

**PLEASE NOTE THAT THERE WILL BE A PRE-MEETING FOR MEMBERS OF THE ADULTS SELECT COMMITTEE AT 9.30AM IN THE COUNCIL CHAMBER.**

County Hall  
The Rhadyr  
Usk  
NP15 1GA

9<sup>th</sup> December 2014

**Notice of Special Meeting:**

**Adults Select Committee**

**Wednesday 17<sup>th</sup> December 2014 at 10.00am  
The Council Chamber, County Hall, The Rhadyr, Usk NP15 1GA**

**AGENDA**

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

Item No	Item
1.	Apologies for absence.
2.	Declarations of Interest.
3.	To scrutinise the draft Capital Budget Proposals 2015/16 to 2018/19 (copy attached).
4.	To scrutinise the Budget Proposals 2015/16 to 2018/19 (copy attached).
5.	To scrutinise the service area budget mandates as follows (copies attached):  (i) Mandate 2 – Collaboration of Housing & Community Services. (ii) Mandates 33 & 34 – Revised Adult Social Care Service Transformation.

<b>6.</b>	To scrutinise the Whole Authority Risk Log (copy attached).
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**Paul Matthews,  
Chief Executive**

# Adults Select Committee

## County Councillors:

R. Chapman  
R. Edwards  
P.S. Farley  
R.G. Harris  
M. Hickman  
P. Jones  
P. Jordan  
P.A. Watts  
A.M. Wintle

## Co-opted Members:

D. Hill  
D. Hudson

## Sustainable and Resilient Communities

### Outcomes we are working towards

#### **Nobody Is Left Behind**

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

#### **People Are Confident, Capable and Involved**

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

#### **Our County Thrives**

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

### Our priorities

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

### Our Values

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

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



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

**MEETING: Adults Select Committee**

**DATE: 17<sup>th</sup> December 2014**

**DIVISION/WARDS AFFECTED: Countywide**

**1. PURPOSE:**

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

**2. RECOMMENDATIONS:**

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

**3. RECOMMENDATIONS AGREED BY CABINET ON 5<sup>TH</sup> NOVEMBER 2014**

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

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

#### 4. KEY ISSUES:

##### **Capital budget strategy**

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

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

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

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

##### **Capital MTFP update**

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

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

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

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

#### 4.4 **Issues for the underlying programme**

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

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

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

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

## 21<sup>st</sup> Century Schools

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

### Available capital resources

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

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



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

## **5. REASONS:**

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

## **6. RESOURCE IMPLICATIONS:**

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

## **7. EQUALITY AND SUSTAINABILITY IMPLICATIONS:**

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

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

**8. CONSULTEES:**

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

**9. APPENDICES:**

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

**10. BACKGROUND PAPERS:**

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

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## Appendix 1A - Anticipated Capital Pressures

### Current Pressures

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

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

**Sub Total Current Pressures**

**6,733,000**

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

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

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

## Appendix 1B - Predicted Issues List

Area	Background	Forecast Cost if known
<b>Usk community Hub</b>	Cabinet report going in December 14 – Awaiting figures from Prop Services & SRS – Refurbishment costs	0
<b>Monmouth Pool</b>	Monmouth Pool – Recent report indicated options for members. Preference was to replace the pool, with a 4 lane 25 metre pool , subject to finalisation of budget costs and funding streams linked to 21st century schools	4,000,000
<b>Cycle track</b>	The site at Gilwern wasn't suitable due to ecology issues in the national park and the need to use flood lights etc. Alternative sites will be considered if appropriate. Gilwern report 6/11/13 - was for £150k from Sports Wales, £120k S106 funding, £50k from Leisure budget and £150k Invest to save.	0
<b>Energy Efficiency schemes</b>	Solar farm project requires member and Planning support - estimate Nov 14 Cabinet – proposal to be funded initially from borrowing (£5.7m cost), but ultimately self financing from feed in tariff to provide net saving in time.	0
<b>Accommodation rationalisation including J block</b>	Rationalisation of property portfolio to include remodelling of J Block, Usk - Lease extension to Coleg Gwent until Dec 2016. Once building empty, 9 month refurbishment before move in (sep 17) which will require capital investment.	0
<b>Car parking strategy – Rockfield road £250k</b>	Cabinet report 3/9/14 - proposed that a report go to Council to invest capital budget to include Rockfield Road £250,000 subject to final agreement of charging policy	250,000
<b>Outdoor education strategy</b>	A review of the service is ongoing looking at increasing revenue opportunities and also if the current three site approach is suitable for future delivery. If the conclusion of the report is close a facility, capital money will be required to develop facilities on remaining sites. The review is at an early stage. If combined 3 buildings into one, could free up a site and maybe generate a capital receipt; Will have completed review by Dec 14 ;	0
<b>ALN strategy</b>	Mandate 35 of the MTFP 14/15 outlines a review of current ALN service to ensure integration and streamlining the current service offer and may require capital investment	0
<b>Depot rationalisation – transport</b>	As it currently stands – Transport will not be requiring any capital monies. Transport Manager is working on a report to rent premises and bring PTU buses in house for servicing which will help cover the additional cost of the premises. A new fitting shop is becoming essential for Caldicot. Presently considering a site which would need around £25k capital set up costs	25,000
<b>Cultural services strategy</b>	Currently the service is exploring future delivery options including trust status. Part of the work will involve conditions surveys which may lead to capital works being required. Included:- e.g. museums, Shire hall, Abergavenny castle, Old station Tintern, Caldicot castle; Have requested £30k from Cabinet to undertake the review (15/10/14);	1,000,000
<b>Cemeteries</b>	Monmouth Cemetery closed; A new north of county cemetery is regarded as low priority. Cabinet recommended that SCOMM Select look into this further.	0
<b>Business Growth &amp; Enterprise Strategy</b>	The 'draft' strategy is currently out for consultation and we will be looking to bring the final report back through Cabinet in November 14. There are potential capital expenditure requirements in the following areas.	1,050,000
<b>Business Growth &amp; Enterprise Strategy</b>	Loan finance, potentially as match funding alongside crowdfunding. Business Hubs – working with Estates to identify appropriate space that would allow the Authority to develop Business hubs in our key towns. This will require a business case to come through.	5,000
<b>SRS</b>	Similarly there is work ongoing with the SRS. We are putting a commissioning document in place that outlines what we require from the SRS going forward. This is being informed by a market testing exercise that is being done. This will then result in SRS providing clarity on what this means, not just in ongoing revenue terms, but also in terms of medium term capital implications.	0

