	0	0
Surplus / (deficit) in the scheme	(5,911)	(5,417)	(5,070)	(4,749)	(3,943)
Total					
Present value of scheme liabilities	(442,496)	(536,569)	(549,555)	(621,384)	(553,506)
Fair value of scheme assets	254,271	319,333	331,910	353,171	322,980
Surplus / (deficit) in the scheme	(188,225)	(217,236)	(217,645)	(268,213)	(230,526)
Year on year increase in net liability (or deficit)		(29,011)	(409)	(50,568)	37,687

There is a decrease in the combined net liability of the Greater Gwent pension funds of £37,687,000 from 1 April 2019 to 31 March 2020. This has resulted from a fall in the value of scheme liabilities of £67m offset by a reduction in the value of scheme assets. The reduction in liabilities is due to changes in financial assumptions. There have been reductions for both the projected rate increases for salaries and pensions going forward and also life expectancies.

15 NOTES TO THE CASH FLOW STATEMENT

15.1 Reconciliation of Comprehensive Income & Expenditure Account to Net Cash Flows from Operating Activities

2018/19 £000		2019/20 £000
11,964	Net (surplus) or deficit on the provision of services	23,195
	Non-cash transactions:	
(10,744)	Depreciation of non-current assets	(11,498)
(9,779)	Impairment and downward valuations	(3,732)
(146)	Amortisation of intangible non-current assets	(186)
56	Increase/decrease in impairment for provision for bad debts	229
188	Increase/(decrease) in inventories	52
7,268	Increase/(decrease) in debtors	(1,309)
1,646	(Increase)/decrease in creditors	2,267
276	(Increase)/decrease in provisions	(850)
(14,099)	Pension liability	(19,129)
767	CCRCD: Capital & Revenue Grants recognised	51
(10,334)	Carrying amount of non-current assets, assets held for sale and investment properties which are sold or derecognised	(1,290)
(1,525)	Movement in the value of investment properties	(560)
	Items classified in another classification in the cash flow statement	
(1,202)	Other payments for investing activities	(2,085)
17,295	Other receipts from investing activities	10,487
(32)	Other payments for financing activities	(31)
(1,370)	Other receipts for financing activities	(921)
4,242	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	7,274
(5,530)	Net cash flows from Operating Activities	1,963

15.2 Returns on Investments and Servicing of Finance

Returns on Investments received and Servicing of Finance paid during the year are made up of the following elements:

2018/19 £000		2019/20 £000
	Returns on Investments received:	
(166)	Interest received	(448)
(14)	Other interest and investment income	(33)
	Servicing of Finance paid:	
3,346	Interest paid	4,301
20	Interest element of finance lease rental payments	18
3,187		3,838

15.3 (Increase)/decrease in Cash and Cash Equivalents

The balance of Cash and Cash Equivalents is made up of the following elements:

	At 31st March 2019	In Year Movement	At 31st March 2020
	£000	£000	£000
Current Assets			
Cash held by the Authority	397	27	424
Bank current accounts	3,610	(3,610)	0
Short-term call account deposits	9,355	12,597	21,953
Current Liabilities			
Bank current account overdrafts	(103)	(1,371)	(1,475)
Total	13,258	7,644	20,902

16 OTHER NOTES TO THE ACCOUNTS

16.1 Members Allowances

Information on members' allowances is available on request from the Payroll Manager, Payroll Section, Monmouthshire County Council, @Innovation House, Wales 1, Magor, NP26 3DG.

The Authority paid the following amounts to Councillors and co-optee members of the council during the year:

2018/19 £000		2019/20 £000
586	Basic allowance	595
193	Special responsibility allowance	202
31	Travel allowance	26
7	Subsistence allowance	0
0	ICT Costs	6
817	Total	829

16.2 Audit Costs

The Authority has incurred the following costs during 2019/20 in relation to the audit of the Statement of Accounts, certification of grant claims, statutory inspections and to non-audit services provided by the Authority's external auditors:

2018/19 £000		2019/20 £000
176	Fees payable to the appointed auditor with regard to external audit services - financial audit	176
103	Fees payable to the appointed auditor with regard to external audit services - Local Government Measure	103
68	Fees payable to the appointed auditor for certification of grant claims & returns	40
347	Total	319

16.3 S31 and S33 Pooled Budget Arrangements

Section 31 of the Health Act 1999 and Section 33 of the NHS (Wales) Act 2006 enables the establishment of joint working arrangements between NHS bodies and local authorities. Pooled funds enable bodies to work collaboratively to address specific local health issues. A key feature of the pool is that the use of resources contributed to the pool should be dictated by the need of clients who meet the criteria established for the pool, rather than the respective contributions by the partners. Thus, it is to be expected that health service resources could be used to deliver local authority services and vice versa.

Pooled funds are not legal entities. The partners in the pool will nominate one partner to be the host to the pool. That host has responsibility for the administration of the pool.

a) Mardy Park Rehabilitation Scheme

The Authority had previously entered into a pooled budget arrangement with the Aneurin Bevan Local Health Board for the provision of a Rehabilitation Scheme at Mardy Park which came into effect from the 1st April 2004, with the Authority being host for the partnership.

The Purpose of the scheme was to reduce the time spent in hospital for rehabilitation patients who have no need for in-patient care, undertaken through the assessment of individuals needs and on how community based schemes could adapt to manage the risk of non-residential care effectively.

The income and expenditure for the pooled fund arrangements for the financial year ended 31st March 2020 was:

2018/19 £000		2019/20 £000
	Funding	
(250)	Monmouthshire County Council	(257)
(189)	Monmouthshire Local Health Board	(194)
(439)	Total Funding	(451)
	Expenditure	

318	Employee related	326
61	Premises related	72
0	Transport related	3
41	Supplies & Services	30
34	Agency & Contracted	40
454	Total Expenditure	471
15	Net (Under)/over spend	20

b) Gwent Integrated Community Equipment Store (GWICES)

The Authority has entered into a pooled budget arrangement with the Aneurin Bevan Local Health Board and four other local authorities in the Gwent area, namely Blaenau Gwent, Caerphilly, Newport and Torfaen. Under the arrangement funds are pooled under Section 33 of the NHS (Wales) Act 2006. This agreement came into effect on 1st October 2008.

The Purpose of the scheme is to provide an efficient and effective integrated equipment store to service users who are resident in the partnering localities.

Torfaen County Borough Council is the host for the Partnership, who recorded gross expenditure of £3,398,000 (£3,366,000 for 2018/19) and gross income of £3,398,000 (£3,366,000 for 2018/19) for the financial year ended 31st March 2020. Monmouthshire County Council's contribution for the year was £323,000 (£377,000 for 2018/19).

c) Monmouth Health & Social Care Facility (Monnow Vale)

The Authority has entered into a pooled budget arrangement with the Aneurin Bevan University Health Board. Under the arrangements funds are pooled under Section 33 of the NHS (Wales) Act 2006 to provide health and social care in the form of inpatient, outpatient, clinic and day care facilities to individuals who have medical, social, community or rehabilitation needs. This agreement came into effect from the 1st June 2006.

The Facility is a unique project that replaced a number of out dated or separate facilities scattered throughout the County with a new building that has been financed by a private finance partner over a period of 30 years. Further information is contained in note 12.4 to the accounts.

Aneurin Bevan University Health Board is the host for the Partnership, who recorded gross expenditure of £3,687,000 (£3,632,000 for 2018/19) and gross income of £3,489,000 (£3,411,000 for 2018/19) for the financial year ended 31st March 2020. Monmouthshire County Council's total contribution for the year was £1,166,000 (£1,136,000 for 2018/19).

d) Gwent Frailty Programme

A Section 33 Partnership Agreement exists between five Local Authorities in the former Gwent area and Aneurin Bevan Local Health Board for the provision of Frailty services to service users who are resident within each of the Partner Localities. This service became operational from the 4th April 2011 and the agreement came into effect from this date.

The Gwent Frailty programme has created a Community based integrated model of care through the establishment of Community Resource Teams (CRT's) delivering a range of services to avoid hospital admissions, facilitate early discharge and help individuals remain 'happily independent'. The CRT's provide integrated Urgent Response, Reablement, Falls Services within each Locality in line with agreed Locality Commissioning Plans (LCPs).

The programme has attracted Welsh government Invest to Save funding totalling £7.3m which is being used to pump prime the establishment of CRTs and to fund the IT infrastructure. Partners have also committed recurring budgets to the programme totalling £8.9m per annum and have agreed savings targets to ensure on-going financial stability.

Caerphilly County Borough Council is the host for the Partnership, who recorded gross expenditure of £16,458,000 (£16,515,000 for 2018/19) and gross income of £16,571,000 (£16,452,000 for 2018/19) for the financial year ended 31st March 2020. Monmouthshire County Council's total contribution for the year was £1,361,000 (£1,387,000 for 2018/19).

e) Pooled Fund for Care Home Accommodation Functions for Older People

Under section 169 and Part 9 Statutory Guidance of the Social Services and Wellbeing Act (Wales) 2014, Welsh Government has directed the forming of a pooled arrangement across Wales for Care Home Accommodation Functions for Older People.

The Gwent Regional Partnership Board decided to establish a pooled fund and service, by establishing a 'Gwent' section 33 agreement from the 6 organisations being 5 Local Authorities comprising of Monmouthshire, Newport, Torfaen, Blaenau Gwent and Caerphilly, along with Aneurin Bevan University Health Board.

Torfaen County Borough Council is the host for the Partnership, who recorded gross expenditure of £104,976,167 (£98,596,000 for 2018/19) and funding of £104,976,167 (£98,596,000 for 2018/19) for the financial year ended 31st March 2020. Monmouthshire County Council's total contribution for the year was £9,737,712 (£8,993,000 for 2018/19).

16.4 Related Party Transactions

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

Central & Welsh Government

Central & Welsh Government has effective control over the general operations of the Authority - it is responsible for providing the statutory framework within which the Authority operates, provides the majority of its funding in the form of core and specific grants and prescribes the terms of many of the transactions that the Authority has with other parties (e.g. housing benefits). Details of grant income received from Central & Welsh Government and other government departments are set out in note 11.6 to the Accounts and balances owing to/from these parties is outlined in notes 13.5 & 13.6.

Members

Members of the council have direct control over the council's financial and operating policies. The total of members' allowances paid in 2019/20 is shown in Note 16.1. During 2019/20, works and services to the value of £19.118m were commissioned from other public bodies and companies in which eight members had an interest. Contracts were entered into in full compliance with the council's standing orders. In addition, grants totalling £117,743 were made to voluntary organisations in which two members had positions on the governing body. No grants were made to organisations whose senior management included close members of the families of members. In all instances, the grants were made with proper consideration of declarations of interest. The relevant members did not take part in any discussion or decision relating to the grants. Details of all these transactions are recorded in the register of members' interest, open to public inspection at the Council headquarters during office hours.

Details of all interests declared are recorded in minutes or relevant meetings and recorded in the Register of Members' Interest are open to public inspection at its offices at County Hall, Usk, Monmouthshire, NP15 1GA.

Companies and Joint Ventures

The Authority has interests in companies and joint ventures and relevant transactions are disclosed in note 16.6 to the Accounts about such interests.

Senior Officers

Section 117 of the Local Government Act 1972 requires officers to declare any pecuniary interests that they may have regarding any transactions being entered into by the Authority in which they have a direct or indirect involvement.

The Monitoring Officer for the Authority, Chief Officer for Children & Young People, Head of Resources (S151 Officer), Chief Officer Social Care Safeguarding & Health and the Head of Policy and Governance have no pecuniary interests.

The Chief Executive was the Acting Returning Officer and Electoral Registration Officer for Monmouthshire during 2019/20 and held the following positions during the year:

- **Cardiff City Deal - Innovation and Business Engagement Lead**
- **Shared Resource Services - Board Member**
- **Innovation Point Wales - Non-Executive Director**
- **South East Wales Education Achievement Service - Board Advisor**

The Head of Operations held the following position during the year:

- **Non-Executive Director to Dragon Waste Limited**

Chief Officer for Enterprise held the following position during the year:

- **Shared Resource Services - Business Solutions - Director**

Chief Officer for Resources has an indirect involvement with:

- **Cardiff Capital Region - City Deal**
- **Science and Innovation Advisory Council**
- **UKRI's Research England Board**

Any transactions and balances held with these parties are shown within note 16.6 to the accounts.

16.5 Trust Funds

The Council acts as sole or custodian trustee for a number of trust funds. The funds do not represent assets of the Council and they have not been included in the Consolidated Balance Sheet. The below balances are based upon unaudited figures for the year ended 31st March 2020:

2018/19					2019/20			
Income £000	Expend £000	Assets £000	Liabilities £000		Income £000	Expend £000	Assets £000	Liabilities £000
(250)	376	5,710	(344)	Welsh Church Act Fund	(209)	618	5,143	(178)

The primary objective of the Charity is to assist groups and individuals for educational, social, recreational and other charitable purposes. The Trust owns tangible fixed assets comprising eight parcels of land. Five of these are agricultural, two are grazing and one is forestry.

(21)	21	114	(46)	Llanelly Hill Social Welfare Centre	0	0	114	(114)
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The primary objective of the fund is the provision of a Social welfare centre to the residents of Llanelly hill. The Trust's fixed assets comprise the social welfare centre premises and land upon which it is situated.

(1)	3	0	(2)	Chairman's Charity	(5)	0	6	(1)
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The Chairman's Charity supports and raises funds for the Chairman's nominated Charity of the year.

				<i>Funds for which Monmouthshire County Council acts as custodian trustee:</i>				
(32)	79	664	(4)	Monmouthshire Farm School Endowment	(27)	54	636	(4)
(1,176)	972	669	(465)	Appointeeship - Personal Monies	(1,094)	930	833	(669)
(1)	32	0	(31)	Appointeeship - Independent Living Fund Monies	0	0	0	0

16.6 Related Businesses and Operations

The Council has a number of interests in other entities which fall within the group boundary of the Council on the grounds of control and significant influence in line with the Code.

In respect of the Cardiff Capital Region City Deal (CCRC), the Authority has included its share of income, expenditure, assets, liabilities, reserves and cash flows relating to the arrangement within the single entity accounting statements and disclosures. Further details of the arrangement are outlined below.

The Council's remaining interests in other entities, in aggregate, are not sufficiently material to warrant producing consolidated financial statements when reviewing both quantitative and qualitative information. For this reason, group accounts are not deemed necessary for these entities within these statements. In order to ensure compliance with the Code, a range of narrative disclosures have been made as follows:

Dragon Waste Limited

The Company was formed to carry out the Council's waste disposal function. The Council holds a 19% share holding in the company. The Company's latest available trading results are the accounts for the year ending 31st March 2019.

31st March 2019		31st March 2020
£000 Final		£000 TBC
(44)	Net Assets/(Liabilities)	168
(111)	Profit/(Loss) before Taxation	183
(91)	Profit/(Loss) after Taxation	183
0	Dividends	0

No assets or liabilities of the Company are reflected in the Consolidated Balance Sheet. The remaining 81% of the Company is owned by Viridor Waste Exeter Limited, which is a wholly owned subsidiary of Viridor Waste Limited. The ultimate parent company

Net payments of £2,166,743 were made to Dragon Waste Limited during 2019/20 (£2,203,998 during 2018/19).

The Authority owed £177,005 to Dragon Waste Limited at the 31st March 2020 (£301,616 owed to Dragon Waste as at 31st March 2019) in respect of Waste Management contract income.

Further information can be found in Dragon Waste Limited Financial Statements for the year ended 31 March 2019 which are available from the Company Secretary, Pennon Group Plc, Peninsula House, Rydon Lane, Exeter, Devon, England, EX2 7HR.

SRS Public

The Authority entered into a public sector collaborative arrangement, known as the Shared Resource Service, with Torfaen County Borough Council (TCBC) and Gwent Police Authority in May 2011, Newport City Council and Blaenau Gwent Borough Council have joined the partnership subsequently. The arrangement has resulted in a Shared Resources Centre (SRC) being set up for the purpose of providing IT services to each member authority. A memorandum of understanding is in place to provide robust governance arrangements. The arrangement is not a separate legal entity and ownership of the SRS premises resides with TCBC. The arrangement is funded by core contributions from partners, income from desk licences and rack rentals from schools and external income. Monmouthshire's core contribution during 2019/20 included in the Council's Accounts totalled £2.169 million (£2.13m in 2018/19).

The Authority owed £2,933 to SRS Public at the 31st March 2020 (£36,476 owed as at 31st March 2019).

Financial administration of the Shared Resource Service (Public) was transferred to Torfaen CBC on 1st April 2019. As part of the winding up of the administration it is possible that Monmouthshire CC may incur a write off for unrecoverable debt relating to bills raised by SRS Public up to and including the 31st March 2019. The probability and timing of these write offs remains uncertain at the balance sheet date and therefore an FRS12 provision of £86,000 has been maintained as outlined in note 13.7.

SRS Business Solutions Limited

SRS Business Solutions Limited, a company limited by shares, was incorporated on 11th June 2011. The company was set up with £40,000 share capital from the Authority and TCBC, in order to facilitate trading in ICT related services with the private and third sector.

The Company's latest available trading results are the draft estimates for the year ending 31st March 2020.

31st March 2019		31st March 2020
£000 Final		£000 Draft
140	Net Assets/(Liabilities)	139
24	Profit/(Loss) before Taxation	(139)
20	Profit/(Loss) after Taxation	(139)
0	Dividends	0

There were no transactions between Monmouthshire County Council and SRS (BS) during 2019/20 (nil in 2018/19).

Financial administration of SRS (BS) transferred to Torfaen Borough Council on the 19th October 2019.

Melin Homes & Y Prentis

Y Prentis is a business set up by Monmouthshire County Council and Melin Homes with a 50/50 share to actively promote the provision of technical and vocational secondary education.

The Company's latest available trading results are the financial statements for the period ending 30th September 2019.

The company is exempt from audit under section 477 of the companies act 2006 for the financial year ending September 2019.

30th Sept 2018		30th Sept 2019
£000		£000
Final		Draft
300	Total Assets/(Liabilities)	313
13	Profit/(Loss) before Taxation	12
13	Profit/(Loss) after Taxation	12
0	Dividends	0

There were no transactions between Monmouthshire County Council and Y Prentis during 2019/20 (nil in 2018/19). A capital receipt of £2.7m was received by Monmouthshire County Council during the year from Melin Homes as part of the sale of land relating to Crick Rd development.

Education Achievement Service (EAS)

The five local Councils of Monmouthshire, Caerphilly, Blaenau Gwent, Torfaen and Newport have formed an Education Achievement Service (EAS). The integrated service has been designed to raise education standards in South East Wales.

The EAS became operational in September 2012. It is a joint company, limited by guarantee and wholly owned and completely controlled by the five local Councils, but operating at arm's length. It is not a profit making company, and it is a separate legal entity. There is no lead Council with each being represented equally with a 20% interest and having equal voting rights. The company has a Board consisting of the Lead Director and elected member representatives from the partner Councils. The collaboration Agreement commits the Council to participating in the EAS company for a minimum period of four years.

The Company's latest available trading results are the draft estimates for the period ending 31st March 2020.

31st March 2019		31st March 2020
£000		£000
Final		Draft
287	Total Assets/(Liabilities)	280
19	Profit/(Loss) before Taxation	27
19	Profit/(Loss) after Taxation	27
0	Dividends	0

Payments of £1,049,000 were made to the EAS during 2019/20 (£259,563 during 2018/19). There were no balances owing to/from the EAS at 31st March 2020 (nil at 31st March 2019).

Gwent Archives

The five local Councils of Monmouthshire, Caerphilly, Blaenau Gwent, Torfaen and Newport are included in the Gwent Archives Service. The integrated service collects, preserves, and makes accessible to the public, documents relating to the area it serves.

The Company's latest available trading results are the draft estimates for the period ending 31st March 2020.

31st March 2019		31st March 2020
£000		£000
Final		Draft
268	Total Assets/(Liabilities)	307
(19)	Profit/(Loss) before Taxation	39

(19)	Profit/(Loss) after Taxation	39
0	Dividends	0

Payments of £182,244 were made to Gwent Archives during 2019/20 (£182,244 during 2018/19). There were no balances owing to/from Gwent Archives at 31st March 2020 (nil at 31st March 2019).

Gwent Crematorium

The five local Councils of Monmouthshire, Caerphilly, Blaenau Gwent, Torfaen and Newport are included in the Gwent Crematorium Service. The integrated service provides crematorium services to the public relating to the area it serves.

The Company's latest available trading results are the draft estimates for the period ending 31st March 2020.

31st March 2019		31st March 2020
£000 Final		£000 Draft
2,055	Total Assets/(Liabilities)	2,247
(1,276)	Profit/(Loss) before Taxation	138
(1,276)	Profit/(Loss) after Taxation	138
0	Dividends	0

A payment of £140,255 was received from Gwent Crematorium during the 2019/20 financial year (£138,375 and a special dividend of £258,300 (Total £396,675) during 2018/19). There were no balances owing to/from Gwent Crematorium at 31st March 2020 (nil at 31st March 2019).

Project Gwyrdd

The five local Councils of Monmouthshire, Caerphilly, Newport, Cardiff and the Vale of Glamorgan are included within the Project Gwyrdd. The integrated service collects, processes, and disposes of household waste that is suitable for recycling.

The Company's latest available trading results are the draft estimates for the period ending 31st March 2020.

31st March 2019		31st March 2020
£000 Final		£000 Draft
330	Total Assets/(Liabilities)	322
(13)	Profit/(Loss) before Taxation	(8)
(13)	Profit/(Loss) after Taxation	(8)
0	Dividends	0

Payments of £27,000 were made to Project Gwyrdd during 2019/20 (£27,000 during 2018/19). There were no balances owing to/from Project Gwyrdd at 31st March 2020 (nil at 31st March 2019).

Cardiff Capital Region City Deal (CCRCD)

A Joint Working Agreement formally established the Cardiff Capital Region Joint Committee (the Regional Cabinet) as a Joint Committee, with delegated functions, from 1st March 2017. It is a partnership between the 10 councils in South East Wales and its aim is to oversee the Region's economic growth and to deliver the commitments set out in the CCR City Deal, specifically in relation to the Wider Investment Fund, which amounts to £495 million, with £120 million being contributed by the 10 councils on a pro rata population basis.

In accordance with the Code requirements, the Authority has included its share of income, expenditure, assets, liabilities, reserves and cash flows relating to the arrangement within the single entity accounting statements and disclosures.

In terms of capital spending no contribution was required in 2019/20 (£0.75 million in 2018/19) as the forecasted spend did not materialise. There were no balances owing to/from the joint committee at 31st March 2020 (nil at 31st March 2019).

CSC Foundry

During 2019/20 MCC had 'Significant Influence' over CSC Foundry Ltd which is a subsidiary of CCRCD. As at 31st March 2020 CSC Foundry had £3.0m invested with the Authority which is classified within Short term borrowing in the Balance sheet (£3.0m in 2018/19).

16.7 Senior Officer Remuneration

The remuneration paid to the Authority's senior employees, where annualised salary is equal to or more than £60,000 per year, is as follows:

Year ended 31st March 2020						
Post Holder	Salary including fees and allowances £	Compensation for loss of employment £	Expense Allowances £	Total Remuneration excluding Pension contributions £	Pension Contributions (Based on Common Rate from Actuary) £	Total Remuneration including Pension contributions £
Chief Executive Officer	116,744	0	0	116,744	26,968	143,712
Chief Officer - Children and Young People	85,737	0	0	85,737	19,805	105,542
Chief Officer - Enterprise	83,355	0	0	83,355	19,255	102,610
Chief Officer - Social Care, Safeguarding	84,546	0	0	84,546	19,530	104,076
Chief Officer - Resources & Acting Section 151 Officer	81,959	0	0	81,959	18,851	100,810
Head of Law & Monitoring Officer	72,638	0	0	72,638	16,779	89,417
Head of Policy & Governance	66,089	0	0	66,089	15,267	81,356
Total	591,068	0	0	591,068	136,455	727,523

Year ended 31st March 2019						
Post Holder	Salary including fees and allowances £	Compensation for loss of employment £	Expense Allowances £	Total Remuneration excluding Pension contributions £	Pension Contributions (Based on Common Rate from Actuary) £	Total Remuneration including Pension contributions £
Chief Executive Officer	114,455	0	0	114,455	25,295	139,750
Chief Officer - Children and Young People	82,888	0	0	82,888	18,318	101,206
Chief Officer - Enterprise (Apr - Jul)	29,377	0	0	29,377	6,492	35,869
Chief Officer - Enterprise (Sep - Mar)	43,410	0	0	43,410	9,594	53,003
Chief Officer - Social Care and Health (Apr - Jul)	22,374	0	0	22,374	4,945	27,319
Chief Officer - Social Care and Health (Jul - Mar)	59,815	0	0	59,815	13,219	73,034
Chief Officer - Resources	82,913	0	0	82,913	17,337	100,250
Monitoring Officer, (Head of Legal Services) (Apr - Aug)	26,889	0	0	26,889	5,942	32,831
Monitoring Officer, (Head of Legal Services) (Sep - Mar)	41,614	0	0	41,614	9,197	50,811
Head of Finance and Section 151 Officer (Apr - Jan)	71,788	0	0	71,788	10,566	82,353
Head of Policy & Governance	62,458	0	0	62,458	13,803	76,261
Total	637,981	0	0	637,981	134,708	772,689

Senior Officers are defined for the purposes of this disclosure as the Chief Executive, together with those senior officers that the Chief Executive is either directly responsible for or senior officers who are directly accountable to the Chief Executive. If they meet this definition any time during the year, their annual salary has been reported.

Senior staff can act in an ancillary capacity as Returning Officers overseeing the administration of periodic referenda and elections. Commonly the fee for such work is nationally set. For the avoidance of any doubt, any such costs are not included in this analysis.

Employers' pension contributions were paid at a rate of 23.1% of pensionable pay for staff within the Local Government Pension Scheme (22.1% for 2018/19). Expense allowances are defined as those additional costs that are chargeable to income tax and no such costs are reported in respect of 2019/20 (Nil in 2018/19).

In satisfying the requirement to report the Chief Executive's remuneration as a proportion of the full time equivalent median salary of Monmouthshire County Council employees. In 2019/20, the median employee position has been calculated as £22,911, equating to spinal point 15 and resulting in a median ratio when compared with the Chief Executive Officer salary of 5.10:1

In 2018/19, the median employee position was calculated as £22,401, equating to spinal point 24 and resulting in a median ratio when compared with the Chief Executive Officer salary of 5.11:1

For the purposes of reporting remuneration, voluntary aided schools' employees have been included in the remuneration notes 16.7 to 16.9, where appropriate, as if they were employees of the council even though their contract of employment is with their respective governing body.

16.8 Officers' Emoluments

The number of employees whose remuneration was £60,000 or more in bands of £5,000, during the year ended 31st March 2020, was:

2018/19		Remuneration Band	2019/20	
Number of employees	(Of which are teaching staff)		Number of employees	(Of which are teaching staff)
0	0	£115,000 - £119,999	1	0
1	0	£110,000 - £114,999	2	1
2	1	£105,000 - £109,999	0	0
1	0	£100,000 - £104,999	0	0
1	1	£95,000 - £99,999	0	0
1	1	£90,000 - £94,999	1	1
0	0	£85,000 - £89,999	2	1
4	2	£80,000 - £84,999	5	2
2	1	£75,000 - £79,999	2	0
4	1	£70,000 - £74,999	8	3
11	6	£65,000 - £69,999	14	8
17	11	£60,000 - £64,999	14	9
44	24	Total	49	25

Remuneration is defined as gross salary and expenses and the effect of any severance costs e.g. redundancy, termination and compromise agreements. Remuneration also excludes pension contributions.

Bandings above include the effect of senior officers shown in note 16.7

Employers' pension contributions were paid at a rate of 23.1% of pensionable pay for staff within the Local Government Pension Scheme (22.1% for 2018/19) and 20.7% of pensionable pay for staff within the Teachers' Pension Scheme (16.4% in 2018/19).

16.9 Termination Benefits

The Code does not set out a precise definition of exit packages and authorities need to consider the relevant departure costs that have been recognised in the financial statements in accordance with the Code's requirements on termination benefits.

Termination benefits are defined as amounts payable as a result of either an employer's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept an offer of benefits in exchange for the termination of employment. The Code sets out that the form of the employee benefit does not determine whether it is provided in exchange for service or in exchange for termination of the employee's employment.

Total Cost of Exit packages reflects redundancy payments, settlement agreements to terminate employment, and any strain costs associated with the agreed enhancement of post-employment pension benefits.

2018/19			Exit package Cost band	2019/20		
No. of Compulsory Redundancies agreed	No. of other departure costs agreed	Total Cost of Exit Packages in each payband £000's		No. of Compulsory Redundancies agreed	No. of other departure costs agreed	Total Cost of Exit Packages in each payband £000's
35	4	312	£0 - £20,000	47	8	388
7	2	253	£20,001 - £40,000	14	1	409
1	1	97	£40,001 - £60,000	0	0	0
0	0	0	£60,001 - £80,000	2	0	129
1	0	92	£80,001 - £100,000	1	1	170
0	0	0	£100,001 - £150,000	2	0	268
0	0	0	£150,001 - £200,000	2	0	314
44	7	754	Total	68	10	1,678

16.10 Events after the Balance Sheet date

Events after the Balance Sheet date are those events that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. There are two types:

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

No such unadjusting events have been identified subsequent to the balance sheet date.

17 STATEMENT OF ACCOUNTING POLICIES

17.1 General Principles

The Statement of Accounts summarises the Authority's transactions for the 2019/20 financial year and its position at the year-end of 31st March 2020.

The Authority is required to prepare an annual Statement of Accounts by the Accounts and Audit (Wales) Regulations 2014, which those Regulations require to be prepared in accordance with proper accounting practices.

These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2019/20 and the Service Reporting Code of Practice 2019/20, supported by International Financial Reporting Standards (IFRS) and statutory guidance issued under section 12 of the 2003 Act.

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments. They are prepared on a going concern basis.

17.2 Accounting Standards issued not yet adopted

At the balance sheet date, the following new standards and amendments to existing standards have been published but not yet adopted by the Code of Practice of Local Authority Accounting in the United Kingdom:

- **IAS 28 Investment in Associates and Joint Ventures:** Long-Term Interests in Associates and Joint Ventures
- Annual Improvements to IFRS Standards 2015-2017 Cycle
- **IAS 19 Employee Benefits:** Plan Amendment, Curtailment or Settlement.

It is unlikely that any of the above will have an impact upon the financial statements.

- **IFRS 16 – Leases** This Standard removes the previous lease classifications of operating and finance leases and will require local authorities that are lessees to recognise all leases on their balance sheets as right-of-use assets (there are exemptions for short-term and low value leases) with a corresponding lease liability representing the lessee's obligation to make lease payments for the asset. However, it should be noted that CIPFA/LASAAC have deferred implementation of IFRS 16 for local government to 1 April 2021. The expected impact on the balance sheet is to increase property, plant and equipment assets, with an opposing entry to increase other long-term liabilities and in overall revenue budget terms the change is expected to be broadly neutral.

17.3 Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place rather than when cash payments are made or received. In particular:

- Revenue from the sale of goods or services is recognised in accordance with the terms and conditions of the contract.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.

- Interest receivable on investments and payable on borrowings is accounted for on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.
- A discretionary deminimus level of £1,000 is applied to accruals of both income and expenditure with the exception of automatically system generated accruals or those required where it is necessary to ensure accuracy for grant claims or agency work.

17.4 Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on the next banking day. Cash equivalents are investments that are readily convertible on the next banking day to known amounts of cash with insignificant risk of change in value.

In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Authority's cash management.

17.5 Charges to Revenue for Non-Current Assets

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

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

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

17.6 Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in this note, the Authority has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

- The Council is deemed to control the services provided under its PFI arrangements and also to control the residual value of the assets at the end of the contract. The accounting policy for PFIs and similar contracts has been applied to these arrangements and the assets are recognised as Property, Plant and Equipment in the Council's Balance Sheet.
- A provision is made for the cost of employee benefit entitlements (in the form of annual leave, time off in lieu and flexi time) earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is usually calculated by taking a sample of non-school employee records and extrapolating the data over the total non-school employee base. However due to staff resourcing pressures brought about by the Covid19 crisis the accrual as at 31st March 2020 has been established on a average of the previous three year's employee samples.

17.7 Assumptions Made about the Future and Other Major Sources of Estimation Uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Authority about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Authority's Balance Sheet at 31st March 2020 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Consequences if actual results differ from assumption
<p>Revaluation of Property, plant & equipment and Investment Property</p>	<p>An issue in relation to the reporting of valuations as at 31 March 2020 is the outbreak of Covid-19. All valuations provided by the valuers this year have been reported subject to a 'Material Uncertainty Clause' on the basis of RICS guidance. This is true for all asset classes subject to valuations. The valuations contain the following clause:</p> <p><i>'The outbreak of the Novel Coronavirus (Covid-19), declared by the World Health Organisation as a 'global pandemic' on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries. Market activity is being impacted in many sectors. As at the valuation date, we consider that we can attach less weight to previous market evidence for comparison purposes, to inform opinions of value. Indeed, the current response to Covid-19 means that we are faced with an unprecedented set of circumstances on which to base a judgement.</i></p> <p><i>Our valuations are therefore reported on the basis of 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Red Book Global. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. Given the unknown future impact that Covid-19 might have on the real estate market, we recommend that you keep valuations under frequent review.'</i></p> <p>At the current time, it is not possible to accurately predict the longevity and severity of the impact of Covid-19 on the economy. Therefore, values have been based on the situation prior to Covid-19, on the assumption that values will be restored when the real estate market becomes more fluid.</p>	<p>If the actual results differ from the assumptions the value of PPE and Investment Property will be over or understated. This would be adjusted when the assets were next revalued.</p>

Revaluation of Property, plant & equipment	Property, plant and equipment (with the exception of infrastructure, community assets, assets under construction and vehicles, plant and equipment) are revalued on a periodic basis and tested annually for indicators of impairment. Judgements are required to make an assessment as to whether there is an indication of impairment. The impairment tests include examination of capital expenditure incurred in the financial year to ascertain whether it has resulted in an increase in value or an impairment of an asset.	If the actual results differ from the assumptions the value of PPE will be over or understated. This would be adjusted when the assets were next revalued.
Property, Plant and Equipment	Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the Authority will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets.	If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets falls.
Pensions Liability	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Authority with expert advice about the assumptions to be applied.	The assumptions interact in complex ways. Further information is provided in note 14 concerning the risks and sensitivity of changes in the pension assets and liabilities.
Provisions	The Council has included provisions for known insurance claims as at 31st March 2020. The value of these claims is based on information provided by our Insurance brokers on the number of claims outstanding at the end of the financial year, the average settlement amount for each type of claim and the likelihood of each type of claim being settled. However the outcome of these cases is still uncertain as outstanding legal cases and negotiations remain on going.	The Authority maintains the insurance and risk management reserve to assist in the control of the Authority's insurance risks. The provisions in place and the balance on the insurance and risk management reserve at 31st March 2020 are deemed to provide sufficient cover for the Authority's claims exposure. Notes 13.7(a) & 13.7(b) provide further information on the types of claims the Authority is exposed to.
Arrears	At 31st March 2020, the Authority had an outstanding balance of short term debtors totalling £31.4m. Against this debtors balance, there is an impairment allowance of £2.9m. It is not certain that this impairment allowance would be sufficient as the Authority cannot assess with certainty which debts will be collected or not.	If collection rates were to deteriorate, there would be a consequential increase in the impairment of doubtful debts.

17.8 Employee Benefits

Benefits Payable During Employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave for current employees and are recognised as an expense for services in the year in which employees render service to the Authority. A provision is made for the cost of holiday entitlements (or any form of leave, e.g. time off in lieu) earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The provision is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The provision is charged to Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Authority to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the Comprehensive Income and Expenditure Statement when the Authority is demonstrably committed to the termination of the employment of an officer or group of officers or making an offer to encourage voluntary redundancy.

Where termination benefits involve the enhancement of pensions, statutory provisions require the Council Fund balance to be charged with the amount payable by the Authority to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post Employment Benefits

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

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

Both schemes provided defined benefits to members (retirement lump sums and pensions), earned as employees when they worked for the Authority and related to final salary and length of service.

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

The Local Government Pension Scheme

All other staff, subject to certain qualifying criteria, are entitled to become members of the Local Government Pension Scheme which is administered by Torfaen County Borough Council. The pension costs charged to the Authority's accounts in respect of this group of employees is determined by the fund administrators and represents a fixed proportion of employees' contributions to this funded pension scheme.

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

- The Liabilities of the pension fund attributable to the Authority are included in the balance sheet on an actuarial basis using the projected unit method - i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions such as mortality rates, employee turnover rates, etc., and projections of earning for current employees.
- Liabilities are discounted to their value at current prices, using a single discount rate which is derived from the spot rates on a selection of AA rated corporate bonds of various durations which match the liabilities within the Authority's pension fund. This is known as the yield curve approach.
- The assets of the Greater Gwent (Torfaen) Pension Fund attributable to the Authority are included in the balance sheet at their fair value as determined by the Fund's actuary.
- The change in the net pensions liability is analysed into seven components:
 - Current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked
 - Past service cost – the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years – debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non-Distributed Costs.
 - Interest cost – the expected increase in the present value of liabilities during the year as they move one year closer to being paid – debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.
 - Interest on plan assets – this is the interest on assets held at the start of the period and cashflows occurring during the period, calculated using the discount rate at the start of the year.
 - Gains or losses on settlements and curtailments – the result of actions to relieve the Authority of liabilities or events that reduce the expected future service or accrual of benefits of employees – debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non-Distributed Costs.
 - Gains or losses on remeasurement – changes in the net pensions liability (Liabilities less assets) that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve.
 - Contributions paid to the pension fund – cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

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

Further details are given in section 14 of the notes to the Financial Statements.

Discretionary Benefits

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

17.9 Events After the Balance Sheet Date

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

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

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

17.10 Exceptional Items

When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement or in the notes to the accounts, depending on how significant the items are to an understanding of the Authority's financial performance.

17.11 Financial Instruments

Financial instruments are recognised on the Balance Sheet when the Council becomes party to the contractual provisions of a financial instrument. They are classified based on the business model for holding the instruments and their expected cashflow characteristics.

Financial Liabilities

Financial liabilities are initially measured at fair value and subsequently measured at amortised cost. For the Council's borrowing this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest).

Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument.

Financial Assets

Financial assets are held as amortised cost where cash flows are solely payments of principal and interest and the Council's business model is to collect those cash flows. This is the majority of our treasury investments such as term deposits, certificate's of deposit and call accounts and also trade debtors for goods and services provided contractually and also lease receivables. This excludes council tax debtors and grants receivable as they are non-exchange transactions.

Financial assets held at amortised cost are shown net of a loss allowance reflecting the statistical likelihood that the borrower or debtor will be unable to meet their contractual commitments to the Council. For most assets, this is 12 month expected credit losses until the risk increases significantly, then it is lifetime expected losses. For trade debtors expected lifetime losses are always used.

Financial assets are held at fair value through other comprehensive income where cashflows are solely payments of principal and interest and it is the Council's business model to collect these cashflows and sell the instruments before maturity. The authority does not hold any such investments. The standard also allows the authority to elect to account for equity investments through other comprehensive income if they are being held for strategic investment purposes.

All other financial assets are held at fair value through Profit & Loss.

17.12 Government Grants and Contributions

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

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

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

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

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

17.13 Heritage Assets

Heritage assets are assets that are held by the authority principally for their contribution to knowledge or culture.

Heritage assets were previously shown in community assets but are now recorded in a separate category on the balance sheet as a non-current asset class. The Authority does not classify any operational assets as heritage assets.

Heritage Assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Authority's accounting policies on property, plant and equipment. However, some of the measurement rules are relaxed in relation to heritage assets and as a result the Authority has chosen not to value heritage assets if the cost is deemed to be excessive.

A further condition for expenditure to be capitalised is that it exceeds the relevant de minimus limit in place. A de-minimus limit has been put in place of £10,000 for heritage assets.

The Authority considers that the heritage assets held by the Authority will have indeterminate lives and a high residual value, hence the Authority does not consider it appropriate to charge depreciation for the assets.

The carrying amounts of heritage assets are reviewed where there is evidence of impairment, for example where an item has suffered physical deterioration or breakage or where doubts arise as to its authenticity. Any impairment is recognised and measured in accordance with the Authority's general policies on impairment. The trustees of the Authority's Museum will occasionally dispose of heritage assets which have a doubtful provenance or are unsuitable for public display. The proceeds of such items are accounted for in accordance with the Authority's general provisions relating to the disposal of property, plant and equipment. Disposal proceeds are disclosed separately in the notes to the financial statements and are accounted for in accordance with statutory accounting requirements relating to capital expenditure and capital receipts.

17.14 Intangible Assets

Expenditure on non-monetary assets that do not have physical substance but are controlled by the Authority as a result of past events (e.g. software licences) is capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Authority for more than one financial year.

Internally generated assets are capitalised where it is demonstrable that the project is technically feasible and is intended to be completed (with adequate resources being available) and the Authority will be able to generate future economic benefits or deliver service potential by being able to sell or use the asset. Expenditure is capitalised where it can be measured reliably as attributable to the asset and is restricted to that incurred during the development phase (research expenditure cannot be capitalised).

Expenditure on the development of websites is not capitalised if the website is solely or primarily intended to promote or advertise the Authority's goods or services.

Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of the assets held by the Authority can be determined by reference to an active market. In practice, no intangible asset held by the Authority meets this criterion, and they are therefore carried at amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. An asset is tested for impairment whenever there is an indication that the asset might be impaired – any losses recognised are posted to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and, for any sale proceeds greater than £10,000, the Capital Receipts Reserve.

17.15 Inventories and Long Term Contracts

Inventories are included in the Balance Sheet at the latest price paid, with an allowance made for obsolescent and slow moving items. This is a departure from the requirements of the Code which require inventories to be shown at the lower of actual cost and net realisable value. However, the amounts concerned are not considered material.

Long term contracts are accounted for on the basis of charging the Surplus or Deficit on the Provision of Services with the value of works and services received under the contract during the financial year.

17.16 Investment Property

Investment properties are measured initially at cost and subsequently at fair value. Investment properties are not depreciated but are revalued annually according to market conditions at the year-end.

Revaluation gains and losses are recognised in the Financing and Investment Income and Expenditure line within the Comprehensive Income and Expenditure Statement. However, regulations do not permit unrealised gains and losses to impact the General Fund balance. Therefore, gains and losses are reversed via the Movement in Reserves Statement and posted to the Capital Adjustment Account.

Net rental income together with any revaluation gains and losses or impairments are recognised in the Financing and Investment Income and Expenditure line within the Comprehensive Income and Expenditure Statement.

17.17 Fair value measurement

The Council measures its assets held for sale, surplus assets, investment properties and available-for-sale financial instrument at fair value at each reporting date. Fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Measurement will be at highest and best use from the perspective of a market participant. The fair value of an investment property held under a lease is the lease interest.

It is assumed that any fair value measurement of an asset or liability uses the same assumptions that market participants acting in their economic best interest would use and that the transaction takes place in the principal market or failing that in the most advantageous market for the asset or liability.

Appropriate valuation techniques are used for which sufficient data is available. Inputs to the techniques are categorised within the fair value hierarchy that consists of three levels as follows:

- Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that are accessible by the Council at the measurement date
- Level 2 inputs are quoted prices other than quoted prices within Level 1 that are observable either directly or indirectly
- Level 3 inputs are unobservable inputs for an asset or liability.

The use of relevant observable inputs is maximised and the use of unobservable inputs is minimised.

Any transfers between valuation levels will take place at the valuation date at the end of the reporting period.

17.18 Interests in companies and other entities

The Council has a number of interests in other entities which fall within the group boundary of the Council on the grounds of control and significant influence in line with the Code.

In respect of the Cardiff Capital Region City Deal (CCRCD), the Authority has included its share of income, expenditure, assets, liabilities, reserves and cash flows relating to the arrangement within the single entity accounting statements and disclosures.

However the Council's remaining interests in other entities, in aggregate, are not sufficiently material to warrant producing consolidated financial statements when reviewing both quantitative and qualitative information. For this reason, group accounts are not deemed necessary for these entities within these statements. In order to ensure compliance with the Code, a range of narrative disclosures have been made in other sections of the accounts (See note 16.6 for further information).

17.19 Leases

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

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

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

The Authority as Lessee - Finance Leases

Property, plant and equipment held under finance leases is recognised on the Balance Sheet at the commencement of the lease at its fair value measured at the lease's inception (or the present value of the minimum lease payments, if lower). The asset recognised is matched by a liability for the obligation to pay the lessor. Initial direct costs of the Authority are added to the carrying amount of the asset. Premiums paid on entry into a lease are applied to writing down the lease liability. Contingent rents are charged as expenses in the periods in which they are incurred. Assets of less than £10,000 Current value, the de minimus for capitalisation of Fixed assets, will not be treated as Finance leases.

Lease payments are apportioned between:

- A charge for the acquisition of the interest in the property, plant or equipment – applied to write down the lease liability, and
- A finance charge (debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement).
- A revenue provision (MRP) equal to the principal repayments made, taken to the Capital Adjustment Account via the Movement in Reserves Statement.

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

The Authority is not required to raise council tax to cover depreciation or revaluation and impairment losses arising on leased assets. Instead, a prudent annual contribution is made from revenue funds towards the deemed capital investment in accordance with statutory requirements. Depreciation and revaluation and impairment losses are therefore substituted by a revenue contribution in the Council Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

The Authority as Lessee - Operating Leases

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense of the services benefiting from use of the leased property, plant or equipment. Charges are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g. there is a rent-free period at the commencement of the lease).

The Authority as Lessor - Finance Leases

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

Lease rentals receivable are apportioned between:

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

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

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

The Authority as Lessor - Operating Leases

Where the Authority grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g. there is a premium paid at the commencement of the lease). Where material, initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

17.20 Overheads and Support Services

The costs of overheads and support services are no longer charged to those that benefit from the supply or service in accordance with the costing principles of the CIPFA Code of Practice. The Statement of Accounts are now presented in the same way as the management reporting structure of the Council, so overheads are now reported in the budget areas where they are managed.

17.21 Property, Plant and Equipment

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

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

It is not a requirement for expenditure outside of the capital programme to be capitalised if it does not exceed the de minimus limit of £10,000 for all asset categories.

Measurement

Assets are initially measured at cost, comprising:

- The purchase price.

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

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

Donated assets are measured initially at fair value. The difference between fair value and any consideration paid is credited to the Taxation and Non-Specific Grant Income line of the Comprehensive Income and Expenditure Statement, unless the donation has been made conditionally. Until conditions are satisfied, the gain is held in the Donated Assets Account. Where gains are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the Council Fund Balance to the Capital Adjustment Account in the Movement in Reserves Statement.

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

- Infrastructure, community assets and assets under construction – depreciated historical cost.
- All other operational assets – Current value based on existing use value (EUV) for operational assets where there is an active market, or if there is no market-based evidence of current value because of the specialist nature of the asset and/or the asset is rarely sold (i.e. EUV cannot be determined), depreciated replacement cost (DRC) using the ‘instant build’ approach.
- Non-operational assets – Fair value based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Adopted roads built by developers are in many respects seen as donated assets. Whilst donated assets are required to be measured at fair value at recognition, infrastructure assets are measured initially at historical cost and subsequently at depreciated historical cost rather than fair value. The authority have taken the view that the historical cost of such adopted roads is zero.

Where non-property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for current value. Vehicles, plant and equipment are categories of asset treated in this manner.