<b>People Strategy</b>	A revised People and Organisational Development Strategy has been taken through Cabinet. There is some work to do on our HR systems and processes. From this it is envisaged that there may well be investment needs that are required which of course would feed through Digital Board.	0
<b>Children's Services Contact centres</b>	Capital required for adaptation of buildings for occupation.	0
	<b>Funding Sources</b>	
<b>Low cost home ownership / Castlewood</b>	Castlewood, Usk portfolio owned by MCC and Low cost Home ownership (or Homefinder) originally funded by WAG are not considered to be part of our core service provision. Options being considered around sale or passporting to housing provider to see which best fits service needs and capital receipt generation. It will be a few months - end 2014 start 2015 before this is addressed and options evaluated more fully	0
<b>Section 106</b>	S106 - The restriction on this funding source is that it has to be spent in the locality of the development by the relevant service. The key service managers - Leisure, Traffic & transport, Infrastructure and Education have been consulted to look for opportunities to use the S106 monies strategically. Much has specific uses such as children's play & highways infrastructure money. Some traffic & transport monies have historically been combined into larger projects. The Education contributions could be considered for use in Future schools programme.	0
<b>CIL</b>	Council resolved to move forward with implementation of a CIL (Community Infrastructure levy) in July 13; A preliminary draft charging schedule will be taken to council Nov 14; Expected adoption following consultation and approval by external inspector. Some CIL will replace S106 contributions although some e.g. Local play or infrastructure critical for a development will remain S106. The items on which the Council intends to spend CIL funding would need to be specified in a 'Regulation 123 list' (revised according to need). This should be items necessary to implement the LDP and can include more general 'place-making' schemes that support the growth proposed in the LDP. At present, it is being suggested that the Reg.123 list includes sustainable transport improvements, upgrade/provision of broadband connectivity, town centre improvements, education, strategic sports/adult recreation facilities and green infrastructure, but this is for the Council to establish according to its priorities. Only sites subject to planning permission after the commencement of CIL (July 15) will be liable for CIL. CIL has had to be limited on non residential as could threaten developments going ahead. Predicting sums is <b>extremely</b> difficult due to predicting development sites/no of & size of houses/ timing of developments and payments/delay in implementation of CIL etc. Of sums collected 15% has to be spent in conjunction with local community councils; of the remainder, it often replaces S106 sums received - so not additional.	0

**Total**

**6,330,000**



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

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

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

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

## Appendix 8

## The “Equality Initial Challenge”

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

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

**Signed Joy Robson Designation Head of Finance**

**Dated 28<sup>th</sup> Oct 2014**

## EQUALITY IMPACT ASSESSMENT FORM

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

### 1. What are you proposing to do?

Present capital budget proposals for consultation

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

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

3. Please give details of the negative impact

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



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

There has been no significant change to the programme

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

### The “Sustainability Challenge”

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

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

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

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

➤	➤
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## The next steps

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

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

**Signed Joy Robson**

**Dated 28/10/14**

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

<b>REPORT:</b>	Capital Budget Proposals 2015/16 to 2018/19
<b>AUTHOR:</b>	Joy Robson
<b>MEETING AND DATE OF MEETING:</b>	Adults Select Committee – 17 <sup>th</sup> December 2 014

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

**Exemptions applying to the report:**

Information relating to specific assets values of tenanted properties.

**Factors in favour of disclosure:**

Provides information on assets the Authority is proposing to sell.

**Prejudice which would result if the information were disclosed:**

Prejudice negotiations with tenants of County Farms.

**My view on the public interest test is as follows:**

Outweighed by need to exempt.

**Recommended decision on exemption from disclosure:**

To apply exemption.

Date: 14/11/14

Signed: *J Robson*

Post: Head of Finance

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I accept/do not accept the recommendation made above.

*Paul Matthews*  
\_\_\_\_\_  
Proper Officer

Date: 14/11/14



**SUBJECT: BUDGET PROPOSALS 2015/16 to 2018/19**

**MEETING: ADULTS SELECT COMMITTEE**

**DATE: 17<sup>TH</sup> DECEMBER 2014**

**DIVISION/WARDS AFFECTED: All**

**1. PURPOSE:**

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

**2. RECOMMENDATIONS:**

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

**3. KEY ISSUES:**

**Background**

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

presented ranging from reductions in Aggregate External Finance (AEF) of -3% to -4.5% over the 4 year period causing gaps of between £8.1 million and £13.5 million.

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

## **Pressures**

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



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

**Table: Summary position of MTFP**

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

### MTFP Strategy

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

and what the future shape of the Authority needs to look like in the light of the emerging financial position.

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

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

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

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

<b>Proposal</b>	<b>Link to Priority Areas / Single Integrated Plan</b>	<b>Link to Whole Authority Risk assessment</b>
Schools budgets have been protected at 2014/15 levels, with a small reduction representing falling pupil numbers	Direct Spending in schools is maintained People are Capable, confident and Involved Our County Thrives	Budget proposals are mindful of the risk around children not achieving their full potential
The revenue impact of capital investment in the future schools programme has been factored into the plan. When this is taken into account the schools budget will meet the protection target required by Welsh Government	Direct Spending in schools is maintained People are Capable, confident and Involved Our County Thrives	An assessment of the risks around the timing and value of capital receipts has been undertaken in the capital budget proposals
Social care budgets will see additional resources	Services to protect vulnerable people	These proposals seeks to address the risks around

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

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

### **Public Engagement**

3.13 Since the September report, further work has been completed on the savings areas originally identified in the MTP and many of the savings have been extended where possible. Cabinet have considered the views coming from the Public engagement sessions.

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

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

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

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

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

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

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

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

- Planning and Building Control (5%)

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

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

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

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

### **Savings Targets**

- 3.16 It is recognised that more emphasis has been put on the 2015/16 proposals and figures in order to set the budget and close the gap for next year. The individual proposals are outlined in Appendix 4 and have been through an initial equality challenge, the results of which are linked to each proposal. The shaded columns in the appendix include the revised savings targets following the most recent review. The main headlines are:

- Holding funding for schools constant, whilst adjusting funding in relation to falling pupil numbers
- Challenging targets for Leisure and cultural services
- Blending council services such as libraries and OSSs into one venue in each town
- Managing the increasing demand for social care by increasing the capacity for people to sustain independent lives within their own communities
- Enabling children with additional learning needs to have those needs met as far as possible within Monmouthshire schools
- Reducing spend on highways maintenance and waste collection services

- 3.17 Welsh Government is continuing to seek protection for education budgets in 2015/16 at 0.6%. The authority has more than met its target in this respect in previous years, see Appendix 2, and for 2015/16 is protecting funding at cash flatline (taking account of reducing pupil numbers).

- 3.18 Work is continuing on the need to address the longer term issue of a reducing resource base. It is expected that further mandates and business cases outlining the detail to address the savings targets in the latter years of the MTFP will continue to be worked up and submitted for scrutiny through select committees. This will ensure that the work

needed to balance the MTFP is undertaken now in order to deliver savings in the later years of the plan. This longer term plan will need to link closely with the work on the corporate Improvement Plan, so that the new shape of the Authority and its performance expectations are matched with the expected resource base for delivering services.

### **Impact of Capital MTFP**

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

### **Council Tax**

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

### **Summary position**

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

### **Reserves strategy**

- 3.23 Earmarked reserve usage over the MTFP is projected to decrease the balance on earmarked reserves from £13.2 million at the start of 2014/15 to £7.4 million at the end of 2018/19. Taking into account that some of these reserves are specific, for example relating to joint arrangements or to fund capital projects, this brings the usable balance down to £5.9 million.
- 3.24 Whilst every effort will be made to avoid redundancy costs and the Protection of Employment policy is used to ensure redundancy is minimised, it is expected there may be some that are inevitable and reserve cover may be required for this, possibly in the region of £500,000 per year. Over the MTFP this could require £2 million reserve funding cover, if services are unable to fund the payments from their budgets.

- 3.25 The volatility of the Children's social services budget is going to be supplemented for 2015/16 with further funding, however if it is proposed to earmark the Priority Investment Reserve for next year to cover further pressures if they are not able to be contained.
- 3.26 The resulting impact on earmarked reserves would be to take the usable balance down to below £4 million at the end of the MTFP period.