Assets included in the Balance Sheet at current value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their current value at the year-end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of a loss previously charged to a service.

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

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

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

Impairment

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

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

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

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

Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life including freehold land and Community Assets) and assets that are not yet available for use (assets under construction).

Depreciation is calculated on the following bases:

- Dwellings and other buildings – straight-line allocation over the useful life of the property as estimated by the valuer
- Vehicles, plant, furniture and equipment – straight-line allocation over the life of the asset as advised by a suitable qualified officer
- Infrastructure – straight-line allocation over 60 years

No depreciation is charged in the year of acquisition with a full year charge applied in the disposal year.

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

Components

An asset may consist of several different and significant physical components. If an item of property, plant and equipment comprises two or more significant components with substantially different useful lives, then each component is treated separately for depreciation purposes and depreciated over its individual useful life.

When a component is replaced or restored, the old component is written off to avoid double counting and the new component capitalised. Where a component does not have its own carrying amount because it has not previously been accounted for separately the cost of the new component is used as an indication of the cost of the replaced part. A component is derecognised where no future economic benefits are expected from its use.

The Authority has established thresholds for the separation of significant components. As a result components of an item of property, plant or equipment that make up a significant part of the cost of the item would only need to be separated where the item itself is material individually or when aggregated with like items.

Disposals and Non-current Assets Held for Sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale.

Assets held for Sale Assets are assets where the:

- asset is immediately available for sale
- sale is highly probable
- asset is actively marketed
- sale is expected to be completed within 12 months

The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any previously losses recognised in the Surplus or Deficit on Provision of Services. Depreciation is not charged on Assets Held for Sale.

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to non-current assets and valued at the lower of their carrying amount before they were classified as held for sale, adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as Held for Sale, and their recoverable amount at the date of the decision not to sell.

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

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

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. The balance of receipts is required to be credited to the Capital Receipts Reserve, and can then only be used for new capital investment or set aside to reduce the Authority's underlying need to borrow (the capital financing requirement). Receipts are appropriated to the Reserve from the Council Fund Balance in the Movement in Reserves Statement.

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

17.22 Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

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

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

17.23 Private Finance Initiative (PFI) and Similar Contracts

PFI and similar contracts are agreements to receive services, where the responsibility for making available the property, plant and equipment needed to provide the services passes to the PFI contractor. As the Authority is deemed to control the services that are provided under its PFI schemes, and as ownership of the property, plant and equipment will pass to the Authority at the end of the contracts for no additional charge, the Authority carries the assets used under the contracts on its Balance Sheet as part of Property, Plant and Equipment.

The original recognition of these assets at fair value (based on the cost to purchase the property, plant and equipment) was balanced by the recognition of a liability for amounts due to the scheme operator to pay for the capital investment.

Non-current assets recognised on the Balance Sheet are revalued and depreciated in the same way as property, plant and equipment owned by the Authority.

The amounts payable to the PFI operators each year are analysed into five elements:

- Fair value of the services received during the year – debited to the relevant service in the Comprehensive Income and Expenditure Statement
- Finance cost – an interest charge on the outstanding Balance Sheet liability, debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement
- Contingent rent – increases in the amount to be paid for the property arising during the contract, debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement
- Payment towards liability – applied to write down the Balance Sheet liability towards the PFI operator (the profile of write-downs is calculated using the same principles as for a finance lease)
- Lifecycle replacement costs – proportion of the amounts payable is posted to the Balance Sheet as a prepayment and then recognised as additions to Property, Plant and Equipment when the relevant works are eventually carried out.

17.24 Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are made where an event has taken place that gives the Authority a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. For instance, the Authority may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

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

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

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

Contingent Liabilities

A contingent liability arises where an event has taken place that gives the authority a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the authority. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

Contingent Assets

A contingent asset arises where an event has taken place that gives the authority a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the authority.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

17.25 Reserves

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

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments, retirement and employee benefits and do not represent usable resources for the Authority – these reserves are explained in the relevant policies.

17.26 Revenue Expenditure Funded from Capital under Statute

Legislation requires defined items of revenue expenditure charged to services within the Comprehensive Income and Expenditure Statement to be treated as capital expenditure. All such expenditure is transferred from the General Fund balance via the Movement in Reserves Statement to the Capital Adjustment Account.

17.27 VAT

The Comprehensive Income and Expenditure Account excludes amounts relating to VAT and will be included as an expense only if it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income within the Council's Income and Expenditure account.

Audit of Accounts Report – Monmouthshire County Council

Audit year: 2019-20

Date issued: October 2020

Document reference: 2065A2020-21

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We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Contents

We intend to issue an unqualified audit report on your Statement of Accounts. There are some issues to report to you prior to their approval.

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Audit of Accounts Report

Introduction

- 1 We summarise the main findings from our audit of your 2019-20 Statement of Accounts in this report.
- 2 We have already discussed these issues with the Finance Manager for Central Accountancy and the acting Section 151 Officer.
- 3 Auditors can never give complete assurance that accounts are correctly stated. Instead, we work to a level of 'materiality'. This level of materiality is set to try to identify and correct misstatements that might otherwise cause a user of the accounts into being misled.
- 4 We set this level at £3.0 million for this year's audit.
- 5 There are some areas of the accounts that may be of more importance to the reader and we have set a lower materiality level for the following:
 - Senior officer remuneration; and
 - Related party transactions
- 6 We have now substantially completed this year's audit.
- 7 In our professional view, we have complied with the ethical standards that apply to our work; remain independent of yourselves; and, our objectivity has not been compromised in any way. There are no relationships between ourselves and yourselves that we believe could undermine our objectivity and independence.

Impact of COVID-19 on this year's audit

- 8 The COVID-19 pandemic has had a significant impact on all aspects of our society and continues to do so. You are required by law to prepare accounts and it is of considerable testament to the commitment of your accounts team that you have succeeded in doing so this year in the face of the challenges posed by this pandemic. We are extremely grateful to the professionalism of the team in supporting us to complete our audit in such difficult circumstances.
- 9 The pandemic has unsurprisingly affected our audit and we summarise in **Exhibit 1** the main impacts. Other than where we specifically make recommendations, the detail in **Exhibit 1** is provided for information purposes only to help you understand the impact of the COVID-19 pandemic on this year's audit process.

Exhibit 1 – impact of COVID-19 on this year’s audit

<p>Timetable</p>	<p>Our audit timetable has been affected as follows</p> <ul style="list-style-type: none"> • We received the draft Statement of Accounts on 15 June, in line with the statutory deadline, but later than the original plan of 31 May identified prior to the COVID-19 pandemic. • The legislative deadline for publishing the Statement of Accounts remained at 15 September. However, we were not in a position to certify the final Statement of Accounts before this date. • We therefore expect your audit report to be signed on 26 October, following approval by the Audit Committee and Council on 15 and 22 October respectively.
<p>Electronic signatures</p>	<p>Given current social distancing requirements, it will be very difficult for us to certify the accounts in hard copy this year. Instead, we will likely need to use electronic signatures for this purpose. We will liaise with management to arrange this.</p>
<p>Audit evidence</p>	<p>Due to social distancing measures, Audit Wales staff are currently working remotely from home. As a result, we have not had direct access to certain systems such as the Council’s financial ledger, associated systems and shared drives. We normally use this access to directly review financial records and obtain invoices where possible.</p> <p>Consequently, we have had to request all such information and working papers from Council staff for the 2019-20 audit, although all information requested has been provided to us.</p>
<p>Uncertainty in land and building valuations</p>	<p>The Council obtains valuations of its land and building assets over a five-year rolling period, and investment properties annually. Valuations are supplied internally by Council officers, and we are satisfied that any revaluations have been accounted for appropriately this year.</p> <p>However, the valuers have identified a ‘material valuation uncertainty’ arising from the COVID-19 pandemic. To ensure transparency, the Council has referenced the valuer’s comments in Note 17.7 of the final accounts (separately for land and buildings and investment properties). We have also included an emphasis of matter paragraph within our audit certificate to draw attention to these uncertainties. Our 2019-20 audit opinion is not modified in respect of this matter.</p>

**Uncertainty
in Pension
Fund
property
assets**

Each year, the Council is provided with data from the actuary of the Greater Gwent Pension Fund, for inclusion in the Council's accounts in line with International Accounting Standard 19. We are satisfied that this data has been appropriately included within the final 2019-20 accounts.

The auditors of the Pension Fund have notified us of a further estimation uncertainty regarding property assets held by the Pension Fund. Consequently, the Council has also disclosed this matter within Note 14 of the final accounts, and we have also included one further emphasis of matter paragraph in our audit certificate. Our 2019-20 audit opinion is not modified in respect of this matter.

- 10 We will be reviewing what we have learned for our audit process from the COVID-19 pandemic and whether there are innovative practices that we might adopt in the future to enhance that process.

Proposed audit opinion

- 11 We intend to issue an unqualified audit opinion on this year's accounts once you have provided us with a Letter of Representation based on that set out in **Appendix 1**.
- 12 We issue a 'qualified' audit opinion where we have material concerns about some aspects of your accounts; otherwise we issue an unqualified opinion.
- 13 The Letter of Representation contains certain confirmations we are required to obtain from you under auditing standards along with confirmation of other specific information you have provided to us during our audit.
- 14 Our proposed audit report is set out in **Appendix 2**.

Significant issues arising from the audit

Uncorrected misstatements

- 15 We set out below the misstatements we identified in the accounts, which have been discussed with management but remain uncorrected. We request that these are corrected. If you decide not to correct these misstatements, we ask that you provide us with the reasons in writing for not correcting them.

Borrowings - soft loans overstated by £252,000

The Council is in receipt of interest-free borrowings for capital projects (known as 'soft loans') from the Welsh Government totalling £5.2 million. Paragraph 7.1.6.8 of

the CIPFA Code of Practice for Local Authority Accounting 2019-20 (the CIPFA Code) requires that for accounts valuation, soft loans should be discounted using a prevailing interest rate that would otherwise be obtained in an open market. Any reduction in the loan value arising should then be recorded as 'capital grants and contributions' in the Comprehensive Income and Expenditure Statement.

Our audit identified that the Council had accounted for these borrowings using their cash value of £5.2 million, rather than discounting them as required by the CIPFA Code. The Council considers that the accounting entries required to correct these values in the final accounts would be onerously complex considering the immaterial value involved.

This accounting treatment has the effect of overstating the value of the borrowings by £252,000 but has no impact on the Council's General Fund. This amount is not material for the purposes of our audit, and consequently has no impact on our audit opinion.

Corrected misstatements

- 16 There were initially misstatements in the accounts that have now been corrected by management. However, we believe that these should be drawn to your attention and they are set out with explanations in **Appendix 3**.

Other significant issues arising from the audit

- 17 In the course of the audit, we consider a number of qualitative matters relating to the accounts and report any significant issues arising to you.
- 18 In general, we found that information supplied by the Council was relevant, reliable and easy to understand. Overall, information was provided to us in a timely manner, we were not restricted in our ability to complete our audit work, and we identified no significant weaknesses in the Council's internal controls.
- 19 However, there are three matters to bring to your attention. We have raised recommendations in **Appendix 4** for the Council to resolve these issues in future years (see paragraph 20 below):

Valuation of investment properties

The CIPFA Code requires Councils to revalue its stock of investment properties annually. Our audit identified that these valuations were not obtained when preparing the draft accounts. Consequently, valuations were obtained during the audit which contributed to delays in completing our audit.

Rounding and casting errors in the draft accounts

Our audit identified that the draft accounts contained over 150 rounding errors, along with two more significant casting errors within note 10.1 (where the in-year movements in two reserves were incorrectly disclosed as zero).

While the two casting errors have been corrected in the final accounts, the rounding errors remain uncorrected.

Supply of working papers

As in prior years, we agreed a 'deliverables schedule' before the audit to identify documentation that we would likely require during the process. However, not all requested documentation was presented by the Council alongside the draft accounts, so had to be requested again during the audit.

Recommendations

- 20 We have identified three recommendations arising from our audit, as set out in **Appendix 4**. Management has responded to them and we will follow up progress against them during next year's audit. Where any actions are outstanding, we will continue to monitor progress and report it to you in next year's report.

Appendix 1

Final Letter of Representation

[Audited body's letterhead]

Auditor General for Wales
Audit Wales
24 Cathedral Road
Cardiff
CF11 9LJ

22 October 2020

Representations regarding the 2019-20 financial statements

This letter is provided in connection with your audit of the financial statements (including that part of the Remuneration Report that is subject to audit) of Monmouthshire County Council for the year ended 31 March 2020 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2019-20; in particular the financial statements give a true and fair view in accordance therewith; and
- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

Information provided

We have provided you with:

- Full access to:
 - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;

- additional information that you have requested from us for the purpose of the audit; and
- unrestricted access to staff from whom you determined it necessary to obtain audit evidence.
- The results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- Our knowledge of fraud or suspected fraud that we are aware of and that affects Monmouthshire County Council and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements.
- Our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others.
- Our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- The identity of all related parties and all the related party relationships and transactions of which we are aware.

Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

Significant assumptions used in making accounting estimates, including those measured at fair value, are reasonable.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. A summary of these items is set out below:

Borrowings – soft loans overstated by £252,000

We have accounted for these borrowings using their cash value of £5.2 million, rather than discounting them as required by the CIPFA Code. In our view, the accounting entries required to correct these values in the final accounts would be onerously complex considering the immaterial value involved and has no impact on the Council's General Fund. The £252,000 therefore remains uncorrected.

Representations by Monmouthshire County Council

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by Monmouthshire County Council on 22 October 2020.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by:

Signed by:

Paul Matthews
Chief Executive

Cllr. Peter Fox
Leader, Monmouthshire County Council

Date: 22 October 2020

Date: 22 October 2020

Appendix 2

Proposed audit report

The independent auditor's report of the Auditor General for Wales to the Members of Monmouthshire County Council

Report on the audit of the financial statements

Opinion

I have audited the financial statements of Monmouthshire County Council for the year ended 31 March 2020 under the Public Audit (Wales) Act 2004.

Monmouthshire County Council's financial statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, and the related notes, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and the Code of Practice on Local Authority Accounting in the United Kingdom 2019-20 based on International Financial Reporting Standards (IFRSs).

In my opinion the financial statements:

- give a true and fair view of the financial position of Monmouthshire County Council as at 31 March 2020 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2019-20.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)). My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the Council in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter – effects of COVID-19 on the valuation of land and buildings and investment properties

We draw attention to Note 17.7 of the financial statements, which describes material valuation uncertainties regarding the valuations of land and buildings and of investment properties arising from the current COVID-19 pandemic. Our opinion is not modified in respect of these matters.

Emphasis of matter – effects of COVID-19 on the valuation of pension fund assets

We draw attention to Note 14 of the financial statements, which describes estimation uncertainties regarding the valuations of certain pension fund assets arising from the current COVID-19 pandemic. Our opinion is not modified in respect of this matter

Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the responsible financial officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Council's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

Other information

The responsible financial officer is responsible for the other information in the Statement of Accounts. The other information comprises all information included other than the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated later in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

Report on other requirements

Opinion on other matters

In my opinion, based on the work undertaken in the course of my audit:

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Narrative Report has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2019-20; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and the Annual Governance Statement has been prepared in accordance with guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of the Council and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Annual Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- proper accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all the information and explanations I require for my audit.

Certificate of completion of audit

I certify that I have completed the audit of the accounts of Monmouthshire County Council in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

Responsibilities

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the responsible financial officer is responsible for the preparation of the Statement of Accounts, which give a true and fair view, and for such internal control as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the Statement of Accounts, the responsible financial officer is responsible for assessing the Council's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Adrian Crompton
Auditor General for Wales
26 October 2020

24 Cathedral Road
Cardiff
CF11 9LJ

Appendix 3

Summary of corrections

During our audit we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention.

There are no corrections which affect the Council's General Fund balance. The two tables below set out:

- corrections to the financial statements which have no effect on the Council's General Fund; and
- corrections to disclosure notes or other presentational items in the accounts.

Exhibit 2: financial statement corrections that do not affect the General Fund

Area of correction	Nature of correction	Reason for correction
Comprehensive Income and Expenditure Statement: Overstatement of gross income and expenditure across a number of service areas.	To ensure that all income and expenditure is accurately disclosed in line with the requirements of the CIPFA Code.	Our audit identified that: <ul style="list-style-type: none">• internal borrowing recharges had been incorrectly recorded in the draft accounts, leading to gross income and expenditure being overstated by £3.4 million;• internal recharges within one directorate had not been removed from the draft accounts, overstating gross income and expenditure by £3.6 million; and• income and expenditure for the bus services support grant had not been correctly removed from the draft accounts, resulting in an overstatement of gross income and expenditure of £2.2 million. Consequently, gross income and expenditure has now been corrected for the above items in the final accounts, although the Council's net expenditure is unaffected.
Comprehensive Income and Expenditure Statement: Understatement of 2018-19 gross income and expenditure.	To ensure that all income and expenditure is accurately disclosed in line with the requirements of the CIPFA Code.	Our audit identified that an error was made in the removal of internal recharges from the 2018-19 accounts, understating last year's gross income and expenditure by £3.3 million. While this error related to last year's audited accounts (and arose following a review of similar recharges this year), it must be amended given its material value. Consequently, 2018-19 gross income and expenditure has now been increased, although this does not affect net expenditure.

Area of correction	Nature of correction	Reason for correction
<p>Comprehensive Income and Expenditure Statement: Understatement of gain on disposal of non-current assets.</p>	To accurately reflect the gain or loss on the disposal of non-current assets.	Our audit identified that, due to an error in underlying calculations, both depreciation and the gain on disposal of non-current assets were understated by £557,000. These errors have now been corrected within the CIES and Note 11.2, although they have no net impact on the deficit on the provision of services.
<p>Note 16.7 (Provisions): Correction of 'accumulated compensated absence' provision.</p>	To ensure that this provision is calculated in line with the CIPFA Code.	Our audit identified that the accumulated absence provision was understated by £528,000, due to an error in the underlying calculation. This error has now been corrected, with the provision now accurately stated in the final accounts.
<p>Note 12.5 (Investment Properties): Overstatement of year-end valuations.</p>	To ensure that investment properties are valued as required by the CIPFA Code.	Our audit identified that investment properties had not been revalued at year-end as required by the CIPFA Code. These revaluations have now been performed for the final accounts, resulting in a reduction in value of investment properties of £444,000.

Exhibit 3: corrections relating to presentational/disclosure matters only

Area of correction	Nature of correction	Reason for correction
<p>Note 10.1 (Movement in Reserves): Correction of in-year reserve movements.</p>	To ensure that in-year movements are correctly reflected in the note.	Our audit identified that the in-year movements of the Financial Instruments Adjustment Account and Deferred Capital Receipts Reserve were both incorrectly stated as zero, instead of £114,000 and £2.7 million respectively. These disclosures have now been corrected, although the closing reserve balances are unaffected.
<p>Note 10.6 (Capital Receipts Reserve): Correction of classification within the note.</p>	To ensure that the note is accurate and agrees to other areas of the accounts.	Our audit identified that £2.6 million was incorrectly classified as 'transfer of sale proceeds credited to the CIES', when it should be classified within the 'transfer from Deferred Capital Receipts Reserve'.

Area of correction	Nature of correction	Reason for correction
		This disclosure has now been corrected, although the total reserve balance is unaffected.
<p>Note 11.6 (Grant Income): Correction of grants classifications.</p>	To ensure that grants are accurately disclosed within the note.	<p>Our audit identified that:</p> <ul style="list-style-type: none"> • ‘capital grants and contributions’ were understated by £1.0 million in the first disclosure table; and • £186,000 of ‘other grants’ income had been incorrectly classified as ‘Housing Benefit Subsidy’ in the draft ‘revenue grants and contributions’ table. <p>These corrections have now been made to the note.</p>
<p>Note 13.5 (Debtors): Classification of long and short-term debtors.</p>	To ensure that debtors are correctly classified within the note.	<p>Our audit identified that:</p> <ul style="list-style-type: none"> • the ‘deferred capital receipts’ debtor of £2.7 million was incorrectly disclosed as long-term; • the ‘finance lease’ debtor of £2.7 million was incorrectly disclosed as short-term; and • £195,000 of ‘finance lease’ short-term debtors were incorrectly classified as ‘corporate sundry debtors’. <p>These errors have now been corrected within the note, although the total debtor balance is unaffected.</p>
<p>Note 16.4 (Related Parties): Identification of further disclosures.</p>	To ensure that related parties are accurately disclosed in line with the CIPFA Code.	<p>Our audit identified that:</p> <ul style="list-style-type: none"> • more detailed narrative disclosure was required within the ‘members’ section of the note, to bring the disclosure in line with minimum requirements; and • further ‘senior officer’ disclosures were required for the Chief Executive, Section 151 Officer and the Chief Officer for Enterprise. <p>These disclosures have now been included.</p>
<p>Note 16.6 (Related Businesses and Operations): Correction of disclosures.</p>	To ensure that disclosures are appropriately made.	<p>Our audit identified that:</p> <ul style="list-style-type: none"> • figures for Dragon Waste Limited were all entered as ‘TBC’ in the draft accounts, due to delays in receiving the company’s draft 2019-20 accounts; and • payments to the Education Achievement Service (EAS) were wrongly stated as £552,412 instead of £1,049,000. <p>These details have now been corrected in the final note.</p>

Area of correction	Nature of correction	Reason for correction
<p>Various: Other presentational changes to supporting notes.</p>	<p>To ensure that all disclosures are accurately presented.</p>	<p>A number of other narrative, presentational and minor amendments were made to supporting notes throughout the final accounts.</p>

Appendix 4

Recommendations

In this appendix we set out all the recommendations arising from our audit with management's response to them. We will follow up these next year and include any outstanding issues in next year's audit report.

Exhibit 4 - matter arising 1

Matter arising 1: valuation of investment properties	
Findings	<p>The total value of investment properties in the final accounts is £63.4 million. Our audit identified that investment properties had not been revalued by the Council before preparation of the draft accounts, as required by the CIPFA Code. Consequently, they needed to be revalued during the audit, which contributed to delays in completing the audit and final accounts.</p> <p>The revaluations led to a reduction in the value of investment properties of £457,000, which has been corrected in the final accounts and included within our schedule of corrections in Appendix 3.</p>
Priority	High
Recommendation	The Council should ensure that measures are in place to revalue investment properties each year, in time to prepare the draft accounts.
Benefits of implementing the recommendation	<p>Valuing investment properties on an annual basis will ensure that:</p> <ul style="list-style-type: none">• they are valued in line with the requirements of the CIPFA Code; and• delays to the audit are avoided (particularly as more stringent statutory accounts and audit deadlines will apply in future years).
Accepted in full by management	Accepted
Management response	<p>The Authority carries out revaluation of its investment property portfolio on a sample basis across the various asset classes and then extrapolates the movement in valuation over the remainder of the class. For 2019/20, the initial sample of assets was not comprehensive enough to allow the exercise to be completed in full. Given the onset of the COVID-19 pandemic and staff retirement at a key point in the closure</p>

Matter arising 1: valuation of investment properties

	<p>process, the necessary management scrutiny of the revaluation process was not carried out.</p> <p>For the 2020/21 closure process, the intention is to agree the valuation considerations with the valuation team much earlier in the process and for a robust scrutiny process to be carried out to ensure compliance with code requirements.</p>
Implementation date	For 2020/21 Statement of Accounts.

Exhibit 5 – matter arising 2

Matter arising 2: rounding and casting errors in the draft accounts

Findings	<p>Our audit identified that the 2019-20 draft accounts contained a number of rounding errors (in excess of 150 in total), which have not been corrected in the final accounts.</p> <p>Two more significant casting errors were also identified, both within note 10.1 of the draft accounts (where the in-year movements in two unusable reserves were incorrectly recorded as zero). Management have corrected these casting errors in the final accounts.</p>
Priority	Medium
Recommendation	<p>The Council should:</p> <ul style="list-style-type: none">• update its working papers to correct rounding errors at source; and• implement a robust review process in future years to identify and eliminate casting errors in the draft accounts prior to issue.
Benefits of implementing the recommendation	<p>Such measures should simplify the accounts and audit process, resulting in fewer audit issues arising. With more stringent statutory accounts and audit deadlines applying in future years (as noted in the issue above), this will become more important.</p>

Matter arising 2: rounding and casting errors in the draft accounts

Accepted in full by management	Partially accepted.
Management response	<p>It is accepted that significant casting errors, like those identified within the reserve notes should be identified by the review process in place and corrected prior to the draft accounts being published. This will be fed back into the review process for the 2020/21 statement of accounts.</p> <p>In relation to minor rounding errors, the Authority acknowledges the issue this causes auditors when making detailed cross reference within the accounts. However, the added value to the intended reader of the accounts of correcting these rounding errors is considered extremely low. The Authority will endeavour to correct these rounding errors during the 2020/21 closure process but also accepts that due to the size and complicated nature of the accounts document and that over 20 separate officers provide the information contained within it, that getting to a faultless position will be extremely challenging.</p>
Implementation date	For 2020/21 Statement of Accounts.

Exhibit 6 – matter arising 3

Matter arising 3: supply of working papers for audit

Findings	<p>As in prior years, we agreed a 'deliverables schedule' with Council officers before the start of the 2019-20 audit to identify documentation that we would likely require during the audit process.</p> <p>However, not all requested documentation was presented for audit alongside the draft accounts, which resulted in our having to request them again during the audit from Council officers.</p>
Priority	Medium
Recommendation	The Council should provide documents requested in line with the 'deliverables schedule', alongside the draft accounts.

Matter arising 3: supply of working papers for audit

Benefits of implementing the recommendation	With a view again to tighter accounts and audit deadlines in future years, supplying such documentation, alongside the draft accounts, avoids potential delays during the audit process.
Accepted in full by management	Accepted.
Management response	<p>It is acknowledged that Audit Wales were not supplied with all of the agreed deliverables prior to the start of the audit process.</p> <p>Following the onset of the COVID-19 pandemic the financial team has rightly been focused on managing the financial consequences of the Authority's response to COVID-19 and the ongoing financial sustainability of the Authority. In doing so, it was accepted that some areas of work would be significantly impacted and that certain deliverables would be delayed. Wherever possible, officers attempted to ensure that the implications of delaying were low and accepted that supplying some of the audit deliverables throughout the audit process, rather than up front, would be an acceptable compromise.</p> <p>It is anticipated that for the 2020/21 closure process that agreed timescales can be achieved.</p>
Implementation date	For 2020/21 Statement of Accounts.



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We welcome correspondence and telephone calls in Welsh and English.
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

SUBJECT: MONMOUTHSHIRE REPLACEMENT LOCAL DEVELOPMENT PLAN REVIEW OF ISSUES, VISION, OBJECTIVES AND EVIDENCE BASE IN LIGHT OF COVID-19 AND REVISED DELIVERY AGREEMENT

MEETING: COUNCIL

DATE: 22nd October 2020

1. PURPOSE:

- 1.1 The purpose of this report is to provide Council with an update on the preparation of the Replacement Local Development Plan (RLDP) in light of the Covid-19 pandemic, with the Review of the RLDP Issues, Vision and Objectives and Evidence Base in terms of sensitivity to the consequences of the current pandemic. The report also seeks Council's agreement to the RLDP Revised Delivery Agreement, which amends the project timetable for Plan preparation and the Community Involvement Scheme in light of the pandemic and the recently published Welsh Government 2018-based population and household projections, for submission to the Welsh Government for approval.

2. RECOMMENDATIONS:

- 2.1 Council endorses the Review of the RLDP Issues, Vision and Objectives and Evidence Base, and agrees that these remain relevant in light of Covid-19 and that it is appropriate to progress with Plan preparation.
- 2.2 Council agrees the Revised Delivery Agreement, which amends the project timetable and the Community Involvement Scheme as a result of the Covid-19 pandemic and the recent publication of the 2018-based population and household projections, for submission to the Welsh Government for approval.

3. KEY ISSUES:

Background

- 3.1 The Council is preparing a Replacement Local Development Plan (RLDP) for the County (excluding the area within the Brecon Beacons National Park) to cover the period 2018-2033. Plan preparation reached the Preferred Strategy stage of the process in March 2020 when Council endorsed the Preferred Strategy for statutory consultation, engagement and stakeholder involvement (5th March 2020). At the same meeting, Members agreed a Revised Delivery Agreement for submission to the Welsh Government for the Cabinet Secretary's approval. This amended the Plan's timetable to reflect the delays incurred up to the Preferred Strategy stage as a result of the pre-election period preceding the December 2019 General Election, the additional time and work needed to inform the Preferred Strategy and delays associated with joint working with neighbouring local authorities on joint evidence. The revised timetable indicated that the RLDP would be adopted in March 2022.
- 3.2 Public consultation and engagement on the Preferred Strategy commenced on 9th March for a statutory 6 week period, alongside the second call for candidate sites, in accordance with the Revised Delivery Agreement (March 2020). A number of Preferred Strategy public engagement events, along with officer attendance at Area

Committees and Area Cluster meetings, were scheduled during the 6 week consultation period. Public engagement events were held at Monmouth (11th March 2020) and Raglan (12th March 2020). However, as a result of the emerging pandemic and associated lockdown requirements, it was not possible to complete the Preferred Strategy consultation/engagement and second call for candidate sites. These key stages were kept open to provide stakeholders with an extended time-period to submit consultation responses and candidate sites.

- 3.3 However, following the publication of a letter from the Minister for Housing and Local Government on 7th July 2020 (attached at **Appendix 1**), the decision was made to cease the RLDP Preferred Strategy Consultation and second call for sites on 20th July 2020. The letter requires Local Planning Authorities to undertake an assessment of the RLDP evidence base, strategy and policies in terms of sensitivity to the consequences of the current pandemic before progressing with Plan preparation. All stakeholders on the RLDP database were informed of this decision and also advised that candidate site submissions will not be accepted whilst we were undertaking a review of the RLDP evidence base. The Planning Policy web pages of the MCC website were updated accordingly.
- 3.4 This pause has enabled the Council to undertake a review of the RLDP evidence base in terms of sensitivity to the consequences the current pandemic. A review of the RLDP Issues, Vision and Objectives in light of the Covid-19 pandemic was endorsed by Cabinet on 17th June 2020. The review found that the Issues, Vision and Objectives hold true and that the RLDP should continue to progress. This report also invited Cabinet to note the delay in RLDP preparation associated with the Covid-19 pandemic, noting that this will necessitate Council approval of a Revised Delivery Agreement.

Review of the RLDP Issues, Vision and Objectives and Evidence Base in Light of Covid-19

- 3.7 In accordance with the Minister's letter, a review of the RLDP evidence base in light of the current pandemic has been undertaken. For completeness, the review incorporates the assessment of the RLDP Issues, Vision and Objectives that was undertaken in June 2020. This is attached at **Appendix 2**. This review should be submitted to the Welsh Government alongside the Revised Delivery Agreement¹.
- 3.8 The review of Plan's Issues, Vision and Objectives has concluded that they remain relevant in light of Covid-19 and that it is appropriate to continue with the preparation of the RLDP on the basis of these values. However, given the need to revisit the Growth and Spatial Options and Preferred Strategy stages of the RLDP process as a consequence of the updated population and household projections (see para 3.12), the spatial element of the Vision will be reviewed alongside these stages.
- 3.9 The review also found that the evidence base remains relevant or is at a stage in its preparation that allows for the impacts of Covid-19 to be considered further as the Plan progresses towards the preparation of the revised Preferred Strategy and the detailed policies of the Deposit Plan. The review of the evidence base has highlighted a number of reports that need to be reviewed and updated to reflect the outcome of the remodeling of the growth options to take account of the 2018-based population and household projections and the consultation of the Growth and Spatial Options Paper that will follow. Whilst not directly in light of Covid-19, the updated evidence does allow for emerging Covid-19 information to be considered.

¹ Minister for Housing and Local Government Letter to Local Authority Leaders and Chief Executives National Park Authority Chief Executives – Planning System and Covid-19, 7th July 2020

- 3.10 In undertaking this review, a number of key messages have emerged that will require ongoing consideration as the RLDP progresses through the Plan preparation process during the Covid-19 pandemic. These include:
- It is too soon for the long-term impacts of Covid-19 to be fully understood and for new trends to have been established. There is limited evidence available at present on the longer-term impacts of Covid-19 and it is therefore extremely challenging to estimate the pandemic's impact on issues such as household formation, housing supply and economic growth given the level of uncertainty around the situation.
 - The planning system has a fundamental role to play in supporting sustained recovery post Covid-19, as reflected in the Minister's recent letter, which recognises that "up to date agile development plans are the cornerstone of our planning system" and that Welsh Government's commitment to a Plan-led system has been reinforced by the current pandemic. The continuation of the preparation of the RLDP which seeks to provide a policy framework that addresses the County's issues and facilitates recovery and supports/enables sustainable and resilient communities is considered to be the appropriate way forward with the RLDP. The pandemic should not be used as an excuse to abandon ambition.
 - Given the level of uncertainty around the long-term impacts of Covid-19 and the timescales needed to recover from those impacts, flexibility with the development plan process and its implementation is considered to be essential in allowing Local Planning Authorities to pursue strategies that address long-term issues, as well as any Covid-19 impacts. A flexible approach within the development plan system to allow Plans the ability to react to evolving market conditions is considered to be essential in progressing RLDPs in the current climate. A flexible monitoring framework will be required as part of the Deposit Plan to respond to emerging and changing market conditions.
 - Welsh Government's paper on 'Building Better Places – Placemaking and the Covid-19 Recovery' (July 2020), highlights the role local community facilities and services and neighbourhoods have played during the lockdown and reinforces the importance of local level issues in improving an area's resilience to Covid-19 impacts and recovery. The RLDP, as the local level tier in the development plan hierarchy, is therefore considered to be essential to deliver the sustainable development principles set out in PPW10 and the immediate post Covid-19 priorities that are noted by Welsh Government in its response to the pandemic.

RLDP Revised Delivery Agreement (October 2020)

- 3.11 The Monmouthshire Replacement Local Development Plan (RLDP) Delivery Agreement was approved by Welsh Government on 14th May 2018. A Revised Delivery Agreement was subsequently submitted to, and approved by, the Minister for Housing and Local Government on 6th March 2020. This amended the Plan's timetable to reflect the delays incurred up to the Preferred Strategy stage of the RLDP process as a result of the pre-election period preceding the December 2019 General Election, the additional time and work needed to inform the Preferred Strategy and delays associated with joint working with neighbouring local authorities on joint evidence base work. The revised timetable indicated that the RLDP would be adopted in March 2022.
- 3.12 The current Covid-19 pandemic has resulted in inevitable and unavoidable delays to the RLDP process, as detailed in paragraphs 3.2-3.4 above. Delays to Plan preparation have been further exacerbated by the publication of the recently corrected Welsh Government (WG) 2018-based population and household projections (August 2020). These projections are the basis for RLDP evidence on growth levels,

onto which policy choices can be added as needed, for example to ensure the issues are addressed, objectives met and vision achieved. The revised projections comprise important new evidence that requires consideration and we have therefore commissioned a revised suite of growth scenarios based on the corrected 2018 projections to ensure that the evidence base for the RLDP is robust and based on the most up to date information. Consequently, we will need to revisit both the Growth and Spatial Options and Preferred Strategy stages of the plan preparation process. This will inevitably add time to the preparation of the Plan.

3.13 The unavoidable delays to Plan preparation as a consequence of the current pandemic and publication of the updated population and household projections has necessitated a further revision to the RLDP Delivery Agreement. A Revised Delivery Agreement has therefore been prepared which sets out a revised RLDP timetable, including the dates for the revisiting the Growth and Spatial Options, Preferred Strategy and second call for candidate sites. The Community Involvement Scheme (CIS) has also been reviewed and adjusted in line with the Coronavirus Regulations (2020) and recent Ministerial advice² to reflect social distancing measures and other measures.

3.13 The updated timetable sets out the following revised dates for future key stages of the RLDP process.

RLDP Key Stage	Original Date (May 2018)	Revised Date (March 2020)	Revised Date in Light of Covid-19 and 2018 population and household projections (October 2020)
Growth and Spatial Options	March – July 2019	N/A	September 2020 – January 2021
Preferred Strategy Consultation and Second Call for Candidate Sites	November/December 2019	March/April 2020	May- June 2021
Deposit Plan – Political Reporting	September 2020	January 2021	July 2022
Deposit Plan – Consultation	September/October 2020	January/February 2021	July – September 2022
RLDP Submission to Welsh Government	March 2021	July 2021	February 2023
Examination	June/July 2021	October/November 2021	Spring 2023
Inspector's Report	October/November 2021	February 2022	Autumn 2023
Adoption	December 2021/January 2022	March 2022	Autumn 2023

3.14 The Revised Delivery Agreement timetable will result in a significant delay to the preparation and subsequent adoption of the RLDP, with the adoption of the RLDP anticipated in Autumn 2023. This delay will impact on the Council's ability to address the identified issues and objectives until the RLDP is adopted, and puts pressure on the deliverability of the housing and employment figures over the Plan period, with more reliance on delivery towards the end of the Plan. As noted above, it is therefore imperative that there is flexibility within the development plan process and its implementation to enable Local Planning Authorities to pursue strategies that address long-term issues, as well as any Covid-19 impacts.

- 3.15 In terms of the time period before the RLDP is adopted, the Minister has very helpfully recently clarified that the provisions in the Planning (Wales) Act 2014 relating to LDP expiry dates do not apply to LDPs adopted prior to that Act coming into force. This letter is attached at **Appendix 3**. This means that our current LDP, adopted in February 2014, remains an extant development plan for decision-making purposes until the RLDP is adopted. Although policies in the current LDP may be superseded by more recent evidence after December 2021 or by new national planning policy, the Minister's clarification provides much needed clarity to all stakeholders and removes a considerable risk of having a policy vacuum. This clarification does not, however, change the urgent need for the Council to make timely progress on its RLDP and to get the new Plan adopted as soon as realistically possible. Timely progress is essential to address the identified issues and to support the Council's overarching purpose of helping build sustainable and resilient communities.
- 3.16 The Community Involvement Scheme has also been amended to reflect our revised consultation and engagement arrangements in light of the current pandemic. The manner in which public engagement events will take place has been reviewed in line with the Coronavirus Regulations (2020) and latest Ministerial advice to ensure social distancing measures and other adjustments can be put in place when conducting any public engagement events to ensure the safety of our colleagues and our communities. The Council has also reviewed digital involvement options to provide our communities and stakeholders with information and the ability to engage in Plan process in a virtual manner.
- 3.18 The Revised Delivery Agreement is attached at **Appendix 4**. The Delivery Agreement must be approved by resolution of the Council and submitted to the Welsh Ministers for agreement³ in accordance with Regulation 9 of the Town and Country Planning (Local Development Plan) (Wales) Regulations 2005 (as amended 2015). Following agreement by the Welsh Government, work will continue on the preparation of the RLDP in accordance with the Revised Delivery Agreement. All stakeholders on the RLDP database will be informed of the Revised Delivery Agreement and the Planning Policy webpages will be updated accordingly.

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

- 4.1 The Planning and Compulsory Purchase Act (2004) sets out the requirement for all LDPs to be subject to a Sustainability Appraisal (SA). All stages of the RLDP will be subject to an Integrated Sustainability Assessment (including Strategic Environmental Assessment (SEA)), Well-being of Future Generations (WBFG), Health Impact Assessment (HIA), Equality Impact Assessment (EqIA), and Welsh Language Impact Assessment (WLIA)), whose findings will be used to inform the development of the RLDP strategy, policies and site allocations in order to ensure that the Plan will be promoting sustainable development.
- 4.2 A Future Generations Evaluation (including equalities and sustainability impact assessment) is attached to this report at **Appendix 5**.

Safeguarding and Corporate Parenting

- 4.3 There are no safeguarding or corporate parenting implications arising directly from this report.

³ As advised in the Minister's letter of 7th July 2020, the Chief Planner has been authorised to agree revised Delivery Agreements during the current pandemic in order to avoid unnecessary delays.

5. OPTIONS APPRAISAL

Review of the RLDP Issues, Vision and Objectives and Evidence Base in Light of Covid-19

Option	Benefit	Risk	Comment
Endorse the Review of the RLDP Issues, Vision and Objectives and Evidence Base in light of Covid-19 for submission to the Welsh Government alongside the Revised Delivery Agreement, and endorse that work on the RLDP should progress.	This would enable the RLDP preparation process to progress in a timely manner in accordance with the Revised Delivery Agreement. It is important that the RLDP is expedited to address the issues and objectives, including our demographic and affordability challenges, and to deliver the Council's core purpose to build sustainable and resilient communities that support the well-being of current and future generations.	The RLDP is prepared in the absence of full evidence of the implications of Covid-19. This may trigger an early Plan review if the long-term implications of Covid-19 impact on the delivery of the RLDP. However, this evidence will only be known once medium-long term trends are established. The RLDP cannot feasibly be delayed this long.	This is the preferred option. The Review has determined that the RLDP Issues, Vision, Objectives and Evidence Base remain relevant and appropriate to the County in light of Covid-19.
Make amendments to the Review of the RLDP Issues, Vision and Objectives and Evidence Base in Light of Covid-19 for submission to the Welsh Government, alongside the Revised Delivery Agreement.	If it is considered that Covid-19 raises issues which are not currently adequately addressed in the Review, this is an opportunity to rectify that.	Any amendments to the Review could lead to a significant delay in the RLDP preparation process and in adopting the Plan with resultant implications, including not being able to address our fundamental demographic and affordability challenges.	The Review has determined that the RLDP Issues, Vision, Objectives and Evidence Base remain relevant and appropriate to the County in light of Covid-19. Further amendments are not considered necessary.
Pause the preparation of the RLDP until the implications of Covid-19 are fully known. Do not endorse the Review of the RLDP Issues, Vision and Objectives and Evidence Base in Light of Covid-19 for submission to the Welsh Government, alongside the Revised Delivery Agreement.	The RLDP is prepared having full regard to the evidence associated with the long-term implications of Covid-19. However, the Review of the RLDP Issues, Vision and Objectives and Evidence Base has demonstrated that these remain relevant in light of Covid-19.	It is likely to be some time before the long-term implications of Covid-19 are fully known and supporting evidence is available. Pausing preparation of the RLDP would lead to a significant delay in Plan progress. It is likely that issues, vision and objectives stage of the RLDP would need to be revised and additional associated evidence gathering needed. This would also have time implications in relation to the ISA and HRA processes. This would	<p>The Review has determined that the RLDP Issues, Vision, Objectives and Evidence Base remain relevant and appropriate to the County in light of Covid-19.</p> <p>It is not considered necessary or appropriate to pause the preparation of the RLDP in light of Covid-19. The planning system has a fundamental role in supporting sustained recovery post Covid-19, with Welsh</p>

Option	Benefit	Risk	Comment
		lead to a significant delay in preparing further stages of the RLDP and in adopting the Plan with resultant implications as the Council would be without an up-to-date development plan for a considerable period.	Government's commitment to a Planned system reinforced by the current pandemic. It is imperative, therefore, that the RLDP is progressed in a timely manner.

RLDP Revised Delivery Agreement October 2020

Option	Benefit	Risk	Comment
Agree the Revised Delivery Agreement, which amends the project timetable and Community Involvement Scheme in light of the Covid-19 pandemic and updated population and household projections, for submission to the Welsh Government for approval.	This would enable the RLDP preparation process to progress in a timely manner.	That the amended timetable and community involvement arrangements cannot be achieved due to the ongoing pandemic or other interruptions.	This is the preferred option. Every effort has been made to ensure the RLDP timetable and Community Involvement Scheme is realistic having regard to the implications of the current pandemic and known future events such as elections. It is considered appropriate to revisit the Growth and Spatial Options and Preferred Strategy stages of the Plan preparation process as a consequence of the updated projections.
Amend the Revised Delivery Agreement for submission to the Welsh Government for approval.	Revised Delivery Agreement could be amended to reflect comments, as relevant.	Any amendments to the Revised Delivery Agreement would lead to a further delay in the RLDP process. This delay would have subsequent impacts on the Council's ability to address the RLDP issues and objectives until the RLDP is adopted, and puts pressure on the deliverability of the housing and employment figures over the Plan period.	The Revised Delivery Agreement, as drafted, sets out a realistic timescale and community involvement arrangements for further key stages of the RLDP process having regard to the implications of the current pandemic and the need to take account of the updated population and household projections.
Do not agree the Revised Delivery Agreement, which amends the project timetable and Community Involvement Scheme in light of the Covid-19		This would lead to a significant delay in the RLDP process. The Delivery Agreement must be agreed by the Welsh Government to enable Plan preparation to	The Revised Delivery Agreement, as drafted, sets out a realistic timescale and community involvement arrangements for further key stages of the RLDP process

Option	Benefit	Risk	Comment
pandemic and the updated population and household projections, for submission to the Welsh Government for approval.		progress. Failure to agree the Delivery Agreement would result in significant delays to the RLDP process with associated negative implications and risks. The planning system has a fundamental role in supporting sustained recovery post Covid-19, with Welsh Government's commitment to a planned system reinforced by the current pandemic. It is imperative, therefore, that the RLDP is progressed in a timely manner.	having regard to the implications of the current pandemic and the need to take account of the updated population and household projections.

6. RESOURCE IMPLICATIONS

- 6.1 Officer time and costs associated with the preparation of the Review of Issues, Vision and Objectives and Evidence Base in Light of Covid-19 and a Revised Delivery Agreement and associated Community Involvement Scheme. The Community Involvement Scheme will result in additional time and resources given the need to engage with communities in line with social distancing regulations. Any costs will be met from the Planning Policy budget.
- 6.2 Overall, the LDP is funded by a combination of the Planning Policy budget and the LDP reserve. Additional staffing resource has been agreed to support timely delivery of the RLDP and to reduce reliance on consultants.

7. CONSULTEES

- Planning Policy team
- Senior Leadership Team
- Enterprise DMT
- Cabinet Member for Enterprise and Land-use Planning

8. BACKGROUND PAPERS

- RLDP Revised Delivery Agreement (March 2020)
- RLDP Delivery Agreement (May 2018)
- Sustainable Settlements Appraisal (March 2020)
- Growth and Spatial Options Report of Consultation (March 2020)
- Growth and Spatial Options Background Paper (March 2020)
- Housing Background Paper (March 2020)
- Monmouthshire Employment Land Review (BE Group, February 2020)
- Issues, Vision and Objectives Paper (January 2019, as amended June 2019 and March 2020)
- Growth and Spatial Options Consultation Paper (June 2019)

- Monmouthshire, Blaenau Gwent and Torfaen LDP Demographic Evidence (Edge Analytics, June 2019)
- Monmouthshire Demographic Evidence Addendum Report (Edge Analytics, October 2019)
- Monmouthshire Affordable Housing Evidence Addendum Report (Edge Analytics, December 2019)
- Monmouthshire Employment Land Review (BE Group, February 2020)
- Regional Employment Study - Larger Than Local Study (BE Group, March 2020)
- Monmouthshire 2040: Our Economic Growth and Ambition Statement (November 2019) and supporting MCC Economies of the Future Reports (2018)
- Vision 2040 Inward Investment Prospectus (MCC, March 2020)
- Local Housing Market Assessment (MCC, September 2018)
- Retail Background Paper (MCC, March 2020)
- Employment Land Background Paper (MCC, August 2019)
- Review of Employment Land Review (BE Group, August 2020)

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APPENDICES:

APPENDIX 1: Minister for Housing and Local Government Letter to Local Authority Leaders and Chief Executives National Park Authority Chief Executives – Planning System and Covid-19, 7th July 2020

APPENDIX 2: Review of the RLDP Issues, Vision and Objectives and Evidence Base in Light of Covid-19, September 2020

APPENDIX 3: Minister for Housing and Local Government Letter to Local Authority Leaders and Chief Executives National Park Authority Chief Executives – LDP end dates, 24th September 2020

APPENDIX 4: Revised Delivery Agreement, ^{Page 235} October 2020

APPENDIX 5: Future Generations Evaluation

Appendix 1

Julie James AS/MS
Y Gweinidog Tai a Llywodraeth Leol
Minister for Housing and Local Government



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref MA-JJ-2099-20

Local Authority Leaders and Chief Executives
National Park Authority Chief Executives

7 July 2020

Dear Colleagues,

The Corona Virus pandemic is the biggest emergency humanity has faced in living memory and quite rightly the immediate role for government has been to protect the health and livelihoods of citizens. Over recent months we have achieved much by working together. Our success collaborating must be captured and built on as we move to recovery.

We already know the pandemic has impacted most on those in our communities who have least, exacerbating social, economic and environmental inequalities. Our approach going forward must focus on addressing those longstanding inequalities by taking a values based approach to recovery which promotes social, economic and environmental justice.

Some of the changes we have seen over recent months have been beneficial. The improvement of our natural environment, reduction in greenhouse gas emissions and improved air quality, greater reliance on active travel to access local services and the ability of people to recalibrate their work/life balance have been very positive. Just over a year ago, the Welsh Government and many local authorities declared a climate change emergency. This pandemic has demonstrated vividly that we are facing a climate and nature emergency with limited time to change our lifestyles to protect our environment and humanity from the consequences of climate change and habitat and species loss. Tackling homelessness, increasing social housing and providing fair work must also be prioritised with new vigour to address social and economic inequalities.

The planning system is central to shaping a better future for Wales and it is essential that all levels of government ensure that plans, policies and procedures improve the wellbeing of our people and the resilience of our environment. It is my strongly held view that we must not sacrifice the principles of sustainable development and place making in the pursuit of economic recovery at any cost. Up to date agile development plans are the cornerstone of our planning system. Our commitment to a plan led planning system has been reinforced and not reduced by the current crisis.

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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.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

National Development Framework

Work on the preparation of the National Development Framework (NDF) was paused when the Senedd went into emergency procedures. The First Minister's Continuity Plan has identified the NDF as a priority to be completed before the next Senedd election and will be submitted to the Senedd for scrutiny later this year with publication of the final framework early in 2021. The opportunities and challenges which the NDF was designed to address before the pandemic are equally as valid today. The urgency with which the opportunities and challenges need to be addressed is greater than ever in areas such as decarbonisation and tackling social and economic inequalities. The NDF submitted to the Senedd will include enhanced coverage on regional planning, including moving to a 4 region model advocated by many during the earlier consultation. The NDF regional policies will provide a robust framework for the preparation of Strategic Development Plans (SDPs).

Strategic Development Plans

The past few months have demonstrated the benefits of regional working on complex issues through structures such as the local resilience forums. The Local Government and Elections Bill is currently progressing through the Senedd with the view to it becoming law in early 2021. The Bill will provide a legal framework for regional collaboration through the creation of Corporate Joint Committees and require the preparation of SDPs.

SDPs will be necessary to implement the NDF and support recovery from the pandemic as many of the issues which need to be addressed most urgently transverse local authority boundaries. The pandemic has placed a severe strain on public finances following a decade of austerity and we may be facing a recession at least as deep as that of the early 1980s. This will put further strain on local planning authorities which have witnessed some of the deepest cuts of all public services in recent years. Local planning authorities are also likely to see lower fee income due to the reduction of construction activity. In this context, local authorities must think strategically about the best use of their resources and I strongly urge you to consider with new vigour opportunities to collaborate to prepare Strategic Development Plans and deliver planning services more generally.

Local Development Plans

Local planning authorities must reflect on the impact of the pandemic on their areas and consider the consequences for LDPs under review or being implemented. Long held views and policies on matters including transportation, economic development, housing, regeneration, the role of town centres and the importance of green infrastructure have all been brought into focus recently. We must think creatively and differently to promote a sustained recovery which has people and places at its heart.

LDPs are evidence based documents. As a result of the pandemic and resulting downturn in the economy much of the evidence on which LDPs are based is likely to be out of date. This is particularly the case for economic and social evidence covering areas such as the need for social and market housing, viability, economic forecasts and transport modelling. LDPs currently undergoing review, which have not yet been submitted to the Planning Inspectorate for examination, should undertake an assessment of the evidence base, strategy and policies in terms of sensitivity to the consequences of the pandemic. Robust conclusions should be reached on the need for new evidence and any consequential changes to strategy and policy before progressing plan preparation. The assessment should be submitted to the Welsh Government with requests to extend Delivery Agreements (DA). It is acknowledged that this will slightly delay plan preparation in the short term. It will however minimise delays at later stages of plan preparation and reduce the chances of a plan being found unsound at examination. Where a plan is part way through a public consultation (preferred strategy or deposit plan) the consultation should cease and start afresh once the assessment has been completed and new DA approved.

I am conscious that a number of LDPs reach their end date in 2021 and 2022 and of the implications of the end date legislation for a plan led system. Therefore, I will continue to explore opportunities to introduce legislation to ensure that LDPs that have passed their end date continue to enjoy the development plan status for decision making purposes. Reviewing the current evidence base and continuing plan preparation with an appropriate strategy and policies will enable most LDPs to progress to an advanced stage as soon as possible, allowing up-to-date evidence to support decision making.

Where consultations have ceased or a review of evidence, strategy and policy has delayed the production of LDPs meaning they cannot adhere to the previously agreed timetable a revised DA will be required. The Chief Planner has been authorised to agree revised DAs. This will ensure our agreement to requests for revised DAs can be provided as quickly as possible.

A key component of a DA is the Community Involvement Scheme (CIS), which sets out who, when and by what means communities and other stakeholders will be engaged in the plan preparation process. For those LDPs currently being prepared there will be an approved CIS setting out arrangements. LDPs must be prepared in accordance with both the DA and CIS. With many public buildings temporarily closed, stakeholders inability to attend consultation events and issues arising from social distancing, existing CISs cannot be complied with. For these reasons, the CIS will need to be adjusted in light of the latest Government advice and social distancing principles to enable plan preparation to progress.

Regulation 9(6) of The Town and Country Planning (Local Development Plan) (Wales) Regulations 2005 states that an LPA need not comply with a particular requirement of its CIS if it has reasonable grounds to believe it is not likely to prejudice any persons opportunity in the exercise of the LPAs functions under Part 6 of the PCPA 2004 if it does not comply with that requirement. The Covid-19 virus is considered to be a reasonable reason, provided alternative means of engagement are put in place and communicated to all concerned. Careful consideration must be given as to how engagement may need to be adjusted in the short term, when submitting a revised DA and CIS. Possible approaches include:

- Alternative consultation venues with increased capacity to accommodate social distancing regulations
- Prior arrangement for individual briefing sessions to reduce the number of stakeholders present at any given time
- A longer consultation period to ensure stakeholders have the ability to engage, both for specific types of events and beyond the statutory 6 week period
- An increased use of web based technological tools, such as electronic presentations on key issues, short video clips, information distributed via USB sticks etc.
- Considering how the re-opening of libraries and community centres provides sufficient distribution outlets, particularly in more rural communities. Where there are more restricted options, can alternative venues be sought and communicated effectively to local communities
- Providing information directly to individuals and other stakeholders via electronic means or where this is not possible due to lack of digital skills and equipment by providing hard copies.
- The use of participatory techniques such a citizens' assemblies.

The above examples are not exhaustive. They provide an indication of how different engagement principles and mechanisms can be adopted to allow plans to progress. Consultation on a revised CIS is not required, where it is temporarily amended in light of the exceptional circumstances. This autumn the Planning Inspectorate Wales and Welsh

Government will be jointly hosting seminars on plan making, consultations, evidence and examinations at which we can all share ideas as to how best to move forward.

To assist preparation of LDPs I will not require Annual Monitoring Reports (AMR) to be submitted this October. I strongly encourage LPAs to continue with data collection, as this will help shape and inform policy and plan development. If LPAs wish to publish an AMR, they can of course do so. I will expect the next formal AMR submission in October 2021.

Planning Policy Wales

Planning Policy Wales (PPW) was comprehensively redrafted at the end of 2018 centred on the principles of place making. It sets out what the Welsh Government expects from development plans and is an important consideration in the decision making process on planning applications. We have undertaken a signposting exercise which will exemplify those aspects of PPW which are particularly relevant to the post Covid 19 recovery and responding to the climate and nature emergencies. Where necessary new or amended policies will be proposed. I also aim launch the Placemaking Wales Charter as soon as possible. I am grateful to those organisations which have already signed the Charter and it is important that we do not lose the momentum behind this very important initiative which is intended to improve the quality of development in Wales and promote greater community involvement in the planning system.

Finally, I wish to put on record my thanks for the work undertaken by local planning authorities to maintain the planning system locally during these unprecedented times. In recognition of the vital role that planning will play in supporting our communities in the recovery from the pandemic the planned 20% increase in planning application fees will come into effect in the summer. It is essential that the fee increase is retained in planning department budgets and that there are no offsetting reductions in corporate funding.

Yours sincerely,



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Minister for Housing and Local Government

Monmouthshire Replacement Local Development Plan

**Review of RLDP Issues, Vision and Objectives
and Evidence Base
in light of Covid-19**



**Monmouthshire County Council
Replacement Local Development Plan**

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Objectives and Evidence Base
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1 Introduction

- 1.1 The purpose of this report is to provide an update and review on the preparation of the Replacement Local Development Plan (RLDP) in light of the current Covid-19 pandemic and in response to publication of a letter from the Minister for Housing and Local Government on 7th July 2020¹. The letter requires Local Planning Authorities to undertake an assessment of the RLDP evidence base, strategy and policies in terms of sensitivity to the consequences of the current pandemic before progressing with Plan preparation.

2 Background

- 2.1 The Council is preparing a Replacement Local Development Plan (RLDP) for the County (excluding the area within the Brecon Beacons National Park) to cover the period 2018-2033. Prior to the Covid-19 pandemic being declared, the RLDP had reached the Preferred Strategy stage and was endorsed by Council for statutory consultation/engagement and stakeholder involvement on 5th March 2020. Public consultation and engagement on the Preferred Strategy commenced on Monday 9th March for a statutory 6 week period, with the consultation due to end on 22nd April 2020. The second call for candidate sites commenced at the same time as the Preferred Strategy consultation for a 12 week period and was due to end on 3rd June 2020.
- 2.2 In light of the changing circumstances surrounding COVID-19, the decision was taken on 17th March 2020 to postpone the RLDP Preferred Strategy engagement events until further notice and to keep open, with an extended deadline, both the Preferred Strategy consultation period and the second (final) opportunity to submit candidate sites for inclusion in the RLDP. The Minister's letter of 7th July referred to above required a review of the evidence base before continuing with the Plan preparation. The decision was therefore made to cease the RLDP Preferred Strategy Consultation as of 20th July 2020 to enable this review to commence.
- 2.3 In August 2020, the Welsh Government (WG) published corrected 2018-based population and household projections, a first update since the 2014-based population and household projections. These projections form the starting point of the evidence base for proposals, onto which policy choices can be added to address the Plan's issues and achieve objectives. In order to ensure the RLDP is robustly based on the most up to date evidence, a decision has been made to go back a step and revisit the growth options to inform the Preferred Strategy.
- 2.4 Edge Analytics has been commissioned to configure a new range of growth scenarios for Monmouthshire, incorporating the Welsh Government 2018-based population and household projections, to produce forecasts for the 2018–2033 Plan period. A number of these growth scenarios will be chosen for non-statutory consultation along with a number of potential spatial options to deliver the growth. As before, a period of non-statutory consultation will be undertaken on the resultant Growth and Spatial Options Paper. A revised Delivery Agreement has been prepared accordingly to reflect this and the delays incurred as a result of Covid-19.

¹ Minister for Housing and Local Government Letter to Local Authority Leaders and Chief Executives National Park Authority Chief Executives – Planning System and Covid-19, 7th July 2020

3 Building Better Places – Placemaking and the Covid-19 Recovery (July 2020)

- 3.1 In July 2020, Welsh Government published its planning priorities to assist in taking action in the recovery period after the Covid-19 pandemic crisis. In undertaking the LDP evidence review, specific regard has been had to the post Covid-19 considerations and priorities set out in the Building Better Places document to ensure consistency with Welsh Government’s priorities. It has become clear that in many cases policy areas have gained additional recognition in their importance to supporting Covid-19 recovery. For example, place-making, Green Infrastructure, de-carbonisation and town centres are all recognised as priorities by Welsh Government in the response to Covid-19. These priorities are already echoed in the Issues, Vision and Objectives of the RLDP. It has also become clear, however, that Covid-19 is an on-going situation that may be with us for some time and that increased flexibility may be needed in some of the future detailed Development Management policies as the Plan progresses. This is to ensure the RLDP is sufficiently flexible to respond to changing market conditions and assist with the delivery of the Plan and its objectives during uncertain times.

4 Scope of Covid-19 Review

- 4.1 The letter published on the 7th July by the Minister for Housing and Local Government requires Local Planning Authorities to undertake an assessment of the RLDP evidence base, strategy and policies in terms of sensitivity to the consequences of the current pandemic before progressing with Plan preparation. However, given the decision to revisit the growth and spatial options stage and subsequent Preferred Strategy of the RLDP, this review covers the completed stage of the RLDP process, namely the Issues, Vision and Objectives and as well as the ongoing preparation of the Evidence Base.

5 Review of the RLDP Issues, Vision & Objectives in light of Covid-19

- 5.1 The key issues, challenges and opportunities facing Monmouthshire are set out in the RLDP Issues, Vision and Objectives Papers. The original January 2019 Paper sets out 38 issues and 17 objectives. The Paper was amended in July 2019 to fully reflect the Council’s Climate Emergency declaration made in May 2019. It was updated again in March 2020 to add the spatial element of the Vision associated with the Preferred Strategy. The RLDP Issues, Vision, Objectives set the foundations for the strategic direction of the RLDP and shape the stages of Plan preparation that follow. It is therefore essential that they remain relevant and appropriate in light of the current Covid-19 pandemic.
- 5.2 A review of the RLDP Issues, Vision and Objectives in light of Covid-19 was undertaken and endorsed by Cabinet on 17th June 2020. This review demonstrated that the Plan’s Issues, Vision and Objectives remain relevant to Monmouthshire. Appendix 1 sets out in full the issues and objectives and considers their relevance in light of Covid-19. The review concluded that a number of issues and objectives are now considered to have increased emphasis and importance, consistent with the priorities identified in the Welsh Government Building Better Places document published in July 2020. For example, the review recognises that lockdown has emphasised the value and importance of place-making and of the provision of locally accessible open/green spaces for health and well-being and recreation. Similarly the role and function of the high street in the local community has been highlighted. The current pandemic has clearly demonstrated the importance of ensuring our communities are balanced and socially sustainable, particularly in

terms of demography.

- 5.3 Accordingly, Cabinet, at its meeting of 17th June 2020 endorsed the RLDP Issues, Vision and Objectives of the RLDP in the light of the Covid-19 and that they remain relevant and appropriate and approved that work on the RLDP should continue.
- 5.4 The RLDP Vision clarifies the core purpose of the Plan and reflects the key issues and challenges facing the County. The objectives seek to address the issues and deliver the vision. The appropriateness of the vision was also considered in the Cabinet Report of the 17th June 2020, where Cabinet endorsed that the vision remains relevant and effectively reflects the key issues, challenges and opportunities, including those with increased emphasis in light of the current pandemic. Through the review no new issues have been identified that are not already adequately covered within the documents and there are no amendments to the RLDP proposed as part of this review.

6 Review of the RLDP Evidence Base

- 6.1 In accordance with the letter of 7th July from the Minister for Housing and Local Government a review of the evidence base in terms of the sensitivity to the consequences of the pandemic has also been undertaken. Full regard was given to the requirements of PPW10 as well as the priorities and actions identified in Welsh Government's Building Better Places – Placemaking and the Covid-19 recovery (July 2020).
- 6.2 Appendix 2 sets out the findings of this assessment. Overall, the assessment found that the evidence base remains relevant or is at a stage in its preparation that allows for the impacts of Covid-19 to be considered as the Plan progresses towards the preparation of the Preferred Strategy and the detailed policies of the Deposit Plan. However, work is currently underway by Edge Analytics to revisit the RLDP Growth Options and further analysis has been undertaken in relation to the Employment Land Review. These are discussed in turn below.

Edge Analytics – 2018 Household and Population Projections

- 6.3 Following a review of the WG 2018-based projections for Monmouthshire, the Council has decided to update the full suite of growth option scenarios configured in June 2019, incorporating the latest Welsh Government evidence. This is to ensure that the evidence base for the RLDP is robust and based on the most up to date information, and to understand the potential levels of population, household and employment growth over the RLDP period 2018-2033. It is also essential that the analysis/projections have regard to the current demographic and associated economic and wider contextual issues that Monmouthshire is facing.
- 6.4 Once complete, the Council will consider the scenarios and select a number for incorporation within a Growth and Spatial Options Paper, which will be subject to a period of non-statutory consultation. The Growth and Spatial Options Paper will set out a number of alternative growth and spatial options for the RLDP based on this updated evidence, together with the implications of each option and the extent to which they will achieve the RLDP objectives. There is currently insufficient evidence to inform an assessment of the COVID-19 impact upon long-term demographic trends and whilst this review of the growth options is not being undertaken specifically in light of Covid-19, the new scenario evidence provides a timely and robust suite of outcomes from which Monmouthshire can consider its RLDP options alongside Covid-19 policy

priorities highlighted by Welsh Government.

Employment Land Review – February 2020

- 6.5 In 2019/2020, BE Group undertook an Employment Land Review (ELR) for Monmouthshire and published the final report in February 2020. The ELR was prepared in line with Welsh Government guidelines, specifically *Practice Guidance – Building an Economic Development Evidence Base to Support a Local Development Plan*. In light of the Minister’s letter of 7th July and the publication of Welsh Government’s Building Better Places guidance note, BE Group has undertaken a review of the ELR to assess the on-going validity of the key findings and recommendations of the February 2020 ELR report. The review was undertaken prior to the publication of 2018-based population and household projections and therefore before the decision to revisit the growth scenarios for Monmouthshire. Nevertheless, it provides a useful overview of the economic picture of Monmouthshire in light of Covid-19 at that time. A summary of the ELR review is set out in the Review of Evidence table attached at Appendix 3, with the full details of attached at Appendix 4.
- 6.6 In summary, BE Group concluded that the recommendations of the ELR remain appropriate, most critically the overall forecast for employment land need to 2033. Their review also notes that the uncertainty in the market at present highlights the need for any planning for employment land to provide flexibility to adapt to change, whether through incorporating a buffer of additional land in the forecast calculations or enabling a range of employment uses to be provided on the allocated sites. It is recognised, however, that following the outcome of the consultation on the 2018-based Growth and Spatial Options Paper, the ELR will need to be revisited to ensure consistency with the chosen growth level of the Preferred Strategy.

7 Conclusions & Key Messages

- 7.1 Overall, the review of Issues, Vision and Objectives has concluded that they remain relevant in light of Covid-19 and that it is appropriate to continue with the preparation of the RLDP on the basis of these values. The review of the Evidence Base has highlighted a number of reports that need to be reviewed and updated to reflect the outcome of the remodeling of the growth options to take account of the 2018-based population and household projections and the consultation of the Growth and Spatial Options Paper that will follow. Whilst not directly in light of Covid-19, the updated evidence does allow for emerging Covid-19 information to be considered.
- 7.2 In undertaking this review a number of key messages have emerged that will require ongoing consideration as the RLDP progresses through the Plan preparation process during the Covid-19 pandemic. These include:
- It is too soon for the long-term impacts of Covid-19 to be fully understood and for new trends to have been established. There is limited evidence available at present on the longer-term impacts of Covid-19 and it is therefore extremely challenging to estimate the pandemic’s impact on issues such as household formation, housing supply and economic growth given the level of uncertainty around the situation.
 - The planning system has a fundamental role to play in supporting sustained recovery post Covid-19, as reflected in the Minister’s recent letter which recognises that “up to date agile development plans are the cornerstone of our planning system” and that Welsh Government’s commitment to a plan-led system has been reinforced by the current pandemic. The continuation of the preparation of the RLDP which seeks to provide a policy

framework that addresses the County's issues and facilitates recovery and supports/enables sustainable and resilient communities is considered to be the appropriate way forward with the RLDP. The pandemic should not be used as an excuse to abandon ambition.

- Given the level of uncertainty around the long-term impacts of Covid-19 and the timescales needed to recover from those impacts, flexibility with the development plan process and its implementation is considered to be essential in allowing Local Planning Authorities to pursue strategies that address long-term issues, as well as any Covid-19 impacts. A flexible approach within the development plan system to allow plans the ability to react to evolving market conditions is considered to be essential in progressing RLDPs in the current climate. A flexible monitoring framework will be required as part of the Deposit Plan to respond to emerging and changing market conditions.
- Welsh Government's paper on 'Building Better Places – Placemaking and the Covid-19 recovery (July 2020), highlights the role local community facilities and services and neighbourhoods have played during the lockdown and reinforces the importance of local level issues in improving an area's resilience to Covid-19 impacts and recovery. The RLDP as the local level tier in the development plan hierarchy, is therefore considered to be essential to delivering the sustainable development principles set out in PPW10 and the immediate post Covid-19 priorities that are noted by Welsh Government in its response to the pandemic.

Appendix 1 – Review of Issues, Vision and Objectives – as endorsed by Cabinet on 17th June 2020

N.B. The review of the Issues, Vision and Objectives was undertaken prior to the publication of the Welsh Government 2018-based population and household projections and the decision to remodel the growth scenarios for Monmouthshire. References to the Preferred Strategy published in March 2020 were therefore accurate at the time (i.e. June 2020).

RLDP Issue & Objective	Increased Emphasis in Light of COVID-19	RLDP Response
<p>Economy and Employment</p> <p>Issues 1-9 Objectives 1-2</p>	<p>Given the potential increase in agile and home working over the longer term, employment land demand/ requirements may change, while unemployment is likely to increase in the short-term. However, the RLDP will continue to need to provide a range of sites to meet employment needs to 2033 to support the Council’s ambitions and to support the local economy. This is likely to include local business hubs with printing or meeting room facilities for agile workers to utilise on demand. Increased agile/home working will mean businesses have greater choice over where to locate, with quality of life and environment potentially becoming increasingly important, to Monmouthshire’s benefit.</p> <p>High streets will continue to change especially in the short-term due to the increase in online shopping associated with COVID-19, and there is a clear need for flexible planning policies in our central shopping areas to enable a ‘re-imagining’ of our high streets across the County. Increased agile/home working might result in increased expenditure within our towns. The community good-will encapsulated by the COVID-19 response should help support local businesses and retailers.</p> <p>The importance of the local tourism economy will increase given Monmouthshire’s desirable tourism offer, increased demand for ‘staycations’ rather than holidays abroad, and with a particular emphasis on self-catering accommodation in the short-term.</p>	<p>The RLDP will provide a positive planning policy framework to support and enable sustainable economic growth, including in relation to our high streets and tourism sector, over the Plan period.</p>
<p>Green Infrastructure, Biodiversity and Landscape</p>	<p>Lockdown has emphasised the value and importance of place-making and of the provision of locally accessible open/green spaces for health and well-being and recreation. This is essential to our core purpose of building sustainable and resilient communities. The likely increase in</p>	<p>The RLDP will provide a positive planning policy framework to support and enable place-making and the provision of locally accessible open /green space and to</p>

RLDP Issue & Objective	Increased Emphasis in Light of COVID-19	RLDP Response
<p>and Health & Well-being</p> <p>Issues 11, 12, 18-21 Objectives 3 and 8</p>	<p>home/agile working will increase this importance and quality of life/environment are likely to become increasingly important factors in decisions on where to live and locate businesses.</p>	<p>protect/enhance our natural environment.</p>
<p>Housing</p> <p>Issues 25-28 Objective 10</p>	<p>High house prices and associated affordability are likely to remain significant issues in the County and could be exacerbated by the impacts of COVID-19 (e.g. increase in unemployment, homelessness resulting in increased demand for affordable housing solutions). The Welsh Government expectation is that permanent accommodation will be provided for homeless people accommodated during COVID-19. Even if house prices drop in the short term, they remain well above the Wales average and disproportionate to the incomes of those who work within the County. The likely increase in home/agile working and increased importance of quality of life/environment will influence decisions on where to live making Monmouthshire an even more attractive proposition.</p>	<p>The RLDP will ensure /enable a range and choice of homes (housing mix) in future housing developments to address these affordability issues and to build sustainable and resilient communities. The Preferred Strategy allows for a level of growth and for affordable housing-led sites: this remains critical to addressing the issues and objectives.</p>
<p>Population and Demography</p> <p>Issues 22-24 Objective 9</p>	<p>The current pandemic has clearly demonstrated the importance of ensuring our communities are balanced and socially sustainable, particularly in terms of demography. Community volunteers comprised of the younger age groups have been crucial in supporting the needs of our older self-isolating population during this period. The level of growth identified in the RLDP Preferred Strategy seeks to address our demographic challenges by enabling a more balanced demographic in the County. Whilst there continues to be growth in the over 60 age groups, there is also significant growth in the established households age-groups, 35-44 age group and also the under 19 age groups over the Plan period. In addition, there is a levelling out of the age profile with growth coming from a broader cross section of the demographic.</p> <p>Conversely, a low growth option would not respond to our demographic challenges or achieve one of the RLDP's key objectives of</p>	<p>The RLDP growth levels will deliver positive demographic change over the Plan period that is essential to support and enable the provision of balanced communities throughout the County.</p>

RLDP Issue & Objective	Increased Emphasis in Light of COVID-19	RLDP Response
	<p>creating balanced communities in Monmouthshire. Growth based on the WG 2014-Based Principal Projection (low growth option) would have significant negative implications on the age profile of the County over the Plan period. Whilst there would be a low level of growth in the 35-44 age groups, the majority of population growth would be from the over 60 age groups with all other age groups experiencing negative growth, resulting in an unbalanced demographic. The future impacts of seeking community support from a smaller cohort of younger age groups to support a much larger cohort of older generations if a low growth option were pursued would be unsustainable.</p> <p>This demonstrates that the level of growth identified in the Preferred Strategy will enable positive demographic change over the Plan period to support social sustainability and balanced communities. A low growth option would fail to address this key issue and would be detrimental to our core purpose of creating sustainable and resilient communities.</p>	
<p>Infrastructure Issues 29–31 Objective 14</p>	<p>Likely to be an increased emphasis on digital infrastructure and active travel options due to the increase in agile/home working. If successful, the trial measures being drawn up to support our High Streets and enable social distancing might become permanent if they are successful.</p> <p>There has been anecdotal evidence that there has been a spike in the sales of electric bicycles, which given Monmouthshire’s topography and rurality could be a key way of encouraging active travel. The RLDP should support the provision of enabling charging infrastructure. (It is already supporting active travel and will influence and reflect the emerging new Integrated Network Maps).</p>	<p>The RLDP will ensure digital and charging infrastructure provision is in place or can be provided to accommodate new development and will support active travel opportunities.</p>

RLDP Issue & Objective	Increased Emphasis in Light of COVID-19	RLDP Response
Climate Change Issues 36-38 Objective 17	Likely to be an increased emphasis on local renewable energy generation/demand linked to enhanced self-sufficiency in the County. Increased agile/home working could reduce commuting patterns and reliance on private car use, certainly in the short term, reducing congestion and improving air quality.	The RLDP policy framework will support and enable renewable energy generation and provide opportunities for active travel and integrated sustainable transport solutions.

Appendix 2 – Review of Evidence Base

The following table contains the supporting evidence that has been prepared to date or that is on-going in the preparation of the RLDP.

An initial review has been undertaken to identify any areas of the evidence base that may have been affected by the current Covid-19 situation. It should be noted that the development plan process is operating and planning for the future in uncertain times and many decisions will therefore have to be made on the best evidence available at this time.

Supporting Document	Purpose	Covid-19 Implications Review	Action Required in light of Covid-19
Replacement LDP Documents			
The Adopted LDP Review Report (March 2018)	Evaluates the extent to which the Adopted LDP is functioning effectively.	This primarily relates to the effectiveness of the Adopted LDP and informed the decision to commence a revision of the Plan.	No action required.
RLDP Delivery Agreement (May 2018, as Revised March 2020 and October 2020)	The Delivery Agreement sets out how the RLDP is to be prepared and provides a timetable for Plan preparation along with a Community Involvement Scheme which outlines the Council's principles of community engagement.	The Covid-19 situation and subsequent changes to public consultation arrangements, advice from Welsh Government and publication of the Welsh Government 2018 population projections has necessitated a review of the Delivery Agreement and Community Involvement Scheme. The Council made a commitment to revise the RLDP Delivery Agreement and update the CIS in the Cabinet paper approved on 17 th June 2020. The Revised Delivery Agreement (Oct 2020) is being reported to Council in October 2020.	Seek Council approval for a revised Delivery Agreement including Community Involvement Scheme and forward to Welsh Government for approval.
Issues, Vision and Objectives Paper (January 2019 as amended June 2019 and March 2020)	Sets out the key issues, challenges and opportunities facing the County along with the RLDP vision and objectives to address the issues, challenges and opportunities identified.	A paper which revisited the RLDP Issues, Vision and Objectives in light of Covid-19 was endorsed by Cabinet on 17 th June 2020. This demonstrated that these remain relevant and in some cases have increased emphasis in light of Covid-19, such as issues of housing affordability and economic growth, and endorsed that the RLDP's core vision and objectives remain relevant and appropriate and work on the RLDP should continue.	No action required.
Candidate Site Register (February 2019)	Provides a log of the Candidate Sites submitted during the first call for sites, to be considered for inclusion	This is a factual register of sites submitted during the first call for candidate sites. No review necessary.	No action required.

	for development, redevelopment and/or protection in the RLDP.		
Growth and Spatial Options Consultation Paper (June 2019)	Provides a range of growth and spatial options for the RLDP together with the implications of each option and the extent to which they will achieve the RLDP objectives. The options presented provide the scale of growth (housing and employment) the Plan will potentially need to include and how that growth could be distributed.	<p>This paper itself does not require changing as it reflects the options that were relevant at the time.</p> <p>Following the publication and review of the WG 2018-based projections for Monmouthshire, the Council has decided to update the full suite of growth option scenarios configured in June 2019, incorporating the latest Welsh Government evidence. This is to ensure that the evidence base for the RLDP is robust and based on the most up to date information, and to understand the potential levels of population, household and employment growth over the RLDP period 2018-2033.</p> <p>Once complete, the Council will consider the scenarios and select a number for incorporation within a Growth and Spatial Options Paper, which will be subject to a period of non-statutory consultation. The Growth and Spatial Options Paper will set out a number of alternative growth and spatial options for the RLDP based on this updated evidence, together with the implications of each option and the extent to which they will achieve the RLDP objectives. Whilst this review of the growth and spatial options is not being specifically undertaken in light of Covid-19, the new scenario evidence provides a timely and robust suite of options from which the Council can consider its RLDP options in light of Covid-19 policy priorities highlighted by Welsh Government.</p> <p>The Spatial Options previously consulted upon included options for a new settlement. The Welsh Government subsequently confirmed that such an approach cannot be</p>	Consult on updated Growth and Spatial Options Paper following the completion of Edge Analytics modelling incorporating the Welsh Government 2018-based projections.

		included other than via a SDP or Joint LDP and that such a proposal would render the RLDP unsound. Consequently, such a spatial option will not be considered this time.	
Integrated Sustainability Appraisal and Habitats Regulations Related Documents			
Integrated Sustainability Appraisal (ISA) Scoping Report (December 2018)	Updated to take account of responses from a targeted consultation, this sets out the background for the ISA/SEA process that will be followed throughout the RLDP process and considers the characteristics of the RLDP area through a review of relevant plans, policies and programmes, and baseline information.	This establishes the scope of the ISA process to be followed throughout the RLDP preparation process. A review of Covid-19 implications is therefore not considered necessary, however the baseline information will be updated as part of the ISA undertaken on the 2018-based Growth and Spatial Options Paper.	Update baseline information in light of the need to revisit the Growth and Spatial Options Paper.
Initial Habitats Regulations Assessment (HRA) Screening Report (December 2018)	Updated to take account of responses from a targeted consultation, this outlines the requirement to undertake a HRA in respect of the RLDP and identifies the relevant European sites for consideration within the HRA process.	This is a process based document rather than assessing the contents of the RLDP. A review of Covid-19 implications is therefore not considered necessary.	No action required.
Initial ISA Report (AECOM, February 2020)	The Initial ISA Report is the second stage of the ISA process and appraises the social, economic, environmental and cultural effects of the RLDP Preferred Strategy that was published in March 2020. This includes the Vision, Strategic Objectives, Growth and Spatial	The ISA Report assesses the Preferred Strategy as published in March 2020 against an agreed set of sustainability themes. An addendum to the Initial ISA Report is in preparation to appraise the growth levels and spatial options associated with the 2018-based Population Projections. An Initial ISA Report will also be undertaken on the Preferred Strategy that emerges as a result of the consultation on the Growth	Report the findings of the 2018 population projection ISA addendum once undertaken and finalised. Report the findings of the Initial ISA Report undertaken on the

	Options and Preferred Strategy, including the Strategic Policies.	and Spatial Options Paper. As Covid-19 is an emerging and ongoing situation the Council will have regard to Welsh Government's priorities and responses throughout the Plan preparation process.	updated Preferred Strategy.
HRA of the Monmouthshire RLDP – Preferred Strategy (AECOM, February 2020)	The HRA Report provides a high level, preliminary assessment of the RLDP Preferred Strategy as published in March 2020. At this stage, the aim of the report is to identify European sites which have the potential to be impacted by the RLDP, and to identify potential likely significant effects that the RLDP may have. It also identifies other plans, programmes and projects that may have 'in-combination' effects when considered alongside the effects of the RLDP.	The HRA Report (Feb 2020) assesses the Preferred Strategy as published in March 2020 against an agreed HRA framework. A HRA of the Preferred Strategy that emerges as a result of the consultation on the 2018-based Growth and Spatial Options Paper will be undertaken. As Covid-19 is an emerging and ongoing situation the Council will have regard to Welsh Government's priorities and responses throughout the Plan preparation process.	Undertake HRA of the Preferred Strategy that emerges as a result of the 2018-based Growth and Spatial Options Paper.
Supporting Evidence and Background Papers			
Monmouthshire, Blaenau Gwent and Torfaen LDP Demographic Evidence (Edge Analytics, June 2019)	This report considers the impact of demographic, housing and employment change in the three Unitary Authorities (UAs); Blaenau Gwent, Monmouthshire and Torfaen. Alternative scenarios using different migration assumptions and past housing completion rates are developed and compared to the WG 2014-based 'benchmark' scenario, allowing for sensitivity analysis where relevant. The potential employment growth that could be supported by the demographic and	This response considers three pieces of evidence that relate to the demographic modelling behind the Preferred Strategy published in March 2020 and are based on the 2014-based population projections. Edge Analytics has been commissioned to configure a new range of growth scenarios for Monmouthshire, incorporating the Welsh Government 2018-based population and household projections, to produce forecasts for the 2018–2033 Plan period. A number of these growth scenarios will be chosen for consultation along with a number of potential spatial options to deliver the growth.	Publish findings of Edge Analytics Demographic Evidence updating the growth scenarios based on the 2018-based projections.

	dwelling-led scenarios is also set out using key assumptions on economic activity, unemployment rates and commuting ratio link demographic and economic change. The report provides the three Councils with a suite of population, housing and economic growth outcomes to consider in the formulation of their RLDPs.	Whilst this remodelling is not being specifically undertaken in light of Covid-19, the new scenario evidence provides a timely and robust suite of options from which the Council can consider its RLDP options alongside of Covid-19 policy priorities highlighted by Welsh Government.	
Monmouthshire Demographic Evidence Addendum Report (Edge Analytics, October 2019)	Provides an additional growth scenario analysis for consideration, prepared in response to consultation feedback, informal feedback from WG officials and the Council's further consideration of the options.		
Monmouthshire Affordable Housing Evidence Addendum (Edge Analytics, December 2019)	This addendum extends upon the Demographic Evidence Addendum Report (October, 2019) scenario analysis, with consideration of the impacts of the affordable housing policy-led strategy on dwellings, population, households and employment.		
Monmouthshire 2040: Our Economic Growth and Ambition Statement (November 2019) and supporting MCC Economies of the Future Reports (BE Group, Per Consulting, Hatch, 2018)	The Economic Growth and Ambition Statement sets out the economic ambition for the County and will work alongside the RLDP in identifying suitable employment sites and premises, to enable existing businesses to grow and to	This remains the Council's statement on economic growth ambitions and will therefore continue to be reflected in the RLDP. The Enterprise service area is currently undertaking a survey of businesses to gain a fuller understanding of the impact of Covid-19. This will help inform an Action Plan for Economic Recovery for the Gwent Recovery Coordination Group. We will continue to work with the Council's Enterprise service area to ensure	No action required at this time in relation this evidence. The Council will continue to work with Welsh Government and the relevant agencies to implement any

	<p>attract inward investment from new businesses in key growth sectors. The MCC Economies of the Future Reports will inform the development of the revised Economic Growth and Inward Investment Strategy for the Council. The analysis is also a fundamental piece of work that provides evidence to support the Monmouthshire RLDP.</p>	<p>the RLDP aligns with corporate sustainable economic growth aspirations.</p>	<p>economic recovery strategies that are available.</p>
<p>Vision 2040 Inward Investment Prospectus (March 2040)</p>	<p>This document supports the Monmouthshire 2040: Our Economic Growth and Ambition Statement (Nov 2018) noted above. The prospectus sets our aspirations to raise the economic profile of Monmouthshire with priorities to explore business opportunities and attract funding, while being sensitive to Monmouthshire's landscape.</p>	<p>This remains the Council's Inward Investment Prospectus and will therefore continue to be reflected in the RLDP. As noted above, the Enterprise service area is currently undertaking a survey of businesses to gain a fuller understanding of the impact of Covid-19. This will help inform an Action Plan for Economic Recovery for the Gwent Recovery Coordination Group. We will continue to work with the Council's Enterprise service area and the wider region to ensure the RLDP aligns with corporate sustainable economic growth aspirations.</p>	<p>No action required at this time. We will continue to monitor the outcome of the work of the Council's Enterprise service area and the findings of the survey being undertaken to gain a fuller understanding of the impacts of Covid-19.</p>
<p>Sustainable Settlements Appraisal (March 2020)</p>	<p>Assesses and identifies settlements within Monmouthshire, which are potentially suitable to accommodate future growth in terms of their location, size, role and function and sets out an initial settlement hierarchy arising from the appraisal to inform the Preferred Strategy.</p>	<p>This involves an assessment of the current situation in settlements and scores their existing sustainability credentials, e.g. location, size, existing facilities. These scores will be used to establish the proposed settlement hierarchy. A factual update of the Sustainable Settlements Appraisal will be undertaken to reflect the current amenities, to feed into the Preferred Strategy that emerges from the consultation on the Growth and Spatial Option Paper. It is recognised that there is potential for Covid-19 to impact on the range of facilities available if some facilities such as pubs, shops and businesses are lost as a result of the lockdown measures. This in turn could</p>	<p>Update the Sustainable Settlements Appraisal to feed in to the preparation of the Preferred Strategy that emerges as a result of the Growth and Spatial Options Paper consultation.</p>

		<p>impact on the sustainability measure of some of the County's smaller settlements. It is considered to be too soon, however, to understand the long-term impacts on Covid-19 on the sustainability credentials of the County's settlements. Sustaining vibrant settlements is fully recognised as being a key priority in the recovery post Covid-19. A factual update of the Sustainable Settlement Appraisal will allow policy development to be based on the most up-to-date information.</p>	
<p>Growth and Spatial Options Report of Consultation (March 2020)</p>	<p>Sets out a summary of the comments received in the relation to the growth and spatial options consultation which took place in July-August 2019, together with a summary of the Council's response.</p>	<p>This Report was prepared to inform and within the context of the Preferred Strategy published March 2020. A new Growth and Spatial Options Report of Consultation will be prepared following the completion of the consultation undertaken on the 2018-based Growth and Spatial Options Paper.</p>	<p>Publish 2018-based Growth and Spatial Options Report of Consultation following the completion of the consultation.</p>
<p>Growth and Spatial Options Background Paper (March 2020)</p>	<p>Expands upon the work completed to date on growth and spatial options, provides a summary of each option, an explanation of why specific options would/would not meet the Council's ambitions following evidence that has been collated.</p>	<p>This paper was prepared to inform and within the context of the Preferred Strategy published in March 2020. An updated Background Paper will be prepared to support the Preferred Strategy that emerges as a result of the 2018-based Growth and Spatial Options Paper. As Covid-19 is an emerging and ongoing situation the Council will have regard to Welsh Government's priorities and responses throughout the Plan preparation process.</p>	<p>Prepare a Background Paper to reflect the outcome of the 2018-based Growth and Spatial Options Report.</p>
<p>Housing Background Paper (March 2020)</p>	<p>Identifies the amount of land the Council will be required to allocate for housing in the RLDP in order to meet the proposed level of growth. This process involves analysing the various components of housing supply, plus extant allocations that can be 'rolled forward' to the Replacement Plan. This paper</p>	<p>This paper was prepared within the context of the Preferred Strategy published in March 2020. An updated Background Paper will be prepared to support the Preferred Strategy that emerges as a result of the 2018-based Growth and Spatial Options Paper. As Covid-19 is an emerging and ongoing situation the Council will have regard to Welsh Government's priorities and responses throughout the Plan preparation process.</p>	<p>Prepare a Background Paper to reflect the outcome of the 2018-based Growth and Spatial Options Report.</p>

	<p>analyses each component of housing supply in more detail before arriving at a new housing allocations provision based on the methodology detailed within the Welsh Government Development Plans Manual Edition 3 Consultation Draft (June 2019). The Background Paper also includes a Housing Potential Study which looks at sites within the settlement boundary that have potential to contribute to the windfall allowance.</p>		
<p>Local Housing Market Assessment (September 2018)</p>	<p>Provides a detailed insight into the local housing markets across the County. It includes a quantitative assessment of housing need that will be used to inform the housing policies of the RLDP in terms of affordable housing provision, tenures and types of accommodation required.</p>	<p>Welsh Government's Building Better Places recognises the importance of affordable housing in the Covid-19 recovery and its contribution to creating neighbourhoods and social cohesion. It highlights that with uncertainty over the impact of the pandemic on the economy and jobs and associated ability to enter the housing market, we must increase housing output by refocussing on building new social housing.</p> <p>An updated LHMA is being undertaken to support preparation of the RLDP. The LHMA update is likely to reflect the short term implications of Covid-19 to date as issues such as increase in social housing need feed directly into the study.</p>	<p>Continue to liaise with the Council's Housing Section to update the Local Housing Market Assessment.</p>
<p>Review of Candidate Sites against the Preferred Strategy (March 2020)</p>	<p>Provides an initial assessment of Candidate Sites in terms of their compatibility with the Preferred Strategy.</p>	<p>This paper was prepared within the context of the Preferred Strategy published in March 2020. An updated review will be undertaken to support the revised Preferred Strategy that emerges as a result of the 2018-based Growth and Spatial Options Paper. As Covid-19 is an emerging and ongoing situation the Council will have</p>	<p>Undertake review of Candidate Sites against the revised Preferred Strategy that emerges as a result of the consultation on the</p>

		regard to Welsh Government's priorities and responses throughout the Plan preparation process.	2018-based Growth and Spatial Options Report.
Monmouthshire Employment Land Review (BE Group, February 2020)	Evidence base undertaken in line with Welsh Government Guidance. The ELR provides an assessment of the supply and demand for employment land in the County, looking at the available employment allocations and existing employment areas and reviews the property market, consults with local stakeholders and forecasts employment growth to understand employment demand requirements for the Plan period.	<p>Welsh Government's Building Better Places notes the changing working practices that have occurred during the Covid-19 lockdown such as the increase in people working from home and the need to review the impact such changes might have on the future need for employment land. In 2019/2020, BE Group undertook an Employment Land Review (ELR) for Monmouthshire and published the final report in February 2020. The ELR was prepared in line with Welsh Government guidelines, specifically Practice Guidance – Building an Economic Development Evidence Base to Support a Local Development Plan.</p> <p>In light of the Minister's letter of 7th July and the publication of Welsh Government's Building Better Places guidance note, BE Group undertook a review of the ELR to assess the on-going validity of the key findings and recommendations of the February 2020 ELR report. Full details of this review are attached at Appendix 3. The review was undertaken prior to the publication of 2018-based population and household projections and therefore before the decision to remodel the growth scenarios for Monmouthshire. Nevertheless, it provides a useful overview of the economic picture of Monmouthshire in light of Covid-19.</p> <p>BE Group note that Covid-19 is still an ongoing situation and therefore much of the actual, near-term impacts have yet to be fully realised and the economic data (which has a lag time) has yet to fully emerge. The impacts over the longer term (such as the planning period for the RDLP) are</p>	<p>Update the ELR following the outcome of the consultation on the 2018-based Growth and Spatial Options Paper.</p> <p>Continued work on the preparation of the RLDP will seek to ensure that a positive, flexible and supportive policy framework is developed in relation to employment land that enables adaption to evolving market conditions throughout the Plan period.</p>

less certain, most pertinently in relation to the upward curve of the economic recovery in the medium term following the pandemic.

The socio-economic data for unemployment rates and furlough numbers suggest that Monmouthshire, while being significantly impacted by the lockdown, has been less impacted than other areas in Wales, due to its strong underlining socio-economic characteristics, such as the very low proportion of unemployment claimants pre-Covid-19 and the sectoral mix within the County. For example, the employment sectors with the largest proportions of their jobs furloughed were accommodation and food services (73 percent of jobs in the sector), arts, entertainment, recreation and other services (73 percent) and construction (60 percent). At the time of the preparation of the ELR, Monmouthshire's employment in these sectors, as a proportion of total jobs was 8.6 percent for accommodation and food services, 3.7 percent for arts and 7.4 percent for construction. By comparison, the largest employment sector in Monmouthshire was health (17.2 percent) and across Wales this sector has seen 8 percent of its workforce furloughed.

The ELR published February 2020, advised that the past take-up approach, was the preferred approach upon which to plan for employment in the RLDP. Following BE Group's review it is considered that this remains the case even allowing for Covid-19 impacts, with the employment forecasts likely to be subject to more volatility and uncertainty in the near term. Therefore, planning for

employment land based on such volatile and uncertain forecasts would be unwise.

Using the past take-up approach, the ELR forecast an employment land need of 41.7 ha between 2018 and 2033 (including a buffer to allow for uncertainties). BE Group note that if the recession dampens demand and take-up of employment land in the short to medium terms, this overall land need may not be reached by 2033. However, given that employment land take-up is largely driven by B8 warehousing in Monmouthshire (approximately 60 percent of floorspace in recent years) and this sector is likely to continue to be buoyant, it is recommended that this land need be retained for the purposes of the RLDP.

The ELR (February 2020) sets out eight recommendations for the preparation of the RLDP. The validity of these recommendations in light of the economic slowdown are reviewed in the BE Groups response attached at Appendix 3. In summary, it is considered that the recommendations of the ELR remain appropriate, most critically the overall forecast for employment land need to 2033. The uncertainty in the market at present highlights the need for any planning for employment land to provide flexibility to adapt to change, whether through incorporating a buffer of additional land in the forecast calculations or enabling a range of employment uses to be provided on the allocated sites.