### **Next Steps**

- 3.27 The information contained in this report constitutes the budget proposals that are now made available for formal consultation. Cabinet are interested in consultation views on the proposals and how the remaining gap over the MTFP may be closed. There is therefore a further opportunity for Members, the public and community groups to consider the budget proposals and make comments on them. Cabinet will not however, be prepared to recommend anything to Council that has not been subject to an EQIA and therefore a deadline to receive alternative proposals has been set as 14<sup>th</sup> January 2015.
- 3.28 Public engagement sessions (to include the formal requirement to consult businesses) and Select Committee Scrutiny of Budget proposals, will take place in first 2 weeks of December 2014. The scrutiny of and consultation on the budget proposals are key areas of this part of the budget process. The following dates have been set of the Select committees and work is continuing on providing dates for public consultation in the same timescales:
- 4<sup>th</sup> Dec 2014 10am Economy and Development  
10<sup>th</sup> Dec 2014 2pm CYP  
11<sup>th</sup> Dec 2014 10am Strong Communities  
17<sup>th</sup> Dec 2014 10am Adults
- 3.29 The aim this year has been to establish the 2015/16 budget proposals and make progress earlier than in previous years so that slippage can be reduced and the next 3 years of the MTFP can also be worked on. Hence this budget report is a month earlier than last year. To that end it is proposed that the consultation timetable is also brought forward. The consultation will end on the 14th January 2015 to enable Council to consider the responses and approve final budget proposals on 22<sup>nd</sup> January 2015. Formal Council Tax setting will still take place at full Council on 26<sup>th</sup> February 2015 once the Police precept and all the Community Council precepts have been notified.

### **4. REASONS:**

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

### **5. RESOURCE IMPLICATIONS:**

As identified in the report and appendices

### **6. SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS:**

The equality impacts of each individual saving proposal have been initially identified in the assessment and are linked to the saving proposal document. No significant negative impact has been identified. Further consultation requirements have been identified and are on going. Further assessment of the total impact of the all the proposals will be undertaken for the final budget report.

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

**7. CONSULTEES:**

SLT  
Cabinet  
Head of Legal Services  
Head of Strategic Personnel

**8. BACKGROUND PAPERS:**

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

**9. AUTHOR:**

Joy Robson  
Head of Finance

**10. CONTACT DETAILS:**

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## Appendix 1 – Response to Welsh Government on the Provisional Settlement

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

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

Dear Ms. Smith,

### Re: Provisional Local Government Settlement 2015/16

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

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

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

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

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

On capital account, the settlement does not address the previous reductions in capital funding and is still therefore a serious concern, especially as it comes at a time when councils are struggling to raise capital receipts from asset sales. It is not useful for service and financial planning purposes that no indicative capital settlements have been made in the provisional settlement. The need to invest in priority areas such as 21<sup>st</sup> Century Schools, waste management, carbon reduction and infrastructure remains high, with WG support remaining a critical success factor.

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

**Yours sincerely,**

**Councillor Philip Murphy – Cabinet Member**

## Appendix 2

### Education protection

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

*Draft*

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



## Appendix 4 Summary list of budget savings

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

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

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

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



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

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

# 2 Collaboration of Housing & Community Services

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

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

## Document Control

Version	Date	Status (draft, approved, signed off)	Author	Change Description
1	16.10.14		Ian Bakewell	

## Approval

Cabinet sign off to proceed with proposal		Date	
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## Distribution List

Name	Organisation	Job title / Dept

## Executive Summary

Needs to include:

- A summary of the Vision and Outcomes
  - Why the proposal is being developed
  - The threats and opportunities that the project is designed to address
  - Summary description of the future state and the current state and an analysis of the gap between the two (Blueprint)
- Summary of the recommended Solution – including
  - Benefits to be realised, savings and costs
  - The return on investment for the recommended option if relevant
  - Significant risks, issues, constraints and assumptions
  - Results of Equality Impact Assessment

## Detailed Business Case

### Vision

Use this section to set out a compelling picture of the future that this proposal will enable. This should include the new/improved or reduced services, how they will look and feel and be experienced in the future. Explain how the vision ties into the strategic purpose of the organisation, (Single Integrated Plan, Improvement Plan, Your County Your Way etc) and fits with other initiatives. Explain how the proposal addresses any treats or opportunities.

This proposal has three distinct strands that contribute to the strategic purpose of the Council. These are as follows:

### Housing Options Team

- The vision is a new joint Housing Solutions Service that operates across Monmouthshire and Torfaen. A specific aim and business need of the new service will be to increase resilience and capacity to deal with an anticipated demand arising from the introduction of a new statutory duty to prevent homelessness from 1<sup>st</sup> April 2015. This proposal and structure for delivering the new service was approved by Cabinet on 15<sup>th</sup> October 2014. A further aim is to develop an available stock of housing accommodation in the private sector to increase

housing options in both Counties, which again supports the business need to prevent homelessness and reduce the use of B & B. The service will be marketed and promoted as a housing advice service for all residents. However, the service will particularly support and provide a safety net for vulnerable households who are at risk of homelessness or actually homeless. Another proposed feature of the service is to establish a structure to facilitate a customer led approach.

This proposal will contribute to the vision, Resilient and Sustainable Communities, of the Single Integrated Plan and supports the Council's priority to protect the Vulnerable People.

This proposal is facilitating the deletion of the Senior Housing Officer Options Post and a reinvestment of a proportion of the budget into front-line service improvement and the creation of a Housing Support post which will focus on homeless prevention activity such as financial inclusion, as approved by Cabinet on 15<sup>th</sup> October 2014. This releases **salary savings of £13,334**.

- As part of establishing the new Housing Solutions Service, a key accommodation resource and housing option available to help increase homeless prevention is the Council's Shared Housing & Lodging Scheme. This currently has 21 units. On the basis of existing and future anticipated demand, it is recommended the scheme be expanded to strengthen the Council's ability to prevent homelessness and help meet the pending statutory duty which will commence in April 2015. Due to the management of the current scheme being at capacity, it is recommended that a part/time fixed term appointment be made to support the management of the scheme whilst it is being grown. The growth of the scheme (and allowing for the costs of a part-time fixed term post until September 2015) will facilitate **income generation of £20,000**. A positive impact of the scheme is a reduction in the need to use B & B accommodation. This, therefore, will facilitate a **saving of £6,522**.

This proposal will contribute to the vision, Resilient and Sustainable Communities, of the Single Integrated Plan, supports the Council's priority to protect Vulnerable People and it supports the Council's Improvement Objective to be an efficient, effective and sustainable organisation

#### **Housing Renewal Team**

- The Housing Renewal Manager, who manages disabled adaptations and the Careline service, has recently requested flexi-retirement. Due to the introduction of more efficient working methods the opportunity exists to facilitate the request and reduce the post to a 0.8 w.t.e. without any detrimental impact upon service provision. This will generate **salary savings of £9,944**.

This proposal does not impact upon the on-going delivery of disabled adaptations and the provision of the Careline Service, both services of which will continue to contribute (through supporting independent living) to the vision, Resilient and Sustainable Communities, of the

Single Integrated Plan, it supports the Council's priority to protect Vulnerable People and supports the Council's Improvement Objective to be an efficient, effective and sustainable organisation

### Careline

- It is considered that the Careline Service continues to provide a suitable business model to continue developing and building upon to generate surplus income for the Council. The Careline Service has an established client base which typically remains constant, although there has been a slight decline in client numbers. Although the service successfully recruits 40-50 new clients per quarter, a similar number leave the service due to death or moving to alternative accommodation for support. The priority, is to continue marketing the service using a range of methods and more commercial techniques to raise awareness of the scheme and its benefits. The previous Housing mandate required £15,000 income generation through the growth of the client base. As the client base has continued to remain broadly static, but nevertheless financially viable, it is proposed that the £15,000 be revised to **£5,000 income generation**. However, combined with the reduction of the management costs relating to the Housing Renewal Manager mentioned above, the total contribution to the budget mandate in respect of Careline is £9,972.