BE Group's review of the ELR (Feb 2020) provides a useful evaluation of the potential impact of Covid-19 on Monmouthshire's economy and employment land requirements. Given the decision to remodel the growth

		<p>options for the County based on the 2018-based population projections a further update of the ELR will need to be undertaken to reflect the growth rate of the Preferred Strategy that emerges. The update will review land requirements based on the chosen growth levels and determine whether the past take-up remains the appropriate approach for Monmouthshire.</p>	
<p>Regional Employment Study - Larger Than Local Study (BE Group, March 2020)</p>	<p>The report addresses the issues of employment land on a regional basis and covers five local authorities: - Monmouthshire, Blaenau Gwent, Torfaen, Caerphilly and Newport. It is made up of two main sections: looking at the economic evidence base and the property and employment land market in the larger than local area. The study has had regard to the relevant policies at the national, regional and local levels. The economic assessment has presented the quantitative evidence on demographics, labour market, current and future state of the economy. The property and employment land assessment has reviewed the current market characteristics of the commercial property sector (transactions volumes, locations, supply) and the availability of allocated employment sites, drawing on the supply detailed in the Local Development Plans</p>	<p>This Larger Than Local Study recommends a distributed employment land supply requirement for each constituent authority for 2018 – 2040 and considered which existing adopted LDP employment allocations are important for economic development in a regional context. With regards to Monmouthshire it recommends a requirement within the region of 60ha up to 2040 which is broadly in line with the ELR requirement of 42ha up to 2033. Gwent Europark is recommended as a regionally significant employment site.</p> <p>As noted by BE Group in relation to the ELR, Covid-19 is still an ongoing situation and therefore much of the actual, near-term impacts have yet to be fully realised and the economic data (which has a lag time) has yet to fully emerge. The reviews findings in relation to land supply requirements are also considered to be applicable to the Larger Than Local Study, further details are noted above with the full response provided at Appendix 3. In terms of the regionally significant site at Gwent Euro Park, BE Groups’ review of the ELR notes “that employment locations at Chepstow and Magor that can provide logistics premises are likely to be seen as more attractive in the current and emerging market. The M4/M48 corridor is likely to continue to be a key area for</p>	<p>Undertake a review of the Larger Than Local Study recommendations following the outcome of the consultation on the 2018-based Growth and Spatial Options Paper and the Preferred Strategy that emerges.</p> <p>Continued work on the preparation of the RLDP will seek to ensure that a positive, flexible and supportive policy framework is developed in relation to employment land that enables adaption to evolving market conditions throughout the Plan period.</p>

	(LDPs) of each of the constituent local authority areas.	employment growth in Monmouthshire, which was also recognised in the ELR.” Given the decision to remodel the growth options for the County based on the 2018-based population projections a review of the Larger Than Local Study recommendations relating to Monmouthshire will need to be undertaken to reflect the growth rate of the Preferred Strategy that emerges.	
Retail Background Paper (March 2020)	Provides an annual retail ‘health check’ of our five main towns (i.e. Abergavenny, Caldicot, Chepstow, Monmouth and Usk).	This is a factual monitoring report providing valuable information on a variety of indices relevant to the performance of the County town centres, including vacancy rates and occupancy types. A specific Covid-19 review is not considered necessary at this time, although these annual surveys will provide valuable information in monitoring the situation and highlighting short-term implications of Covid-19 on the high street and trends that occur over the long-term.	No action required at this time. Continue to undertake annual surveys to help establish the impact of Covid-19.
Employment Land Background Paper (August 2019)	Provides an annual assessment of employment land take-up across allocated and protected employment sites as identified in the Adopted LDP.	This is a factual monitoring report updating employment related applications and implementation on the ground. A review of Covid-19 implications is therefore not considered necessary as this time, although this annual report will provide valuable information in monitoring employment land for changes in the short term and over the long-term.	No action required at this time. Continue to undertake annual surveys to establish the impacts of Covid-19.
Evidence Currently in Preparation or ongoing – other evidence requirements may emerge as the RLDP progresses			
Monmouthshire Landscape Sensitivity Update Study (White Consultants, anticipated August 2020)	An update to the Landscape Sensitivity and Capacity Study carried out in 2009 setting out detailed assessments and sensitivity evaluations of local landscape	Work on the Landscape Sensitivity Update is ongoing. The assessment focuses on landscape sensitivity, which is not considered to be affected by Covid-19. A review of Covid-19 implications is therefore not considered necessary and	No action required. Continue work on this evidence.

	<p>character areas and strategic candidate sites, with a view to establishing the least sensitive areas in terms of landscape for housing growth potential. The study area includes areas and defined candidate sites around Primary and Secondary Settlements and Severnside.</p>	<p>continuation of update to completion is considered to be appropriate.</p>	
<p>Retail Boundary Review and Expenditure Capacity (JW Planning, July 2020)</p>	<p>This work is made up of two separate reports. The first reviews the Central Shopping Area and Primary Shopping Frontages Boundaries and suggests changes for inclusion in the Deposit Plan. The second assesses whether there is any spare retail expenditure in the County to support additional retail floorspace (convenience and comparison) over the Plan period.</p>	<p>Revitalising town centres has been highlighted as a key priority to aiding the Covid-19 recovery in Welsh Government's Building Better Places document. This emphasises the need for flexible retail policies to respond to the evolving nature and changing roles and functions of commercial centres. The importance of town centres and the role they play in providing services to the local community has been reinforced during the Covid-19 pandemic. This is touched upon in these reports as well as the uncertainty around the future/ evolving nature of town centres and changes in shopping habits. The expenditure report is based on the results of a 2015 householder survey and it has already been recognised that this will need to be updated. The exact review date is yet to be determined.</p> <p>PPW10 already establishes town centres as the most appropriate location for retail/commercial developments and supports a flexible approach to supporting commercial uses in central locations to aid vitality and viability. Town centre proposals that aid recovery will continue to be supported through the policy framework established in PPW10 and the Adopted Local Development Plan.</p>	<p>In line with Welsh Government's response to the Covid-19 recovery, a Town Centre Assessment will be undertaken to feed into the preparation of the RLDP.</p>

<p>Renewable Energy Assessment (Carbon Trust, anticipated July/August 2020)</p>	<p>This assesses the County's renewable energy resource against an assessment methodology established by Welsh Government. It will identify preferred areas for renewable energy schemes and targets for inclusion in the RLDP. This is the first stage in the process with further refinement to follow through stakeholder engagement.</p>	<p>Welsh Government's Building Better Place (July 2020) recognises PPW's ambitious and comprehensive policy framework for planning authorities to address the causes and effects of climate change. It notes the need to identify and plan for the switch to a decarbonised and climate resilient society and promotes the Plan-led approach as the most effective way for the planning system to combat climate change. The Renewable Energy Assessment is a key piece of evidence in achieving this aim. The assessment methodology is established in Welsh Government guidance and is not considered to be affected by the Covid-19 pandemic and continuation of the work is considered appropriate.</p>	<p>No action required. Continue work on this evidence.</p>
<p>High Level Viability Model and Development Viability Model – Burrows-Butchinson Ltd – Ongoing with the Development Plan process</p>	<p>This work establishes a development viability model with two key outputs in terms of 'tools' for the assessment of viability. These are Site-Specific Development Viability Model ("DVM") for the appraisal of site-specific proposals; and the High Level Regional Viability Model ("RVM") used primarily to understand the levels of affordable housing and S106 contributions that are likely to be viable on housing sites and set affordable housing policy thresholds across local housing market areas in the County.</p>	<p>Work on the local viability assessment (high level viability model) is at a very early stages. Its findings and recommendations are going to be central to viability issues within the Deposit RLDP and site allocations. The continuation of this work is considered appropriate. This work will be informed by up-to-date housing market information and detailed discussions with the development industry that will take account of current market conditions and considerations.</p>	<p>No action required. Continue work on this evidence.</p>
<p>Settlement Boundary Review – MCC – ongoing in preparation for the Deposit RLDP</p>	<p>The review looks at the current development boundaries of settlements identified in the Sustainable Settlement Appraisal as being potentially suitable to</p>	<p>Work on the settlement boundary review is ongoing and will continue until site specific allocations are made as part of the Deposit Plan. The Covid-19 pandemic is not considered to have affected the suitability of the</p>	<p>No action required. Continue work with this evidence.</p>

	<p>accommodate future housing and employment growth in terms of their location, role and function. The assessment aims to ensure that these boundaries remain up to date and that there is a consistency of approach to development boundary definition, based on an agreed set of criteria relevant to both urban and rural settlements.</p>	<p>assessment methodology and continuation of this work is considered appropriate.</p>	
<p>Gypsy and Traveller Accommodation Assessment</p>	<p>Required to assess the accommodation needs of Gypsy and Traveller families and allocate sites to meet the identified need.</p>	<p>Work has commenced on this piece of evidence. The continuation of this work is considered acceptable, however in doing so regard will be given to Welsh Government guidance² prepared for organisations supporting Gypsy and Traveller communities during the Covid-19 ongoing circumstances. The inclusion of a criteria based policy in the Deposit Plan will also ensure any changing needs can continue to be met over the life of the RLDP.</p>	<p>Continue work on this evidence and have regard to Welsh Government Guidance on supporting Gypsies and Travellers communities during Covid-19.</p>
<p>Infrastructure Plan</p>	<p>A background document to evidence how infrastructure of the appropriate capacity, location, funding and timing will be in place to support the delivery and implementation of the RLDP. It should reflect engagement with infrastructure providers.</p>	<p>Utility companies have been involved from an early stage in the Plan preparation process to ensure consistency with their programmes. For example, discussions have taken place between the Council and Western Power and Welsh Water and TfW, with more detailed discussions to follow as part of the assessment on candidate sites and the preparation of the Deposit Plan. The need to ensure that appropriate infrastructure is provided in relation to development remains relevant with its importance further highlighted as a result of Covid-19 and the more localised way communities are functioning.</p>	<p>Continue work on this evidence to highlight any policy responses that may be necessary for inclusion in the RLDP.</p>

² Welsh Government Guidance for those supporting Gypsy and Traveller Communities: Covid-19 can viewed via the following link: <https://gov.wales/guidance-those-supporting-gypsy-and-traveller-communities-covid-19-html>

		Ongoing dialogue with the relevant infrastructure providers will help highlight if certain infrastructure improvements are required in some areas in light of Covid-19 (e.g. transport interchange improvements, broadband and telecommunications).	
Green Wedge Review	Monmouthshire County Council, Torfaen County Borough Council, Newport City Council and Blaenau Gwent County Borough Council are currently exploring a review of green wedge designations to inform their Replacement Local Development Plans. The purpose of the commission is to review the appropriateness and extent of existing green wedge allocations and assess the need for new green wedges.	Work has yet to commence on this piece of evidence. However, the purpose and function of the green wedge as set out in PPW is not considered to be affected by the Covid-19 pandemic. The commencement of this assessment with a view to informing the Deposit plan is considered acceptable.	No action required. Continue work on this evidence.
Agricultural Land Classification Assessment	Agricultural land of grades 1, 2, and 3a of the Agricultural Land Classification (ALC) is the best and most versatile, and as set out in PPW should be conserved, where possible, as a finite resource for the future.	The agricultural land classifications are established by Welsh Government and are scientific categorisations. These are not considered to be affected by Covid-19. An agricultural land classification assessment will be undertaken to demonstrate how the spatial strategy and site selection process has considered the impact on Best and Most Versatile Agricultural Land.	No action required. Continue work on this evidence.
Integrated Planning and Transport Strategy	Integrated Planning & Transport Strategy must be consistent with: Local Transport Plans Wales Transport Strategy National Transport Finance Plan	Welsh Government's Building Better Places response to Covid-19 highlights Active Travel and the sustainable transport hierarchy as key considerations in the preparation of development plans. The pandemic has demonstrated the importance of active travel routes in accessing local services and has resulted in a modal shift from the car to walking and cycling that should be secured as long-term behaviours. There is anecdotal evidence	No action required. Continue work on this evidence.

		that public transport use, in particular buses, has declined with more people working from home and people concerned about social distancing. The RLDP objectives reflect the importance of active travel, sustainable transport and accessibility and these will continue to be key considerations on the preparation of the Plan.	
Green Infrastructure Assessment	Green Infrastructure Assessments produce up-to-date inventories and maps of existing green infrastructure and ecological assets and networks. They should be used to develop a robust approach to enhancing biodiversity, increasing ecological resilience and improving well-being outcomes. They also identify key strategic opportunities where the restoration, maintenance, creation or connection of green features and functions would deliver the most significant benefits.	<p>The importance of Green Infrastructure on health and well-being, ecological resilience and climate change has been highlighted in light of Covid-19. Welsh Government's Building Better Places identifies the provision of Green Infrastructure as a priority in Wales' recovery to Covid-19 to be facilitated through the development plan process.</p> <p>The Monmouthshire Green Infrastructure Strategy (March 2019) builds on the Green Infrastructure SPG which was adopted in April 2015. The aims and objectives of these documents reflect Welsh Government's priorities in relation to Green Infrastructure and its increased emphasis on the local environment, ecological assets and networks and therefore remain valid.</p> <p>The need for an update of the Green Infrastructure Strategy as the preparation of RLDP progresses will be kept under review.</p>	No action required. Continue to monitor the need for a Green Infrastructure Assessment update.
Strategic Flood Consequence Assessment (SFCA)	It is proposed to undertake the work in a two phased approach as considered necessary by each Local Planning Authority in the sub-region and in accordance with the requirements of TAN15 and new requirements set out in the revised TAN15 once published:	Work has commenced, in consultation with NRW on exploring a sub-regional approach to undertaking a SFCA. The proposed assessment methodology, linked to river catchment areas is not considered to be influenced by the Covid-19 pandemic. The commencement and continuation of this work to inform the RLDP is considered acceptable.	No action required. Continue work on this evidence.

	<p>Step A: Authorities work together in/across catchment areas to commission work on the high level impacts on flood risk and opportunities for mitigation/management; then</p> <p>Step B: Undertake a local assessment to influence the RLDP and assess candidate sites.</p>		
Minerals – Regional Statement of Collaboration	Awaiting the publication of the Regional Technical Statement – 2 nd Review and its associated mineral apportionments.	Upon publication of the Regional Technical Statement – 2 nd Review, the Council will commence work with its sub-regional group made up of Torfaen, Newport, Blaenau Gwent and Monmouthshire to prepare a Regional Statement of Collaboration on Mineral Safeguarding.	No action required. Continue to liaise with the sub-regional group regarding the preparation of a Regional Statement of Collaboration on Mineral Safeguarding.



M115(e)

18th August 2020

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Dear Ms Lewis

ADVICE RELATING TO IMPLICATIONS OF COVID-19 IMPACTS ON EMPLOYMENT LAND REVIEW

Introduction

BE Group provides this advice to assess the potential impacts that the Covid-19 pandemic is placing upon the employment land and premises market in Monmouthshire. In 2019-20, BE Group produced the Employment Land Review (ELR) for Monmouthshire County Council. The report is part of the evidence base for the preparation of Monmouthshire's Replacement Local Development Plan (RLDP) and was prepared in parallel with the Regional Employment Land Study for Blaenau Gwent, Caerphilly, Monmouthshire, Newport and Torfaen (also prepared by BE Group).

In July 2020, Welsh Government issued a letter to local authority leaders and chief executives emphasising the importance of the planning system and therefore requesting that they reflect on the impact of the pandemic in their areas for local development plans. Welsh Government has asked that an assessment be undertaken of the evidence base behind planning documents, particularly surrounding viability and economic forecasts. Conclusions should then be reached on the need for new evidence before plans are progressed further.

In light of this, BE Group has been commissioned by Monmouthshire County Council to review the ELR and provide comment on the on-going validity of the key findings and recommendations of that report.

Our methodology for undertaking this review has been:

- Review the latest data available on the local employment and economy
- Review sectoral responses and exposures to the economic downturn
- Assess Monmouthshire's particular exposure to the economic downturn
- In light of the above, review the forecasts of employment land and floorspace in Monmouthshire in the ELR
- Review the findings and recommendations of the ELR

Overview of Covid-19's Impact on the Economy

Covid-19 is still an ongoing situation and therefore much of the actual, near-term impacts have yet to be fully realised and the economic data (which has a lag time) has yet to fully emerge. The impacts over the longer-term (such as the planning period for the RDLP) are less certain, most pertinently in relation to the upward curve of the economic recovery in the medium term following the pandemic; however, some evidence has been gathered to show potential impacts upon Monmouthshire and the wider areas.

Figures from the Office for National Statistics show that the number of people claiming out of works benefits more than doubled from March to June, from 975 to 2,295 in Monmouthshire, rising from 1.8 percent to 4.2 percent of the 16-64 year old population. Importantly, the proportion of claimants was lower than in Wales (3.1 percent rising to 6.0 percent) and Great Britain (3.1 percent rising to 6.3 percent). Therefore, claimant rises have been of a similar relative magnitude in Monmouthshire than in comparator areas, but off a lower base. The proportion of claimants in Monmouthshire was lower than all other local authority areas in Wales in June 2020.

The Coronavirus Job Retention Scheme (furlough scheme) has protected some jobs during the lockdown, including in Monmouthshire. Unemployment would be higher if not for the scheme, therefore the number and proportion of claimants would be higher. Her Majesty's Revenue and Customs (HMRC) data on the furlough scheme shows that for July 2020 some 10,500 jobs were furloughed in Monmouthshire, approximately 27 percent of eligible jobs. This was slightly lower than the Welsh average of 29 percent.

Across Wales, the employment sectors with the largest proportions of their jobs furloughed were accommodation and food services (73 percent of jobs in the sector), arts, entertainment, recreation and other services (73 percent) and construction (60 percent). At the time of the preparation of the ELR, Monmouthshire's employment in these sectors, as a proportion of total jobs was 8.6 percent for accommodation and food services, 3.7 percent for arts and 7.4 percent for construction. By comparison, the largest employment sector in Monmouthshire was health (17.2 percent) and across Wales this sector has seen 8 percent of its workforce furloughed.

Therefore, the socio-economic data suggest that Monmouthshire, while being significantly impacted by the lockdown, has been less impacted than other areas, due to its strong underlining socio-economic characteristics, such as the very low proportion of claimants pre-Covid and the sectoral mix within the County.

B-Class Employment Uses

Specifically for the ELR, it is important to understand the likely implications for sectors and businesses that use B-Class employment land and premises – offices, factories and warehouses. These use types are likely to be impacted differently, both in the immediate term and emerging from the downturn.

B1 Offices

During the lockdown imposed on the economy, office-based firms have adjusted to being able to work remotely. As such there is a risk for the office market that there will be longer-term structural changes to demand for office spaces. Some businesses in the UK and overseas have already indicated that they will change the way their offices function, with a higher degree of home-working, including major tech companies. However, this is not uniform, and there will still be demand for office space.

Furthermore, changing workplace expectations in regards to safety and social distancing will mean that businesses will be looking for larger floor plates to enable distance between workers and team bubbles. Therefore, there are differing forces impacting on the market in different directions, including demand for increased space and demand for smaller space as higher percentages of workers work remotely.

The implications for serviced offices or co-working spaces are also mixed. Intuitively it would appear that the near-term demand for such spaces reduces, or indeed such operations cannot fully open, as the risk of spreading the virus within a shared environment would be too great. However, once a new equilibrium and work practices are established in regards to working with the virus, given that there would be the potential for higher numbers of workers to be working remotely, the offer of a flexible, shared work environment may appeal to some businesses and workers.

However, the need for face-to-face interactions for office-based businesses will mean that an office presence will still be the norm. The creative and innovation benefits of an active office environment are critical for most businesses, which cannot be fully replicated through digital platforms. Furthermore, the mental health benefits of socialising with colleagues and separating home and work environments will mean that most employees would prefer to spend at least part of their work week in the office.

Offices with higher levels of parking (e.g. business park, rather than city centre location) may be seen as more attractive if staff are reluctant to use public transport, or are actively discouraged from using public transport, over a prolonged period of time due to the risk of catching the virus. For Monmouthshire and South East Wales, this may be manifested in some businesses looking for office premises outside of Cardiff or Bristol, into a business park with higher levels of car parking. However, this is likely to be a minor uplift in local demand, if observed at all.

From the HMRC data on furloughed jobs, in Wales the sectors likely to be located in offices (e.g. professional services, finance and insurance, property, business administration) have seen about 7-35 percent of jobs being furloughed. While sectoral data on furlough levels is not available at the local authority level, the Monmouthshire level is likely to be of a similar order to the Wales average.

B2 General Industry

Throughout the UK some manufacturing businesses have reduced or closed their operations, though many others have remained open, deemed essential businesses. Those that have reduced operations are beginning to scale back up as restrictions ease. Manufacturers providing medical equipment and some household staples have seen substantially increased operations, driven by spikes in demand and difficulties in accessing comparable products from overseas. However, manufacturers in vulnerable sectors, such as aviation and automotive, have experienced severe negative impacts, with several major brands announcing substantial job reductions (e.g. Airbus, Rolls Royce).

Some businesses that have remained open during the lockdown have seen local clusters of virus outbreaks (e.g. in food manufacturing premises) that have required a local response. Most businesses have seen some adaptation of their processes, either through reduced production or reduced product lines to respond to needs for social distancing. With less ability to undertake operations remotely, reduced production has meant furloughing staff or job losses. In Wales, some 40 percent of eligible jobs in the manufacturing sector were furloughed as at July 2020.

In general, the demand for industrial premises is likely to be influenced more by the health of the economy, rather than lockdown or social distancing restrictions. Therefore, the ability of the economy to bounce back from this economic shock will be critical for the demand for stock in Monmouthshire. Demand for B2 industrial premises was significant at the time of writing the ELR and once businesses regain confidence in the local economy, it would be expected that such demand would return.

B8 Warehousing

For the logistics sector, there have been several urgent requirements throughout the UK for short term storage and warehousing needs, including from the NHS, online retailers and supermarkets. This has been in response to the substantial changes in consumer behaviour occurring leading up to and during the lockdown, including spikes in demand for certain consumer items and increasing use of online retailing. It is likely that there will be a structural change within the retailing sector, with online retailing maintaining a higher share of the overall retail market beyond the lockdown and social distancing regimes. This likely longer-term boost to online retailing from changing consumer behaviour would require further logistics premises and capacity.

Some information emerging in this sector is that property requirements, while seeing a spike, have had a higher proportion of short term leases (12-18 months), to respond to the immediate upturn in demand. It would be expected that this would moderate and thus recent very high levels recorded in some areas should not be seen as the new normal. However, with a likely sustained increase to online retailing and a recognition that further capacity in supply chains is needed, it is expected that demand in this sector will continue to be buoyant.

Employment locations at Chepstow and Magor that can provide logistics premises are likely to be seen as more attractive in the current and emerging market. This M4/M48 corridor is likely to continue to be a key area for employment growth in Monmouthshire, which was recognised in the ELR.

Overview of the Employment Land Review

The ELR was prepared in 2019/20, with the final report presented in February 2020. The planning timeframe for the ELR was 2018-2033. The report was prepared in line with Welsh Government guidelines, specifically *Practice Guidance – Building an Economic Development Evidence Base to Support a Local Development Plan*. In preparing this report, BE Group undertook the following:

- Reviewed the Wales Government, regional and local policies of relevance to the demand and need for employment land in Monmouthshire over the forecasting period
- Assessed the socio-economic characteristics of the County, with a particular focus on the characteristics of the local workforce
- Reviewed the local and regional commercial property market, identifying areas of demand
- Assessed the existing employment allocations, including their potential and likelihood for employment uses. This includes on-going addendum work undertaken to provide further assessment of the employment allocations
- Employment land and premises need was forecasted over the planning period, using both past employment land take-up rates and labour demand forecasts (Oxford Economics forecasts)
- Recommendations for the quantity, types and delivery of employment land and premises were prepared as inputs to the RLDP.

For the forecasts of employment land and premises (see Chapter 7.0 of the ELR), two methodologies were used – past employment take-up rates and employment forecasts. The results of these two approaches were critiqued in the report. Past take-up rates use on the ground data, but is a simple extrapolation of this past data. Employment forecasts show how different sectors will influence demand, but assumes that employment densities will be constant within a sector over the forecast period. As this recession period has demonstrated, employment levels can change substantially within a business without a change in the floorspace demand, as businesses adapt their operations within their existing premises.

In the ELR, it was advised that the past take-up approach, which resulted in a higher demand for employment land and premises, was the preferred approach upon which to plan for employment in the RLDP. It is considered that this remains the case even allowing for Covid-19 impacts, with the employment forecasts likely to be subject to more volatility and uncertainty in the near term. Therefore, planning for employment land based on such volatile and uncertain forecasts would be unwise.

Using this approach, the ELR forecast an employment land need of 41.7 ha between 2018 and 2033 (including a buffer to allow for uncertainties). Compared to the available employment land supply of 45.6 ha, there was estimated to be a small surplus of 3.9 ha. If the recession dampens demand and take-up of employment land in the short to medium terms, this overall land need may not be reached by 2033. However, given that employment land take-up is largely driven by B8 warehousing in Monmouthshire (approximately 60 percent of floorspace in recent years) and this sector is likely to continue to be buoyant, it is recommended that this land need be retained for the purposes of the RLDP.

This land need may end up being an upper level of the need as the economy is slower in the short term. However, the past take-up rate is an average of slower and faster economic periods. It is reasonable to expect that over the forecast period there will be slower and faster periods of growth as well.

The ELR provided eight recommendations for employment land and premises (see Chapter 8.0). The validity of these recommendations in light of the economic slowdown are reviewed in the table below.

Table 1 – Commentary on Recommendations in the ELR in Light of Covid-19 Impacts

Recommendation	Comments
1. Future employment land need of 41.7ha to 2033, including buffer	As outlined above, it is recommended that the past take-up rate represents the preferred growth trajectory and that the overall employment land need is maintained at 41.7ha. However, this may end up being an upper level if the economic downturn is projected.

Recommendation	Comments
	<p>Within the ELR, an indicative estimate of the likely breakdown of this land need, between B1, B2 and B8 uses was provided. Given the current relative strengths of these market sectors, the B8 warehousing market may end up taking a higher proportion of the overall employment land than envisaged in the ELR. However, as outlined in the ELR, the breakdown was provided as an indicative mix and it was recommended that sites be planned for in a flexible manner that would enable a range of employment uses as appropriate.</p>
<p>2. Existing employment allocation sites to be retained for employment uses</p>	<p>The employment allocation sites that are recommended to be retained in the ELR remain valid at this time. Sites that provide logistics opportunities may see increased market interest in the near term as businesses and landholders look to respond to the buoyancy of this market. Sites that are more likely for offices or small scale industrial uses may not come forward in the near term as landholders wait for confidence to return to the market.</p>
<p>3. Candidate sites that are strong candidates for employment uses</p>	<p>It is considered that there remains a need for further sites to be allocated as employment sites, given that the current allocations only provide a small surplus and there is uncertainty about the development prospects of some key sites (even more so with current economic conditions). Therefore, the critiquing of candidate sites remains appropriate.</p> <p>Some owners that put these sites forward may be reassessing their development options in light of the new economic conditions. As with the comments for Recommendation 2, some sites may be seen as more attractive near term development opportunities (logistics sites) whereas others may be delayed or withdrawn. It is recommended that the list of sites that are added to the employment allocations is sufficient to account for uncertainties in the market regarding likely development intent of sites, especially in light of the current market uncertainties.</p>
<p>4. Existing employment areas to be protected</p>	<p>The recommendations for the existing employment areas, in particular the employment areas that scored poorly in the ELR (see Table 38), remain unchanged.</p>
<p>5. Employment uses in new settlements</p>	<p>The principle of new employment areas within new settlements remains sound, though it is not anticipated that any new settlements would be brought forward within the planning timeframe.</p>
<p>6. Delivery of employment sites</p>	<p>Consideration of the delivery of employment sites is vital at all times, but especially in times of economic uncertainty. Council may wish to take a more active role than previously envisaged, in working with landholders to try to bring sites forward, as a means of stimulating the local economy and improving confidence. Unlocking the sites through the funding of key infrastructure may be means of delivery some of the larger sites more quickly (e.g. Gwent Europark, Quay Point) and would be a means of providing broader economic stimulus to the area.</p>
<p>7. Future reviews of employment land need</p>	<p>The current Covid-19 crisis highlights that planning and forecasting is subject to changing circumstances and shows the importance of this recommendation, either through higher level reviews, such as this statement, or full revisions.</p>
<p>8. Maintain awareness of external influences</p>	<p>This recommendation remains valid, with the need for understanding of neighbouring areas and working with neighbouring local authorities increasingly important in uncertain times.</p>

In summary, it is considered that the recommendations of the ELR remain appropriate, most critically the overall forecast for employment land need to 2033. The uncertainty in the market at present highlights the need for any planning for employment land to provide flexibility to adapt to change, whether through incorporating a buffer of additional land in the forecast calculations or enabling a range of employment uses to be provided on the allocated sites.

I trust this is sufficient for your purposes at this stage. Please contact me if you have any questions.

Yours sincerely

A handwritten signature in black ink, appearing to be 'AM', written in a cursive style.

Anthony Meulman BE(Chem) MRegDev
Associate Director
BE GROUP

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Ein cyf/Our ref: MA/JJ/2524/20

Local Authority Leaders and Chief Executives National
Park Authority Chief Executives

24 September 2020

Dear Colleagues,

I am conscious that a number of Local Planning Authorities (LPAs) are becoming increasingly concerned regarding the end date of their Local Development Plan (LDP) and the implications this will have for rational and consistent decision making at a local level. There are also questions over the ability to charge a Community Infrastructure Levy (CIL) apply Supplementary Planning Guidance (SPG) and the reduced certainty this will have for your communities and stakeholders.

The Planning and Compulsory Purchase Act (PCPA) 2004 was amended through the Planning (Wales) Act (PWA) 2015. The Act, amongst other matters, introduced provisions specifying the period to which a plan has effect and providing that it shall cease to be the LDP at the end of the specified period.

Planning is becoming seen as an important tool in recovering from the recent Covid-19 virus, creating a more socially equitable and greener society than before, focusing around Placemaking and sustainability. To achieve this goal a plan-led system is essential.

With many LDPs nearing the end of their plan period, particularly from 2021 onwards, the perception has been that LDPs will no longer be extant once they have reached the end of their plan period. I would like to take this opportunity to clarify the position.

The provisions in the PWA 2015 regarding the period to which a plan has effect were commenced on 4 January 2016. These provisions do not have retrospective effect. This means that the provisions do not apply to LDPs adopted prior to this date. Plans adopted prior to 4 January 2016 will remain the LDP for determining planning applications until

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We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

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

replaced by a further LDP. For those LDPs adopted after 4 January 2016, the plan will cease to be the LDP on expiry of the period specified in the plan.

The first LDP to expire under the end date provisions will be on 1 January 2026. This period of just over 5 years to 2026 does provide an opportunity to explore the position further and consider whether further legislation is needed.

For the two remaining LPAs which do not yet benefit from an adopted LDP, but have an adopted Unitary Development Plan (UDP), the period to which a plan has effect provisions do not apply. The two UDPs remain extant until replaced by their respective LDP.

Yours sincerely,



Julie James AS/MS
Y Gweinidog Tai a Llywodraeth Leol
Minister for Housing and Local Government

Monmouthshire Replacement Local Development Plan

Delivery Agreement

As Revised October 2020





**Monmouthshire County Council
Replacement Local Development Plan**

Delivery Agreement

As Revised October 2020

Planning Policy Service

Monmouthshire County Council

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1.0 Part 1 - Introduction

Revised Delivery Agreement October 2020

- 1.1 The Monmouthshire Replacement Local Development Plan (RLDP) Delivery Agreement was approved by Welsh Government on 14th May 2018. A Revised Delivery Agreement was subsequently submitted to, and approved by, the Minister for Housing and Local Government on 6th March 2020. This amended the Plan's timetable to reflect the delays incurred up to the Preferred Strategy stage as a result of the pre-election period preceding the December 2019 General Election, the additional time and work needed to inform the Preferred Strategy and delays associated with joint working with neighbouring local authorities on joint evidence base work. The revised timetable indicated that the RLDP would be adopted in March 2022.
- 1.2 The current Covid-19 pandemic has resulted in inevitable and unavoidable delays to the RLDP process. Public consultation and engagement on the Preferred Strategy commenced on 9th March for a statutory 6 week period, alongside the second call for candidate sites in accordance with the Revised Delivery Agreement (March 2020). However, due to the pandemic, community engagement events were stopped on 16th March and the consultation held in abeyance. Following the publication of a letter from the Minister for Housing and Local Government on 7th July 2020¹, the decision was made to cease the RLDP Preferred Strategy Consultation as of 20th July 2020. This has enabled the Council to undertake an assessment of the RLDP evidence base in terms of sensitivity to the consequences of the current pandemic before progressing with plan preparation, as required by the Minister's letter².
- 1.3 Delays to Plan preparation have been further exacerbated by the publication of the recently corrected Welsh Government (WG) 2018-based population and household projections (August 2020). These projections are the starting point for RLDP evidence on growth levels, onto which policy choices can be added as needed, for example to ensure the issues are addressed, objectives met and vision achieved. The revised projections comprise important new evidence that requires consideration and we have therefore commissioned a revised suite of growth scenarios based on the corrected 2018 projections to ensure that the evidence base for the RLDP is robust and based on the most up to date information. Consequently, we will need to revisit both the Growth and Spatial Options and Preferred Strategy stages of the plan preparation process. This will inevitably add time to the preparation of the Plan.
- 1.4 Accordingly, the unavoidable delays to Plan preparation have necessitated a further revision to the RLDP Delivery Agreement which has been amended to reflect a revised RLDP timetable. The Community Involvement Scheme (CIS) has also been adjusted to

¹ Minister for Housing and Local Government Letter to Local Authority Leaders and Chief Executives National Park Authority Chief Executives – Planning System and Covid-19, 7th July 2020

² Review of RLDP Issues, Vision and Objectives and Evidence Base in light of Covid-19, September 2020

take account of the Coronavirus Regulations (2020) and latest Ministerial advice regarding social distancing and other measures.

LDP Review

- 1.5 A full review of the Monmouthshire Local Development Plan 2011 – 2021 (adopted 27th February 2014) has been undertaken, the findings of which are set out in the LDP Review Report (March 2018). The Review Report provides an overview of the issues that have been considered as part of the full review process and subsequently identifies any changes that are likely to be needed to the LDP, based on evidence. It concludes by recommending that the Council commence the preparation of a RLDP following the full revision procedure. The final Review Report was published alongside the Draft Delivery Agreement.
- 1.6 The adopted Monmouthshire Local Development Plan (February 2014) remains extant and will continue to provide the policy framework for the determination of planning applications while the RLDP is being prepared. A legislative provision in the Planning (Wales) Act 2015³ referred to as the ‘drop dead date’ provides that a LDP will cease to exist after the Plan’s end date, which in Monmouthshire’s case would be 31st December 2021. However, a recent Ministerial letter⁴ has clarified that these provisions do not have retrospective effect which means that the provisions do not apply to LDPs adopted prior to 4 January 2016 and accordingly these plans will remain the LDP for determining planning applications until replaced by a further LDP. As Monmouthshire’s LDP was adopted in February 2014, the end date legislation will not apply and the Adopted LDP will remain in force until the RLDP is adopted. Although policies in the Adopted LDP may be superseded by more recent national policy or evidence after December 2021, the Minister’s clarification provides much needed clarity to all stakeholders and removes a considerable risk of having a policy vacuum. This clarification does not, however, change the urgent need for the Council to make timely progress on its RLDP and to get the new Plan adopted as soon as realistically possible. Timely progress is essential to address the identified issues and to support the Council’s overarching purpose of helping build sustainable and resilient communities.

Purpose of a Delivery Agreement

- 1.7 The RLDP will cover the 2018-2033 period. Preparation of a Delivery Agreement⁵ is a key requirement in preparing a replacement Plan. This document provides details of the various stages involved in the Plan-making process and the time each part of the

³ Section 62 of the Planning and Compulsory Purchase Act 2004 (as amended by Section 12 of the Planning (Wales) Act 2015)

⁴ Minister for Housing and Local Government Letter to Local Authority Leaders and Chief Executives National Park Authority Chief Executives 24th September 2020

⁵ Section 63 (1) Planning and Compulsory Purchase Act 2004 & Regulations 5 – 10 LDP (Wales) Regulations (as amended 2015)

process is likely to take, as well as the resources that the Council will commit to Plan preparation. It also sets out the way in which the Council proposes to involve the local community and other stakeholders in the preparation of the RLDP. The RLDP will be examined by an independent Inspector to test whether the Plan is sound and has been prepared in accordance with its Delivery Agreement.

1.8 The Delivery Agreement is split into two key parts:

- The **Timetable** for producing the RLDP. This provides a clear indication of when each of the different stages of plan preparation will take place. Definitive dates are provided up to the deposit stage and indicative dates for later stages. A project management approach will be taken to ensure that the plan is adequately resourced and delivered on time. The timetable is included in *Part 2* of this Revised Delivery Agreement and has been updated to reflect the delays to plan preparation detailed above.
- The **Community Involvement Scheme** outlines the Authority's principles of community engagement; its approach in relation to who, how and when it intends to engage with the community and stakeholders, how it will respond to representations and how these representations will inform later stages of plan preparation. This is included as *Part 3* of this Revised Delivery Agreement and has been updated to reflect our adjusted consultation and engagement arrangements which take account of the Coronavirus Regulations (2020) and the latest Ministerial advice resulting from the current pandemic.

1.9 A glossary of terms can be found in Appendix 4.

Preparation of the Replacement LDP

1.10 In preparing the RLDP the Council will aim to achieve the following key outcomes⁶:

- Support sustainable development and quality places based around the National Sustainable Placemaking Outcomes, be aligned with national policy set out in Planning Policy Wales (PPW) and integrated with an SA/SEA/HRA, including Welsh language and the requirements of the Well-being of Future Generations Act 2015.
- Be based on and underpinned by early, effective and meaningful community involvement in order to understand and consider a wide range of views, with the aim of building a broad consensus on the spatial strategy, policies and proposals of the RLDP.
- Be based on a robust understanding of the role and function of the Monmouthshire area including the functional linkages to areas beyond our administrative boundaries.
- Be distinctive by having plans setting out clearly how Monmouthshire will develop and change, giving certainty for communities, developers and businesses.
- Be resilient to climate change (using the latest UK Climate Projections, flood risk and vulnerability assessment data) and support the transition to a low carbon

⁶ Welsh Government Development Plans Manual (Edition 3, March 2020).

society in line with the latest carbon reduction targets and budgets as set out in the Environment (Wales) Act (Part 2). We will adhere to the principles of Placemaking, the Sustainable Transport Hierarchy and the Energy Hierarchy as set out in PPW.

- Ensure the sustainable management of natural resources in accordance with the Environment (Wales) Act 2016 and other relevant legislation.
- Deliver what is intended through deliverable and viable plans, taking into account necessary infrastructure requirements, financial viability and other market factors.
- Be proactive and responsive, kept up-to-date and flexible to accommodate change.

1.11 The RLDP will be prepared with regard to a wide range of legislation, policies and other initiatives at the European, national, regional and local level. The Local Well-Being Plan (LWBP) will be of particular importance at the local level. The LWBP relates to the economic, social, environmental and cultural well-being of Monmouthshire and has clear links with the RLDP where it relates to land use planning.

Integrated Sustainability Appraisal (ISA) incorporating Strategic Environmental Assessment (SA/SEA)

1.12 An Integrated Sustainability Appraisal⁷, (SA) incorporating Strategic Environmental Assessment⁸ (SEA), is a statutory requirement of LDP preparation in order to assess the environmental, social and economic implications of the Plan's strategy and policies. The SA/SEA process is utilised to ensure that policies in the LDP reflect sustainable development principles and take into account the significant effects of the plan on the environment. SA, incorporating SEA, was an iterative process throughout the preparation of the adopted LDP and is reflected in the Plan's proposals and policies.

1.13 The Council will continue to adopt an integrated approach to the SA/SEA of the RLDP, ensuring that the Plan is internally consistent, with economic and social issues considered alongside other matters. The appraisal process will run concurrently with the plan making process and forms an iterative part of plan preparation.

1.14 The ISA, incorporating the SEA, will be undertaken as follows:

- An Integrated Sustainability Appraisal Scoping Report identifies the existing sustainability issues in the Monmouthshire area and provides baseline information along with a review of plans, policies, programmes and strategies. The existing SA indicators and objectives will be revised and updated as necessary. A revised Sustainability Framework will be produced.
- An Initial Integrated Sustainability Appraisal Report (ISAR) predicts and evaluates the effects of the LDP options, spatial strategy and strategic policies on the social, environmental and economic objectives as set out in the Scoping Report. The ISAR

⁷ Section 62 (6) Planning and Compulsory Purchase Act 2004

⁸ European Union Directive 2001/42/EC & Environmental Assessment of Plans and Programmes (Wales) Regulations 2004

will be published at the same time as the Preferred Strategy and updated when the Deposit Plan is prepared.

- A Final Integrated Sustainability Appraisal Report (SAR). This will bring together all elements of the ISA and take into account the binding recommendations of the Planning Inspector. The Final ISAR will be published following receipt of the Inspector's Report.
- An Integrated Sustainability Appraisal Adoption Statement will be published to explain how the sustainability considerations and the Sustainability Assessment have been taken into consideration in the production of the RLDP.

Habitats Regulations Assessment (HRA)

1.15 The Habitats Directive⁹ requires that land use plans, including LDPs, are subject to an additional Habitats Regulations Assessment where there are sites of European significance for nature conservation purposes. Monmouthshire contains a range of international nature conservation designated sites such as Special Areas of Conservation and a RAMSAR site. Habitats Regulations Assessment will be undertaken alongside ISA/SEA to ensure an integrated approach to assessment. It is intended that the process will again run concurrently with the Plan making process and form an iterative part of Plan preparation.

1.16 There are two stages of Habitats Regulation Assessment:

- Screening
- Habitats Regulations Assessment

Evidence Base Assessments

1.17 As outlined in each of the published Annual Monitoring Reports, and the Review Report, there is a need to update and undertake various evidence base assessments throughout the preparation of the RLDP which will include:

- Needs assessments in relation to population, housing, employment and retail
- Additional land allocations to meet the chosen growth strategy for the new Plan period
- Affordable Housing Viability Assessment
- Local Housing Market Assessment Update
- Sustainable Settlement Assessment
- Employment Land Review and Regional Employment Study
- Amenity Open Space Survey
- Settlement Boundary Review
- Renewable Energy Assessment
- Infrastructure Plan
- Green Wedge Review

⁹ 92/43/EC

- Landscape Sensitivity Study Update

This is not a definitive list and additional evidence base update requirements may emerge as the Plan revision progresses.

Well-being of Future Generations Act

- 1.18 The Well Being of Future Generations (Wales) Act (WBFG) gained Royal Assent in April 2015. The Act aims to make a difference to lives of people in Wales in relation to seven well-being goals and also sets out five ways of working. The seven well-being goals relate to; a prosperous Wales, a resilient Wales, a healthier Wales, a more equal Wales, a Wales of cohesive communities, a Wales of vibrant culture and Welsh language, and, a globally responsible Wales. The five ways of working are long-term, integration, involvement, collaboration and prevention. Given that sustainable development is the core underlying principle of the LDP (and SEA), there are clear associations between both the LDP and the WBFG Act. As a requirement of the Act a Local Well-being Plan (LWBP) must be produced, which is currently in the process of being finalised. This plan will look at the economic, social, environmental and cultural well-being of the county and will have clear links with the RLDP. Both the WBFG Act and the LWBP will be considered fully throughout the preparation of the RLDP, which will follow the five ways of working.

Tests of Soundness

- 1.19 ‘Soundness’ is an integral part of the LDP system and is an important principle by which it may be demonstrated as to whether the LDP shows good judgement and is able to be trusted. If the RLDP is found not to be sound then the Welsh Government could require the Council to take necessary action to remedy the situation. This may involve returning to the very early stages of plan preparation thereby causing considerable delay in the preparation of the Plan.
- 1.20 The Council must submit the RLDP to the Welsh Government for examination. An independent Inspector is appointed by the WG to undertake this examination to determine whether the Plan is fundamentally sound. The Inspector will assess whether the preparation of the plan has been undertaken in accordance with legal and regulatory procedural requirements, and, complies with the Community Involvement Scheme. The Inspector must also determine whether the Plan meets the three soundness tests¹⁰:
- **Test 1 – Does the Plan fit?** (i.e. is it clear that the RLDP is consistent with other plans?)
 - **Test 2 – Is the Plan appropriate?** (i.e. is the Plan appropriate for the area in the light of the evidence?)
 - **Test 3 – Will the Plan deliver?** (i.e. is it likely to be effective?)

¹⁰ Development Plans Manual Edition 3 (Welsh Government, March 2020)

- 1.21 The conclusions reached by the Inspector will be binding and, unless the Welsh Government intervenes, the Council must accept the changes required by the Inspector and adopt the RLDP.

2.0 Part 2 - Timetable

- 2.1 The Council established a timetable in the original Delivery Agreement (May 2018) summarising the key stages in Plan preparation (Table 1), which while challenging, was considered to provide a realistic timeframe for preparation of the RLDP having regard to the resources available. In preparing the timetable, regard was had to the WG's expectation that a replacement Plan can be prepared in considerably less than 4 years, taking into account the resources available and the extent of changes required (Planning Policy Wales Edition 9, November 2016 provided the relevant guidance at that time). Moreover, it had regard to the fact that the current LDP was due to expire in December 2021 and there was a pressing need to maintain Plan coverage. However, as noted above a recent Ministerial letter has confirmed that the LDP end date legislation will not apply to those LDPs adopted prior to 4th January 2016 meaning that the Adopted LDP will remain in force until the RLDP is adopted.
- 2.2 Work commenced at pace on the RLDP following the approval of the original Delivery Agreement in May 2018, however the preparation of the Preferred Strategy did not proceed as quickly as envisaged. The original Delivery Agreement stated that the Preferred Strategy would be reported to Council in October 2019 and subject to consultation and community engagement during November and December 2019. This timescale slipped to March 2020 with consultation and community involvement timetabled for March and April 2020. The second call for candidate sites was scheduled to run in parallel but for a 12 week period (this was originally proposed to be 16 weeks). The delay in progress on the Preferred Strategy was due to a number of factors, including:
- The pre-election period preceding December's General Election which meant we were unable to undertake any political involvement, engagement and reporting on the Preferred Strategy during this period. Member involvement and engagement is fundamental to the development of the Preferred Strategy.
 - The additional time and work needed to properly reflect on the consultation feedback from the non-statutory engagement/consultation on the RLDP Growth and Spatial Options, and to review and seek additional evidence to ensure the Plan's housing and jobs growth addresses the RLDP issues and delivers the RLDP objectives while being subject to further ISA and HRA assessment and being mindful of the Council's climate emergency declaration. This additional work is considered essential in ensuring the Council produces the best and most robust Plan possible.
 - The delays incurred in jointly procuring a range of evidence base studies with neighbouring authorities to inform the Preferred Strategy.
- 2.3 As noted in Section 1, public consultation and engagement on the RLDP Preferred Strategy commenced on Monday 9th March 2020 for a statutory 6 week period, with the consultation due to end on 22nd April 2020. The second call for candidate sites

commenced at the same time as the Preferred Strategy consultation for a 12 week period and was due to end on 3rd June 2020. However, as a result of the current pandemic and associated lockdown requirements, it was not possible to complete the Preferred Strategy consultation/engagement and second call for candidate sites. Whilst these key stages were kept open to provide stakeholders with an extended time-period to submit consultation responses and candidate sites, following the publication of a letter from the Minister for Housing and Local Government on 7th July 2020 the decision was made to cease the RLDP Preferred Strategy Consultation and call for sites on 20th July 2020. In accordance with the letter, this pause has enabled the Council to undertake an assessment of the RLDP evidence base in terms of sensitivity to the consequences the current pandemic before progressing with plan preparation¹¹.