This proposal will contribute to the vision, Resilient and Sustainable Communities, of the Single Integrated Plan and supports the Council's priority to protect Vulnerable People

### Outcomes

Briefly articulate the outcomes that the proposal is expected to achieve. You need to think about how these will be measured as this will be the key to identifying what success looks like and being able to assess whether we have achieved what we set out to achieve. These are the 'What Matters' measures. Specify timescales for these outcomes.

- The following are headline outcomes that the new joint Housing Solutions Service will be seeking to achieve, which will be monitored quarterly:
  - Increase in the number of cases prevented from becoming homeless and a reduction in homelessness
  - A reduction in the use of B & B
  - Achieve efficiency savings as per the Cabinet budget mandate and meet the current Medium Term Financial Plan targets. (It will, however, be an on-going priority to identify further income generation targets.
  - Increase in the number of private sector landlords working in partnership with the Council.
  - Satisfaction feedback from clients

- The outcome for the Careline service is to continue to seek to increase the number of clients, which is monitored quarterly

## Blue Print

### The Future State

Describe how the organisation will look and function in the future and the business changes that will be needed in terms of new processes; new organisational structures; technological and infrastructure requirements and new information requirements.

### Current state and gap analysis

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

Section	Description of current state and changes		
	Current State	Changes needed to Current state or actions needed to resolve outstanding issues	Assumptions/constraints
Process	Eg business processes, performance levels and operating costs		N/A
Organisation structures	Eg should include staffing levels, roles, skills and culture	<b>New Housing Solutions Team</b> The new structure agreed by Cabinet on 1th October 2014 facilitates the deletion of the Snr Housing Options Officer and the creation of a Housing Support Officer and saving £13,334	None

		<p>In order to expand the Shared Housing Scheme there is a need to appoint a fixed term Private Sector Housing Assistant x 0.5 in order to release capacity to engage with private sector landlords and expand the existing portfolio</p> <p><b>Housing Renewal Team</b> The structure of the team will change through the full time Housing Renewal Manager post becoming 0.8</p>	<p>That team capacity is temporarily increased to support the expansion of the Shared Housing Scheme</p> <p>There is a small risk that the current post-holder withdraws their flexible retirement request</p>
Technology/infrastructure	Eg. ICT systems, buildings and other assets needed for the Future State, as well as the required service arrangements		N/A
Information and data	Eg Management information and data required to operate the Future State		N/A

## Options Appraisal

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

### Option 1



## Cost-Benefit Analysis

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

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

<b>Cost/Benefit Description</b>	<b>Current Budget</b>	<b>Target Saving</b>	<b>Timing 2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
<b>Cashable benefit</b>						
Establishment of new Housing Solutions Service and restructure in relation to deleting Snr Housing Options Officer and creation of Housing Support Officer	Housing Options Team Budget - £352,399.	£13,334 through the deletion of the Snr Housing Options Officer and creating a Housing Support Officer	April 15			
Expansion of Shared Housing Scheme	Nil	£20,000 income generation	Apr 15 – Mar 16			
B & B Reduction	Housing Options Team Budget - £352,399	£6,522	Apr 15 – Mar 16			
Flexi Retirement of	Housing Renewal	£9,944 - £4,972 from	Apr 15			

Housing Renewal Manager	Budget £21,217 & Careline Budget (£19,874)	Housing Renewal Budget and £4,972 from Careline)				
Careline Marketing	Budget (£19,874)	£5,000 income generation				
<b>Non financial benefits</b>	<b>Current performance</b>	<b>Target performance</b>				
Reduction of B & B Use	71 Placements 13/14	30 Placements				
Improvement of homeless prevention	24.15% 13/14	35%				
No . of homeless determinations	390 13/14	350				
No. of Careline Clients	741 13/14	800				
<b>Cost</b> Eg any one off costs, or increases in operational costs which need to be netted off the savings  The appointment of a temporary part-time	<b>Current costs</b>  Nil	<b>Revised costs</b>  £5,412				

Private Sector Housing Assistant						
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## Impact

Describe the negative results of undertaking this proposal e.g. existing universal benefit is reduced and focused on those most in need  
Describe the results of the detailed equality Impact assessment

There are no negative impacts arising out of this proposal

## Key Risks and Issues

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

### Risks - anticipated threats to the benefits

Description	Likelihood	Impact	Proximity (when it is likely to occur)	Risk Owner	Mitigating Action	Action Owner
The Council may not be able to identify private landlords willing to participate in the shared housing scheme, thereby, impacting upon the	Low	High	Between now and Mar 16	Ian Bakewell	The new Housing Solutions model established has a Private Sector Housing team that will provide a dedicated support service for landlords	Karen Durrant & Lindsay Stewart

projected income					The Council has an evolving framework for developing relationships with private landlords and increasing support to encourage more landlords to work with the Council	
The Housing Options Team will not have the capacity to increase the number of units or manage a higher level of stock	Medium	High	Between now and Mar16	Ian Bakewell	It is proposed that a fixed term part time post be appointed to provide support and assistance to the Private Sector Liaison Officer to facilitate growth of the scheme  The establishment of the new Housing Solutions Service and the new Private Sector Housing Team will provide capacity once its bedded in fully	Karen Durrant
The Housing Renewal Manager may withdraw his request for flexi retirement	Low	Medium	Between now and De 15	Ian Bakewell	Seek approval to restructure the Housing Renewal Team	Ian Bakewell
There is a change in demand in relation to homelessness and/or homeless prevention which results in an increase in the use of B & B	Low	Medium	Between now and Mar 16	Ian Bakewell	The proposed expansion of the Shared Housing Scheme  The establishment of the new Housing Solutions Service to improve homeless prevention	Karen Durrant & Lindsay Stewart

Careline isn't seen as a solution to supporting independence and reducing packages of care for Social Care & health	Medium	Medium	Between now and Mar 16	Ian Bakewell	The current Intermediate Care Grant is facilitating the installation and availability of Careline free of charge for Re-ablement clients.	John Parfitt & Sarah Turvey-Barber
Careline client base doesn't increase as per target	High	Medium	Between now and Mar 16	Ian Bakewell	On-going attempts to identify ways to more innovatively promote and market the service eg targeting carers, linking to Disabled Facilities Grants	John Parfitt & Sarah Turvey-Barber
DWP funding regulations changing which results in a reduction of the management fee paid via housing benefit	Medium	Low (for 15/16)	Between Apr 15 & Mar 16	Ian Bakewell	There are break clauses within agreements with landlords  There would be attempts to renegotiate agreements with landlords	Karen Durrant

**Issues- current threats to the benefits**

Description	Priority	Issue Owner	Action	Action Owner
See risks				

**Constraints**

Describes any known constraints that apply to the option.

No constraints identified

## **Assumptions**

Describes any assumptions made that underpin the justification for the option.

## **Option 2, etc**

Repeat above sections for each option considered

## **Evaluation and comparison of options**

Provide an evaluation of the options against criteria and weightings. Criteria could include:

- Timescale
- Overall level of cashable and no cashable savings
- Overall cost or up front investment required
- Fit with future state, strategic fit
- Organisation capability and capacity to deliver
- Degree of compliance to regulation
- Complexity eg number of stakeholders, organisations involved
- Degree of business change, including behaviour change
- Tried and tested vs leading edge solutions

- Degree of stakeholder support

## **Recommendation**

Provide a summary of the evaluation of the options highlighting the preferred option with an explanation of why this options is recommended

## **High level Plan for delivery**

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

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

Responsibility for the delivery of all aspects of this mandate rests with the Housing & Communities Manager. Lower level responsibility will lie with the Housing Options Manager in relation to actions relating to the new Housing Solutions Service and the Housing Renewal Manager in relation to Careline

## **Sign-Off**

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

## 2 EQIA – COLLABORATION OF HOUSING SERVICES

### The “Equality Initial Challenge”

Name: Service area: Housing & Communities Date completed: 24 <sup>th</sup> October 2014		Please give a <b>brief description</b> of what you are aiming to do. 1. Restructuring of Housing Options Team as part of the proposal to establish a new Housing Solutions Team with Torfaen CBC 2. Expansion of the Shared Housing & Lodging Scheme 3. On-going reductions of the use of B & B in respect of homelessness 4. Increasing the number of Careline clients through active marketing 5. Flexi-retirement of the Housing Renewal Manager	
Protected characteristic	Potential <b>Negative</b> impact Please give details	Potential <b>Neutral</b> impact Please give details	Potential <b>Positive</b> Impact Please give details
Age		x	
Disability		x	Expansion of Shared Housing will support the provision for disabled people due to increase availability of stock
Marriage + Civil Partnership		x	
Pregnancy and maternity		x	
Race		x	
Religion or Belief		x	
Sex (was Gender)		x	
Sexual Orientation		x	
Transgender		x	



Welsh Language		x	
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Please give details about any potential <b>negative Impacts</b> .	How do you propose to <b>MITIGATE</b> these <b>negative impacts</b>
➤ None	➤
➤	➤
➤	➤
➤	➤

**Signed** Ian Bakewell    **Designation:** Housing & Communities Manager    **Dated** 24<sup>th</sup> October 2014

## EQUALITY IMPACT ASSESSMENT FORM

What are you impact assessing	Service area
1. Restructuring of Housing Options Team as part of establish a new Housing Solutions Team with Torfaen CBC 2. Expansion of the Shared Housing & Lodging Scheme 3. On-going reductions of the use of B & B in respect of homelessness 4. Increasing the number of Careline clients through active marketing 5. Flexi-retirement of the Housing Renewal Manager	Housing & Community Services
Policy author / service lead	Name of assessor and date
Ian Bakewell	Ian Bakewell – 24 <sup>th</sup> October 2014

### 1. What are you proposing to do?

- In order to deliver Housing Option Services jointly with TCBC it is necessary to restructure the Housing Options Team. A new combined structure has been established with Torfaen CBC. This has provided advantages in terms of additional resilience and capacity. Part of the re-structure is to delete the Senior Housing Options Officer post and create a Housing Support Officer to strengthen the prevention focus. This releases salary savings of £13,334.
- The intention is to increase the current number of Shared Housing units from 21 to 38 to support homeless prevention. This will generate additional income of £20,000
- The expansion of the Shared Housing Scheme will reduce the need to provide B & B releasing £6,522
- Careline will continue to be actively and commercially marketed to encourage take-up and generate additional income.
- It is proposed to support the flexi retirement request from the Housing Renewal Manager. The post-holder's hours will reduce to 0.8 wte. This request can be facilitated due to previous steps taken to introduce more efficient working methods.

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

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

3. Please give details of the negative impact

No impact

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

No specific action taken as not necessary.

Staff engagement has been and continues to be a key component to the development of the joint Housing Solutions Service service and has commenced already through the circulation of proposal reports to staff and staff meetings to discuss with staff. The Union and Personnel have and will continue to be engaged in the development of this proposal

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

Homelessness and prevention related statistics

**Signed** Ian Bakewell

**Designation** Housing & Communities Manager

**Dated** 24<sup>th</sup> October 2014

### The “Sustainability Challenge”

<b>Name of the Officer</b> completing “the Sustainability challenge”  Ian Bakewell		Please give a <b>brief description</b> of the <b>aims</b> proposed policy or service reconfiguration  Integrated delivery of Housing Option Services with TCBC	
<b>Name</b> of the Division or service area  Housing & Communities		<b>Date</b> “Challenge” form completed  23 <sup>rd</sup> October 2013	
Aspect of sustainability affected	<b>Negative impact</b>  Please give details	Neutral impact  Please give details	<b>Positive Impact</b>  Please give details
<b>PEOPLE</b>			
Ensure that more people have access to healthy food		X	
Improve housing quality and provision			X  The aim is to prevent more homelessness and help reduce the use of B & B
Reduce ill health and improve healthcare			X

provision			The aim is to prevent more homelessness and help reduce the use of B & B
Promote independence		X	
Encourage community participation/action and voluntary work		x	
Targets socially excluded			X Proposal will benefit many households, particularly vulnerable, who are often excluded for a variety of reasons
Help reduce crime and fear of crime		x	
Improve access to education and training			X The proposal will target households with homelessness and threatened with homelessness and link them with opportunities
Have a positive impact on people and places in other countries		x	
<b>PLANET</b>		x	
Reduce, reuse and recycle		x	

waste and water			
Reduce carbon dioxide emissions			X Through being a more telephoned based service, there will be a positive impact on staff travelling
Prevent or reduce pollution of the air, land and water			X As above
Protect or enhance wildlife habitats (e.g. trees, hedgerows, open spaces)		x	
Protect or enhance visual appearance of environment		x	
<b>PROFIT</b>		x	
Protect local shops and services		x	
Link local production with local consumption		x	
Improve environmental awareness of local businesses		x	
Increase employment for local people		x	
Preserve and enhance local identity and culture		x	

Consider ethical purchasing issues, such as Fairtrade, sustainable timber (FSC logo) etc		x	
Increase and improve access to leisure, recreation or cultural facilities		x	

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

## The next steps

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

The next step is to implement this proposal and establish the new Housing Solutions Service for Monmouthshire and Torfaen and create the two new integrated teams – Housing Solutions Team and Private Sector Housing Team.

On completion of this, key next steps will include: Rationalise and streamline business processes and procedures; Develop a memorandum of understanding; Establish an alternative branding for the new service; Consideration to establishing an advisory board; establishing a mechanism for engaging and involving service users; and an interim evaluation of the pilot before the end of March 2015 and a final review and evaluation by November 2015.



N/A

**Signed** Ian Bakewell

**Dated** 1<sup>st</sup> September 2014



## 33 & 34 REVISED ADULT SOCIAL CARE SERVICE TRANSFORMATION

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

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

### Document Control

Version	Date	Status (draft, approved, signed off)	Author	Change Description
	16 <sup>th</sup> Oct		Julie Boothroyd	

### Approval

Cabinet sign off to proceed with proposal		Date	
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### Distribution List

Name	Organisation	Job title / Dept

## Executive Summary

Like many other local authorities Monmouthshire is faced with the twin challenges of declining budgets and an ageing population. If we want to keep delivering adult social care and health in the same old way we need to find another £25 million a year by 2030. Salami slicing isn't an option.

There are two key strands to this business case. Firstly, a continuation of the transformational approach to practice where we are 'helping people live their own lives' and secondly the development of a community health and well-being hub at Mardy Park.