- 2.4 The recent publication of the corrected Welsh Government (WG) 2018-based population and household projections (August 2020) has caused further delay to the Plan preparation process by necessitating a revisit of the Growth and Spatial Options and subsequent Preferred Strategy stages of the RLDP process, as detailed in paragraph 1.3. This work will inevitably add time to the Plan preparation timescale.
- 2.5 The subsequent unavoidable delays to Plan preparation has necessitated a further revision to the Delivery Agreement which has been amended to reflect a revised RLDP timetable as set out in Table 1 and Appendix 2.
- 2.6 Table 1 is split into definitive and indicative stages:
- **Definitive Stages** – This part of the timetable provides information up to and inclusive of the statutory Deposit stage. The progress of the Plan over this period is under the direct control of the Council (subject to external risks such as the current pandemic) and therefore the revised target dates, while still challenging, are considered realistic and every effort will be made to adhere to these dates.
 - **Indicative Stages** – This part of the timetable provides for the stages of Plan preparation beyond the statutory Deposit stage. These stages are increasingly dependent on a wide range of external factors (e.g. the number of representations received, number of examination hearing sessions, time taken to receive Inspector’s Report) over which the Council has far less control. Those dates will be reconsidered after reaching the Deposit stage when definitive timings for the remaining stages will be prepared and submitted to the Welsh Government for agreement and publication.

Table 1 - Key Stages in Replacement Plan Preparation (Revised October 2020)

Key Stages	Timescale	
	From	To
Delivery Agreement	January 2018	May 2018
	Full Council – May 2018 Submission to Welsh Government – May 2018 (Response to LPA to be received within 4 weeks)	

¹¹ Review of RLDP Issues, Vision and Objectives and Evidence Base in light of Covid-19, September 2020

Revised Delivery Agreement (2) (March 2020)	January 2020	March 2020
	Full Council – March 2020 Submission to Welsh Government – March 2020 (Response to LPA to be received within 4 weeks)	
Revised Delivery Agreement (3) (October 2020)	July 2020	October 2020
	Full Council – October 2020 Submission to Welsh Government – October 2020 (WG Officials advised that they have delegated authority in light of the current pandemic to promptly agree revised DAs)	
Pre-Deposit Participation	July 2018	April 2021
	Report to Council on draft Preferred Strategy – May 2021	
Preferred Strategy (Pre-Deposit) Consultation.	May 2021	June 2021
	Preferred Strategy - 8 week consultation (May – June 2021) Second call for candidate sites alongside the Preferred Strategy consultation	
Statutory Deposit Plan Consultation	July 2022	September 2022
	Report to Council on draft Deposit Plan – July 2022 Deposit Plan - 6 week consultation Analyse consultation responses and prepare consultation report – Winter 2022 Report to Council on focused changes and submission of Deposit Plan to Welsh Government – February 2023	
Stages	Timescale	
Indicative		
Submission of LDP to Welsh Government	February 2023	
Independent Examination	Spring 2023	
Inspector's Report	Autumn 2023	
Adoption	Late 2023 (must be adopted within 8 weeks of receiving the Inspector's binding report)	

- 2.7 A revised detailed project plan outlining the timescale for each of the stages of Plan preparation is included in Appendix 2.

Resources

- 2.8 The Head of Placemaking, Housing, Highways and Flooding and Head of Planning will be responsible for the overall delivery of the RLDP, with the Planning Policy Manager responsible for the day-to-day project management. The Planning Policy Team will lead in the preparation and delivery of the RLDP with Member engagement and political reporting at appropriate stages. The existing staff resources are set out in Table 2 below, approximately 80% of officer time will be dedicated to the RLDP to account for day to day involvement in liaison with colleagues in development

management and also to account for regional working. Additional time will be dedicated by the Head of Placemaking, Housing, Highways and Flooding and the Head of Planning to ensure the efficient delivery of the RLDP. It will also be necessary to call upon staff resources from other internal departments to assist in undertaking various evidence base updates/assessments. This is likely to include officer support from: Development Management, Heritage, Housing, Highways, Business and Enterprise, Green Infrastructure, Education, Democratic Services and Legal Services.

Table 2 – Planning Policy Staff Resources

Officer Job Title	Number of posts
Planning Policy Manager	1
Principal Planning Policy Officer	1
Senior Planning Policy Officer	3* (this includes a fixed term post)
Planning Policy Research Officer	1

*Additional Senior Planning Policy Officer Post created October 2020

- 2.9 The Council recognises that additional professional specialist services will also be required to progress and establish a robust evidence base to inform the RLDP. While it is anticipated that a considerable amount of evidence base work will be undertaken by MCC officers, predominately Planning Policy, the use of external consultants will be necessary, particularly in relation to highly technical/specialist elements of the evidence base. Financial resources have been secured accordingly.
- 2.10 The Delivery Agreement has been prepared on the basis of a Monmouthshire RLDP only. Work is, however, on-going on a regional basis and collaboration with neighbouring authorities will continue to be fundamental to the preparation of the RLDP, particularly with regard to a joint evidence base, where appropriate. The South East Wales Strategic Planning Group (SEWSPG) has, and continues to, progress a set of regionally agreed methodologies for key topic areas to ensure a consistent evidence base throughout the Cardiff Capital Region. In addition, Monmouthshire, Torfaen, Blaenau Gwent, Newport and Caerphilly Councils have jointly procured a number of joint evidence base studies.
- 2.11 A sufficient budget is available to progress the RLDP to adoption within the proposed timetable. It is anticipated that this will cover expenditure relating to all elements of preparation of the RLDP and the Independent Examination.

Risk Management and Analysis

- 2.12 While the original timetable for preparation of the RLDP was considered to be realistic, it was acknowledged that it would also be challenging. It was recognised that there are a number of factors that could result in Plan preparation deviating from the proposed timetable. The original timetable allowed for flexibility through a degree of tolerance of up to 3 month delay, before a formal revision to the Delivery Agreement is required. Appendix 3 sets out a risk assessment including a number of potential issues that could cause difficulties in keeping to the proposed timetable, together with the Council’s proposed approach to managing them.

- 2.13 As a result of delays incurred during the preparation of the Preferred Strategy, the original RLDP timetable slipped beyond the 3 months tolerance allowed and consequently a revision to the Delivery Agreement timetable was required, as set out in the Revised Delivery Agreement agreed in March 2020.
- 2.14 The subsequent unavoidable delays to the Plan preparation process experienced as a consequence of the current pandemic and updated Welsh Government population and household projections has necessitated a further revision to the RLDP timetable, which has been updated to reflect a realistic timescale for further key stages of the RLDP process. The revised timetable identifies the RLDP being adopted in late 2023 and is set out in Appendix 2.

Supplementary Planning Guidance (SPG)

- 2.15 The RLDP will contain sufficient policies to provide the basis for determining planning applications. However, SPG has an important supporting role in providing more detailed or site-specific guidance on the way in which RLDP policies will be applied. While SPG does not form part of a Development Plan it should be derived from and be consistent with the relevant LDP. The SPG should also be clearly cross referenced to the policies and proposals it supplements.
- 2.16 Since the adoption of the current Adopted LDP, a total of 9 Supplementary Planning Guidance documents and one Planning Advice Note have been prepared and adopted to support existing LDP policies. The SPG cover the following topic areas:
- Green Infrastructure, April 2015
 - Conversion of Agricultural Buildings Design Guide SPG April, 2015
 - LDP Policies H5 & H6 Replacement Dwellings in the Open Countryside and Extension of Rural Dwellings SPG, April 2015
 - Affordable Housing SPG, July 2019
 - Renewable Energy and Energy Efficiency SPG, March 2016
 - Primary Shopping Frontages Supplementary Planning Guidance, April 2016
 - Sustainable Tourism Accommodation SPG, November 2017
 - Rural Conversions to Residential or Tourism Use, November 2017
 - Infill Development SPG, November 2019
 - Planning Advice Note – Archaeology, August 2020
- 2.17 It is anticipated that the SPG topics listed above will continue to be necessary and relevant, and so will be carried forward with any amendments necessary to support the RLDP, and/or the updated evidence base.
- 2.18 For example it is recognised that updated viability testing is essential to inform the RLDP which could result in changes to existing policy, particularly affordable housing. Accordingly it is likely that the Affordable Housing SPG will need to be revised to reflect such changes. It is anticipated that this will be revised alongside the preparation of the RLDP. It should nevertheless be noted that SPG to the RLDP cannot be formally adopted until after the Inspector's Report has been received and it is clear that there

are no changes to the policy approach set out in the Replacement Plan. It is not anticipated that any new/additional SPG will be prepared or consulted on in parallel with the RLDP, primarily due to the challenging timescales.

Monitoring and Review

- 2.19 The Council will continue to monitor and regularly review progress of the RLDP against the requirements of the Delivery Agreement to ensure the timetable is being adhered to and the public engagement as set out in the CIS is being met. As noted in paragraph 2.12 the timetable allows for a marginal degree of flexibility, however, any significant amendments to the DA will require approval by the Council prior to Welsh Government agreement. The DA may need to be amended if the following circumstances, which are beyond the LPA's control, occur during the preparation of the revised LDP:
- Significant change to the resources available to undertake preparation of the RLDP.
 - Preparation of the RLDP falls behind schedule by more than 3 months at a key stage.
 - Significant changes to European, UK or Welsh legislation directly affecting the RLDP preparation process.
 - Any other change in circumstances that will materially affect the delivery of the RLDP in accordance with the DA.
 - Significant changes to the Community Involvement Scheme.
- 2.20 Given the unavoidable delays incurred during the Plan preparation process to date (as detailed above), the Delivery Agreement timetable has been further revised to reflect a more realistic timescale for future key stages of the RLDP process.
- 2.21 An updated timetable will be submitted to the Welsh Government following the Deposit stage. This will provide certainty of the timescales for the remaining stages (i.e. replacing indicative stages with definitive stages). The indicative timetable will be redefined within 3 months of the close of the formal Deposit period and submitted to the Welsh Government for agreement.

3.0 Part 3 – Community Involvement Scheme

- 3.1 The Community Involvement Scheme sets out how the Council proposes to proactively involve the community and stakeholders in the preparation of the RLDP. While ultimately it is the Council that is responsible for the content of the RLDP, one of the aims of the LDP system is that Plan production is based on effective community involvement in order that a range of views can be considered as part of a process of building a wide consensus on the Plan's strategy and policies. The five ways of working prescribed by the Well-Being of Future Generations (Wales) Act are integral to the CIS, namely long-term, integration, involvement, collaboration and prevention. The CIS describes the ways in which the community can influence the RLDP at the different stages of the Plan preparation process.
- 3.2 As noted in Section 1, the CIS has been amended to reflect our revised consultation and engagement arrangements in light of the COVID-19 pandemic. The manner in which public engagement events will take place has been reviewed in line with the Coronavirus Regulations (2020) and Ministerial advice¹² to ensure social distancing measures and other adjustments can be put in place when conducting any public events to ensure the safety of colleagues and our communities. The Council has also reviewed digital involvement options to provide our communities and stakeholders with information and the ability to engage with the RLDP consultation in a virtual manner. Further details are set out below. The timetable for the preparation of the RLDP (Section 2 and Appendix 2), which should be read in connection with the CIS.
- 3.3 Monmouthshire County Council's core purpose is to help build sustainable and resilient communities that support the well-being of current and future generations. This is intrinsically linked to land use planning and is therefore key to the delivery of the RLDP. Accordingly, the CIS is based on Monmouthshire County Council's four values; openness, fairness, flexibility and teamwork.

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.*

¹² Minister for Housing and Local Government Letter to Local Authority Leaders and Chief Executives National Park Authority Chief Executives – Planning System and Covid-19, 7th July 2020

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 '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.

3.4 Monmouthshire County Council is also committed to ensuring the ten national principles for public engagement in Wales are utilised. Public engagement in the preparation of the RLDP will take place in accordance with the guidelines set out in the CIS. The Council recognise that engagement must be designed to make a difference. The main objectives for involving the community in the RLDP preparation process can be identified as:

- To involve people at the earliest opportunity, in time to shape Plan preparation work
- That consultation takes place before decisions are made and that such decisions are made in an open and transparent manner
- To provide an accessible consultation process and adapt this as necessary to account for individual needs
- To encourage and enable everyone with the opportunity to be involved, if they so choose
- Adopt alternative approaches to ensure hard to reach groups are involved from the outset
- Draw on local knowledge to improve decision making and help the realistic implementation of decisions
- That the planning system should help implement the community's vision for the area
- To seek consensus and strengthen community involvement
- To engage as full a spectrum of the community as possible in strategic issues
- To provide two way dialogue by responding to comments received and publishing responses in a report of consultation

Welsh Language and Bilingual engagement

3.5 The Welsh Language Standards place a legal duty on Councils to make it easier for people to use services through the medium of Welsh. The Council has published a Welsh Language Strategy for 2017 – 2022; the requirements of both the corporate strategy and Welsh Language Standards will be maintained at each stage of the RLDP. Bilingual engagement will be carried out in the following ways:

- We welcome correspondence in both Welsh and English. Where correspondence is received in Welsh and a reply is necessary, this will be sent in Welsh.
- All comments forms, public notices (including site notices) and Easy Read documents will be bilingual. Stakeholders on the RLDP database will be sent RLDP correspondence in their preferred language.
- Any pages on the Replacement Local Development Plan website and social media posts published on twitter will be bilingual.

- Any public meetings will be conducted bilingually where a request has been made ahead of time. Prior notification is required in order to provide a translation service.
- Draft RLDP documents can be made available in Welsh if requested. The Adopted RLDP will be available in both Welsh and English format.

How will we involve you?

3.6 We will seek to publicise the RLDP process at every stage and reach as much of the community as possible, as well as other stakeholders, to advise people about the RLDP and how they can get involved. This will be done by:

- Direct contact (i.e. by letter or e-mail, the preference of which as indicated by the stakeholder through consultation, together with language preference).
- Through use of **Twitter**, by utilising both the corporate @MonmouthshireCC account and the @MCCPlanning account.
- Via **Facebook** on the Monmouthshire County Council page.
- Engagement with Members through specific workshops, Member drop-in sessions and in reports to appropriate Council meetings.
- Making use of existing networks such as the Area Cluster Meetings and Area Committees which provide a forum for respective Town and Community Council's to come together and liaise with the County Council.
- All RLDP information and documents will be made available on the Council's website, which will be updated regularly.
- Deposit of documents at the Council's headquarters, libraries and Community Hubs where possible¹³.
- Press releases for the local media, where appropriate.
- Producing Easy Read summary documents for key stages of the RLDP process.
- Public information exhibitions, engagement sessions and meetings in accessible and neutral locations. The manner in which future such events will take place has been reviewed and adjusted to take account of the latest Ministerial advice. Virtual engagement and consultation via web based technological tools such as webinars will also be utilised.
- Site notices will be displayed regarding proposed land allocations at Deposit stage and letters will be sent to adjacent properties (excluding Candidate Sites submitted as these relate to submissions for consideration rather than proposals)

Who will we involve?

Individuals who have registered an interest through the RLDP Database

3.7 A database has been maintained to include members of the public, interested persons and any individual organisations who have requested to be kept informed at each stage of

¹³ If some of these venues are temporarily closed during a consultation period, as experienced during the pandemic, we will endeavour to identify alternative outlets and communicate this to all stakeholders via the means set out here.

the RLDP process. The primary purpose of this database is to allow for those who are not included on the Welsh Government list of consultees for Local Development Plans to be involved and informed throughout the RLDP process. Anyone can request for their details to be included on the database. Anyone who makes representations at any of the stages of RLDP process will be automatically added to the database in order for them to receive updates on progress and allow them to be adequately informed of further opportunities to participate at a later date. It should be noted that the General Data Protection Regulation (GDPR) came into force in May 2018. By commenting on the RLDP, individuals and stakeholders give their consent for their details to be held by the Council throughout the RLDP process and for a period of 6 years following adoption.

- 3.8 If you wish for your details to be added to the RLDP database, please contact the Planning Policy Team by email, phone or in writing using the contact details as set out in paragraph 3.30.

County Councillors

- 3.9 It is recognised that the involvement of Members of Monmouthshire County Council throughout the RLDP preparation will be of key importance. Members have a unique position as not only do they represent the communities within their individual ward, they also represent public interest and are involved in decisions for the wider benefit of the County as a whole. Accordingly, Members will play an essential role in the RLDP process by providing information to local residents, informing us of issues/opportunities within their local area and more fundamentally making decisions on matters affecting the Monmouthshire area as a whole.
- 3.10 The Cabinet Member for Enterprise and Land Use Planning has responsibility for planning policy, including the RLDP. Liaison with the Cabinet Member and all other Members is essential throughout the process. All Member workshops¹⁴ will consequently be undertaken as and when deemed necessary, particularly at key stages of the RLDP including but not limited to; the Growth and Spatial Options, Preferred Strategy, Deposit RLDP and at Adoption. Topic specific Member workshops will also be held throughout the Plan preparation process, Members will be fully informed throughout the process and notified prior to every participation/consultation stage.

Town and Community Councils

- 3.11 Town and Community Councils also play a key role in disseminating information to the residents within their area on matters of local importance and will be a key link to communities across Monmouthshire. Town and Community Councils will be consulted at every stage of the RLDP process and through their individual communication methods will help raise awareness of the RLDP to local communities. They also have the ability to provide up to date local information, opinions on any proposals within their areas and more importantly are able to provide detail of any land use based aspirations they have for

¹⁴Digital Member workshops and seminars will be held where face-to-face events are not possible.

their community. As noted above, Area Cluster and Area Committee Meetings will be held at key stages of the RLDP process.

Partnership Groups

- 3.12 Existing partnership groups are seen as an important means of engaging the wider community in the preparation of the RLDP, particularly in the early stages of public participation when structured discussion is desirable.
- 3.13 Liaison with the Monmouthshire Public Service Board and partners will be of particular importance to ensure the RLDP aligns with the Local Well-being Plan. We will also work closely with the Council's Community and Development Partnership Team who operate as a bridging mechanism between partners, Town & Community Councils and the community. The Community and Development Partnership Team is also central to the delivery of the Monmouthshire Wellbeing Plan.

Members of the Public, Businesses, Land Owners, Developers and Agents

- 3.14 As outlined previously extensive engagement will be undertaken at each key stage of the RLDP process. Efforts will be made to engage with the business community at an early stage which could be achieved through liaison with the individual chambers' of commerce across the County. We will also engage with planning agents who are regular customers of Monmouthshire's Planning Service. As noted above, anyone can request for their details to be included on the RLDP database. Landowners, agents and prospective developers who wish to put land forward to be considered for development will therefore also be included on the RLDP database.
- 3.15 The Candidate Site process will provide the opportunity for those who have an interest in land to submit sites to be considered for development. A common methodology has been established across the South East Wales region for local planning authorities to utilise for their respective RLDPs. We will be making two Calls for Candidate Sites and all candidate sites will need to be submitted via a standardised form. The forms contain the criteria required to assist in the assessment of the suitability of sites for inclusion as potential allocations in the RLDP. A threshold for accepting candidate sites has been set in order to ensure the plan remains strategically focused. This threshold has been provided up front in order to provide clarity of the process and avoid unnecessary work being undertaken for sites that will be immediately rejected. Accordingly, all submissions must be made at the appropriate time, the dates of which will be advertised extensively using the methods set out in paragraph 3.6.

Additional Consultation Bodies

- 3.16 Appendix 1 provides a list of the specific and general consultation bodies along with UK Government departments and other consultees. The specific consultees¹⁵ comprise of the Welsh Government and those bodies with specific functions that apply to the revised Plan area, for example the Aneurin Bevan Health Board who cover the Monmouthshire area and

¹⁵ As defined in LDP Regulation 2. Full list provided in Appendix 1.

Dŵr Cymru Welsh Water, the local water undertaker. The Authority must also consult UK Government Departments where aspects of the plan appear to affect their interests. These consultation bodies will be engaged throughout the RLDP process at each of the formal stages and informally, as appropriate.

Hard to Reach Groups

- 3.17 Hard to reach groups and those that are seldom heard are those groups who have not taken part traditionally in the plan preparation process. Additional effort will therefore be required to ensure these groups are engaged in the RLDP process. A flexible approach will need to be undertaken in relation to engagement with these groups, albeit within the parameters of the specified participation/consultation periods. Engagement with these groups may be achieved by using existing partnerships and groups wherever possible. It is nevertheless recognised that the very principle of a hard to reach group is that they may not be involved in existing groups and that this may not therefore always be achievable. Trusted intermediaries will also be used, as appropriate, in order to gain the views of particular groups of people who do not have the confidence to engage directly in the process.
- 3.18 The following groups are identified as not having been sufficiently engaged in plan preparation previously and will subsequently be actively encouraged to participate in the RLDP process:
- Young People – Monmouthshire Youth Council¹⁶ will be invited to participate as appropriate in the RLDP process. This will ensure the voices of young people are heard and enable young people to share their views on a wide range of issues that they consider important to them and their local area.
 - Disabled People – we will seek to engage with an appropriate stakeholder group(s) at relevant stages, in order to gain the views of those living with disabilities in Monmouthshire. We understand that the Access for All forum was recently disbanded but we will seek input from relevant stakeholders to offer an opportunity for people with disabilities to influence the policies and decisions that affect them.
 - Gypsy and Travellers – we will seek to engage with an appropriate stakeholder group(s) at relevant stages to ensure the gypsy and travelling community are suitably engaged.
- 3.19 In addition to the above hard to reach groups, there are other seldom heard voices who are considered to have been under-represented previously in LDP preparation. This includes (but is not exclusive to) those seeking affordable housing in the County, small house-builders and small and medium-sized enterprises. Accordingly, we will endeavour to reach out to these groups by utilising existing mutual points of contact wherever possible.

What we expect from you

- 3.20 In order to ensure any comments and representations on the RLDP are considered, they must be submitted within the prescribed timescales. The Delivery Agreement sets out the

¹⁶ Youth Workers and pupils from King Henry VIII School, Caldicot School, Chepstow School and Monmouth School

timetable of relevant stages and provides a guideline of when we will seek your involvement. This will ensure that individual views are considered and taken into account throughout the RLDP preparation process.

- 3.21 It is also of importance that you notify the Planning Policy team should your contact details change during the RLDP process in order for us to keep you fully informed of progress. With regard to Candidate Sites, it is noted that land ownership changes may also occur during the process and it is imperative that these are communicated to the Planning Policy team in order to ensure progress is not delayed.

Building Consensus

- 3.22 The Council will seek to build consensus through the various engagement and consultation methods set out within the CIS. Consensus building can only be achieved if the community and other interested parties are kept fully informed and effectively engaged throughout the preparation of the RLDP, which will be of particular importance in the early stages of plan preparation. It is nevertheless recognised that there will be occasions where consensus cannot be achieved and a difference in opinion between certain parties occurs. A clear audit trail of decisions will be maintained in order to ensure that there is transparency in the decision making process, and, to provide assurances to those that disagree that the decisions have been made in an informed and balanced way. However, decisions made will not be revisited via subsequent consultation opportunities, so participants are requested to focus their input on the matter being considered at that stage.

Late representations

- 3.23 As noted above, responses are required by the specified deadline of the specific consultation period in order for them to be considered. Any late comments/representations will not be logged as 'duly made' as they were not made in accordance with the published timescales. There may be exceptional circumstances where a representation is submitted late and it will be at the Council's discretion as to whether such late representations can be accepted. Evidence will be required to highlight why the representation was delayed and that a genuine attempt was made to submit within the prescribed deadline. The timescale to produce the RLDP continues to be challenging, the acceptance of late representations could result in further delay which would not be acceptable.

Availability of Documents

- 3.24 The RLDP documents will be made available at each of the relevant stages. All documents will be available electronically on the Planning Policy pages of the Council's website at <http://www.monmouthshire.gov.uk/planning-policy>. The RLDP Consultation website can be used to make and view representations on various documents relating to the Plan (<http://monmouthshire.planning-register.co.uk/>). In addition to online availability, the documents will also be available in paper copies in the following locations:

- Planning Reception, Monmouthshire County Council, County Hall, The Rhadyr, Usk, NP15 1GA

- Abergavenny Community Hub, Market Hall, Cross Street, Abergavenny, NP7 5HD
- Caldicot Community Hub, Woodstock Way, Caldicot, NP26 5DB
- Chepstow Community Hub, Manor Way, Chepstow, NP16 5HZ
- Monmouth Community Hub, Rolls Hall, Whitecross Street, Monmouth, NP15 3BY
- Usk Community Hub, 35 Maryport Street, Usk, NP15 1AE
- Gilwern Library, Common Road, Gilwern, NP7 0DS

3.25 Paper copies of documents will not be sent out during the RLDP process as they will be made publicly available in the locations listed above, as well as being made available electronically. In exceptional circumstances paper copies may be offered, however this will be assessed on a case by case basis depending on the specific needs of the relevant individual. If one of the buildings listed above is temporarily closed during a consultation period, as experienced during the pandemic, we will endeavour to identify alternative outlets and communicate this to all stakeholders. Where alternative outlets are not available, we will seek to provide information to stakeholders via electronic means.

Timetable and proposed Methods of Engagement

- 3.26 The following table sets out the detailed timetable for community engagement and the proposed engagement methods for the key stages in the RLDP preparation process. The list is not exhaustive and may be adapted to ensure the community and stakeholders are suitably involved at each stage. The proposed methods of engagement will vary dependent on the stage of plan preparation, subject matter, preference of those involved and the resources available at the time, recognising that the proposed timetable and methods should not hinder plan preparation.
- 3.27 Our consultation and engagement arrangements have been revised in light of the Covid-19 pandemic and reflect the Coronavirus Regulations (2020) and recent Ministerial advice¹⁷. Should restrictions still be in place during the next key consultation stage, these revised arrangements¹⁸ will ensure social distancing measures and other adjustments can be put in place when conducting public engagement events to ensure the safety our colleagues and our communities. We have also reviewed the use of digital involvement options to provide communities with information and the ability to engage with the RLDP in a virtual manner.
- 3.28 This situation will be closely monitored given the evolving nature of government guidance surrounding the Covid-19 lockdown measures and will be reflected in our approach to community involvement throughout the RLDP process. Accordingly, further details on the precise nature of the consultation and engagement arrangements for future key consultation stages will be detailed on the Planning Policy website and in future correspondence to all those on the RDLP database prior to the start of any consultation process. However, it is likely that a mixture of public events and virtual engagement mechanisms will be utilised throughout the remainder of the Plan preparation process.

¹⁷ Minister for Housing and Local Government Letter to Local Authority Leaders and Chief Executives National Park Authority Chief Executives – Planning System and Covid-19, 7th July 2020

¹⁸ Revised arrangements include the introduction of an appointment system for community engagement events (bookable in advance) which will limit the number of people in attendance at any given time and ensure compliance with the social distancing guidelines.

Table 3 - Community involvement timetable and proposed methods of engagement.

Definitive Stage: Delivery Agreement						
Summary of key steps	ISA/SEA & HRA	Who will be involved	Methods of engagement	Outcome	Type of reporting required	LDP Regulations
<ul style="list-style-type: none"> • Prepare timetable for the RLDP process • Preparation of Community Involvement Scheme • Consultation on Draft DA • Submission of Final DA to Welsh Government following Council approval 	<ul style="list-style-type: none"> • Provide details of integration of the Integrated SA (ISA)/SEA process in the timetable 	<ul style="list-style-type: none"> • Internal Consultees • Members • Specific consultation bodies 	<ul style="list-style-type: none"> • Consultation with Members via Council Meeting • Consultation with Democratic Services Committee • Targeted consultation with specific consultation bodies via direct correspondence • Information by letter or email 	<ul style="list-style-type: none"> • A realistic timeframe for preparation of the revised LDP • Details of risk management • Community involvement proposals specified • Collaborative working • Formal commencement of LDP revision 	<p>Draft Delivery Agreement to Democratic Services Committee & Full Council - March 2018</p> <p>Full Council - May 2018</p> <p>Revised Delivery Agreement (2) – Council March 2020</p> <p>Revised Delivery Agreement (3) – Council October 2020</p>	<p>The Town and Country Planning (Local Development Plan) (Wales) Regulations 9 & 10 (2004) and Regulation 2 (5) (2015)</p>
Definitive Stage: Pre-Deposit Participation						
Summary of key steps	ISA/SEA & HRA	Who will be involved	Methods of engagement	Outcome	Type of reporting required	LDP Regulations
<ul style="list-style-type: none"> • Review and update existing LDP evidence base 	<ul style="list-style-type: none"> • Integrated Sustainability Appraisal Scoping 	<ul style="list-style-type: none"> • Internal Consultees • Members 	<ul style="list-style-type: none"> • Drop-in sessions, exhibitions and meetings as appropriate. These will 	<ul style="list-style-type: none"> • Awareness raising of RLDP 	<p>Cabinet endorsement to consult on revised Growth</p>	<p>The Town and Country Planning (Local</p>

<ul style="list-style-type: none"> • Initial Call for Candidate Sites (including call for brownfield sites) – for a 16 week period • Engage with consultees to develop consensus on vision, issues and objectives. • Engage with consultees to develop consensus on options, including, growth levels and spatial distribution • Obtain Member approval on Preferred Strategy 	<p>Report Update baseline information, indicators and objectives.</p> <ul style="list-style-type: none"> • Produce revised sustainability framework. • HRA Screening of pre-deposit proposals for likely significant effects (stage 1). 	<ul style="list-style-type: none"> • Specific & General consultation bodies (Including Aneurin Bevan Health Board) • Other consultees (including Public Service Board) • Hard to Reach Groups • Town and Community Councils • Area Cluster/ Area Committee Meeting Invitees • All others on RLDP database 	<p>be adapted to take account of latest Government advice regarding social distancing and other necessary measures (see above).</p> <ul style="list-style-type: none"> • Virtual engagement and consultation via web based technological tools such as webinars. • Engage with Members through workshops and report to Council meetings. Digital workshops and seminars will be held where face-to-face events are not possible. • Publication of each participation/ consultation stage on Council’s website • Twitter via planning policy and corporate account • Facebook via corporate account • Press Release • Involve Engage 2 Change Group and Monmouthshire Youth Forum 	<ul style="list-style-type: none"> • Involvement of those who do not normally participate • Seek consensus on vision, issues and objectives • Collaborative working • Seek consensus on options, including, growth levels and distribution • Receipt of Candidate Sites • Draft SA/SEA Scoping Report • Draft Preferred Strategy 	<p>and Spatial Options – December 2020.</p> <p>Full Council to report on draft Preferred Strategy – May 2021.</p> <p>Log details of involvement for inclusion within Report of Consultation.</p>	<p>Development Plan) (Wales) Regulation 14 (2004) and Regulation 2 (10) (2015)</p>
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			<ul style="list-style-type: none"> • Information by letter or email as appropriate • Preparation of Easy Read Summary document 			
Definitive Stage: Pre-Deposit Consultation - Preferred Strategy and Initial Sustainability Appraisal Report (ISAR)						
Summary of key steps	ISA/SEA & HRA	Who will be involved	Methods of engagement	Outcome	Type of reporting required	LDP Regulations
<ul style="list-style-type: none"> • Formal consultation on Preferred Strategy • Formal consultation on ISAR • Further Call for Candidate Sites/Request for submission of detailed site information for those sites submitted during the initial candidate site call that are compatible with the Preferred Strategy • Publication of Candidate Sites Register • Preparation of Initial Report of Consultation providing feedback and comments on representations received. 	<ul style="list-style-type: none"> • Formal consultation on Integrated ISAR and HRA • HRA of Deposit Plan. Revisit HRA Screening to determine whether the policies and proposals have potential to lead to likely significant effects, beyond those considered in Stage 1 screening. 	<ul style="list-style-type: none"> • Internal Consultees • Members • Specific & General consultation bodies • Other consultees • Hard to Reach Groups • Town and Community Councils • Area Cluster / Area Committee Meeting Invitees 	<ul style="list-style-type: none"> • Engage with Members through workshops and reports to Council meetings. Digital workshops and seminars will be held where face-to-face events are not possible. • Public engagement sessions, exhibitions and meetings as appropriate. These may need to be adapted to take account of latest Government advice regarding the pandemic – this will be given further consideration at the time (see above). • Virtual engagement and consultation via web 	<ul style="list-style-type: none"> • Preferred Strategy • Initial Sustainability Appraisal Report • Candidate Site Register • Draft Deposit Plan 	<p>Full Council to report on Deposit Plan – July 2022</p> <p>Details of responses received to be incorporated into Report of Consultation.</p>	<p>The Town and Country Planning (Local Development Plan) (Wales) Regulations 15 & 16 (2004) and Regulation 16a (2015)</p>

<ul style="list-style-type: none"> •Preparation of Deposit RLDP •Obtain Member approval on Deposit RLDP 		<ul style="list-style-type: none"> • All others on RLDP database 	<p>based technological tools such as webinars.</p> <ul style="list-style-type: none"> • Publication of each consultation stage on Council’s website • Twitter via planning policy and corporate account • Facebook via corporate account • Press Release • Involve Engage 2 Change Group & Monmouthshire Youth forum • Information by letter or email as appropriate • Preparation of Easy Read Summary document 			
Definitive Stage: Deposit Consultation - Deposit Plan, Sustainability Appraisal Report (SAR) and Habitats Regulations Assessment (HRA)						
Summary of key steps	SA/SEA & HRA	Who will be involved	Methods of engagement	Outcome	Type of reporting required	LDP Regulations
<ul style="list-style-type: none"> • Deposit of RLDP for public inspection • Formal consultation on Deposit RLDP, ISAR, HRA and any relevant supporting documents 	<ul style="list-style-type: none"> • Formal consultation on ISAR (incorporating Health Impact Assessment) 	<ul style="list-style-type: none"> • Internal Consultees • Members • Specific & General consultation bodies 	<ul style="list-style-type: none"> • Engage with Members through workshops and reports to Council meetings. Digital workshops and seminars may be held where face-to-face 	<ul style="list-style-type: none"> • Deposit Plan • Final Sustainability Appraisal Report • Habitats Regulations Assessment • Representations and comments on Deposit 	<p>Details of responses received to be incorporated into Report of Consultation.</p>	<p>The Town and Country Planning (Local Development Plan) (Wales) Regulations</p>

<ul style="list-style-type: none"> • Preparation of Report of Consultation providing feedback and comments on representations received 	<ul style="list-style-type: none"> • Formal consultation on HRA 	<ul style="list-style-type: none"> • Other consultees • Hard to Reach Groups • Town and Community Councils • Area Cluster /Area Committee Meeting Invitees • All others on RLDP database 	<p>events are not possible. This will be given further consideration at the time (see above).</p> <ul style="list-style-type: none"> • Public engagement sessions, exhibitions and meetings as appropriate. These may need to be adapted to take account of latest Government advice regarding the pandemic – this will be given further consideration at the time (see paragraph 3.29). • Virtual engagement and consultation via web based technological tools such as webinars. • Publication of each consultation stage on Council’s website • Twitter via planning policy and corporate account • Facebook via corporate account • Press Release • Update Engage 2 Change Group & Monmouthshire Youth Forum 	<p>Plan, SA/SEA, HRA to be included in Report of Consultation</p>		<p>17, 18 & 19 (2004)</p>
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			<ul style="list-style-type: none"> • Information by letter or email as appropriate • Preparation of Easy Read Summary document 			
Indicative Stage: Submission of RLDP to Welsh Government						
Summary of key steps	SA/SEA & HRA	Who will be involved	Methods of engagement	Outcome	Type of reporting required	LDP Regulations
<ul style="list-style-type: none"> • Consider any representations made on deposit proposals and update Deposit Plan & Report of Consultation accordingly • Potential Focused Changes consultation • Submit Deposit RLDP, Report of Consultation, Integrated Sustainability Appraisal Report (ISAR), Community Involvement Scheme and any relevant supporting documents (including the evidence base) to the Welsh Government and Planning Inspectorate 	<ul style="list-style-type: none"> • Consider any implications of representations on ISAR & HRA • Submit ISAR • Submit HRA 	<ul style="list-style-type: none"> • Members • Internal Consultees • Specific & General consultation bodies • Other consultees • Town and Community Councils • Area Cluster/ Area Committee Meeting Invitees • All others on RLDP database 	<ul style="list-style-type: none"> • Notify Members via email • Publication on Council's website • Twitter via planning policy and corporate account • Facebook via corporate account • Press Release • Information by letter or email as appropriate • Provide copies of documents in the following locations: County Hall, Libraries and Community Hubs 	<ul style="list-style-type: none"> • Submission of Deposit RLDP and supporting documents to Welsh Government for formal examination 	Full Council to report on responses received on Deposit Plan, any Focused Changes and to seek endorsement for submission – February 2023	The Town and Country Planning (Local Development Plan) (Wales) Regulation 22 (2004) and Regulation 2 (17) (2015)

Indicative Stage: Independent Examination						
Summary of key steps	SA/SEA & HRA	Who will be involved	Methods of engagement	Outcome	Type of reporting required	LDP Regulations
<ul style="list-style-type: none"> • Publish details of Hearing Sessions and notify all interested parties specifying dates and location • Seek common ground with objectors to focus hearing sessions • Update Matters Arising Changes (MACs) as appropriate • Consult on Matters Arising Changes 	<ul style="list-style-type: none"> • Appraise any MACs utilising the ISA/SEA as appropriate • Appraise any MACs utilising the HRA as appropriate 	<ul style="list-style-type: none"> • Members • Internal Consultees • Specific & General consultation bodies • Other consultees • Town and Community Councils • Area Cluster /Area Committee Meeting Invitees • All others on RLDP database 	<ul style="list-style-type: none"> • Notify Members via email • Publication on Council's website • Twitter via planning policy and corporate account • Facebook via corporate account • Press Release • Information by letter or email as appropriate 	<ul style="list-style-type: none"> • Ensure examination is open to all who wish to observe 	Statements of common ground, as necessary	The Town and Country Planning (Local Development Plan) (Wales) Regulation 23 (2004)
Indicative Stage: Inspector's Report						
Summary of key steps	SA/SEA & HRA	Who will be involved	Methods of engagement	Outcome	Type of reporting required	LDP Regulations
<ul style="list-style-type: none"> • Publish Inspector's Report following receipt (within prescribed 8 week period) 		<ul style="list-style-type: none"> • Members • Internal Consultees • Specific & General 	<ul style="list-style-type: none"> • Notify Members via email • Publication on Council's website 	<ul style="list-style-type: none"> • Binding Inspector's Report 	None	The Town and Country Planning (Local Development

<ul style="list-style-type: none"> • Inform interested parties of receipt and publication of Inspector's Report 		<ul style="list-style-type: none"> • consultation bodies • Other consultees • Town and Community Councils • Area Cluster /Area Committee Meeting Invitees • All others on RLDP database 	<ul style="list-style-type: none"> • Twitter via planning policy and corporate account • Facebook via corporate account • Press Release • Information by letter or email as appropriate • Provide copy of Inspectors Report in the following locations: County Hall, Libraries and Community Hubs 			Plan) (Wales) Regulation 24 (2004)
Indicative Stage: Adoption						
Summary of key steps	SA/SEA & HRA	Who will be involved	Methods of engagement	Outcome	Type of reporting required	LDP Regulations
<ul style="list-style-type: none"> • Obtain Member approval to formally adopt • Inform all on RLDP database of adoption of the RLDP • Produce adoption statement • Produce the adopted RLDP bilingually 	<ul style="list-style-type: none"> • Publish ISA Report • Publish HRA Report 	<ul style="list-style-type: none"> • Members • Internal Consultees • Specific & General consultation bodies • Other consultees • Town and Community Councils 	<ul style="list-style-type: none"> • Engage with Members via an all Member Workshop and Council Meeting • Once adopted publication on Council's website • Once adopted, notification via Twitter utilising planning policy and corporate account • Once adopted, notification via 	<ul style="list-style-type: none"> • Formal adoption of the RLDP 	Full Council prior to formal Adoption – October 2023	The Town and Country Planning (Local Development Plan) (Wales) Regulation 25 (2004) and 2(19) (2015)

		<ul style="list-style-type: none"> • Area Cluster/ Area Committee Meeting Invitees • All others on RLDP database 	<p>Facebook utilising corporate account</p> <ul style="list-style-type: none"> • Once adopted, Press Release will be published • Once adopted, notification via letter or email • Once adopted, provide copy of Adopted LDP in the following locations: County Hall, Libraries and Community Hubs 			
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Contact details

3.29 You can contact the planning policy team using any of the following methods:

Email: planningpolicy@monmouthshire.gov.uk
Telephone: 01633 644429

Post:
Planning Policy
Monmouthshire County Council
County Hall
The Rhadyr
Usk
NP15 1GA

Appendix 1 – List of Consultation Bodies

The Council will consult the following specific consultation bodies at all stages in the preparation of the RLDP.

Specific Consultation Bodies¹⁹ (including UK Government Departments):

- Welsh Government (Planning division will co-ordinate consultations)
- Natural Resources Wales
- Network Rail
- Office of Secretary of State for Wales
- Telecommunication Operators - EE, Vodaphone and O2, Openreach, Virgin Media
- Aneurin Bevan Health Board
- Gas and Electricity Licencees - National Grid, Wales & West Utilities
- Sewerage and Water undertakers – Dwr Cymru Welsh Water
- Department for Transport (including Secretary of State for functions previously exercised by the Strategic Rail Authority)
- UK Government Departments- Department of Business, Energy and Industrial Strategy
- Home Office
- Ministry of Defence

Neighbouring local authorities:

- Blaenau Gwent County Borough Council
- Brecon Beacons National Park Authority
- Bristol City Council
- Cardiff Capital Region Strategic Planning Panel²⁰
- Forest of Dean District Council
- Gloucestershire County Council
- Herefordshire County Council
- Newport City Council
- Powys County Council
- South Gloucestershire Council
- Torfaen County Borough Council
- West of England Joint Spatial Plan

Town and Community Councils in the Monmouthshire area:

- Abergavenny Town Council
- Caerwent Community Council
- Caldicot Town Council
- Chepstow Town Council
- Crucorney Community Council
- Devauden Community Council
- Goetre Fawr Community Council
- Grosmont Community Council
- Gwehelog Fawr Community Council

¹⁹ As defined in LDP Regulation 2.

²⁰ Once established.

- Llanarth Fawr Community Council
- Llanbadoc Community Council
- Llanelly Community Council
- Llanfoist Fawr Community Council
- Llangattock Vibon Avel Community Council
- Llangwm & Llansoy Community Council
- Llangybi Fawr Community Council
- Llanhennock Community Council
- Llanover Community Council
- Llantilio Crossenny Community Council
- Llantilio Pertholey Community Council
- Llantrisant Community Council
- Magor with Undy Community Council
- Mathern Community Council
- Mitchel Troy United Community Council
- Monmouth Town Council
- Portskewett Community Council
- Raglan Community Council
- Rogiet Community Council
- Shirenewton Community Council
- St Arvans Community Council
- Tintern Community Council
- Trellech United Community Council
- Usk Town Council

General Consultation Bodies

The Council will consult the following general consultation bodies, where appropriate, in accordance with this Delivery Agreement. This list is not exhaustive and may be added to as appropriate:

(i) Voluntary bodies whose activities benefit any part of the authority's area:

- Age Concern Gwent
- CAIR (The Monmouthshire Disablement Association)
- Gwent Association for the Blind
- Gwent Association of Voluntary Organisations Monmouthshire (GAVO)
- Gwent Wildlife Trust
- Royal Voluntary Service (RVS)
- Rural Community Action Monmouthshire

(ii) Bodies representing the interests of different racial, ethnic or national groups in the authority's area:

- Citizen's Advice Cymru
- Ethnic Minority Foundation
- Friends, Families and Travellers

(iii) Bodies which represent the interests of different religious groups in the authority's area.

- The Representative Body of the Church in Wales

(iv) Bodies which represent the interests of disabled persons in the authority's area.

- Downs Syndrome Association
- Gwent Association for the Blind
- Mencap Cymru
- Mind Cymru
- Royal National Institute for Deaf People
- Wales Council for Deaf People
- Wales Council for the Blind
- Wales Council for the Disabled

(v) Bodies which represent the interests of persons carrying on business in the authority's area.

- Abergavenny Community Enterprise
- British Wind Energy Association
- Confederation of British Industry (Wales)
- Homemakers Community Recycling
- Newport and Gwent Enterprise Agency
- South East Wales Energy Agency
- Viridor Waste Management

(vi) Bodies which represent the interests of Welsh culture in the authority's area.