They both build on the approach we have been developing over the last 5 years. We know we have created dependency on services when a more facilitated approach to practice concentrating on what matters instead of what's wrong is really starting to make a difference to individuals and our budget position.

We have re-considered the option of raising eligibility criteria to critical and substantial and are recommending we increase the threshold, removing moderate. We would maximise the use of all our approaches to supporting people who would have normally received support in this eligibility category using the 'what matters' approach to enable people to access appropriate support .

As we continue to face the challenge of yet further cuts to budgets we are proposing to respond by continuing to maximise the approach that has seen us manage a position within the community care budget of saving £1,400,000 over the last two years and a continued underspend with last year a further £97,000 being realised; this is against a backdrop of increasing demographic pressures and increasing complexity.

The further £1,488,000 required over the next 3 years will be realised through reducing further the community care budgets in line with our transformation. This will mean further reductions over the next 3 years to each cost centre. This will be supported by the approaches already invested in, e.g. community support; small local enterprise and community coordination. We expect to see a re balancing of practice that sees less reliance on formal support and a more blended approach for people to remain safe and connected to communities.

The second strand of work is wrapped around the development of Mardy Park Resource Centre and the review of current service provision from this site. Closely allied to the themes previously outlined, the review will aim to deliver a whole systems approach to the role of the directorate in helping people to stay healthy and well. The remodelling of service provision is anticipated to include an element of dis-

investment which will contribute to the required savings. The details of this dis-investment will be determined only following the current detailed review and full consultation with all stakeholders including direct conversations with the local community.

This reduction in budget is a difficult challenge, there are some risks which are beyond our control, these lie primarily in the variable and unpredictability nature of individual demand that could present for support within our service. There are risks around the continued capability of the workforce to deliver different practice outcomes with individuals.

We will be looking to maximise opportunities to support practitioners to transform their practice in order that we can achieve a more balanced approach with less reliance on formal services.

We are rising to this challenge by thinking very differently about the way we support vulnerable people in our communities – transforming the whole system of adult social care and health in order to “help people live their own lives” through community connection, contribution, care and support. To do this we have adopted and are developing a variety of approaches in order to:

- ▶ Divert individuals from statutory services
- ▶ Support individuals at risk of becoming dependent on services to develop local networks and connections
- ▶ Support people already in receipt of statutory services to reduce dependence through no cost/lower cost solutions
- ▶ Give people real choice and control re: the support and services which best enable them to live their lives and meet their health and support needs
- ▶ Support people to stay strong, safe and connected
- ▶ Nurture valued and helpful relationships – and reduce loneliness and isolation
- ▶ Develop welcoming and mutually inclusive communities
- ▶ Establish personal, flexible and accountable opportunities for support

- Results of Equality Impact Assessment

## Detailed Business Case

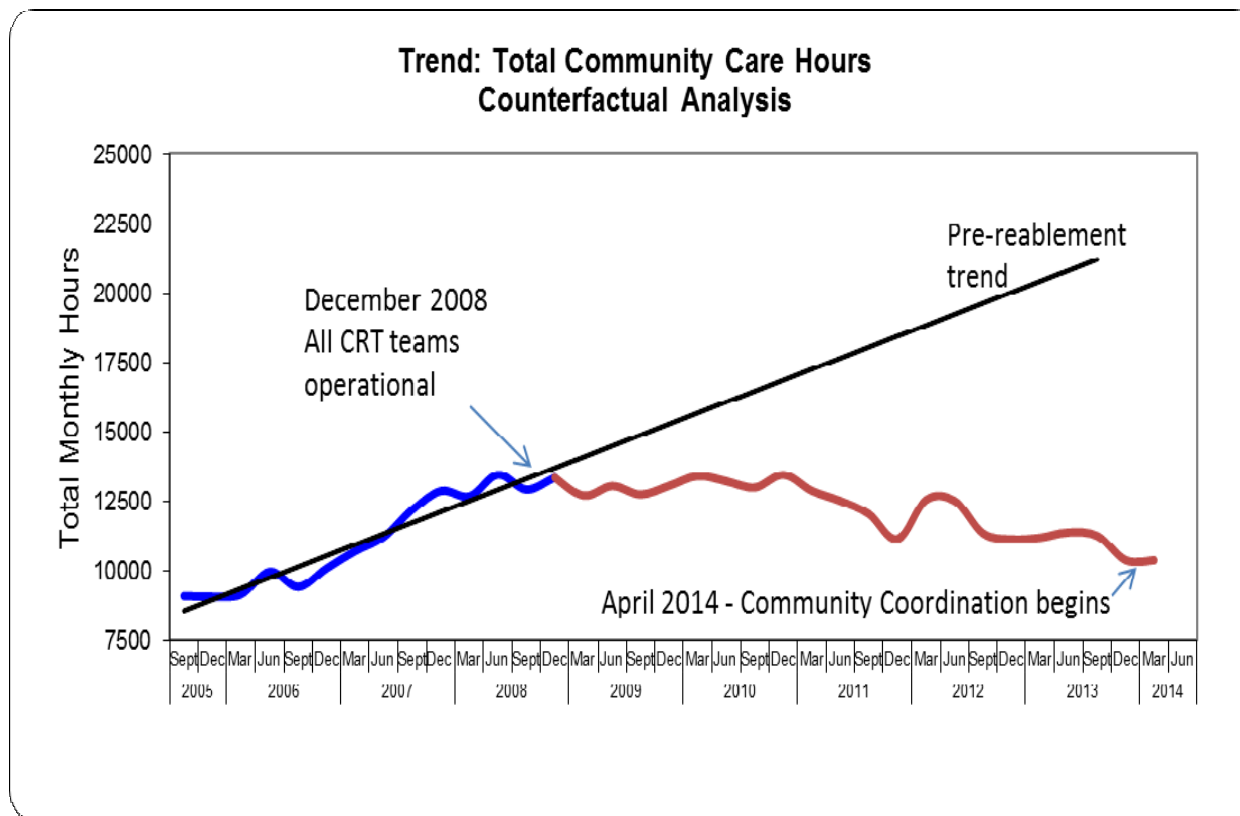
We have been developing new ways of working, these approach have begun to be reflected in the budget position .In the last financial year we were able to be in an underspend position at year end and this year we are forecasting break even or underspend. We continue to develop practice in line with 'helping people live their own lives'. This fits with the current direction of travel which sees a rebalancing of support between services families and communities.

Over the next fifteen years, the number of people aged 85+ in our county will more than double, while the complexity of need is increasing. A traditional social care package costs around £10,000 a year.

We did some projections and realised that we would need an extra £25 million to deliver the same old service to more and more people. Monmouthshire has the lowest level of funding per head of population of any council in Wales. In the current climate asking for more simply wasn't an option. We needed new ways to meet demand.

About five years ago in we took our first steps towards front-line integration of health and social care. Our emergent Short Term Assessment and Reablement Teams contained social workers, occupational therapists, district nurses and other professionals to work with people when they are at their most vulnerable. The outcome has been incredibly positive. More than 2000 people have used the service over the past five years and over half of these have been returned to full independence and do not require a package of care. Longitudinal studies have shown that the majority of these people remain fully independent for 2½ years. Those that do need care tend to require a much lower level of support than is typical.