- Cadw
- Glamorgan Gwent Archaeological Trust Ltd
- Royal Commission on Ancient and Historic Monuments

Other Consultees

The Council will consult the following other consultees, where appropriate, in accordance with the Delivery Agreement. This list is not exhaustive and may be added to as appropriate:

- Abergavenny Local History Society
- Abergavenny Transition Town
- Arriva Trains Wales
- British Aggregates Association
- British Geological Survey
- Bryn Y Cwm Community Forum
- Business Resilience Forum
- Business Wales (South Wales Regional Centre)
- Campaign for Real Ale (Camra)
- Campaign for the Protection of Rural Wales (CPRW)
- Caldicot Town Team

- Capital Region Tourism (Monmouth)
- Cardiff Capital Region City Deal
- Centre for Ecology & Hydrology
- Chambers of Trade & Commerce – Abergavenny, Chepstow, Monmouth and Usk
- Charter Housing Association
- Chartered Institute of Housing (Cymru)
- Chartered Institution of Waste Management Wales
- Chepstow Business Club
- Civic Societies – Abergavenny & District, Monmouth and Usk
- Community Land Advisory Service Cymru (CLAS)
- Country Landowners and Business Association Cymru (CLA)
- Department for the Economy and Transport
- Design Commission for Wales
- Disability Advice Project
- Disability Rights Commission Wales
- Disability Wales
- Disabled Persons Transport Advisory Committee
- Energy Saving Trust Wales
- Farmers Union of Wales (FUW)
- Federation of Master Builders Cymru
- Federation of Small Businesses in Wales
- Fields in Trust
- Forestry Commission Wales
- Freight Transport Association
- Friends of the Earth – Abergavenny & Crickhowell and Chepstow
- Gwent Badger Group
- Gwent Police
- Gwent Young Farmers Clubs
- Health and Safety Executive (Wales)
- Home Builders Federation
- Institute of Directors Wales
- Institution of Civil Engineers Wales
- Joint Council for Wales
- Llanarth Estate
- Llanellen Parish Association
- Llangybi Estate
- Llanover and Coldbrook Estate
- Member of Parliament for Monmouth
- Member of Parliament for Newport East
- Member of Senedd for Monmouth
- Member of Senedd for Newport East
- Magor with Undy Sports and Leisure Association
- Mineral Products Association
- Monmouth Archaeological Society

- Monmouth, Brecon and Abergavenny Canals Trust
- Monmouthshire Bat Group
- Monmouthshire Green Web
- Monmouthshire Local Policing Unit
- National Air Traffic Services
- National Farmers Union Cymru (NFU)
- National Trust
- National Health Service (NHS) Wales
- Newport Harbour Commissioners
- One Voice Wales
- Open Spaces Society
- Planning Aid Wales
- Pontypool Park Estate Office
- Public Health Wales
- Rail Freight Group
- Ramblers Cymru
- RSPB Cymru
- Rural Housing Enabler
- Shelter Cymru
- Shirenewton and Mynyddbach Fields Association Ltd
- Society for the Protection of Ancient Buildings
- South Wales Fire and Rescue Service
- Sports Council for Wales
- Sustrans Cymru
- The Canal and River Trust
- The Chepstow Society
- The Coal Authority
- The Gypsy Council
- The National Library of Wales
- The Planning Inspectorate
- The Theatres Trust
- Transition Chepstow
- Transition Monmouth
- Wales Co-operative Centre
- Wales Council for Voluntary Action (WCVA)
- WEA Cymru (Adult Learning Wales)
- Wales Environment Link
- Welsh Environmental Services Association
- Welsh Health Estates
- Welsh Historic Gardens Trust
- Welsh Language Commissioner
- Woodland Trust Wales (Coed Cadw)
- Wye Valley AONB
- Wye Valley Society

Appendix 2 - Timetable for RLDP Revised October 2020

Key Stage Date
 Key Stage Revisited Date

	2018												2019												2020												2021												2022												2023																							
Key Stage - Definitive	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
Delivery Agreement (DA)																																																																																				
Preparation of Draft DA																																																																																				
Political Reporting - draft DA																																																																																				
Targeted Consultation on draft DA																																																																																				
Political Reporting following consultation on DA (agreement to submit to WG)																																																																																				
Submission to Welsh Government																																																																																				
DA agreed by Welsh Government																																																																																				
Update Evidence Base																																																																																				
Review Evidence Base																																																																																				
ISA: Review/Update ISA baseline and ISA framework																																																																																				

Pre-Deposit Participation																																																																																				
Initial Call for Candidate Sites (including call for brownfield sites)																																																																																				
Key Stage - Definitive	2018												2019												2020												2021												2022												2023																							
	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
Candidate Sites - Stage 1 Initial Assessment/Sift ('non starters')																																																																																				
Consultation on Draft ISA Scoping Report																																																																																				
Identification & assessment of vision, issues and objectives																																																																																				
Identification and assessment of options (growth levels and spatial distribution)																																																																																				
Consultation on Options (non-statutory)																																																																																				
Preparation of Preferred Strategy, Initial ISA Report & HRA																																																																																				
Preferred Strategy Political Reporting																																																																																				

Pre-Deposit Consultation																																																																							
Key Stage - Definitive																																																																							
2018												2019												2020												2021												2022												2023											
J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
Consultation on Preferred Strategy																																																																							
Consultation on Initial ISA Report																																																																							
Analyse consultation responses and prepare Initial Consultation Report																																																																							
Further Call for Candidate Sites/Request for submission of detailed site information for sites submitted during the Initial Call compatible with PS.																																																																							
Candidate Sites - Stage 2a/2b Assessment																																																																							
Candidate Sites - Stage 3 Assessment																																																																							
Prepare Deposit Plan, update SA /HRA																																																																							
Deposit Plan Political Reporting																																																																							
Statutory Deposit																																																																							
Consultation on Deposit Plan, ISA Report & HRA																																																																							
Analyse consultation responses & prepare Consultation Report																																																																							

Key Stage - Indicative																																																																							
2018												2019												2020												2021												2022												2023											
J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
Submission of RLDP to Welsh Government																																																																							
Examination																																																																							
Inspector's Report - Preparation																																																																							
Inspector's Report - Publication																																																																							
Adoption																																																																							

Appendix 3 – Risk Assessment

Issue	Potential Risk(s)	Mitigation	Probability and Impact
<p>Gap in major applications coming forward until the RLDP is adopted.</p>	<p>While the recent Ministerial letter has confirmed that the Adopted LDP will remain the in force until the RLDP is adopted, there will be a delay in major applications coming forward until RLDP adoption. This will impact on the Council’s ability to address/deliver the RLDP issues and objectives, including the demographic and affordability challenges facing the County, until the RLDP is adopted, and puts pressure on the deliverability of the housing and employment figures over the Plan period, with more</p>	<p>Progression of the RLDP in a timely manner will ensure that the Council has an adopted RLDP in place as soon as possible in 2023, minimising the negative implications associated with the delay in major applications coming forward.</p>	<p>Medium Likelihood</p> <p>Medium Impact</p>

Issue	Potential Risk(s)	Mitigation	Probability and Impact
	reliance on delivery towards the end of the Plan period.		
Change in staff resources available to assist with RLDP preparation.	Programme slippage.	Consider additional resources (including support from other sections within the Council) and ensure robust structure.	Medium Likelihood
			Medium Impact
Staff turnover in small team.	Programme slippage.	Ensure RLDP process maintains highest level corporate priority.	Low Likelihood
			Medium Impact
Reduction and lack of financial resources.	Programme slippage. Delay in securing information required to progress plan.	Ensure Plan preparation process is adequately costed with in-built capacity for unforeseen costs.	Low Likelihood
			Medium Impact
Council decision making structure/ political reporting cycle.	Programme slippage.	Streamline decision-making procedures and ensure timetable is realistic.	Medium Likelihood
			Medium Impact
Political Change/ Elections.	Programme slippage.	Early Member training.	High Likelihood
			Medium Impact
Lack of consensus throughout the organisation and/ or lack of support from	Programme slippage.	Ensure organisation wide support of plan process and timetable from outset.	Low Likelihood

Issue	Potential Risk(s)	Mitigation	Probability and Impact
officers/other departments in production of the evidence base.			Medium Impact
Challenging timetable to prepare RLDP due to greater than anticipated workload (e.g. greater number of representations received, ISA/SEA/HRA requirements). The impacts associated with Covid-19 including the move to 100% home working can add time to the plan preparation process.	Programme slippage.	Realistic timetabling for each stage of plan preparation, adequate resources and careful project management with adequate contingencies/flexibility. If appropriate reconsider timetable and resources.	High Likelihood
			Medium Impact
National Issues			
Additional requirements arising from the issue of new legislation and/or national guidance. e.g. general	Programme slippage.	Monitor emerging legislation/guidance; report and respond early to changes as necessary.	High Likelihood
			High Impact

Issue	Potential Risk(s)	Mitigation	Probability and Impact
conformity with the adopted NDF, alignment with revised Planning Policy Wales and LDP Manual, revised TAN15.			
Involvement in preparation of Strategic Development Plan (SDP)	Programme slippage. Resource implications, extent of input to the SDP currently unknown.	Ensure sufficient resources are available and corporate support of SDP process and timetable from outset.	Medium Likelihood
			Medium Impact
Direction from Welsh Government Cabinet Secretary to prepare a Joint Plan.	Work on individual LDP to date would be abortive.	Cannot be mitigated, full justification of the Council's approach to produce an individual Monmouthshire LDP has been provided.	Low Likelihood
			High Impact
Ability of statutory consultees and/or Planning Inspectorate to respond within set timescales.	Programme slippage. Key milestones are not met. Examination and/or Receipt of Inspectors Report delayed.	Maintain close liaison with statutory consultees and the Planning Inspectorate to ensure early identification of potential problems.	Low Likelihood
			Medium Impact
Local Issues			
Insufficient information to undertake ISA/SEA.	Programme slippage.	Identify expectations of consultation bodies. Consider additional resources.	Low Likelihood
			Medium Impact

Issue	Potential Risk(s)	Mitigation	Probability and Impact
Large volume and /or highly significant levels of objection to proposals e.g. site allocations.	Programme slippage. Plan cannot be submitted for examination without significant work.	Ensure close liaison and early/continued involvement of the community, statutory bodies & stakeholders throughout the plan preparation process.	Medium Likelihood
			Medium Impact
Review of RLDP resulting from a requirement to align with a Strategic Development Plan.	Programme slippage.	Ensure involvement in progress of regional work. Early response to potential local implications.	Low Likelihood
			Low Impact
Plan fails the test of 'soundness'.	Programme slippage. Part of the Plan is excluded or changed. Additional work needs to be carried out before the Plan can be adopted. The plan could be withdrawn.	Ensure LDP has a robust evidence base, properly subjected to ISA/SEA/HRA, with well audited community and stakeholder engagement. Maintain liaison with Welsh Government on preparation procedures.	Low Likelihood
			High Impact
Legal Challenge.	Programme slippage. Adopted Plan quashed in whole or part. Additional work/time/ financial requirements.	Good knowledge of statutory requirements to ensure compliance.	Low Likelihood
			Medium Impact

Appendix 4 – Glossary of terms

Adopted Plan	The final version of the RLDP.
Adoption	The final stage of Local Development Plan preparation where the RLDP becomes the statutory development plan for the area it covers.
Annual Monitoring Report (AMR)	A yearly report to monitor the effectiveness of the RLDP and ultimately determines whether any revisions to the Plan are necessary. It assesses the extent to which the RLDP strategy and objectives are being achieved and whether the RLDP policies are functioning effectively.
Baseline	A description of the present state of an area.
Candidate Site	A site nominated by an individual with an interest in land (i.e. landowner, developer, agent or member of the public) to be considered for inclusion in the LDP. All Candidate Sites will be assessed for suitability for inclusion as potential allocations.
Community	People living in a defined geographical area, or who share other interests and therefore form communities of interest.
Community Involvement Scheme (CIS)	The Community Involvement Scheme forms part of the Delivery Agreement. It outlines the principles of engagement and provides detail on how the Local Planning Authority will involve communities and stakeholders (including businesses and developers) in the preparation of the Local Development Plan.
Consensus Building	A process of dialogue with the community and other interested parties to understand relevant viewpoints and to seek agreement where possible.
Consultation	A formal process in which comments are invited on a particular topic or draft document usually within a defined time period.
Council	Monmouthshire County Council (excluding for planning purposes the Brecon Beacons National Park administrative area that falls within Monmouthshire).
Delivery Agreement (DA)	A document comprising the local planning authority's timetable for the preparation of a Local Development Plan, together with its Community Involvement Scheme, submitted to the Welsh Government for agreement.
Deposit	A formal six week stage in which individuals and organisations can make representations on the RLDP. Representations that relate to whether the plan is 'sound' can then be examined by an Inspector.
Deposit Plan	This is a full draft of the RLDP which undergoes a formal consultation period prior to it being submitted to the Welsh Government for public examination.
Duly Made	Representations to the development plan which are made in the correct manner and within the specified consultation time period.
Engagement	A proactive process that seeks to encourage the involvement and participation of the community and other groups in the decision making process.
Evidence Base	Information and data that provides the basis for the preparation of the RLDP vision, objectives, policies and proposals and justifies the soundness of the policy approach of the LDP.
Examination	The examination involves public examination of the Deposit RLDP, the Deposit representations, the report of consultation, evidence base/background documents and the Integrated Sustainability Appraisal Report. This is carried out by the Planning Inspectorate on behalf of the Welsh Government.
Habitat Regulations	Habitats Regulations Assessment (HRA) relates to the assessment of the impacts of a plan (or project) against the nature conservation objectives of

Assessment (HRA)	European designated sites for any likely significant effects. HRA also ascertains whether the proposed plan would adversely affect the integrity of the site.
Indicator	A measure of variables over time, often used to measure progress in the achievement of objectives, targets and policies.
Inspector's Report	The Report prepared by an independent Inspector who examines the RLDP. The Inspector's Report contains recommendations on the content of the final RLDP and is binding upon the Council. The Council must adopt the RLDP in the manner directed by the Inspector.
Involvement	Generic term relating to community involvement that includes both participation and consultation techniques.
Local Development Plan (LDP)	A land use plan which includes a vision, strategy, area wide policies for development types, land allocations, and policies and proposals for key areas of change and protection. Allocations and certain policies are shown geographically on the Proposals Map forming part of the Plan. The LDP is a statutory development plan that each local planning authority area is required to produce in Wales.
Local Planning Authority (LPA)	In the case of Monmouthshire, this is Monmouthshire County Council (excluding the Brecon Beacons National Park administrative area where the local planning authority is the National Park).
Monmouthshire County Council (MCC)	This is the name of the Local Planning Authority preparing the RLDP.
Objective	A statement of what is intended, specifying the desired direction of change in trends.
Participation	A process rather than a single event that provides opportunity for direct engagement with the community and stakeholders to input into decision making.
Partners	Other local authority departments and statutory bodies where the RLDP will help to deliver some of the objectives of their strategies. Partners may be expected to contribute in the formulation of relevant parts of the Plan.
Planning Inspectorate	The Wales branch of the Planning Inspectorate are an independent body who will be responsible for the formal examination of the RLDP.
Planning Policy Wales (PPW)	Planning policy guidance for Wales produced by the Welsh Government is set out in this document
Pre-Deposit	Stages of preparation and consultation of the RLDP before the Deposit Plan is finalised and approved by the Council.
Preferred Strategy	This sets out the broad strategic direction for the RLDP. This includes the preferred level of growth along with the spatial strategy for distributing the growth. It also includes the vision, issues and objectives of the Plan.
Press Releases	Sent to Welsh media, including newspapers, radio and television news stations as appropriate. Media may choose not to print or broadcast an item.
Regulation	Regulations are set out in Welsh Statutory Instruments. They provide the framework for the preparation of the RLDP.
Report of Consultation	A Consultation Report is one of the documents required to be submitted for independent examination. An initial consultation report is also required for the pre-deposit stage.

Representations	Comments received in relation to the RLDP, either in support of, or in opposition to.
Review Report	The Review Report provides an overview of the issues that have been considered as part of the full review process and identifies changes that are likely to be needed to the RLDP, based on evidence. It also sets out the type of revision procedure to be followed in revising the LDP.
Scoping	The process of deciding the scope and level of detail of an integrated sustainability appraisal (SA), including the sustainability effects and options which need to be considered, the assessment methods to be used and the structure and contents of the SA Report.
Soundness Tests	In order to adopt a RLDP it must be determined to be ‘sound’ by the Planning Inspector. The Tests of Soundness are set out in the Development Plans Manual (Edition 3, March 2020). There are three tests to make that judgement in relation to the plan as a whole. A framework for assessing the soundness of LDPs has been developed by the Planning Inspectorate.
Stakeholders	People whose interests are directly affected by a RLDP (and/ or Integrated Sustainability Appraisal/ Strategic Environmental Assessment) and whose involvement is generally through representative bodies.
Strategic Environmental Assessment (SEA)	Generic term used internationally to describe environmental assessment as applied to policies, plans and programmes. The European Strategic Environmental Assessment Directive (2001/42/EC) requires a formal “environmental assessment of certain plans and programmes, including those in the field of planning and land use”.
Strategic Development Plan (SDP)	A Strategic Development Plan is a tool for regional planning to cover cross-boundary issues such as housing and transport. It will be prepared by a Strategic Planning Panel across a region. LPA’s must have regard to the SDP when developing their RLDPs.
Submission	When the RLDP, ISAR and HRA are formally submitted to the Welsh Government for independent examination by a Welsh Government appointed Inspector.
Supplementary Planning Guidance (SPG)	Provide more detailed or site specific guidance on the application of RLDP Policies. They provide supplementary information in respect of the policies in a LDP. SPG does not form part of the RLDP and is not subject to independent examination.
Integrated Sustainability Appraisal (ISA)	Tool for appraising policies, including LDPs, to ensure they reflect sustainable development objectives (i.e. social, environmental and economic factors). Each LPA is required by Section 62(6) of the Act to undertake SA of their Local Development Plan. This form of sustainability appraisal fully incorporates the requirements of the Strategic Environmental Assessment Directive.
Integrated Sustainability Appraisal Report (SAR)	A document required to be produced as part of the Integrated Sustainability Appraisal process to describe and appraise the likely significant effects on sustainability of implementing a LDP, which meets the requirements for the Environmental Report under the SEA Directive. Section 62(6) of the Act requires each LPA to prepare a report of the findings of the SA of the LDP. It is an integral part of the development plan making process.

Timetable	Sets out the dates by which key stages and processes of RLDP preparation are expected to be completed. These are definitive for stages up to the deposit of the RLDP and indicative for the remaining stages after.
Well-being of Future Generations (Wales) Act (2015)	The Well-being of Future Generations (Wales) Act 2015 is legislation that requires public bodies, such as local authorities, to put long term sustainability at the forefront of their thinking to make a difference to lives of people in Wales. Local authorities must work towards the seven well-being goals and enact the five ways of working set out in the Act.

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Equality and Future Generations Evaluation

Name of the Officer completing the evaluation
Mark Hand

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E-mail: markhand@monmouthshire.gov.uk

Please give a brief description of the aims of the proposal

Preparation of a **Delivery Agreement (DA)** is a key requirement in preparing a replacement plan which sets out the timetable for delivering the RLDP and the strategy for community involvement. The Replacement Local Development Plan (RLDP) Delivery Agreement was approved by Welsh Government on 14th May 2018. A Revised Delivery Agreement was subsequently submitted to, and approved by, the Minister for Housing and Local Government on 6th March 2020. This amended the Plan's timetable to reflect the delays incurred up to the Preferred Strategy stage of the RLDP process as a result of the pre-election period preceding the December 2019 General Election, the additional time and work needed to inform the Preferred Strategy and delays associated with joint working with neighbouring local authorities on joint evidence base work. Further delays to the RLDP preparation process have been experienced due to the current Covid-19 pandemic and recent publication of the Welsh Government 2018-based population and household projections in August 2020. As the original timetable has slipped beyond the 3 months tolerance allowed by the WG, a revision of the Delivery Agreement timetable is required. The timetable has therefore been revised to reflect a more realistic timescale for further key stages of the RLDP process.

The Minister for Housing and Local Government published a letter on 7th July 2020 which requires local planning authorities to undertake an assessment of the RLDP evidence base, strategy and policies in terms of sensitivity to the consequences of the current pandemic before progressing with plan preparation. A **Review the RLDP Issues, Vision and Objectives and**

	Evidence Base and in light of Covid-19 has been undertaken to consider if they remain relevant and appropriate.
Name of Service area Planning (Planning Policy)	Date 01/10/2020

1. **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	<p>The Delivery Agreement Community Involvement Scheme sets out the way in which the Council proposes to involve the local community and other stakeholders, including different age groups, in the preparation of the RLDP.</p> <p>The Issues, Vision and Objectives Paper considers the demographic profile of Monmouthshire and aims to have a positive impact on people of all ages, particularly through increasing opportunities for the younger population to both live and work within Monmouthshire to assist in ensuring a balanced demography whilst also supporting the needs of the older population.</p>	<p>Evidence suggests that older people are at greater risk of ill health associated with the coronavirus pandemic and therefore may not attend engagement events. Some older people for example those with a hearing impairment may find it harder to engage due to distancing and face coverings.</p> <p>Queuing to enter event rooms with limited capacity will be difficult for some older people for sustained periods.</p>	<p>The Delivery Agreement Community Involvement Scheme sets out the way in which the Council proposes to involve the local community and other stakeholders, including different age groups, in the preparation of the RLDP.</p> <p>The Vision and Objectives aim to provide a more balanced demographic profile for Monmouthshire. The issues, vision and objectives will help to shape the Replacement Plan. COVID-19 has demonstrated the importance of sustainable communities and a balanced demography to support the older age groups.</p> <p>Increased digital engagement will mean vulnerable people have the option of avoiding risk arising from attending stakeholder engagement events. Clear protector masks could be worn instead of face coverings to enable lip-reading. Younger generations might be encouraged to get involved with greater digital engagement. A booking system can be used for engagement events and/or chairs provided for people waiting.</p>

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	<p>The Delivery Agreement Community Involvement Scheme provides commitment to actively encourage engagement with disabled people by utilising established fora where possible. At present, WG Development Quality Requirements for affordable housing incorporate Lifetime Homes standards.</p> <p>The Issues, Vision and Objectives Paper includes the need to ensure the provision of a wide-ranging choice of homes including meeting affordable and accessible housing needs as far as possible. The Issues, Vision and Objectives recognise the importance of the health and well-being of people and aims to create attractive, safe and accessible places to live, work and visit.</p>	<p>Some disabled people will be at greater risk of ill health associated with the coronavirus pandemic and therefore may not attend engagement events. Some disabled people for example those with a hearing impairment may find it harder to engage due to distancing and face coverings. Some disabilities might make it difficult to queue for a sustained period while waiting to enter an event in a venue with a capacity limit.</p>	<p>The Delivery Agreement Community Involvement Scheme sets out aims to include those with disabilities who were not engaged in plan preparation previously, in order to enable them to influence the policies and decisions that affect them.</p> <p>The Vision and Objectives aim to support the well-being of current and future generations, a Monmouthshire that is that are more inclusive, cohesive, prosperous and vibrant. The issues, vision and objectives will help to shape the Replacement Plan. The Review of the Issues, Vision and Objectives in light of Covid-19 has found them to remain relevant and appropriate.</p> <p>Increased digital engagement will mean vulnerable people have the option of avoiding risk arising from attending stakeholder engagement events. Clear protector masks could be worn instead of face coverings to enable lip-reading. A booking system can be used for engagement events and/or chairs provided for people waiting.</p>
Gender reassignment	None.	None.	N/A.

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?
Marriage or civil partnership	None.	None.	N/A.
Pregnancy or maternity	None.	None.	N/A.
Race	None.	Evidence suggests that people from black and minority ethnic groups are at greater risk of ill health associated with the coronavirus pandemic and therefore may not attend engagement events.	Increased digital engagement will mean vulnerable people have the option of avoiding risk arising from attending stakeholder engagement events.
Religion or Belief	None.	Some venues might be problematic for people of certain religions to enter, for example religious buildings, pubs.	Avoid using such venues wherever possible.
Sex	<p>The Delivery Agreement Community Involvement Scheme sets out the way in which the Council proposes to involve the local community and other stakeholders in the preparation of the RLDP.</p> <p>One of the challenges facing the County is the imbalance between male and female earnings, although this situation is improving. The Issues, Vision and Objectives include reference to economic growth and employment provision, which could indirectly impact on wage equality.</p>	None.	<p>The Delivery Agreement Community Involvement Scheme sets out the way in which the Council proposes to involve the local community and other stakeholders in the preparation of the RLDP.</p> <p>The Vision and Objectives aim to support economic growth and prosperity. The issues, vision and objectives will help to shape the Replacement Plan. The Review of the Issues, Vision and Objectives in light of Covid-19 has found them to remain relevant and appropriate.</p>
Sexual Orientation	None.	None.	N/A.

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?
Welsh Language	<p>The Delivery Agreement Community Involvement Scheme provides detail on the Welsh language and Bilingual involvement and how bilingual engagement will be undertaken throughout the RLDP process.</p> <p>The Welsh Language is a material planning consideration. The Issues, Vision and Objectives include reference to supporting and safeguarding the Welsh Language.</p>	None.	<p>The Delivery Agreement Community Involvement Scheme sets out how the Welsh language and bilingual involvement will be undertaken throughout the RLDP process.</p> <p>The Vision and Objectives aim to support culture and the Welsh Language. The issues, vision and objectives will help to shape the Replacement Plan. The Review of the Issues, Vision and Objectives in light of Covid-19 has found them to remain relevant and appropriate.</p>
Poverty	None.	People in poverty or on low incomes might not be able to access digital engagement opportunities, might not be able to afford to travel to events and might not be able to afford to take time off work to attend events.	Ensure digital engagement does not require specialist technology, and ensure event venues are centrally located to urban areas with public transport link and event times maximize attendance opportunities.

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?
<p>A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>Positive: The Revised Delivery Agreement has been amended to reflect a more realistic timescale for further key stages of the RLDP process. The Community Involvement Scheme ensures full</p>	<p>The Revised Delivery Agreement seeks to ensure that the Plan will be delivered in accordance with the amended timetable and ensures full stakeholder /community involvement to shape the RLDP.</p>

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?
	<p>stakeholder /community involvement to shape the RLDP.</p> <p>Negative: None</p> <p>Positive: The Issues, Vision and Objectives Paper identifies the key issues, challenges, opportunities and drivers the Replacement Plan is seeking to address including; employment growth, job creation, the dual economy, wage levels, retail centres and the rural economy. The Review of the Issues, Vision and Objectives and Evidence Base in light of Covid-19 has found them to remain relevant and appropriate.</p> <p>Negative: None.</p>	<p>The Vision includes reference to communities and businesses being part of an economically thriving and well-connected County. Draft Objectives relating to economic growth/employment and retail centres have been set in order to address the identified issues relating to creating a prosperous Wales. The Review of the Issues, Vision and Objectives and Evidence Base in light of Covid-19 has found them to remain relevant and appropriate.</p>
<p>A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)</p>	<p>Positive: The Revised Delivery Agreement has been amended to reflect a more realistic timescale for further key stages of the RLDP process. The Community Involvement Scheme ensures full stakeholder /community's involvement to shape the RLDP.</p> <p>Negative: None.</p> <p>Positive: The Issues, Vision and Objectives Paper identifies the key issues, challenges, opportunities and drivers the Replacement Plan is seeking to address including; air pollution, wildlife networks and importance of green and blue infrastructure in the adaptation of climate change, building resilience to flooding and mitigation of climate change, along with, safeguarding of minerals resources. The limited</p>	<p>The Revised Delivery Agreement seeks to ensure that the Plan will be delivered in accordance with the amended timetable and ensures full stakeholder /community's involvement to shape the RLDP.</p> <p>The Vision includes reference to the protection and enhancement of the countryside, landscape and environmental assets. Draft Objectives relating to Green Infrastructure, Biodiversity and Landscape, Flood risk, Minerals and Waste, Land and Natural Resources have been set in order to address the identified issues relating to creating a resilient Wales. MCC recognises that we are in a climate emergency and has committed to strive to limit the increase in global temperatures to 1.5°C. The importance of carbon reduction is recognised as a key issue that the RLDP should seek to address and is reflected in</p>

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?
	<p>supply of brownfield land within the County is also highlighted as an issue. The paper also recognises the continued good progress with recycling and waste. MCC recognises that we are in a climate emergency and has committed to strive to limit the increase in global temperatures to 1.5°C. The importance of carbon reduction is recognised as a key issue that the RLDP should seek to address and is reflected in the relevant issues.</p> <p>The Review of the Issues, Vision and Objectives and Evidence Base in light of Covid-19 has emphasised the importance of place-making and green infrastructure for the provision of open spaces in close proximity to homes for physical and mental wellbeing.</p> <p>Negative:.None.</p>	<p>Objective 17. The Review of the Issues, Vision and Objectives and Evidence Base in light of Covid-19 has emphasised the importance of place-making and green infrastructure for the provision of open spaces in close proximity to homes for physical and mental wellbeing.</p>
<p>A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood</p>	<p>Positive: The Revised Delivery Agreement has been amended to reflect a more realistic timescale for further key stages of the RLDP process. The Community Involvement Scheme ensures full stakeholder /community's involvement to shape the RLDP.</p> <p>Negative: None</p> <p>Positive: The Issues, Vision and Objectives Paper identifies the key issues, challenges, opportunities and drivers the Replacement Plan is seeking to address including; healthy living, obesity and the promotion of healthy lifestyles, the opportunities and challenges associated with an ageing population,</p>	<p>The Revised Delivery Agreement seeks to ensure that the Plan will be delivered in accordance with the amended timetable and ensures full stakeholder /community's involvement to shape the RLDP.</p> <p>The Vision includes reference to people enjoying healthier, more sustainable lifestyles. A draft Objective relating to human health has been identified in order to address the identified issues relating to creating a healthier Wales. The Review of the Issues, Vision and Objectives and Evidence Base in light of Covid-19 has emphasised the vulnerability of those in our communities with underlying health conditions, as well as the importance of place-</p>

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?
	<p>accessibility to community and recreational facilities and rural isolation.</p> <p>The Review of the Issues, Vision and Objectives and Evidence Base in light of Covid-19 has emphasised the vulnerability of those in our communities with underlying health conditions, as well as the importance of place-making and green infrastructure for the provision of open spaces in close proximity to homes for physical and mental wellbeing.</p> <p>Negative: None.</p>	<p>making and green infrastructure for the provision of open spaces in close proximity to homes for physical and mental wellbeing.</p>
<p>A Wales of cohesive communities Communities are attractive, viable, safe and well connected</p>	<p>Positive: The Revised Delivery Agreement has been amended to reflect a more realistic timescale for further key stages of the RLDP process. The Community Involvement Scheme ensures full stakeholder /community's involvement to shape the RLDP.</p> <p>Negative: None</p> <p>Positive: The Issues, Vision and Objectives Paper identifies the key issues, challenges, opportunities and drivers the Replacement Plan is seeking to address including; the effect of high house prices within the County, impact of the recent removal of the Severn Bridge Tolls, along with ambitions and opportunities associated with the Cardiff Capital Region City Deal and South East Wales Metro. It also refers to the range and choice of housing required to meet the needs of the population, limited public transport within the area, declining local service</p>	<p>The Revised Delivery Agreement seeks to ensure that the Plan will be delivered in accordance with the amended timetable and ensures full stakeholder /community's involvement to shape the RLDP.</p> <p>The Vision includes reference to people living in sustainable, resilient communities that support the well-being of current and future generations which are more inclusive, cohesive, prosperous, vibrant and balanced demographically. It also provides reference to Monmouthshire being a well-connected County. Draft Objectives have been set in relation to; housing, place-making, communities, rural communities, infrastructure and accessibility in order to address the identified issues relating to creating a Wales of cohesive communities. The Review of the Issues, Vision and Objectives and Evidence Base in light of Covid-19 has emphasised the importance of socially sustainable communities and ensuring a</p>

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?
	<p>provision and physical/digital infrastructure requirements.</p> <p>The Review of the Issues, Vision and Objectives and Evidence Base in light of Covid-19 has emphasised the importance of socially sustainable communities and ensuring a balanced demography. The role of younger age cohorts providing voluntary support to the over 70s who have been self-isolating has been vital. Unchecked, our ageing demography presents a very real challenge to how such support would be offered in the future.</p> <p>Negative: None.</p>	<p>balanced demography. The role of younger age cohorts providing voluntary support to the over 70s who have been self-isolating has been vital. Unchecked, our ageing demography presents a very real challenge to how such support would be offered in the future.</p>
<p>A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing</p>	<p>Positive: The Revised Delivery Agreement has been amended to reflect a more realistic timescale for further key stages of the RLDP process. The Community Involvement Scheme ensures full stakeholder /community's involvement to shape the RLDP.</p> <p>Negative: None</p> <p>Positive: The Issues, Vision and Objectives Paper identifies the key issues, challenges, opportunities and drivers the Replacement Plan is seeking to address including; climatic factors, high levels of car ownership, reliance on the private car and different scales of renewable energy schemes. MCC recognises that we are in a climate emergency and</p>	<p>The Revised Delivery Agreement seeks to ensure that the Plan will be delivered in accordance with the amended timetable and ensures full stakeholder /community's involvement to shape the RLDP.</p> <p>The Vision includes reference to more sustainable lifestyles with improved access to public transport and active travel opportunities with a minimised impact on the global environment, together with improved digital infrastructure. An Objective relating to climate change has been set in order to address the identified issues relating to creating a globally responsible Wales. MCC recognises that we are in a climate emergency and has committed to strive to limit the increase in global temperatures to 1.5°C. The importance of carbon reduction is recognised as</p>

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?
	<p>has committed to strive to limit the increase in global temperatures to 1.5°C. The importance of carbon reduction is recognised as a key issue that the RLDP should seek to address and is reflected in the relevant issues.</p> <p>The Review of the Issues, Vision and Objectives and Evidence Base in light of Covid-19 has demonstrated that a significant proportion of our communities can work from home. Home/agile working combined with school closures and reduced leisure-based travel has significantly reduced congestion and evidence suggests air quality has improved markedly. The RLDP seeks to reduce the commuting ratio and to enable home-working: Covid-19 has demonstrated that this is achievable.</p> <p>Negative: None.</p>	<p>a key issue that the RLDP should seek to address and is reflected in Objective 17. The Review of the Issues, Vision and Objectives and Evidence Base in light of Covid-19 has demonstrated that a significant proportion of our communities can work from home. Home/agile working combined with school closures and reduced leisure-based travel has significantly reduced congestion and evidence suggests air quality has improved markedly. The RLDP seeks to reduce the commuting ratio and to enable home-working: Covid-19 has demonstrated that this is achievable</p>
<p>A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation</p>	<p>Positive: The Revised Delivery Agreement has been amended to reflect a more realistic timescale for further key stages of the RLDP process. The Community Involvement Scheme ensures full stakeholder /community's involvement to shape the RLDP.</p> <p>Negative: None</p> <p>Positive: The Issues, Vision and Objectives Paper identifies the key issues, challenges, opportunities and drivers the Replacement Plan is seeking to address including; the protection and enhancement required for the County's significant built heritage</p>	<p>The Revised Delivery Agreement seeks to ensure that the Plan will be delivered in accordance with the amended timetable and ensures full stakeholder /community's involvement to shape the RLDP.</p> <p>The Vision includes reference to the protection and enhancement of the best of the County's built heritage and landscape in order to retain its distinctive character. A draft Objective relating to culture, heritage and the Welsh Language has been set in order to address the identified issues relating to creating a Wales of vibrant culture and thriving Welsh Language. The Review of the Issues, Vision</p>

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?
	<p>resource and landscape, support of the Welsh Language, distinctive settlement pattern of Monmouthshire and links between the heritage/diverse landscape to tourism and the local economy. The Review of the Issues, Vision and Objectives and Evidence Base in light of Covid-19 has demonstrated these remain relevant and appropriate.</p> <p>Negative: None.</p>	<p>and Objectives and Evidence Base in light of Covid-19 has demonstrated these remain relevant and appropriate.</p>
<p>A more equal Wales People can fulfil their potential no matter what their background or circumstances</p>	<p>Positive: The Revised Delivery Agreement has been amended to reflect a more realistic timescale for further key stages of the RLDP process. The Community Involvement Scheme ensures full stakeholder /community's involvement to shape the RLDP.</p> <p>Negative: None</p> <p>Positive: The Issues, Vision and Objectives Paper identifies the key issues, challenges, opportunities and drivers the Replacement Plan is seeking to address including; the rural nature of the County, and the steady increase in population predominately fuelled by in-migration. Reference is also made to the demography of the County, particularly the higher proportion of older age groups and lower proportion of young adults compared to the Welsh average.</p> <p>The Review of the Issues, Vision and Objectives and Evidence Base in light of Covid-19 has highlighted the links between poverty and resilience as well as the</p>	<p>The Revised Delivery Agreement seeks to ensure that the Plan will be delivered in accordance with the amended timetable and ensures full stakeholder /community's involvement to shape the RLDP.</p> <p>The Vision includes reference to people living in sustainable, resilient communities to support the well-being of current and future generations which are more inclusive, cohesive, prosperous, vibrant and balanced demographically. A draft Objective relating to demography has been set in order to address the identified issues relating to creating a more equal Wales. The Review of the Issues, Vision and Objectives and Evidence Base in light of Covid-19 has highlighted the links between poverty and resilience as well as the higher level of homelessness. The RLDP seeks to maximise affordable housing delivery to help tackle this.</p>



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?
	<p>higher level of homelessness. The RLDP seeks to maximise affordable housing delivery to help tackle this.</p> <p>Negative: None.</p>	

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



Balancing short term need with long term and planning for the future

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>The Revised Delivery Agreement has been amended to reflect a more realistic timescale for further key stages of the RLDP process. The Community Involvement Scheme ensures full stakeholder /community's involvement to shape the RLDP.</p> <p>The Issues, Vision and Objectives Paper sets out the identified issues and proposed vision and objectives for the Replacement LDP which will cover the period 2018-2033. It sets out the key issues, challenges, opportunities and drivers facing the County, as well as the RLDP vision and objectives to address the issues/challenges/opportunities identified. The role of the RLDP vision is to clarify the core purpose of the Replacement Plan and provide a framework for developing the Preferred Strategy and future detailed policies. The Vision sets the overarching context for Monmouthshire for the period up to 2033. The issues, vision and objectives help to shape the Replacement Plan.</p> <p>The Review of the Issues, Vision and Objectives and Evidence Base in light of Covid-19 has demonstrated these remain relevant and appropriate. However, some of the long term implications of COVID-19 are not yet known, for example the impact longer term on our High Streets. The RLDP can incorporate flexible policies to seek to adjust to the unknown longer term implications.</p>	<p>The Revised Delivery Agreement seeks to ensure that the Plan will be delivered in accordance with the amended timetable and ensures full stakeholder /community's involvement to shape the RLDP.</p> <p>The vision and objectives set out in the adopted LDP have been reviewed and updated to take account of the issues, challenges, opportunities and drivers facing the County and reflect key elements of the PSB Well-being Plan and MCC Corporate Business Plan. More specifically, MCC recognises that we are in a climate emergency and has committed to strive to limit the increase in global temperatures to 1.5°C. The importance of carbon reduction is recognised as a key issue that the RLDP should seek to address and is reflected in the relevant issues, vision and objectives.</p> <p>The Review of the Issues, Vision and Objectives and Evidence Base in light of Covid-19 has demonstrated these remain relevant and appropriate. However, some of the long term implications of COVID-19 are not yet known, for example the impact longer term on our High Streets. The RLDP can incorporate flexible policies to seek to adjust to the unknown longer term implications.</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>Working together with other partners to deliver objectives</p> <p>Collaboration</p>	<p>The DA Community Involvement Scheme sets out the way in which the Council proposes to involve the local community and other stakeholders in the preparation of the RLDP.</p> <p>The issues, vision and objectives are heavily drawn from/reflect the PSB Well-being Plan which was extensively consulted on in 2017 and resulted in contributions from more than 1,400 people. They have also been subject to targeted engagement with Members, Area Cluster Groups and Area Committees. The issues, vision and objectives will help to shape the Replacement Plan.</p>	<p>A number of events have been held/attended to seek to integrate the LDP and Climate Emergency declaration.</p> <p>The Public Service Board will be involved at key stages of Plan-making.</p> <p>The Revised Delivery Agreement ensures full stakeholder /community's involvement to shape the RLDP.</p> <p>Future key stages of the RLDP process will be subject to engagement/consultation with a wide range of internal and external stakeholders.</p>
 <p>Involving those with an interest and seeking their views</p> <p>Involvement</p>	<p>The revised DA Community Involvement Scheme sets out the way in which the Council proposes to involve the local community and other stakeholders in the preparation of the RLDP. Future community engagement on the RLDP will incorporate any COVID-19 and social distancing requirements, the revised DA considers alternative methods further allowing for a flexible approach.</p> <p>The Issues, vision and objectives are heavily drawn from/reflect the PSB Well-being Plan which was extensively consulted on in 2017 and resulted in contributions from more than 1,400 people. They have also been subject to targeted engagement with Members, Area Cluster Groups and Area Committees. The issues, vision and objectives will help to shape the Replacement Plan.</p>	<p>The Revised Delivery Agreement ensures full stakeholder /community's involvement to shape the RLDP.</p> <p>There is no requirement to undertake formal consultation on the Issues, Vision and Objectives. Feedback from the targeted engagement has nevertheless been considered and, where appropriate, the issues, vision and objectives have been amended to reflect comments made. The vision and objectives will continue to be refined and incorporated into the Preferred Strategy which will be subject to engagement/consultation with a wide range of internal and external stakeholders.</p> <p>Future key stages of the RLDP process will be subject to engagement/consultation with a wide range of internal and external stakeholders.</p>



Putting resources into preventing problems occurring or getting worse

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>The Revised DA has been amended to reflect a more realistic timescale for further key stages of the RLDP process and sets out the way in which the Council proposes to involve the local community and other stakeholders in the preparation of the RLDP.</p> <p>The key issues, challenges, opportunities and drivers facing the County are set out within the Issues, Vision and Objectives Paper which has been informed by a range of evidence, including the Monmouthshire Public Service Board (PSB) Well-being Plan, Monmouthshire Corporate Business Plan, LDP Review Report, LDP Annual Monitoring Reports and Replacement LDP Sustainability Appraisal Scoping Report, along with wider contextual factors such as national guidance/legislation and the Cardiff Capital Region City Deal. The Paper also sets out the revised RLDP vision and objectives to address the issues/challenges identified. The RLDP seeks to address the issues/challenges/opportunities identified (in a land use context) and support delivery of the Council's vision/objectives for the future of the County and its communities.</p> <p>The Review of the Issues, Vision and Objectives and Evidence Base in light of Covid-19 has demonstrated these remain relevant and appropriate.</p>	<p>A number of events have been held/attended to seek to integrate the LDP and Climate Emergency declaration.</p> <p>The Public Service Board will be involved at key stages of Plan-making.</p> <p>The Revised Delivery Agreement seeks to ensure that the Plan will be delivered in accordance with the amended timetable and ensures full stakeholder /community's involvement to shape the RLDP.</p> <p>The Issues, Vision and Objectives Paper will inform the Replacement LDP Preferred Strategy. The RLDP will seek to address the issues/challenges/opportunities identified (in a land use context) and support delivery of the Council's vision for the future of the County and its communities. MCC recognises that we are in a climate emergency and has committed to strive to limit the increase in global temperatures to 1.5°C. The importance of carbon reduction is recognised as a key issue that the RLDP should seek to address and is reflected in the relevant issues, vision and objectives.</p>



Considering impact on all wellbeing goals together and on other bodies

The Revised Delivery Agreement sets out how the plan will seek to be delivered in accordance with the amended timetable, including the ISA/SEA process, and how stakeholder /community's involvement will help to shape the RLDP.

The Paper identifies the key issues, challenges, opportunities and drivers for the Monmouthshire area that the Replacement LDP is seeking to address covering economic, environmental, social and cultural aspects. It also sets out the draft Vision and objectives to address the issues/challenges/opportunities identified. The draft Vision sets the overarching context for Monmouthshire for the period up to 2033 and aims to positively impact on both the current and future populations of Monmouthshire. The LDP will seek to address the issues/challenges/opportunities identified (in a land use context) and support delivery of the Council's vision/objectives for the future of the County and its communities. MCC recognises that we are in a climate emergency and has committed to strive to limit the increase in global temperatures to 1.5°C. The importance of carbon reduction is recognised as a key issue that the RLDP should seek to address and is reflected in the relevant issues, vision and objectives. The Replacement LDP will be subject to an Integrated Sustainability Appraisal (including Strategic Environmental Assessment (SEA), Well-being of Future Generations (WBFG), Health Impact Assessment (HIA), Equality Impact Assessment (EqIA), and Welsh Language Impact Assessment (WLIA)), whose findings will be used to inform the development of the Replacement LDP strategy, policies and site allocations in order to ensure that the Plan will be promoting sustainable development.

The Revised Delivery agreement seeks to ensure that the plan will be delivered in accordance with the amended timetable, including the ISA/SEA process, and ensures full stakeholder /community involvement to help shape the RLDP.

The RLDP will be subject to an Integrated Sustainability Appraisal (including Strategic Environmental Assessment (SEA), Well-being of Future Generations (WBFG), Health Impact Assessment (HIA), Equality Impact Assessment (EqIA), and Welsh Language Impact Assessment (WLIA)).

We will continue to work closely with our neighbours, both in Wales and England, including the joint procurement of evidence as applicable.

An all-office seminar has been held to enable all colleagues in all service areas an opportunity to be involved and consider any implications for the services they deliver.

The RLDP will align with the new Integrated Network Maps for Active Travel, and will be accompanied by an Infrastructure Plan and revised Local Transport Plan.

The Issues, Vision and Objectives Paper will inform the Replacement LDP Preferred Strategy. The Replacement LDP will be subject to an Integrated Sustainability Appraisal (including Strategic Environmental Assessment (SEA), Well-being of Future Generations (WBFG), Health Impact Assessment (HIA), Equality Impact Assessment (EqIA), and Welsh Language Impact Assessment (WLIA)), whose findings will be used to inform the development of the Replacement LDP strategy, policies and site allocations in order to ensure that the Plan will be promoting sustainable 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?
	The Review of the Issues, Vision and Objectives and Evidence Base in light of Covid-19 has demonstrated these remain relevant and appropriate.	

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?

	Describe any positive impacts your proposal has	Describe any negative impacts your proposal has	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?
Social Justice	The Social Justice strategy focuses on three main areas: tackling loneliness and isolation; tackling poverty and promoting equitable economic prosperity; and giving children the best start in life. The RLDP seeks to tackle house price unaffordability, which currently prevents some of our communities accessing suitable housing within the County. This is likely to benefit younger people in particular, which in turn will make our ageing communities more socially sustainable. Good quality and affordable housing is important in achieving poverty reduction and equitable prosperity, and supporting the best start in life. Good spatial planning helps to build cohesive communities.	None.	<p>We will consider the need for planning policies to control the housing mix of the market housing on development sites, to ensure it helps create mixed communities and supports the retention of younger people who can afford an open market home were there sufficient supply of 2 and 3 bedroom homes.</p> <p>We will consider the need for small affordable housing schemes in rural settlements similar to the current LDP's 60/40 sites.</p> <p>We will consider a range of policies around the climate change theme to minimise the carbon footprint of new development, and therefore mitigate negative impacts associated with the proposed growth.</p>

Safeguarding	None.	.None.	N/A.
Corporate Parenting	None.	None.	N/A.

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

An extensive range of data sets have been used to prepare the Issues, Vision and Objectives Paper, from a wide range of sources both internal and external to the Council. These are clearly referenced in the Paper and appendices, but include:

- Monmouthshire Public Service Board Well-being Plan (April 2018) https://www.monmouthshire.gov.uk/app/uploads/2017/10/Monmouthshire-PSB_well-being-plan_3.0.pdf
- Monmouthshire County Council Corporate Business Plan 2017 – 2022 (February 2018) https://www.monmouthshire.gov.uk/app/uploads/2018/03/Monmouthshire-Council_Corporate-Plan_1.0.pdf
- Monmouthshire Local Development Plan Review Report (March 2018) <https://www.monmouthshire.gov.uk/app/uploads/2018/03/Final-Review-Report-1.pdf>
- Monmouthshire Local Development Plan Annual Monitoring Reports (2015- 2018) <https://www.monmouthshire.gov.uk/planning-policy/annual-monitoring/ldp-annual-monitoring-report>
- Replacement LDP Sustainability Appraisal Scoping Report (December 2018) <https://www.monmouthshire.gov.uk/planning-policy/pre-deposit-ldp-documents/sustainability-appraisal-sa>
- Monmouthshire LDP ‘Retail Background Paper’, October 2018. <https://www.monmouthshire.gov.uk/app/uploads/2018/12/Employment-Land-Study-October-2018-reduced.pdf>
- Monmouthshire LDP ‘Employment Background Paper’, October 2018. <https://www.monmouthshire.gov.uk/app/uploads/2018/12/Employment-Land-Study-October-2018-reduced.pdf>
- Monmouthshire ‘Joint Housing Land Availability Study’, June 2018. <http://www.monmouthshire.gov.uk/app/uploads/2018/06/Monmouthshire-JHLAS-Report-2018.pdf>

The following documents are available to view via the Planning Policy webpages of the Council’s website

<https://www.monmouthshire.gov.uk/planning-policy/local-development-plan-revision/>

- Monmouthshire RLDP Initial Integrated Sustainability Appraisal Report (February 2020)
- Habitat Regulations Assessment Report (February 2020)
- Monmouthshire RLDP Delivery Agreement As revised March 2020 (March 2020)

External sources of data include Welsh Government, Cadw, Natural Resources Wales, Hometrack, Office for National Statistics and Stats Wales.

An extensive range of background evidence and data has been used to date, from a wide range of sources both internal and external to the Council. These include:

- Monmouthshire RLDP Initial Integrated Sustainability Appraisal Report (February 2020)
- Habitat Regulations Assessment Report (February 2020)
- Monmouthshire RLDP Issues, Vision and Objectives Paper (June 2019, as amended March 2020)
- Monmouthshire RLDP Growth and Spatial Options Consultation Paper (June 2019)
- The Draft Monmouthshire, Blaenau Gwent and Torfaen LDP Demographic Evidence produced by Edge Analytics (May 2019)
- Monmouthshire RLDP Housing Background Paper (March 2020)
- Monmouthshire RLDP Growth and Spatial Options Background Paper (March 2020)
- Monmouthshire RLDP Sustainable Settlement Appraisal (March 2020)
- Monmouthshire RLDP Candidate Sites Register (February 2019)
- Monmouthshire RLDP Delivery Agreement (May 2018, as revised March 2020)

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?

Positive -

The Revised Delivery Agreement amends the RLDP timetable to reflect a more realistic timescale for further key stages of the RLDP process in light of the current pandemic and updated population and household projections. The Community Involvement Scheme has also been amended to reflect our revised consultation and engagement arrangements in light of the current pandemic.

Negative – None. There are no implications, positive or negative, for corporate parenting or safeguarding.

Positive -

The evidence base and issues, vision and objectives will help to shape the Replacement LDP. The preparation of the issues, vision and objectives is one of the first key stages in Replacement Plan preparation process and will inform the Preferred Strategy. The Issues, Vision and Objectives Paper sets the key issues, challenges, opportunities and drivers facing the County. It also sets out the RLDP vision and objectives to address the issues/challenges identified. These have been reviewed in the light of the COVID19 pandemic and are considered to remain relevant and appropriate.

Negative – None. There are no implications, positive or negative, for corporate parenting or safeguarding.

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
Seek Council's agreement of the Revised Delivery Agreement, which amends the project timetable and Community Involvement Scheme, for submission to the Welsh Government for the Minister's approval.	October 2020. Submit the Revised Delivery Agreement to the Welsh Government for the Minister's approval in Autumn 2020.	Head of Placemaking, Housing, Highways and Flooding Head of Planning Planning Policy Team
Seek Council's endorsement of the Review of the RLDP Issues, Vision and Objectives and Evidence Base, and agreement that these remain relevant in light of Covid-19 and that it is appropriate to progress with Plan preparation.	October 2020	Head of Placemaking, Housing, Highways and Flooding Head of Planning Planning Policy Team

8. 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
0.0	LDP Review Report and Delivery Agreement	20/04/2018	Draft for Council 10 th May 2018
1.0	Issues, Vision and Objectives scrutiny	01/02/2019	Draft for Economy & Development Select Committee 14 th February 2019
1.1	Issues, Vision and Objectives endorsement following consultation	09/04/2019	Draft for Cabinet 5 th June 2019
1.2	Issues, Vision and Objectives endorsement following consultation	14/06/2019	Amended for Cabinet 3 rd July 2019 to reflect 16 th May 2019's Climate Emergency declaration by Council
2.0	Growth and Spatial Options endorsement to consult	07/06/2019	Draft for Cabinet 3 rd July 2019
2.1	Growth and Spatial Options scrutiny	09/07/2019	Draft for Economy & Development Select Committee 17 th July 2019
3.0	Preferred Strategy endorsement to consult	11/12/2019	Draft for Council report 5 th March 2020
3.1	Preferred Strategy endorsement to consult	17/02/2020	Social Justice Strategy reviewed with Judith Langdon
4.0	Revised Delivery Agreement	05/03/2020	Timetable amended further to account for slippage as a result of the pre-election period preceding the December 2019 General Election, the additional time and work needed to inform the Preferred Strategy and delays associated with joint working with neighbouring local authorities on joint evidence base work.
4.1	Revised Delivery Agreement and review of Issues, Vision and Objectives and of evidence base in the light of the Covid-19 pandemic.	07/10/2010	Timetable amended further to account for Covid-19 pandemic and revised Welsh Government population and household projections.



REPORT

SUBJECT: SRS DATA HALL MOVE

MEETING: Council

DATE: 22nd October 2020

DIVISION/WARDS AFFECTED: All

1. PURPOSE:

- 1.1 To consider the full business case for the SRS data centre and proposed data hall move from Blaenavon, replacing it initially with a move to a commercial scale purpose built data hall followed by cloud based solutions as appropriate. And specifically the funding model and resultant funding requirement for the Council.

2. RECOMMENDATIONS:

- 2.1 That Council acknowledges Cabinet's support and approval of the recommended option to move to an alternative physical data centre solution with Next Generation Data (NGD).
- 2.2 That Council supports the funding model predicated on equal costs of the shared infrastructure.
- 2.3 That Council approves that its share in the £2.3m up front capital investment of £361k and its 1/3 share of decommissioning costs (£203k) is funded as part of the 2021/22 capital budget proposals.
- 2.4 That the actual capital financing solution be determined as part of the 2021/22 budget setting process and where it is anticipated to be funded from prudential borrowing and/or useable capital receipts.

3. KEY ISSUES:

- 3.1 In March 2020 Cabinet endorsed the SRS Tactical Plan which supports delivery of the long-term strategic goals of the SRS and its partners. The SRS Strategy 2020-26 was subsequently signed off at the July 21st 2020 Strategic Board and the shared aspirations in the strategy are to move towards cloud based provisions. This meant that a reduction in on premise capacity was now a certainty. With a decreasing need for an on premise data centre service and an increasing cost for providing on premise services in Blaenavon, it therefore becomes unaffordable to continue with the current model.
- 3.2 This report looks for Council to consider the business case for the proposed move to a commercial data hall, resulting in the de-commissioning of the existing data halls in the SRS. Acknowledging Cabinet's support and approval of the recommendation option at

its meeting in early October Council are asked to confirm its support the proposed funding model and approve the funding requirement and option proposed in this report.

Strategic Case

- 3.3 The physical data centre in Blaenavon has been a positive asset to the SRS for ten years and in 2016 and 2017 with the introduction of Blaenau Gwent and Newport respectively to the SRS, two further facilities were added. All partner services delivered out of Blaenavon have been accredited, cost effective and secure for that period.
- 3.4 The world, more importantly technology, has moved on at pace in the last ten years and the SRS and its partners find themselves in a position where others can provide these services over public infrastructure using hyper scale implementations, more securely at a lower cost point.
- 3.5 The original purpose and thinking behind a single, secure, resilient and accredited facility still stands as the right thing to do, even today. However, in our initial outline assessments, the cost to maintain the existing facilities to the current standard is greater than the cost of consuming space in an alternative facility.
- 3.6 In the context of the business case, the phrase “on premise” refers to a set of services delivered from an infrastructure that is installed into a physical data centre or computer room that the SRS partners’ own. The owned infrastructure is typically funded through capital replacement plans and the infrastructure bought is in place for five to seven years and then needs renewing.
- 3.7 The term “cloud” refers to a set of services delivered from a set of infrastructure that is remote to and provided to the SRS, for example Microsoft Azure, and the SRS would manage it in the same way as it does for the on premise infrastructure. The funding mechanism is however a revenue charge in relation to the actual usage and requires no capital investment.
- 3.8 The SRS Strategic Board direction is clear. That the SRS and its partners will move from being predominantly “on premise” today to being predominantly “cloud” by 2026. Different services will transition at a different pace based on age, cost and complexity factors of the current applications and infrastructure that each partner has.
- 3.9 With the risk categorisation of the services currently delivered it is advised that partners should all move to a “safe harbour” first and then transition to cloud services. If there are services that can easily transition to cloud, as the SRS has done with Office 365, then those opportunities can and will be taken alongside this project.
- 3.10 In drawing up the specification for an alternative “on premise” data centre a full schedule of needs has been put together and they represent the standard that Blaenavon was built to, any changes or improvements to those standards over the last ten years and the network connectivity that we must have.
- 3.11 Torfaen County Borough Council, Monmouthshire County Council and Gwent Office of the Police and Crime Commissioner currently share the Blaenavon data centre and that within the data centre Torfaen County Borough Council and Monmouthshire County Council share the same “network”, “storage” and “compute” infrastructure.

- 3.12 The data centre has four separate data halls within it. Each hall houses a different set of customers, typically due to historic reasons. Each of our five partners hosts organisational services from the data centre.
- 3.13 In terms of the role of the current facility the SRS has historically hosted the services it provides in the Blaenavon Data centre. The Blaenavon facility has an annual cost of operating and maintaining services, which is in part charged on a specific individual partner basis and other costs are shared between the four data halls.
- 3.14 This business case deals with the data halls 2 (Education and Local Authority), 3 (OPCC) and 4 (Local Authority and SRS Business Solutions) only as the capital funding for hall 1 is provided by NWIS.
- 3.15 The desired model is now one where all partner services are delivered from a new alternative location using as much shared infrastructure as possible. There are multiple physical and cloud data centre locations available across the United Kingdom which the SRS could use as an alternative. However, the key requirement is that the SRS need a data centre to be an active node on the core PSBA network to provide the highest levels of performance for partners.
- 3.16 The SRS data centre halls are 10 years old and require many environmental components to be replaced, this includes items such as air conditioning, generators, battery backups and monitoring solutions. Without this investment there is a high risk of the data hall equipment failing due to the underlying environmental facilities. Due to failures in 2019, the company that support the equipment have reduced the useful life of the equipment remaining in the data centre which requires an approximate £2.6M spend over four years. The SRS's data centre support provider maintains risk assessments for the equipment and this continues to be monitored and acted upon as required.

Economic Case

- 3.17 In terms of business needs Technology infrastructure needs updating at regular intervals, networking typically lasts ten years, storage five years and servers three to five years.
- 3.18 Whichever route the SRS takes with alternative facilities or cloud provision in Microsoft Azure, there will still also need to be a PSBA network that provides external connectivity for partners.
- 3.19 Partners will always require PSBA connectivity and there is a project running nationally to replace end of life PSBA equipment. The proposal is to align this work with that and install the replacement equipment into the new location. The costs of replacement equipment are factored into the business case.
- 3.20 Furthermore, whichever route the SRS takes with alternative facilities or cloud provision in Microsoft Azure, there will still need to be a core network that provides transit for all partners to access these services and a small amount of on premise infrastructure which enables access to cloud services. The SRS needs a new core network for all partners in 20-21 due to end of life equipment and it being over ten years older in the main. This cost is applicable whether the SRS stay in Blaenavon or not.
- 3.21 In terms of server capacity SRS will be driving as much of the capacity we need into Microsoft Azure where cost effective and Office 365. However, SRS will need to retain

some on premise. The plan is to buy enough server equipment to enable the migration to commence to an alternative data centre and then lift and shift equipment and services where that existing equipment is still viable.

- 3.22 The challenge to partners would be to drive usage into Office 365 and after the transition of on-premise data centre locations look to adopt Microsoft Azure to reduce the on-premise server requirement needs and therefore reduce the future capital investment requirements for replacement server hardware.
- 3.23 The SRS needs new shared server capacity every year for all partners due to end of life equipment in one or more Authorities. This cost is applicable whether we stay in Blaenavon or not and this line item features heavily in the MTFP.
- 3.24 Alternative data centre rack space will be procured based on an initial assessment for each LA and although this does not currently take into account any future migration to Azure Cloud, the intention with the relocation is to reduce the current data centre rack footprint for each SRS Partner considerably. The estimated number of racks for Monmouthshire is 4 and follows successful virtualisation of servers that has been undertaken historically.
- 3.25 The business case has therefore considered the following future data centre options:
- a) Option 1: Business as usual – SRS Data Halls operate without environmental facilities being replaced. The SRS would not support this option as it places the partners at considerable risk.
 - b) Option 2: Do minimum – Replace all environment facilities within SRS’s Data Halls. Critical ones as soon as possible and the remainder within 5 years. This option continues with higher costs than are required but does meet the supportability. However, the Strategic Board also rejected this option as too high cost in January 2020 and this option does not meet the data centre specification put out as part of the tender process.
 - c) Option 3: Reduce to a single hall in Blaenavon - Replace all environment facilities within a single SRS Data Hall in Blaenavon. This option would still require similar work to shift to an alternative location and resilience would need to be given further consideration. Furthermore, and again, this does not meet the data centre specification. SRS conclude that moving to this option is not viable as fixed costs will remain even as data needs reduce over time.
 - d) Option 4: Move to an alternative data centre – this options offers all of the data centre requirements the SRS needs and delivers at a reduced overall cost compared to the current provision.

Option 4 is the recommended option.

Commercial Case

- 3.26 The procurement of an alternative physical data centre was discussed with its SRS support services provider and the initial advice was to put a specification together and go to market with that specification to see what was available.

- 3.27 During that market testing, it became apparent that there is only one option that the SRS can move to due to the specification requiring a data centre that has the core PSBA network within it. The Head of the PSBA for Welsh Government confirmed that the only data centre that has this capability is the Next Generation Data Centre (NGD) based in Newport.
- 3.28 However, there still needed to be a proper process for assessing value for money and fitness for purpose. The SRS provided the data centre specification to the provider and it has been confirmed that the location more than meets all of the criteria in the specification.
- 3.29 The SRS recognised a single option is not competitive when seeking a value for money comparison and therefore a cost was requested from an alternative and comparable provider. The equivalent pricing was over double the cost from NGD which provides us with assurance that we are receiving value for money. In addition, we know that SRS Business Solutions, the trading arm of SRS, is charging a higher cost to its current customer base than we will be paying to NGD for our services. This again provides assurance as this was a market test carried out.
- 3.30 There are also costs associated with the restoration of the existing facility used in Blaenavon and such that it is put back to its original state as per the original agreement to occupy with Torfaen County Borough Council. This is estimated based on initial quotes at £610,000 but is seen very much as a worst case. Such costs are to be shared equally by OPCC, Torfaen and Monmouthshire as the primary users of the facility and have been present for the full ten years.

Management Case

- 3.31 The timelines for delivery to the new alternative location differs for each partner based on the information currently available and on the basis of decisions to proceed with the recommended option being secured by all partner organisations in the coming weeks. Monmouthshire and Torfaen plan to migrate to NGD at the end of the financial year. With Blaenau Gwent migrating at the end of Q1 of the next financial year and Newport the end of Q3. The migration of the OPCC is anticipated be at the beginning of 2022/23.
- 3.32 The main benefits of the move to NGD are contained within the body of report and a move to NGD would provide resilience and delivery risk would be with a major reputable data centre provider.
- 3.33 Equally the main risks are outlined and centre significantly around the environmental facilities needing to be replaced in Blaenavon. There will be some limited issues around availability and performance during the migration period for a short period. COVID may also pose a degree of risk in terms of exchange rate movements affecting pricing, social distancing requirements needing to be maintained during the migration and risks around supply chains.
- 3.34 All other constraints and dependencies have been assessed and responded to in the development and resourcing of the business case being implemented.
- 3.35 Clearly the proposed move to NGD and an alternative data centre location reduces operating costs, removes the need for additional capital investment that would otherwise be required in Blaenavon and the programme delivery plan looks to minimise disruption to the partners and the running costs of having two data centres running during transition.

- 3.36 In parallel with the proposal to locate to an alternative physical data centre MCC continues to work with the SRS to assess which of our systems and processes can move from physical storage to Azure Cloud storage or other SAAS cloud solution. This will enable Monmouthshire to meet their strategic aim of moving all of our systems to Cloud.
- 3.37 It is worth clarifying that again schools will not feature in this initial move and as a result of the significant Welsh Government EdTech funding that is being programmed into schools this year and that will divert available SRS resources. This delay presents an opportunity in that it will allow a full review and options appraisal to be undertaken of school data being moved from the data halls in Blaenavon and into the Cloud on the Welsh Government supported Hwb teaching and learning platform. Again a business case will be developed and presented back to the SRS Strategic Board for consideration and Monmouthshire schools will be engaged and involved throughout.
- 3.38 Cabinet were asked to consider the business case at its meeting earlier in October and subsequently supported the recommended option to move to an alternative physical data centre solution with Next Generation Data (NGD). Given that such a move will give rise to additional capital investment Council are required to consider the funding model and approve that the funding requirement be factored into the 2021/22 capital programme.

4. OPTIONS APPRAISAL:

- 4.1 Beyond the options appraisal described above the SRS had investigated potential solutions that included:
- a) Move the data hall to a more sustainable and economic data hall facility
 - b) Move all of our systems into the Azure cloud or other SAAS solution.
 - c) A hybrid model of the above two options, with a complete move to an alternative data hall prior followed by a phased migration to the Azure cloud or other SAAS solution.
- 4.2 The recommendation made was to pursue a hybrid option and which affords greatest flexibility and affordability considerations.

5. EVALUATION CRITERIA:

- 5.1 An evaluation assessment has been included at Appendix 1 for future evaluation of whether the decision has been successfully implemented. The decision will be reviewed after 12 months and on an ongoing basis.

6. REASONS:

- 6.1 The SRS data centre in Blaenavon is unsustainable and the SRS Strategic Board have presented a business case for consideration that recommends the existing data hall being decommissioned and replaced with alternative more economically viable solutions. This requires the formal consent of all SRS partner organisations.
- 6.2 Adopting this approach will meet Monmouthshire's and the SRS cloud first strategy.

6.3 Continuing to move cloud services such as Azure will provide additional resilience, security, scalability and capacity management.

7. RESOURCE IMPLICATIONS:

7.1 The table below shows the running costs of the data halls for the three options explored and outlined in paragraph 3.25. These being the current model (do minimum), collapsing all partners into one data hall and moving to an alternative data centre provider (NGD).

<u>Impact to Revenue Costs</u>			NGD		
	Existing	One Hall	LAs	OPCC	TOTAL
-					
Rack Charges	0	0	190,656	105,920	296,576
Maintenance & Support Contracts	401,362	183,000	103,000	80,000	183,000
BG & NCC Computer Rooms**	105,000	-	-	-	-
Shared Building Costs	870,261	536,857	256,857	81,026	337,609
Income	(260,800)				
SRS Controllable Revenue Costs	1,115,823	719,857	550,239	266,946	817,185
Adjust for loss of NWIS income*	206,980	0	-		0
Adjusted SRS Revenue Costs	1,322,803	719,857	550,239	266,946	817,185

*NWIS income will drop out in 21/22

** not part of the SRS budget

7.2 The move to NGD would be implemented on a phased approach and is expected to take three financial years running from 2021/22 through to 2023/24. Racks will be required at NGD before the Data Halls are fully decommissioned, it is anticipated 15 racks will be required initially rising to 28 by 2023/23 with no racks remaining at Blaenavon.

These additional costs will need to be managed and offset by the savings made in the running costs at Blaenavon. The following table shows the costs of the racks required at NGD offset by the savings from the Data Halls at Blaenavon as the project progresses:

	2021/22	2022/23	2023/24
NGD COSTS (new racks etc.)	291,022	203,755	367,907
DATA HALL (savings)	(309,598)	(303,038)	(303,038)
	<u>(18,576)</u>	<u>(99,283)</u>	<u>64,869</u>

7.3 In terms of one-off costs the refresh of equipment is required regardless of any potential move to a new data centre facility. The following table captures the capital investment required of each option.

ONE OFF COSTS					
Capital Costs					
	Existing	One Hall	LAs	NGD OPCC	TOTAL
Data Centre Infrastructure	2,685,678	734,000	-	-	-
PSBA - replacement equipment	-	-	65,868	49,781	115,649
Shared Network	487,000	487,000	314,000	173,000	487,000
Shared Wifi	142,500	142,500	85,500	57,000	142,500
Shared Firewall	458,022	458,022	277,322	180,700	458,022
Shared Storage	900,000	900,000	600,000	300,000	900,000
Computing	150,000	150,000	100,000	50,000	150,000
TOTAL CAPITAL COST	4,823,200	2,871,522	1,442,690	810,481	2,253,171
Cost of Change					
Decommission Costs (Ty Cyd 1)	0	457,500	406,667	203,333	610,000

- 7.4 The equipment required has an expected life of between five and ten years, it would be prudent for partners to build up a capital reserve to fund the future replacement to mitigate substantial Capital outlay. To cover the next 15 years of refresh the partners would need to allocate £397,000 to the capital reserve. The authority's share of this would be £61,000 per annum. It is proposed that this is incorporated into the MTFP and budget process for 2021/22 such that adequate base budget provision can be set aside for capital refresh of equipment and to avoid significant one-off pressures occurring at the end of equipment life cycle.
- 7.5 The core assumptions and risks are contained in the business case and have been reviewed by the SRS Finance & Governance Board, onto which each of the Local Authority partner's S151 officers are represented. All have confirmed they are content that such assumptions are reasonable and that risks are understood and where possible suitably mitigated.
- 7.6 As can be seen above the capital investment required to relocate to NGD is far less than required to remain in the existing Data Halls. Partners will be required to fund £2.3million to move as opposed to £4.8million to remain as the current model with the original three partners sharing the estimated £610,000 (worst case scenario) decommissioning costs.
- 7.7 The Council's share in the £2.3m up front capital investment is £361k and together with the 1/3 share of decommissioning costs (£203k) recommendation is made to Council to fund this as part of the 2021/22 capital budget proposals. The actual capital financing sources will be determined as part of the 2021/22 budget setting process and is anticipated to be funded from a combination of prudential borrowing and/or useable capital receipts.

- 7.8 For MCC specifically this translates into anticipated net revenue savings of £28k (see appendix 4) and when compared to the anticipated contribution by MCC for 2021/22. These savings will contribute to draft budget proposals for 2020/21.
- 7.9 Finally, it is important to note that whilst there is additional investment being required to implement this proposal there is significant cost avoidance that otherwise would need to be incurred. The level of cost avoidance over and above the Council's proposed investment is £334k.
- 8. WELLBEING OF FUTURE GENERATIONS IMPLICATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING AND CORPORATE PARENTING):**
- 8.1 The significant and positive equality impacts identified in the assessment are summarised below for members' consideration:
- a) Cloud services will enable communities to engage and transact with the council more easily, economically and with a lesser impact on the environment;
 - b) The safe sharing of digital data with police and health colleagues will enable a more joined-up approach to care of vulnerable people in our communities
- 8.2 The actual impacts from this report's recommendations will be reviewed every year.

9. CONSULTEES:

SRS Strategic Board
SRS Finance & Governance Board
SRS Senior Leadership Team
MCC Strategic Leadership Team
Cabinet

10. BACKGROUND PAPERS:

Appendix 1 – Evaluation Criteria
Appendix 2 – Wellbeing of Future Generations Assessment
Appendix 3 – SRS Data Centre Business Case
Appendix 4 – MCC savings and investment requirement summary

11. AUTHOR: Chief Officer for Resources (acting S151 officer)

12. CONTACT DETAILS:

Tel: 01633 644294 / 07398 954828
Email: peterdavies@monmouthshire.gov.uk

Appendix 1

Evaluation Criteria

Title of Report:	SRS DATA HALL MOVE
Date decision was made:	21st October 2020
Report Author:	Peter Davies

What will happen as a result of this decision being approved by Cabinet?

The decision will endorse the SRS data hall move the decision of the SRS Strategic Board to instigate a complete move of the data hall provision at Blaenavon to an alternative data hall prior; followed by a phased migration to the Azure cloud or other SAAS solutions.

It is proposed that there is an ongoing 12 monthly appraisal and evaluation to ensure the desired outcomes have been achieved and that benefits and any savings have been realised? This will form part of the budget monitoring and budget setting process for the SRS and facilitated through the SRS Finance and Governance board, upon which the Council's Chief Officer for Resources is a standing member.

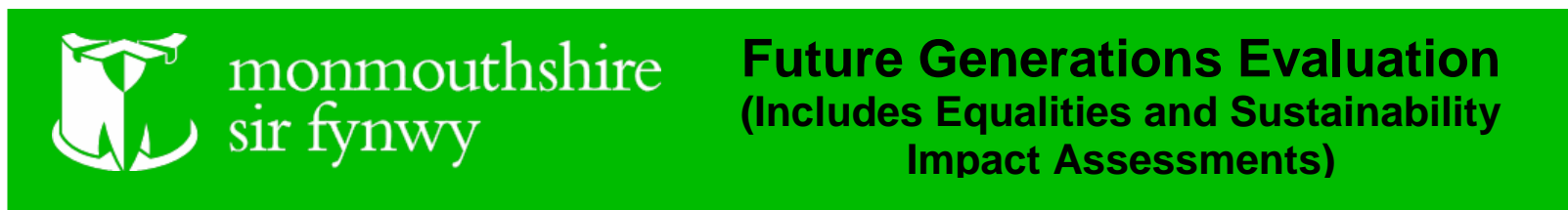
What benchmarks and/or criteria will you use to determine whether the decision has been successfully implemented?

A 12 month appraisal and evaluation will be undertaken and that will also look to identify further and future opportunities to optimize data storage needs and to source the most appropriate and cost effective data storage solutions. The outcomes, benefits and savings to be realised will be closely monitored and through ongoing budget and performance monitoring arrangements.

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?

Give an overview of the planned costs associated with the project, which should already be included in the report, so that once the evaluation is completed there is a quick overview of whether it was delivered on budget or if the desired level of savings was achieved.

This proposal translates into anticipated revenue savings of £28k for 21/22. The Council's share in the £2.3m up front capital investment is £361k and together with the 1/3 share of decommissioning costs (£203k) recommendation will be made to fund this as part of the 21/22 capital budget proposals.






<p>Name of the Officer completing the evaluation Peter Davies</p> <p>Phone no: 07398 954828 E-mail: peterdavies@monmouthshire.gov.uk</p>	<p>Please give a brief description of the aims of the proposal To agree the proposal to move the SRS data hall from Blaenavon to NGD.</p>
<p>Name of Service Digital & Agile</p>	<p>Date Future Generations Evaluation form completed 28/09/2020</p>



1. **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	How does the proposal contribute to this goal? (positive and negative)	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
<p>A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>The move to a cloud based provision has significant benefits to our workforce and the wider community. These solutions mean that access to information and services can be available when the public need to use them, as well as improving the digital teaching and learning facilities in schools.</p>	
<p>A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)</p>	<p>We would expect an alternative data hall would operate through 100% renewable technology, with infrastructure that uses half as much energy as the provision at the SRS. Cloud based services can significantly improve efficiency with self-service and a reduction in the need to travel.</p>	<p>Where any negative impacts are identified the team will seek to address them by taking an inclusive approach.</p>
<p>A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood</p>		<p>Where any negative impacts are identified the team will seek to address them by taking an inclusive approach.</p>

Well Being Goal	How does the proposal contribute to this goal? (positive and negative)	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	Cloud based technology enables greater connectivity within our communities, as well as protecting peoples data and therefore the safeguarding of vulnerable people.	Where any negative impacts are identified the team will seek to address them by taking an inclusive approach.
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	Cloud infrastructure enables an efficient, economic service which reduces the negative impact on our environment of travel.	Where any negative impacts are identified the team will seek to address them by taking an inclusive approach
A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation	Digital information and services are being improved across our cultural and leisure services, enabling electronic transactions through cloud based systems	Where any negative impacts are identified the team will seek to address them by taking an inclusive approach.
A more equal Wales People can fulfil their potential no matter what their background or circumstances	Cloud will assist people with protected characteristics to access information and services in our rural community. They will also provide better employment opportunities for people working in digital industries.	Where any negative impacts are identified the team will seek to address them by taking an inclusive approach.

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

Sustainable Development Principle	How does your proposal demonstrate you have met this principle?	What has been done to better to meet this principle?
 <p>Long-term</p> <p>Balancing short term need with long term and planning for the future</p>	The digital world is moving at pace and is the future of everything we do. This proposal will ensure we reap the benefits of digitisation to capture short term economic and efficiency benefits as well as support investments in emerging and innovative technologies to reap the long term benefits globally, for our local communities and the Council.	
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	MCC will work in collaboration with its partners in the SRS to deliver this proposal. Our partners also include Welsh Government and existing technology suppliers.	
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	Our main stakeholders are the other partners in the SRS and our internal service departments who will need to be aware of this decision when managing their current systems and the eventual move to cloud. We also have wider stakeholders in supporting central government policy decisions for the move to cloud based services. All stakeholders will have active involvement.	

Sustainable Development Principle	How does your proposal demonstrate you have met this principle?	What has been done to better to meet this principle?
 <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p>	<p>This move will absolutely prevent problems getting worse as it's the most sustainable, future ready solution for supporting ICT infrastructure.</p>	
 <p>Integration</p> <p>Positively impacting on people, economy and environment and trying to benefit all three</p>	<p>Cloud based services enable economies to be made, reduces the environmental impacts of travel, increases communications and access to information, and eases engagement with our communities.</p>	

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.

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	<p>Cloud services will assist the elderly to access information and services in more sustainable way without having to leave the house. Younger people will be expecting all services to be digital by design and move to cloud will be their norm. Government services can share health, housing and care information for the elderly, enhancing the quality of care.</p>	No impact	Where any negative impacts are identified the team will seek to address them by taking an inclusive approach.
Disability	<p>Cloud technology will assist people with mobility problems to access information and services.</p>	No impact	Where any negative impacts are identified the team will seek to address them by taking an inclusive approach.
Gender reassignment	No impact	No impact	Where any negative impacts are identified the team will seek to address them by taking an inclusive approach.
Marriage or civil partnership	No impact	No impact	Where any negative impacts are identified the team will seek to address them by taking an inclusive approach.
Race	No impact	No impact	Where any negative impacts are identified the team will seek to address them by taking an inclusive approach.

<i>Protected Characteristics</i>	<i>Describe any positive impacts your proposal has on the protected characteristic</i>	<i>Describe any negative impacts your proposal has on the protected characteristic</i>	<i>What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?</i>
Religion or Belief	No impact	No impact	Where any negative impacts are identified the team will seek to address them by taking an inclusive approach.
Sex	No impact	No impact	Where any negative impacts are identified the team will seek to address them by taking an inclusive approach.
Sexual Orientation	No impact	No impact	Where any negative impacts are identified the team will seek to address them by taking an inclusive approach.
Welsh Language	No impact	No impact	The Welsh language will continue to be promoted by the Digital Service through all digitally published material.

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?

	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	The provision of cloud based apps will enable our social care services to have real time, structured data and information to protect our vulnerable adults and children.	The purpose of this arrangement is to be inclusive to all therefore no negative impacts are anticipated in relation to this particular group.	We will continue to develop cloud services in order to provide accurate information to carers and families, even in people's homes, to assist with speedier service provision and assessment of needs. Security of data will be enabled by simple electronic security on mobile devices and apps.
Corporate Parenting			

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

There is industry wide evidence that cloud services improve security of data, access to information and enable better data analysis and management.

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?

- i. Cloud services will enable communities to engage and transact with the council more easily, economically and with a lesser impact on the environment
- ii. The safe sharing of digital data with police and health colleagues will enable a more joined-up approach to care of vulnerable people in our communities

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

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.

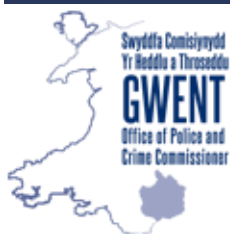
The impacts of this proposal will be evaluated on:	07/10/21
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SRS Data Centre Business Case

2020



Mission

To use shared technology platforms to consolidate the demand and broker the supply of all types of services to the Public Sector.

Vision

To be more efficient through the use of technology.

Values

When people are sharing their practice, they add value to the common purpose of the SRS.

Strategic Aim #1

INNOVATING WITH EXPERTS:
improve services to provide a solid foundation upon which partner organisations can operate.

Strategic Aim #2

MODERNISING THE EMPLOYEE EXPERIENCE:
ensure the investment in technology is focused on delivery of the corporate priorities of the partner organisations.

Strategic Aim #3

POWERING UP THE CLOUD:
provide a collaborative platform for public sector organisations to share common ground.



SRS Data Centre Business Case

2020

Audience	List of partners: Blaenau Gwent County Borough Council, Office of the Police and Crime Commissioner Gwent, Gwent Police, Monmouthshire County Council, Newport City Council and Torfaen County Borough Council.
Document Status	Final
Document Version	1.1
Issue Date	18 th September 2020
Reviewed By	Paul Higgs
Prepared By	Matt Lewis
Date Approved	

SRO:	Matt Lewis (COO SRS)
Project Manager:	Cary Campbell (Enterprise Architecture ICT Technical Collaboration Manager SRS)
Organisation:	SRS

Version	Date	Name	Comment
1.0	27/5/20	Matt Lewis	Initial draft to F&G Board
1.1	18/9/20	Matt Lewis	Final version to F&G Board for recommending to Strategic Board



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1. Executive Summary

The SRS Strategy 2020-26 was signed off at the July 21st 2020 Strategic Board and the shared aspirations in the strategy are to move towards cloud based provisions. This means that a reduction in on premise capacity is now a certainty. With a decreasing need for an on premise data centre service and an increasing cost for providing on premise services in Blaenavon, it therefore becomes unaffordable to continue with the current model.

2. Strategic Case

a. Strategic Context

The physical data centre in Blaenavon has been a positive asset to the SRS for ten years and in 2016 and 2017 with the introduction of Blaenau Gwent and Newport respectively to the SRS, two further facilities were added. All partner services delivered out of Blaenavon have been accredited, cost effective and secure for that period.

The world, more importantly technology, has moved on at pace in the last ten years and we find ourselves in a position where others can provide these services over public infrastructure using hyper scale implementations, more securely at a lower cost point.

The original purpose and thinking behind a single, secure, resilient and accredited facility still stands as the right thing to do, even today. However, in our initial outline assessments, the cost to maintain the existing facilities to the current standard is greater than the cost of consuming space in an alternative facility. In addition to this the computer rooms in Ebbw Vale and Newport are both classified as “very high risk” on the Strategic Board’s Risk Register for differing reasons and have different drivers for change compared to Blaenavon.

The purpose of this business case is therefore to document the cost effectiveness of the current combined delivery model and provide options for comparison.



b. Structure of case

This business case has been prepared using the Five Case Model, which comprises the following key components:

- the **strategic case** section sets out the case for change.
- the **economic case** section demonstrates that the SRS has selected the most economically advantageous offer, which best meets the existing and future needs of the service and optimises value for money (VFM).
- the **commercial case** section sets out the content of the proposed deal.
- the **financial case** section confirms future funding arrangements and affordability.
- the **management case** section details the plans for the successful delivery of the scheme to cost, time and quality.

c. “On premise” versus “cloud”

It is important to begin with an explanation of two key terms used throughout this document.

In our context, the phrase “on premise” refers to a set of services delivered from an infrastructure that is installed into a physical data centre or computer room that the SRS partners’ own, in our case Blaenavon, Newport, Ebbw Vale, Fairwater and OPCC HQ. In this model, the infrastructure is typically funded through capital replacement plans and the infrastructure bought is in place for five to seven years and then needs renewing.

In our context, the term “cloud” refers to a set of services delivered from a set of infrastructure that is remote to the SRS, that is set up on massively scaled up basis, that is publicly available and that is shared across many customers yet still secure, accredited and managed by the SRS. In this model, the infrastructure is provided to the SRS, for example Microsoft Azure, and the SRS would manage it in the same way as it does for the on premise infrastructure. The funding mechanism is a revenue charge in relation to the actual usage and requires no capital investment,



i.e. the partners have no assets as they simply pay a subscription cost to access a constantly updated layer of infrastructure.

The Strategic Board direction is clear, the SRS will move from being predominantly “on premise” today to being predominantly “cloud” by 2026. Different services will transition at a different pace based on age, cost and complexity factors of the current applications and infrastructure that each partner has.

A key question has to be, “why not move all services straight to cloud now?”. With the risk categorisation of the services currently delivered from Blaenavon, Ebbw Vale and Newport combined with the age, cost and complexity factors described above in relation to the existing application and infrastructure estate, it is advised that partners should all move to a “safe harbour” first and then transition to cloud services. If there are services that can easily transition to cloud, as the SRS has done with Office 365, then those opportunities will be taken alongside this project.

In summary, what the section above describes, is a see-saw effect, over the period of the 2020-26 strategy, where provision moves from mostly “on premise” to mostly “cloud”.

d. “On premise” Data Centre Specification

SRS partners will always need an “on premise” secure, accredited, centralised location to house shared infrastructure so we need to ensure that any specification is fit for purpose. As confirmed in the new 2020-26 SRS Partnership Strategy the direction has been set as cloud services. However, that is a transition over time and some functions will always remain on premise. It is important that we have a facility that is delivering services to the required standard for our infrastructure in 2020, a decreasing amount from 2020-26 and a minimal amount by 2026.

A full schedule of needs has been put together and they represent the standard that Blaenavon was built to, any changes or improvements to



those standards over the last ten years and the network connectivity that we must have.

It is important to note that this business case focuses on the physical Data Centre standard to migrate the partners to a “safe haven” from which an assessment can be made for the move to cloud services. The assessments of what the cost could be, if partners wished to move services to Azure, are in a separate paper.

e. Overview of the current position

The SRS manages locations in:

- Blaenavon for Torfaen County Borough Council, Monmouthshire County Council and Gwent Office of the Police and Crime Commissioner. The standard of the Blaenavon data centre when it was implemented is captured in appendix one. It was an accredited, certified data centre built to a high standard.
- Ebbw Vale for Blaenau Gwent County Borough Council.
- Newport for Newport City Council.

The provision in these locations would be classed as computer rooms and they would not meet the standard described in appendix one of this document for a data centre. As part of the business case processes in 2016 and 2017 respectively, the migration away from both locations was set as a requirement by the Finance and Governance Board during due diligence.

The original recommendation was a move to Blaenavon for both Blaenau Gwent and Newport services. In light of the direction of travel the move for both partners should still be to align with the wider partnership. This now means that all partners should move to the alternative and Blaenau Gwent and Newport would not take the interim step of moving to Blaenavon first.



SRS Data Centre Business Case

2020

Figure 1 shows an overview of these current facilities described on the previous page. The figure shows that Torfaen County Borough Council, Monmouthshire County Council and Gwent Office of the Police and Crime Commissioner currently share the Blaenavon data centre and that within the data centre Torfaen County Borough Council and Monmouthshire County Council share the same “network”, “storage” and “compute” infrastructure. The figure also shows the separate implementations for Blaenau Gwent County Borough Council and Newport City Council.

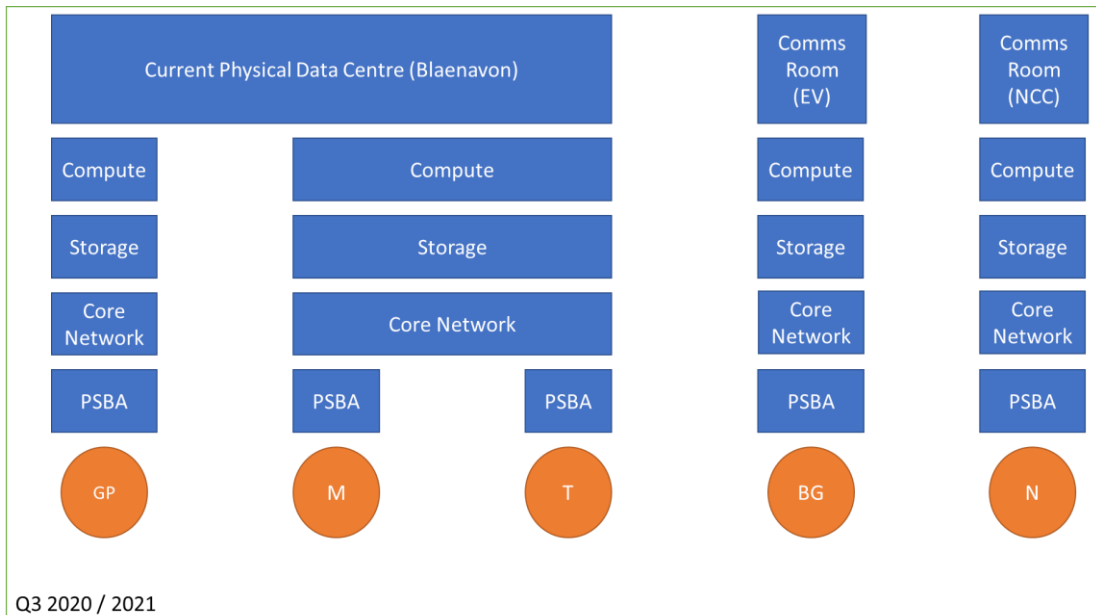


Figure 1 Current Delivery Model



In addition Gwent OPCC has a disaster recovery capability in Fairwater and a new facility being built into the new OPCC HQ in Llantarnam. It is not yet clear whether Gwent OPCC will require space in the new location or if the space in new HQ will be sufficient. For now, the best choice is to ensure all options are covered. These additional facilities are shown in figure 2.

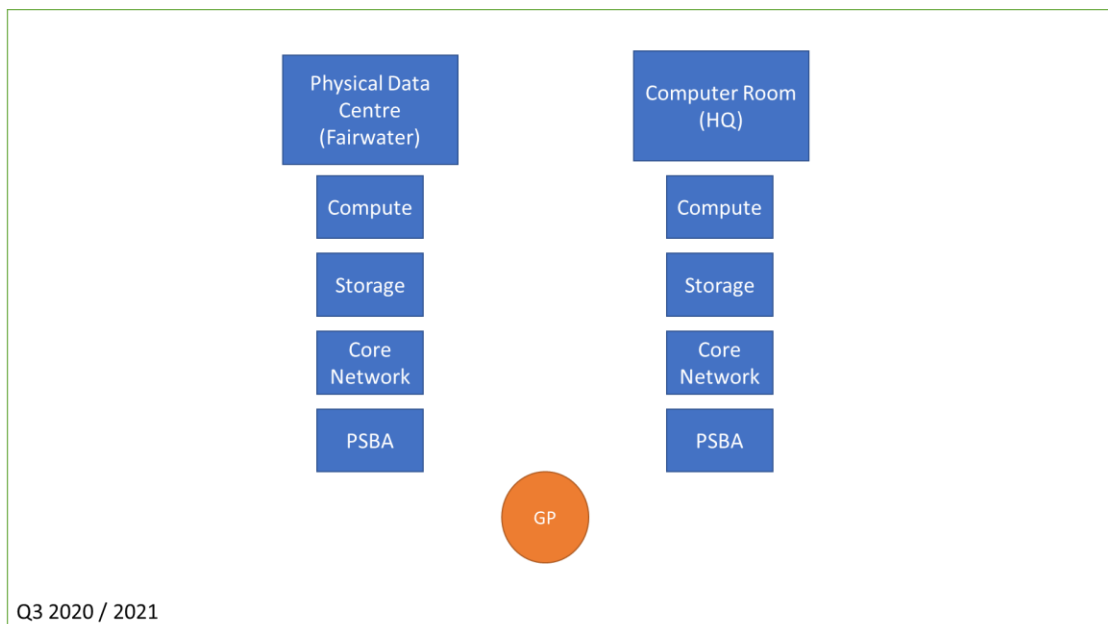


Figure 2 Gwent OPCC additionality

Figure 3, over the page, shows the flow of service to help paint the picture of where the data centre and computer rooms fit into the overall service provision. It shows an “edge site” which is where a typical user would be based, for example this could be a recycling centre, a Police station or a leisure centre through to the data centre. The edge site then connects over the PSBA network to the Blaenavon Data Centre, Ebbw Vale Computer Room or Newport Computer Room depending on which organisation the service is for.

Within the SRS facilities, the request then travels across the core network” and is serviced by a combination of “compute” and “storage” systems. To help understanding, the core network is the cables, wifi, network switches etc that a user connects to, the compute is the processing power that manages the service and the storage is where your



files are stored. Unlike a laptop where all of these things sit in one device, on an enterprise scale these are all split out into separate components.

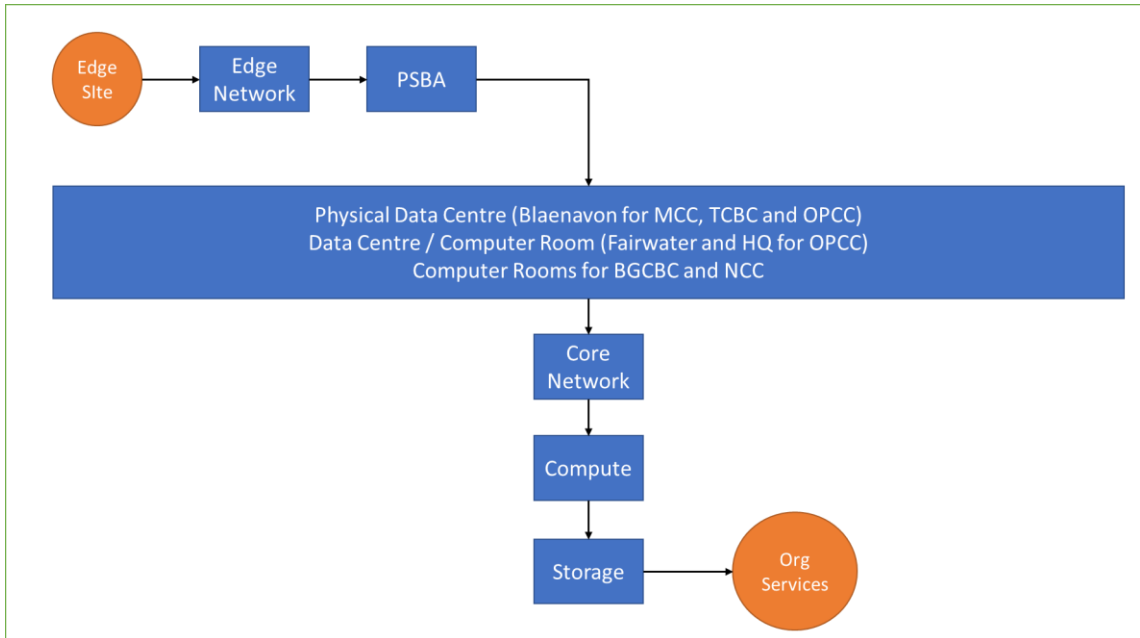


Figure 3 Data Centre Overview

The business case is built using these descriptions above which is why it is important the function of each of the key areas is understood.

f. The role of each current facility

Blaenavon

The data centre has four separate data halls within it. Each hall houses a different set of customers, typically due to historic reasons. Each of our five partners hosts organisational services from the data centre.

The SRS has historically hosted the services it provides in the Blaenavon Data centre. The Blaenavon facility has an annual cost of operating and maintaining services, which is in part charged on a specific individual partner basis and other costs are shared between the four data halls.



Data Hall 1: NWIS (National Welsh Informatics Service) (61 rack capacity).

This hall is managed by the SRS only to the point of data centre management, the internal management of equipment and services is NWIS's and for that they pay an annual sum to the SRS.

Data Hall 2: Education and LA (40 rack capacity).

This hall is managed entirely by the SRS and houses all of the infrastructure required to run the provision for all SLA schools across Newport, Blaenau Gwent, Torfaen and Monmouthshire and it houses part of the infrastructure, split across hall 4, required to run the Local Authority provision for Torfaen and Monmouthshire primarily. The disaster recovery services for Newport are also housed in this hall.

Data Hall 3: OPCC (35 rack capacity).

This hall is managed entirely by the SRS and houses all of the infrastructure required to run the provision for all Gwent Police services managed by the SRS.

Data Hall 4: LA and SRS BS (33 rack capacity).

This hall is managed entirely by the SRS and houses the remaining part, split across hall 2, of the infrastructure required to run the provision for all Torfaen and Monmouthshire services. The hall also contains a number of racks provided to SRS Business Solutions for a private customer, again this is only the data centre provision and the private customer manages all of their own services within the racks.

This paper deals with halls 2, 3 and 4 only as the capital funding required to maintain and improve the NWIS hall, hall 1, is provided by NWIS. The provision of service to NWIS in hall 1 is in an alternative paper that has been to the SRS Strategic Board and we are now aware that NWIS are seeking an additional twelve months term until November 2021.



Ebbw Vale

Blaenau Gwent County Borough Council has a computer room in Ebbw Vale Civic Centre with between five and ten usable racks with equipment spread across them. The room is not built to the data centre standard in appendix two and poses a considerable risk of water issues and building risk around supply of electricity.

Newport

Newport City Council has two computer rooms split across Newport Civic Centre. Neither are built to the standard described in appendix two. The rooms have over twenty racks spread across them but could simply be rationalised down considerably to a smaller number.