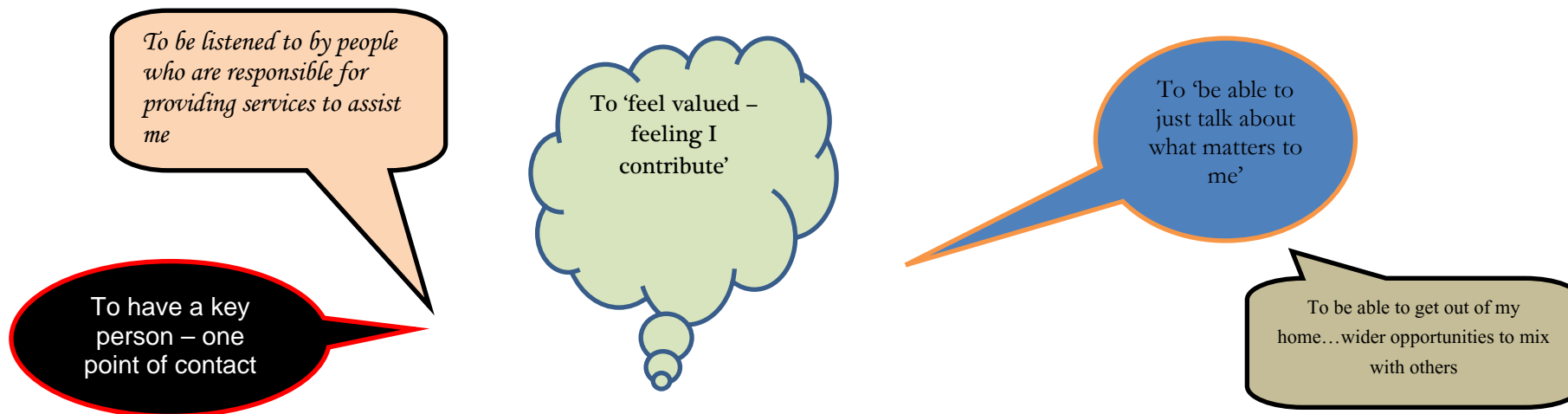
As the following graph shows we have been able to reduce the amount of traditional care we commission. This has meant that assessed need can be met within the current budget – in effect cost avoidance of £1.5million in the current financial year alone.



Although pleased with our progress in this area we knew that there were other aspects of our care management and assessment “system” that needed examination. In September 2011 we began a System Thinking approach as an evidence-based way of redesign to ensure we deliver what matters to people.

We brought together a cross section of staff from frontline practitioners, middle and senior managers to spend 5 days immersed in the methodology. This helped us understand that key to success is a shift from ‘old purpose’ to a ‘new purpose’ devised from really understanding what matters to people. We came away with real life stories, ‘snap shots’ of people’s lives, which painted a clear picture of what was good about our existing system, what was not so good, and in some cases what was pretty awful.

. It allowed us to identify the things that mattered to people including:



We gained a clearer understanding of what had helped us to deliver what mattered to people and just as importantly what had hindered. We also found a ‘gravitational pull’ into our services. This was compounded by delays between the point of contact and a conversation with someone who could help. Using a deficit model of assessment we focussed on what was wrong rather than what mattered and all the while the person’s expectation that a service was needed and would be provided was being reinforced.

Our new purpose has become:



*'Helping People Live their own Lives'*

Having introduced a new “front end” to our services known as FISH (Finding Individual Solutions Here) we have created easy access for people requiring social care and health by placing practitioners within the integrated teams as a first point of contact. Opportunities to identify and develop alternative solutions at this point were not as we originally envisaged and we realised we needed to rethink where we can carry out proactive FISHing to prevent crisis/traditional service responses.

Early conversations we have with people have been refocused from what’s wrong to what matters. This provides the basis upon which we work together to ensure improved independence, and best quality of life using and building on the person’s strengths and capabilities. This form of engagement is providing people with a stronger voice and more control of their solutions.

We recognised we were only part of the solution and identified two methodologies to help us to develop a more preventative ‘down- stream’ approach , Local Area Co-ordination (known locally as Community Coordination) and the development of small local enterprises. We compiled a business case and secured funding for learning sites in two areas of the county. We are confident that through these approaches we will:

- Help people to pursue their vision for a good life
- Learn about place based approaches to wellbeing and to build on the assets of individuals and communities
- Strengthen the capacity of communities to welcome and include people
- Develop micro-enterprises to deliver more personal, flexible and accountable services
- Co-produce community opportunities and support

This listen to understand conversation underpins our new integrated assessment, care and support planning and review process. A new single integrated assessment framework provides practitioners to work with people to establish personal outcomes and required actions that support achievement.

One of the most significant challenges we face is to measure impact and achievement, but also identify what works well and what fails, so we can support the future commissioning of new and different solutions.

We are developing this approach to measurement through our new Outcome Measurement Tool. Practitioners are beginning to use outcome recording as an analytical tool and as a way of clarifying the purpose of their actions. A simple scoring matrix helps practitioners to discuss whether and to what extent the person has achieved each outcome.

It has been crucial to support all practice initiatives with a new Information Technology System that enhances practice not over burdens practitioners with excessive and unnecessary data entry. We have taken a proportionate and simplified approach to what we collect based on, does it add value to what we are trying to achieve. I.e. help people to live their own life.

The savings from the first phase of work In 2013/14 and 2014/15 the Adult Services the demographic pressures. Delayed than two a month, we have the lowest rate residential care of any local authority in packages!

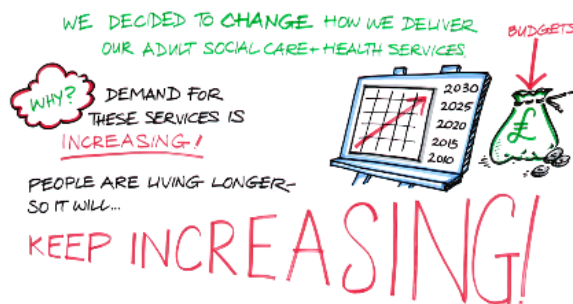
More importantly people are getting a very results of our independently administered ratings of 96% - the highest level in ten

The new model is already better. It's delivering one of the council's three priorities, support for vulnerable people in a more cost effective way allowing pressured resources that would have been spent on social care to support other vital front-line services. It is also closely aligned with the priorities within the Single Integrated Plan (Community Strategy) owned by all partners in the area.

## Blue Print

### The Future State

The future will see us supporting a reducing number of people through long term formal services with an increase in support through a range of formal and informal networks, including community connection. A maximisation of independence through enhanced reablement and enablement approaches with increased resilience this will become our default position.



are already being felt in the authority's budget. budget is on course to underspend again despite transfers of care from hospital are averaging less of older people in local authority funded Wales and are needing less long term care

different response. This is supported by the community care questionnaire with satisfaction years.

We will be able to report on personal outcome achievement at a population level, we will know how many people have been able to reach their stated personal outcomes. We will continue to manage demand within the reduced resources available.