Gwent OPCC

Gwent OPCC has two additional facilities, one in Fairwater which operates as the disaster recovery location and one in the current HQ in Croesyceiliog which will move to the new HQ in Llantarnam when finished in April 2022.

g. Target Delivery Model

The original agreed delivery model was for all partners to move to Blaenavon. This was a condition of the business cases both Blaenau Gwent and Newport agreed to on entry to the SRS partnership and Torfaen, Monmouthshire and Gwent OPCC are already there.

However, in light of this business case, the desired model is now one where all partner services are delivered from a new alternative location using as much shared infrastructure as possible.

There are multiple physical and cloud data centre locations available across the United Kingdom which the SRS could use as an alternative. The key requirement is that the SRS need a data centre to be an active node



on the core PSBA network to provide the highest levels of performance for our partners.

Figure 4 shows the target delivery model with all partners sharing the same facility to reduce environmental costs. In addition to this the four Local Authority partners will share all infrastructure and Gwent OPCC, due to national guidelines, will have a separate infrastructure if they are required to take space after the OPCC HQ move.

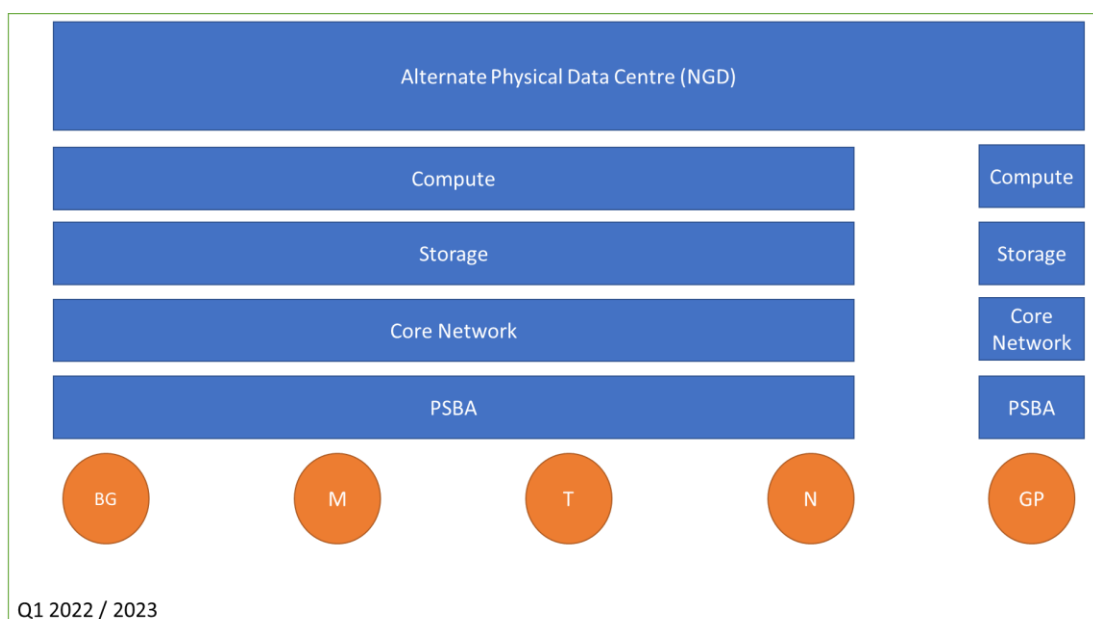


Figure 4 Target Delivery Model

h. The Case For Change

The SRS data centre halls are 10 years old and require many environmental components to be replaced, this includes items such as air conditioning, generators, battery backups and monitoring solutions. Without this investment there is a high risk of the data hall equipment failing due to the underlying environmental facilities. Due to failures in 2019, the company that support the equipment have reduced the useful life of the equipment remaining in the Data Centre which requires an approximate £2.6M spend over four years. Appendix two shows the latest RAG status for the equipment as provided by our external data centre services support provider.



The main objective is that SRS needs to identify the best value for money option for data centre provision going forward. We will do this by:

- reducing the need for capital investment in the current data centre (i.e. refreshing/replacement of the mechanical, electrical and environmental equipment (i.e. Aircon UPS etc.)
- reducing data centre revenue costs (i.e. support and maintenance contracts which includes engineer service, callouts and parts replacements)
- removing the varying risks that are present in the current provision to all partners from all facilities, these are documented in the SRS Risk Register as agreed with the Strategic Board.
- reducing SRS staff time to manage major incidents and day to day operations required from operating a partner owned data centre facility.
- procuring data centre services that avert service failure and provide ICT service continuity to SRS' partners.
- providing a core infrastructure in an alternative data centre location acting as a safe harbour for hosting ICT services and providing the interconnect / stepping-stone to access future cloud services such as Azure.
- removing the risk of providing data centre services to non-core partners in light of the SRS Strategic Board direction.



3. Economic Case

a. Business Needs

Technology infrastructure needs updating at regular intervals, networking typically lasts ten years, storage five years and servers three to five years. The items in the following categories all need replacing whether they are based in Blaenavon or based in a different data centre. Some of the costs seen in this paper are in relation to “overlap” costs where the two infrastructures need to co-exist until we are fully migrated to the new facility.

Figure 5 below shows the current building blocks within the data centre to help understanding of the component parts.

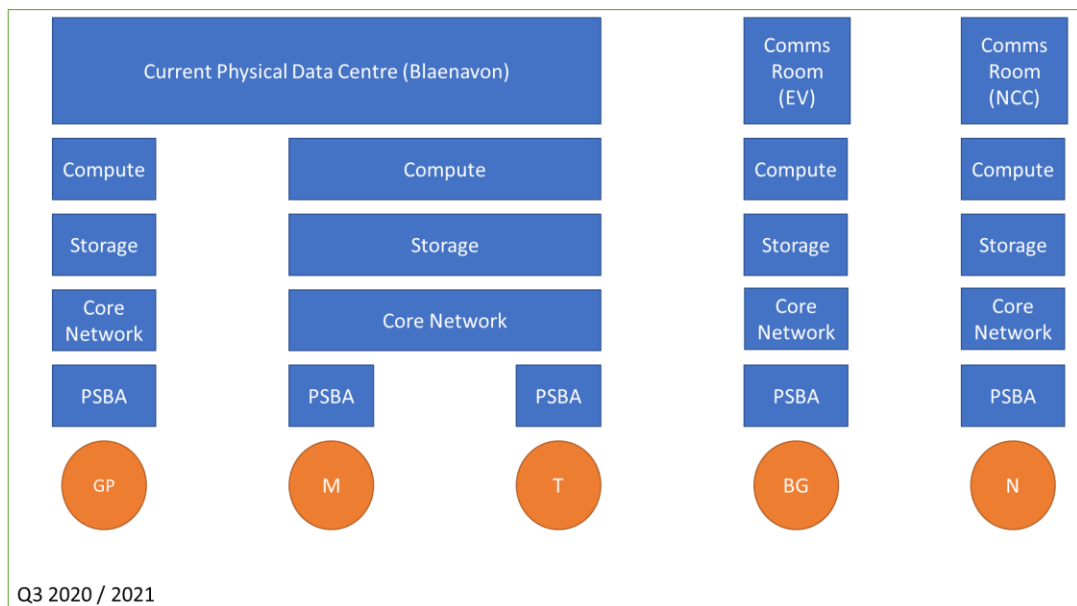


Figure 5 Data Centre Q2 2020

b. PSBA Networking

Whichever route the SRS takes with alternative facilities or cloud provision in Microsoft Azure, there will still need to be a PSBA network that provides external connectivity for partners.



Partners will always require PSBA connectivity and there is a project running nationally to replace end of life PSBA equipment. The proposal is to align this work with that and install the replacement equipment into the new location. However, with PSBA business as usual having been on hold due to COVID-19 issues, the cost of replacement has been built into this case at £116,000 which could be reduced by around £40,000.

This will also be an overlap cost as we will be paying for the PSBA in two locations for a limited period which is included in the costings also.

c. Core Shared Networking

Whichever route the SRS takes with alternative facilities or cloud provision in Microsoft Azure, there will still need to be a core network that provides transit for all partners to access these services and a small amount of on premise infrastructure which enables access to cloud services. This would be a true OneWales shared network that breathes life into the delivery of collaborative technology.

The SRS has worked with our current technology provider to put together the cost of a new shared core network. In progressing this design work, we have also asked for leasing options as well as capital replacement costs to gauge the better option.

The SRS needs a new core network for all partners in 20-21 due to end of life equipment and it being over ten years older in the main. This cost is applicable whether we stay in Blaenavon or not, however, the installation location will be different based on the decision on this paper.

It is important to note that at this time the costs include sharing of core networking across all five partners, initial views from the Home Office seem to suggest Gwent Police will not be allowed to use shared networking which may mean they will not benefit from shared costs in this area and have to duplicate costs.



d. Core Shared Storage

The next layer up in the technology stack of services we would need in an alternative data centre is storage. We will be driving as much of the storage we need into Microsoft Azure and Office 365, but in the meantime, we will need to retain an on-premise Storage Area Network (SAN) to enable the transition of Data Centre locations.

The SRS needs new shared storage for all partners in 20-21 due to end of life equipment in one or more Authorities. This cost is applicable whether we stay in Blaenavon or not, however, the installation location will be different based on the decision on this paper.

e. Core Shared Compute

The next layer up in the technology stack of services we would need in an alternative data centre is compute (i.e. Servers). SRS will be driving as much of the compute capacity we need into Microsoft Azure where cost effective and Office 365, however we will need to retain some on premise. The plan is to buy enough compute equipment to enable the migration to commence to an alternative data centre and then lift and shift equipment and services where that existing equipment is still viable.

The challenge to partners would be to drive usage into Office 365 and after the transition of on-premise data centre locations look to adopt Microsoft Azure to reduce the on-premise compute requirements needs and therefore reduce the future capital investment requirements for replacement compute hardware.

The SRS needs new shared compute every year for all partners due to end of life equipment in one or more Authorities. This cost is applicable whether we stay in Blaenavon or not, however, the installation location will be different based on the decision on this paper and this line item features heavily in the MTFP.



f. What does the data centre look like in 2023?

When the project is finished, figure 6 below, shows the same building blocks and components in the new location. It shows clearly that there is a much greater level of sharing of infrastructure at varying levels.

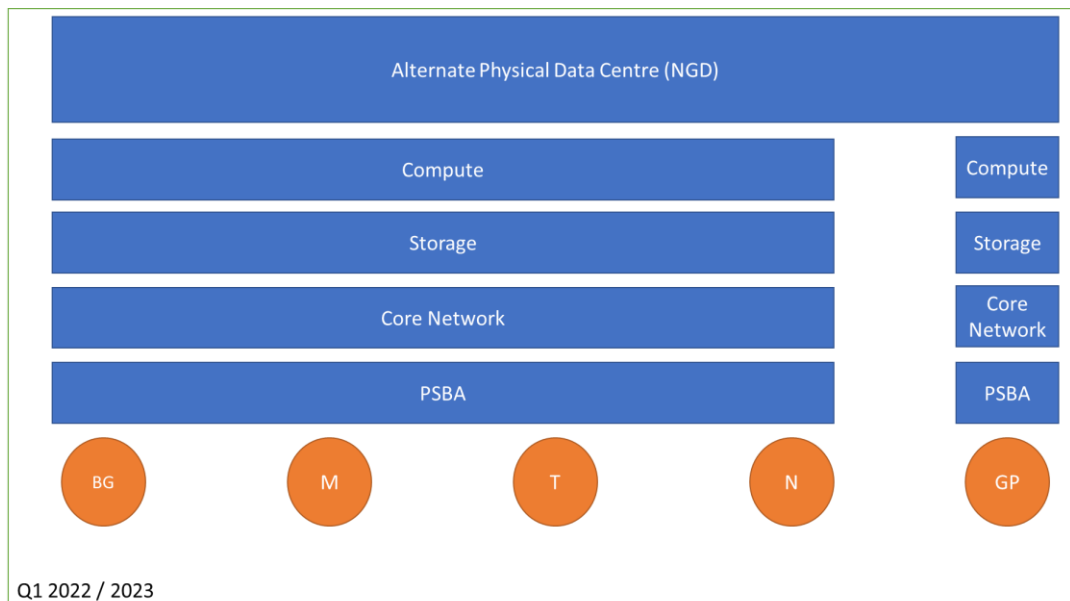


Figure 6 Data Centre in 2023

g. Alternative Data Centre Rack Capacity

The unit of measure for a data centre is typically rack space. A rack is simply a six foot high cabinet that the equipment is installed into and currently in Blaenavon we have a higher capacity of racks than we will need into the future.

Alternative data centre rack space will be procured based on our initial assessment for each LA and although this does not currently take into account any future migration to Azure Cloud, the intention with the relocation is to reduce the current data centre rack footprint for each SRS Partner considerably.



The table below highlights the estimated number of racks per SRS Partner shown in the table below:

Local Authority	Estimated Number of Racks
Monmouthshire County Council	4
Torfaen County Borough Council	4
Blaenau Gwent	3
Newport City Council	7
Gwent Police	10
Total	28

There are a number of reasons that the Newport and Gwent OPCC rack numbers are higher than the other partner numbers, these include:

- higher volume of equipment virtualised in Torfaen and Monmouthshire. Virtualisation is the process of building multiple services off a single physical piece of equipment, partners have progressed these projects at different rates over the previous years.
- a higher volume of older systems and infrastructure in Newport that is being addressed.
- Gwent OPCC has a higher volume of national critical infrastructure, such as the Airwave radio system which takes up considerable space.



4. **Economic Case Options**

a. OPTION 1: Business As Usual (BAU)

Description: SRS Data Halls operate without environmental facilities being replaced.

Costs: the costs for this option are unknown as the rate of failure of equipment will change day by day. What we can say is that the rate of failure has been increasing over the last few years and the maintenance budget for the halls has already been spent for 2020-21 by the end of July, i.e. one third of the way through the budget year.

Advantages: No upfront capital costs.

Disadvantages: There would be certain failure of equipment that is not replaced as the months move on causing loss of service for extended periods of time.

Conclusion: The SRS would not support this option as it places the partnership at considerable risk.

b. OPTION 2: Do minimum

Description: Replace all environment facilities within SRS's Data Halls. Critical ones as soon as possible and the remainder within 5 years.

Costs: An annual revenue cost of £1,115,823, rising to £1,322,803, without the income from NWIS and a capital cost of £4,823,200.

Advantages: Puts Blaenavon into a supported position.

Disadvantages: Continues with a funding model that is above and beyond what we need and higher than the alternatives.



Conclusion: This option continues with higher costs than are required but does meet the supportability. However, the Strategic Board also rejected this option as too high cost in January 2020.

This option does not meet the data centre specification put out as part of the tender process. To meet that investment would need to be made into ISO27001 again which the F&G Board have previously agreed should be brought to an end.

c. OPTION 3: Reduce to a single hall in Blaenavon

Description: Replace all environment facilities within a single SRS Data Hall in Blaenavon and move the existing services in Ebbw Vale and Newport to Blaenavon.

Costs: An annual revenue cost of £719,857 and a capital cost of £2,871,522 plus decommissioning costs of £457,700.

Advantages: Puts Blaenavon into a supported position.

Disadvantages: This option would leave the partner services in a single hall in Blaenavon, the hall to be selected, but will require similar work to a shift to an alternative location, i.e. services would need to be moved across halls rather than locations. The level of resilience would need to be discussed as to reduce the capital costs, considerable amounts of the resilience would need to be decommissioned or continue to fund the capital cost for all services supporting the environmental equipment in Blaenavon.

This option does not meet the data centre specification put out as part of the tender process. To meet that investment would need to be made into ISO27001 again which the F&G Board have previously agreed should be brought to an end.

Does one hall in Blaenavon have a long term future? The SRS would advise not and as we move to cloud services, there would not be an ability to flex down the volume of cost. The cost of a hall is the same



whether there are 35 used racks or 10 used racks whereas in a commercial data we only pay for what we consume.

Conclusion: This option continues with higher costs than are required but does meet the supportability. However, the Strategic Board also rejected this option as too high cost in January 2020.

d. OPTION 4: Alternative Provision

Description: Move to an alternative Data Centre

Costs: An annual revenue cost for the four Local Authorities of £550,239 and the OPCC of £266,946 totalling £817,185 for comparison.

There would be a capital cost of £1,442,690 for the four Local Authorities and the OPCC of £810,481 totalling £2,253,171 for comparison, plus decommissioning costs of £610,000.

These numbers are separated out because neither the OPCC nor the SRS currently know with certainty, if the volume of equipment needed for new national systems will fit into the new data centre going into Police HQ or if the extra capacity will be needed.

Advantages: Offers all of the data centre requirements the SRS needs and delivers at a reduced overall cost compared to the current provision.

Disadvantages: There are overlap costs and there is a significant amount of resource required to deliver the project.

e. Recommended Option

The recommended option is therefore option four which is to move to an alternative physical data centre.



5. Commercial Case

a. Procurement Route

The procurement of an alternative physical data centre has been discussed with the appropriate teams through the SRS support services agreement. The advice was to put a specification together and go to market with that specification to see what was available.

During that market testing, it became apparent that there is only one option that the SRS can move to due to the specification requiring a data centre that has the core PSBA network within it. The Head of the PSBA for Welsh Government has confirmed that the only data centre that has this capability is the Next Generation Data Centre (NGD) based in Newport. If the SRS were to advise partners to move to an alternative location that would put the partners into a detrimental position compared to where they are now.

However, there still needs to be a proper process of assessing value for money and fitness for purpose. The SRS provided the data centre specification to the provider and they have completed it as per the process. Appendix three is the full response from the provider.

The location does meet all of the criteria in the specification and more which provides assurance that it could be a suitable location.

b. Value for money

The SRS recognises that a single option is not competitive when seeking a value for money comparison. Therefore a cost was requested from an alternative provider.

The equivalent pricing to be hosted in Manchester and the costs have come in at £875 per rack per month plus power. This is over double the cost from NGD which provides us with assurance that we are receiving value for money.



In addition, we know that SRS Business Solutions, the trading arm of SRS, is charging a higher cost to its current customer base than we will be paying to NGD for our services. This again provides assurance as this was a market test carried out.

c. Decommissioning costs

There are costs associated with the restoration of the facility back to its original state as per the original agreement to occupy with Torfaen of £610,000.

The SRS has had costs worked up for all associated works to return the building back to its original state. However, it is important to note that the decommissioning costs are worst case, they include some items that may not need doing based on agreement with Torfaen and they also do not include the recovery of any monies from the sale of the infrastructure that will no longer be required in Blaenavon, i.e. generators, metals, transformers and so on. All of these items have the potential to reduce the decommissioning costs for the partners.

The Finance and Governance Board has agreed that the decommissioning costs are to be split across the OPCC, Torfaen and Monmouthshire as they are the primary users of the facility and have been for the full ten years.

Therefore, decommissioning costs for anything in relation to the Newport or Ebbw Vale computer rooms will be borne by Newport and Blaenau Gwent respectively in full.

It is also important to note that if any of the partners were to remain in Blaenavon at their request, then they would be picking up the costs of the entire facility in addition to their own costs which also makes any option to remain individually, completely unaffordable.



6. Financial Case

a. Revenue Cost Summary

The below table shows the running costs of the Data Halls (based on current prices) for the three options explored, the current model, collapsing all partner racks into one Data Hall and moving racks to NGD.

<u>Impact to Revenue Costs</u>			NGD		
	Existing	One Hall	LAs	OPCC	TOTAL
-					
Rack Charges	0	0	190,656	105,920	296,576
Maintenance & Support Contracts	401,362	183,000	103,000	80,000	183,000
BG & NCC Computer Rooms**	105,000	-	-	-	-
Shared Building Costs	870,261	536,857	256,857	81,026	337,609
Income	(260,800)				
SRS Controllable Revenue Costs	1,115,823	719,857	550,239	266,946	817,185
Adjust for loss of NWIS income*	206,980	0	-		0
Adjusted SRS Revenue Costs	1,322,803	719,857	550,239	266,946	817,185

*NWIS income will drop out in 21/22

** not part of the SRS budget

b. Revenue Costs of Change (NGD Option)

The move to NGD would be implemented on a phased approach and is expected to take three financial years running from 2021/22 through to 2023/24. Racks will be required at NGD before the Data Halls are fully decommissioned, it is anticipated 15 racks will be required initially rising to 28 by 2023/23 with no racks remaining at Blaenavon.

These additional costs will need to be managed and offset by the savings made in the running costs at Blaenavon. The following table shows the costs of the racks required at NGD offset by the savings from the Data Halls at Blaenavon as the project progresses:



SRS Data Centre Business Case

2020

	2021/22	2022/23	2023/24
NGD COSTS (new racks etc.)	291,022	203,755	367,907
DATA HALL (savings)	(309,598)	(303,038)	(303,038)
	(18,576)	(99,283)	64,869

Overtime costs will be incurred during the transition period and will be funded by the savings identified.

c. One Off Costs Summary

The refresh of equipment is required regardless of any potential move to a new data centre facility.

The following table captures the capital investment required of each option.

ONE OFF COSTS					
Capital Costs					
	Existing	One Hall	LAs	NGD OPCC	TOTAL
Data Centre Infrastructure	2,685,678	734,000	-	-	-
PSBA - replacement equipment	-	-	65,868	49,781	115,649
Shared Network	487,000	487,000	314,000	173,000	487,000
Shared Wifi	142,500	142,500	85,500	57,000	142,500
Shared Firewall	458,022	458,022	277,322	180,700	458,022
Shared Storage	900,000	900,000	600,000	300,000	900,000
Computing	150,000	150,000	100,000	50,000	150,000
TOTAL CAPITAL COST	4,823,200	2,871,522	1,442,690	810,481	2,253,171
Cost of Change					
Decommission Costs (Ty Cyd 1)	0	457,500	406,667	203,333	610,000



d. Capital Sustainability

The equipment required has an expected life of between five and ten years, it would be prudent for partners to build up a capital reserve to fund the future replacement to mitigate substantial Capital outlay. To cover the next 15 years of refresh the partners would need to allocate £397,000 to the capital reserve, this is a split of £61,000 per LA and £135,000 for the OPCC. This reserve can be held either by the partner or the SRS.

The capital replacement costs above provide two further replacement cycles of the infrastructure which is why those costs do not equate to one set of replacement costs.

In addition, Gwent OPCC's costs are higher due to the fact that the infrastructure is Police and cannot be shared.

e. Assumptions

- Number of racks required at NGD are based on SRS engineers assessment.
- Energy Costs at NGD based on current energy costs in Hall 1, Blaenavon
- All other revenue costs based on supplier quotes or existing SRS budget provision
- Assumed partner revenue contributions will remain based on the current funding model until the end of the project.
- Capital costs based on quotations provided by suppliers at a moment in time, these prices can fluctuate.
- Decommission costs based on quotations provided by suppliers in conjunction with TCBC Property Services to ensure the building is reverted to an agreed standard to be returned to TCBC.

f. Risks

Risks applied to the business case finances:

- No consideration has been determined for the effects of Brexit.



- Only those inflationary factors informed in the assumptions have been included, the figures do not take into account any micro or macro economic factors.
- Until the tender is completed there is a risk of unforeseen costs
- No provision is made for ad hoc maintenance required outside of support arrangements.
- Number of racks could be greater than anticipated.
- Delay in hall closures resulting in cost reductions not being realised.
- COVID-19 has had a destabilising effect on supply chains and dollar pricing which all lead to delay and increased cost.

g. Summary and Conclusion

The best option financially would be to significantly rationalise the number of racks and then re-locate to NGD:

- Overall revenue savings of circa £506,000 will be achieved (at today's prices)
- Additional savings can be achieved through an accommodation review.
- No additional revenue contribution will be required to fund the change project, this will be managed from within the existing SRS Controllable budget over the course of the planned 3 year project.
- The capital investment required to relocate to NGD is far less than required to remain in the existing Data Halls. Partners will be required to fund;
 - o £2.3million to move as opposed to £4.8million to remain as the current model.
 - o £610,000 (worst case scenario) decommissioning costs.



7. Management Case

a. Delivery Arrangements

The SRS are delivering:

- the design phase with the Enterprise Architecture team.
- the Project management arrangements: standards, governance arrangements, roles and responsibilities and plans using the Enterprise Architecture TCM for the initial stages.
- Additional project management support may be required as we move through the implementation phases.
- Project assurance (independent and impartial reviews) will be delivered through updates to the SRS Delivery Group.
- Risk management arrangements and plans, including risk register will be managed through the project.
- Contract management arrangements and plans, will be managed via SRS Business Management.
- Additional network, server and application resources will need to be prioritised out of the partner available resource from June/ July onwards. As a Strategic Board agreed strategic priority the SRS assumes this will not be an issue.

b. Delivery Timeline

The timelines for delivery are shown across figures 6 to 10 and they describe the move for each partner to the new alternative location based on the information currently available to the SRS.



The starting position is shown in figure 7.

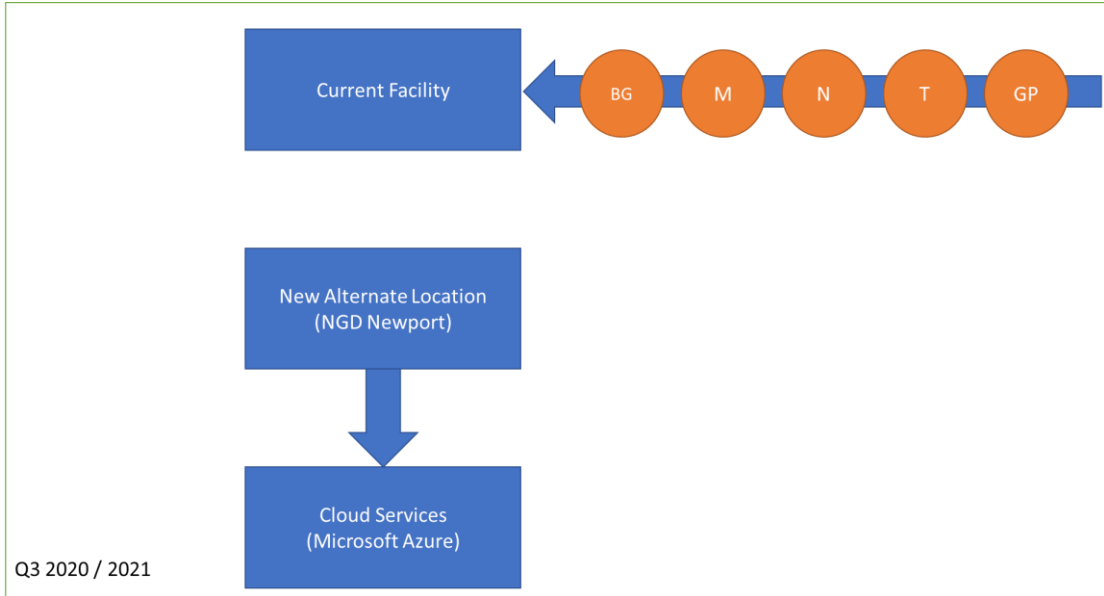


Figure 7 Partner Data Centre Location Q3 2020/21

Figure 8 shows a new shared infrastructure implemented into NGD and the first two partners moving across to the new facility, currently planned as Torfaen and Monmouthshire due to the existing level of sharing.

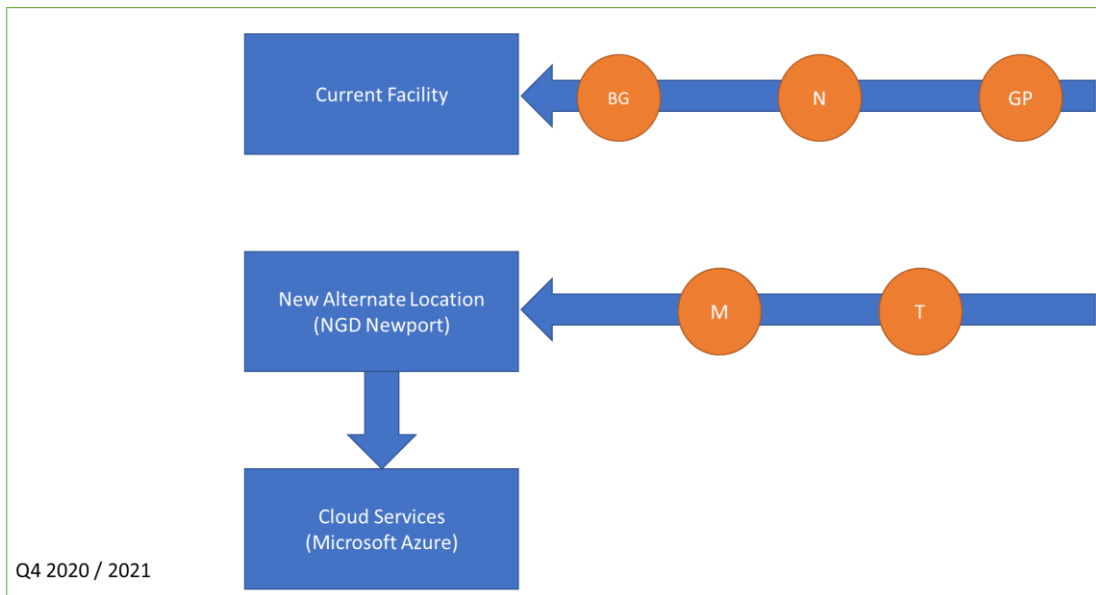


Figure 8 Partner Data Centre Location Q4 2020/21



Figure 9 shows an additional partner moving across to the new facility, currently planned as Blaenau Gwent.

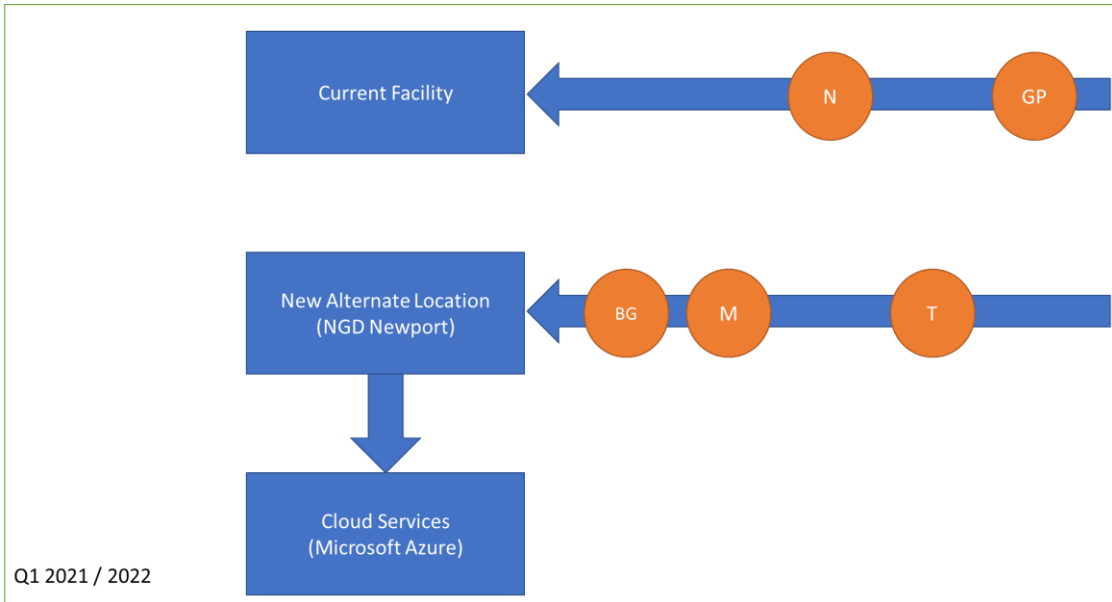


Figure 10 Partner Data Centre Location Q1 2021/22

Figure 9 shows an additional partner moving across to the new facility, currently planned as Newport.

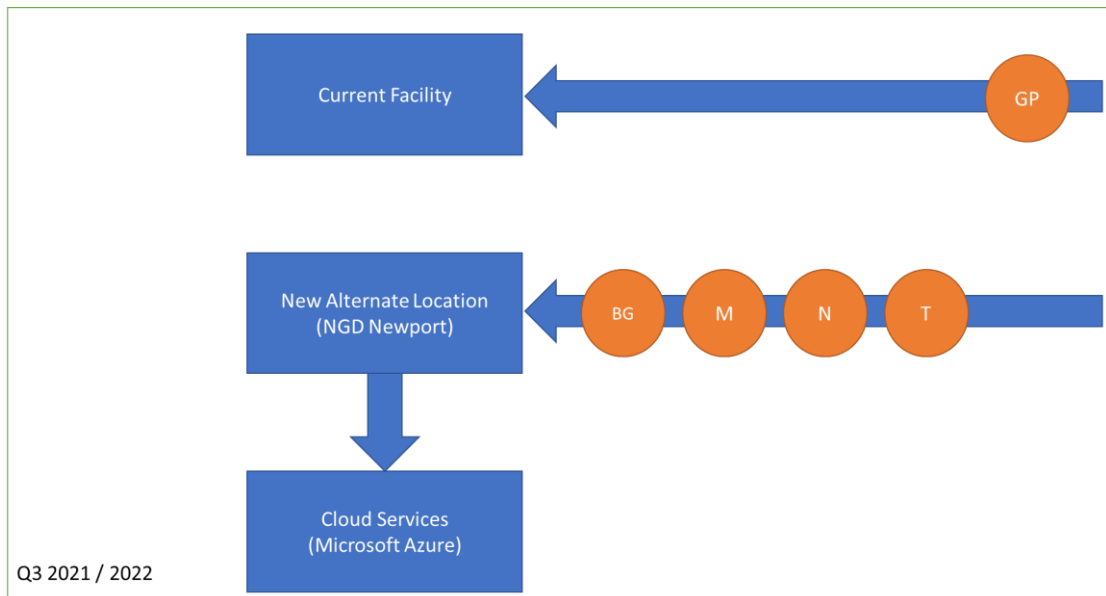


Figure 9 Partner Data Centre Location Q3 2021/22



Figure 11 shows the final partner moving across to the new facility, currently planned as Gwent OPCC to align with the new HQ work, this may not be required if all of the Gwent OPCC capacity can be housed into the new HQ.

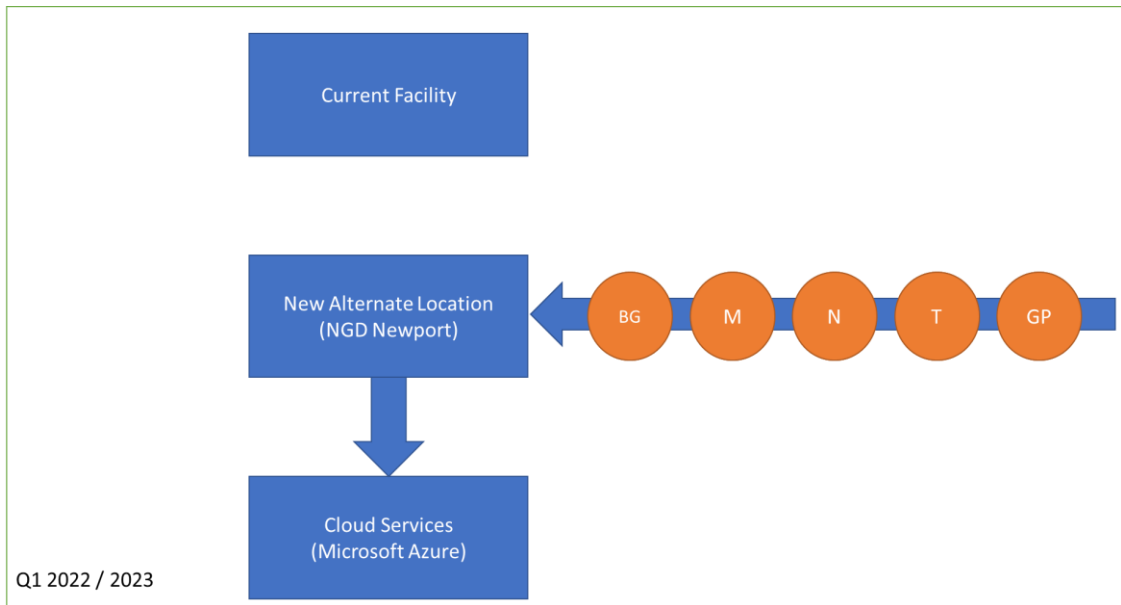


Figure 10 Partner Data Centre Location 2022/23

c. Main Benefits

This section will seek to inform of the major benefits and major disbenefits of the various options.

- No capital requirement for the items that are described earlier in the paper, these are items included in the rack rental charges quoted by NGD.
- All risks around data centre provision are backed off to a provider who is the expert in the market.
- Telecomms providers flock to hyper scale data centres and choices would be available to us that simply do not exist today.



- The providers also offer agile working spaces for staff to be located close to the equipment. These working spaces are at a much lower cost than our current costs.
- Sharing of centralised infrastructure costs across partners requiring less investment overall moving forward.

d. Main Risks

The Business Case will describe the major risks currently associated with each partner's provision and why a decision is required at this time.

- SRS's current data halls are 10 years old and require the environmental facilities to be replaced. Without this being done there is a high risk of the ICT equipment failing due to the underlying environmental facilities (i.e. Air Conditioning Unit) failure.
- The upheaval around transition time from SRS Blaenavon to an alternative location will create issues around availability and performance for a short period.
- Operating costs at an alternative location could increase over time and would need to be locked in through a procurement exercise.
- There will be decommissioning costs that Torfaen would expect the SRS to pay to return the building to a state is able to market. That would mean removing all the internal data halls and the external generators etc.

e. COVID-19 Risks

COVID -19 has created many complicating factors in this work, including the below, however there will be unknown issues relating to COVID-19 that we are yet to understand:

- Dollar rate fluctuations are occurring by the day and prices keep changing.



- Nightingale installations take priority over business as usual for many suppliers which has created delay in costing and design work and will continue to do so.
- The PSBA stopped work on business as usual (BAU) in March and only recently started accepting BAU work again which has delayed our costings and design work.
- The firewall supply chain has dried up and the costs have increased considerably, probably due to the considerable reliance on remote and home working since March 20th.
- The social distancing measures will undoubtedly cause complications in the implementation phases of the work.

f. Constraints

There are certain constraints on the selection of an alternative physical data centre:

- Any alternative location must have PSBA core network backbone access
- In a location that is easy accessible to SRS staff and minimise the amount of travel time when day to activities are required within the data centre location.

These constraints have led to a single location and provider being the only option.

g. Dependencies

There are dependencies for this work which include:

- The resources required to move the work forward will start to need to be prioritised within partner resource, one network person in the Enterprise Architecture function is not enough capacity.



- The previous decision by the Strategic Board in January 2020 concerning surplus will need to be supported in order to fund the work or the costs will fall to partners on an annual basis.

h. Critical Success Factors

Reduced operating costs

- Remove the need for increase/additional capital funds for replacing the existing environment facilities at SRS's Data Centre in Blaenavon
- Transition from the existing data centre to the alternative location
- Minimal duration for transition of ICT services between the two locations
- Minimise the running costs of having two data centre running during transition
- Minimise disruption for the partners. Though it must be noted that there will be a period of time when services will be unavailable during transition.



8. Summary recommendations

The summary of the recommendations are:

- Option four is agreed as the recommendation for the Strategic Board to select.
- Next Generation Data (NGD) are agreed as the single supplier as a result of the business case specification of requirements.
- That Torfaen, Monmouthshire, Newport and Blaenau Gwent commit to the funding model agreed by the Finance and Governance Board of equal costs of the shared infrastructure.
- That the OPCC commits to the funding model of Police only for their infrastructure, if after HQ is completed, data centre space is still required.

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SRS Date Centre Business Case - MCC resource implications

1. Revenue Savings to be achieved over the Medium Term.

	Year 1 2021-22	Year 2 2022-23	Year 3 2023-24	Year 4 2024-25	Year 5 2025-26
REVENUE					
<i>Shared Costs</i>	101,572	103,603	105,676	67,522	68,872
<i>Rack Rental</i>	0	0	0	21,918	22,598
<i>Energy for Racks</i>	0	0	0	29,773	32,750
<i>New Maintenance Contracts</i>	25,750	26,265	26,790	27,326	27,873
Total Revenue	127,322	129,868	132,466	146,540	152,093
FUNDED BY:					
<i>Funding in MTFP</i>	(101,572)	(103,603)	(105,676)	(107,789)	(109,945)
<i>Closure of Building</i>	0	0	0	(20,000)	(20,400)
<i>Contract and PSBA Savings</i>	(53,289)	(54,355)	(55,442)	(56,551)	(57,682)
TOTAL FUNDING	(154,861)	(157,958)	(161,117)	(184,340)	(188,027)
Anticipated Saving	(27,539)	(28,090)	(28,652)	(37,800)	(35,933)

2. Capital Contribution that will be required.

	Year 1 2021-22	Year 2 2022-23	Year 3 2023-24	Year 4 2024-25	Year 5 2025-26
CAPITAL					
EQUIPMENT	361,000	0	0	0	0
DECOMMISSIONING COST	203,333	0	0	0	0
TOTAL CAPITAL INVESTMENT	564,333	0	0	0	0
CAPITAL PLANNING CONTRIBUTION	60,991	60,991	60,991	60,991	60,991

3. Capital Cost Avoidance**CAPITAL COST AVOIDANCE**

	SRS Model	NGD Model	Variance
- Equipment	361,000	361,000	0
- Data Centre Infrastructure	537,136	0	(537,136)
- Decommissioning Costs	0	203,333	203,333
	898,136	564,333	(333,803)

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MONMOUTHSHIRE COUNTY COUNCIL

**Minutes of the meeting of County Council held
at Remote Meeting on Thursday, 10th September, 2020 at 2.00 pm**

PRESENT: County Councillor S. Woodhouse (Chairman)
County Councillor S.B. Jones (Vice Chairman)

County Councillors: 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, R. Harris, J. Higginson, G. Howard, S. Howarth, R.John, D. Jones, L.Jones, P. 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 and A. Webb

OFFICERS IN ATTENDANCE:

Matt Phillips	Head of Law/ Monitoring Officer
Paul Matthews	Chief Executive
Peter Davies	Chief Officer, Resources
Will McLean	Chief Officer for Children and Young People
John Pearson	Local Democracy Manager
Nicola Perry	Senior Democracy Officer
Frances O'Brien	Chief Officer, Enterprise
Matthew Gatehouse	Head of Policy and Governance

APOLOGIES:

County Councillors P. Clarke, L. Guppy and K. Williams

1. Declarations of interest

None.

2. To elect a Chairman of the County Council for the Civic Year 2020/21

Council observed a minute silence in respect of those affected by the COVID 19 pandemic and the passing of MCC colleague Alan Browne and former Lord Lieutenant of Gwent, Sir Simon Boyle.

Monmouthshire County Council has been awarded a Gold Award by Wales and West Midlands Reserve Forces & Cadets Association. This award is in recognition of the ongoing support given by Monmouthshire County Council to our Armed Forces. The Chairman offered a special thank you to our Officer Joe Skidmore of the Community and Partnerships Team, and Armed Forces Champion Cllr. Laura Jones MS.

The Leader addressed Council and, on behalf of the Council, thanked County Councillor Woodhouse for her year in office, and reflected on the work and achievements of the Chairman.

It was proposed by County Councillor P. Fox, and duly seconded by Councillor P. Murphy, that County Councillor S. Woodhouse be elected, and remain as Chairman of Monmouthshire County Council for the Civic Year 2020/21. Upon being put to the vote it was unanimously agreed to elect Councillor Woodhouse as Chairman.

County Councillor S. Woodhouse made and signed the Declaration of Acceptance of Office.

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of County Council held at Remote Meeting on Thursday, 10th September, 2020 at 2.00 pm

Councillor Howarth endorsed the comments of the Leader, adding that Councillor Woodhouse is well respected and has led our Council well through this difficult period.

3. To appoint a Vice-Chairman of the County Council for the Civic Year 2020/21

It was moved by County Councillor R. Greenland and seconded by County Councillor P. Jordan that County Councillor B. Jones remain as Vice Chairman of the County Council for the Civic Year 2020/21.

Upon being put to the vote it was resolved that County Councillor B. Jones be appointed as Vice Chairman.

County Councillor Jones made and signed the Declaration of Acceptance of Office.

The Vice Chairman thanked Members for their support.

4. Public Questions

None.

5. Receipt of petitions

None.

6. To elect the Leader of the Council and to receive notification of Leader delegations (appointments to the Cabinet)

County Councillor R. Greenland moved that County Councillor P. Fox be elected as Leader of the Council. This was duly seconded by County Councillor P. Murphy.

There were no further nominations and upon being put to the vote it was resolved that County Councillor P. Fox be elected as Leader of the Council.

Councillor Fox expressed thanks to Council for his re-election and took the opportunity to thank Cabinet colleagues for their work over the previous year. He advised that there were no changes to Cabinet delegations.

7. Representation of Political Groups

The Leader presented the report as Council is required to review at, or as soon as practicable after, the Council's annual meeting, the representation of different political groups on the bodies to which the Council makes appointments.

Upon being put to the vote Council resolved to accept the recommendation:

To accept the report (and appendices) as a review under Section 15 of the Local Government and Housing Act 1989 and to initially allocate ordinary committees with the numbers as indicated below as a fair representation:

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of County Council held at Remote Meeting on Thursday, 10th September, 2020 at 2.00 pm

Committee	Con	Lab	Lib Dem	Ind Gp	Ind
Select (x 5) (9)	26	9	3	6	1
Licensing & Regulatory (12)	7	3	1	1	0
Planning (16)	9	3	1	2	1
Democratic Services (12)	7	3	1	1	0
Audit (11) note – this excludes 1 lay	7	2	1	1	0
Aggregate Entitlement (96)	56	20	7	11	2

That the 2 Planning Committee seats allocated to the Independent Group continue to be filled by representatives of the Conservative and Labour Groups only with the permission of the Independent Group Leader.

8. Appointments to Committees

The Leader presented a report to appoint committees, together with their membership and terms of reference in accordance with the Council's Constitution.

Council resolved to accept the committees as recommended in the report.

To elect a Chair of Democratic Services Committee County Councillor S. Howarth nominated County Councillor D. Jones, seconded by County Councillor D. Blakebrough. County Councillor D. Batrouni nominated County Councillor M. Groucutt, seconded by County Councillor A. Easson.

Upon being put to the vote County Councillor D. Jones was elected as Chair of Democratic Services Committee.

9. Appointments to Outside Bodies

Council received the report to appoint representatives to serve on outside bodies.

Amendments were made as follows:

- County Councillor R. Greenland removed from Education Achievement Service, replaced by County Councillor P. Murphy.
- County Councillor L. Brown added as local member to Pratts Charity.
- Monmouthshire Sportlot Community Chest Committee no longer exists – remove from list.
- Brecon Beacons National Park now 1 member – County Councillor A. Webb

We heard that Monmouthshire Housing Association is undergoing a restructure of its board and will be reappointing new board members on a skills basis. It is proposed that there will be a political and tenants committee to sit below the board. Further information will be received in due course.

Upon being put to the vote Council resolved to approve the recommendation:

That the Council make appointments to the outside bodies set out in the attached schedule, with the exception of joint committees listed in Category B, which are Cabinet appointments.

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of County Council held at Remote Meeting on Thursday, 10th September, 2020 at 2.00 pm

10. Audit Committee Annual Report

Mr. Phillip White, Chair of Audit Committee presented the Audit Committee Annual Report 2019/20. The report showed how the Committee had fulfilled its role as defined by the terms of reference.

The report was seconded by County Councillor Higginson and accepted by Council.

11. To confirm the minutes of the meeting of County Council held on 16th July 2020

The minutes of the meeting held on 16th July 2020 were confirmed and signed by the chair.

The meeting ended at 3.05 pm