We are rising to this challenge by thinking very differently about the way we support vulnerable people in our communities – transforming the whole system of adult social care and health in order to “help people live their own lives” through community connection, contribution, care and support. To do this we have adopted and are developing a variety of approaches in order to:

- ▶ Divert individuals from statutory services
- ▶ Support individuals at risk of becoming dependent on services to develop local networks and connections
- ▶ Support people already in receipt of statutory services to reduce dependence through no cost/lower cost solutions
- ▶ Give people real choice and control re: the support and services which best enable them to live their lives and meet their health and support needs
- ▶ Support people to stay strong, safe and connected
- ▶ Nurture valued and helpful relationships – and reduce loneliness and isolation
- ▶ Develop welcoming and mutually inclusive communities
- ▶ Establish personal, flexible and accountable opportunities for support

### Current state and gap analysis

Section	Description of current state and changes		
	Current State	Changes needed to Current state or actions needed to resolve outstanding issues	Assumptions/constraints
Process	This work is a continuation of the direction of travel described.	Staff support/training to practice in an outcome focussed way, facilitating not fixing.	
Organisation structures	Transformation will be delivered through existing workforce.	We are looking at current structures to see what we need to continue to maximise this approach.	
Technology/infrastructure	IT new build is supporting	Implementing IT new build will simplify and	

	practice changes	deliver capacity for practitioners.	
Information and data	Ne It build will assist in generating more meaningful information and reports on progress.	Capacity to support the implementation of the new build IT system is being scoped.	

## Options Appraisal

1. To date we have been able to evidence success in the approach we have taken to supporting people whilst at the same time managing demand. In order to go further we want to consider raising eligibility criteria. Currently we operate the eligibility level at moderate substantial and critical.

The number of people assessed as having critical or substantial risk to their independence has increased from 70% to 90% over the last four years. This means that out of the 2000 plus people supported with services 1800 are already in the two highest categories of eligibility. The remaining 200 people are therefore receiving support with a moderate eligibility. Based on a very average 'moderate' care package of £ 2,000 per year we could estimate a potential saving in the region of £400,000.

	2008-09	2009-10	2010-11	2011-12	2014-15
- Low Eligibility	3.57%	0.57%	0.68%	0.63%	0.72%
- Moderate Eligibility	26.05%	23.77%	12.57%	8.77%	11.59%
- Substantial Eligibility	38.04%	44.37%	45.25%	49.58%	39.86%
- Critical Eligibility	32.34%	31.29%	41.50%	41.01%	47.83%
(critical + substantial)	70.38%	75.66%	86.75%	90.59%	87.68%
	100%	100.00%	100.00%	100.00%	100.00%

As we have developed our approach to supporting people and concentrating on what matters, we would be continuing to work with people to maximise their own resources and link them to a wide range of community support, giving advice and information about what is available to assist them in managing their independence.

2. We are going to reduce the cost centre budgets over the next 3 years across all the service teams with an emphasis on increasing pace and intensity around 'what matters' and proportionate care and support planning in line with the new Health, Social Care and Wellbeing Act. This will mean focussed work on re assessment and using different options to meet need.

TEAM	£1.488m Split over 3 years			
	Year 1	Year 2	Year 3	TOTAL 3 Year
	2015/16	2016/17	2017/18	Reduction
	£	£	£	£
Abergavenny Adult Team	62,000	115,000	57,000	<b>234,000</b>
Monmouth Adult Team	27,000	100,000	25,000	<b>152,000</b>
Chepstow Adult Team	38,000	90,000	33,000	<b>161,000</b>
Independent Living Team	30,000	70,000	25,000	<b>125,000</b>
Community Learning Disability Team	100,000	200,000	200,000	<b>500,000</b>
Mental Health Care Team	0	18,000	3,000	<b>21,000</b>
Mental Health Care Team North	3,000	20,000	6,000	<b>29,000</b>
Mental Health Care Team South	0	15,000	1,000	<b>16,000</b>
Mardy Park Resource Centre	0	0	250,000 (target)	<b>250,000</b>
<b>TOTAL</b>	<b>260,000</b>	<b>628,000</b>	<b>600,000</b>	<b>1,488,000</b>

3. Mardy Park is undergoing a review which is based on a health and well-being pathway which carries forward work of the directorate in
4. establishing a more sustainable approach to supporting the local community. Currently, the resource centre hosts the following:
  - a. A 'step-up step-down' wing to support people leaving hospital and to prevent admission.
  - b. A second wing supports one long term resident and provides short term residential respite services to older adults in the Abergavenny area.
  - c. Day services for older adults and older adults living with dementia.
  - d. The North Monmouthshire integrated services team

As an authority we are clear that it is not part of our long term plan to provide long-term residential services to people from the centre but the value of short term services; particularly those provided as part of intermediate care services, are an essential part of future provision. There is a detailed piece of work being undertaken to understand the positive impact of current services and potential alternatives to the current model. At this early stage it is anticipated that the new service model will result in savings of approximately £250,000 but this is clearly subject to the outcomes of the review.

The review at Mardy Park, as outlined, is being framed by the development of a clear health and well-being pathway. There are critical elements to this pathway and any dis-investment needs to be considered in the context of this. Specifically, the role of the centre to support people to stay well without direct intervention from the directorate and the development of bespoke intermediate care solutions which focus only on the outcomes for the person.

## Cost-Benefit Analysis

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

Cost/Benefit Description	Current Budget	Target Saving	Timing 2015/16	2016/17	2017/18	2018/19
<b>Cashable benefit</b>						
<i>E.g. Budget saving target</i>	<b>£ 19,840m</b>	<b>£ 1,488m</b>	<b>£260K</b>	<b>£628K</b>	<b>£600K</b>	£x

<b>Non financial benefits</b>	<b>Current performance</b>					
Eg improvements in service						
<b>Cost</b> E.g. any one off costs, or increases in operational costs which need to be netted off the savings	<b>Current costs</b> £100,000	<b>Revised costs</b>		£100,000		

## Impact

Describe the results of the detailed equality Impact assessment

## Key Risks and Issues

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

### Risks - anticipated threats to the benefits

Description	Likelihood	Impact	Proximity (when it is)	Risk Owner	Mitigating Action	Action Owner
-------------	------------	--------	------------------------	------------	-------------------	--------------

			likely to occur			
Ability to manage change in practice and have a targeted approach to reassessment	Medium	high	over whole timeframe	Julie Boothroyd	Invest in training/coaching and support and extra resources in LD	
Following re assessment not able to realise predicted savings due to dependency and alternatives that people are willing to accept different solutions.  Mardy review doesn't support savings target projected	Medium	High	over whole timeframe	Julie Boothroyd	Early evaluation of reassessment work to inform further strategies for savings. Further decisions around whether to leave existing moderate cases and focus eligibility up lift to all new cases only as per learning from open to review.  Early view of the review to assess likelihood of savings being realised , if not to be realised re scope the savings target.	
	Medium	High	Within 12 /18months			



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**Issues- current threats to the benefits**

<b>Description</b>	<b>Priority</b>	<b>Issue Owner</b>	<b>Action</b>	<b>Action Owner</b>
Capacity and capability of workforce	High	Julie Boothroyd	Invest to save in key areas	Julie Boothroyd
Learning from the the Open to Review project has demonstrated how dependant people have become on both low and moderate service provision and the time needed to re focus towards ' what matters' and different ways of meeting their needs is considerable .	High		Take descions following some legal advice on whether we reassess all moderate cases or start with new EC threshold in April.	
Current capacity to lead on all initaitives and run quality sevcie delivery is under some threat .	High	Julie Boothroyd	Re visisting structures and workforce to establish what is needed moving forward to hold the tarnsofomation and budget reduction work.	Julie Boothroyd

**Constraint**

Describes any known constraints that apply to the option.

**Assumptions**

## Evaluation and comparison of options

As described the options build on the strategic approach adopted in the directorate and in effect are a suite of approaches which are designed to deliver the savings in key areas. The expected target of £1.488, 000 is to be delivered through a range of approaches over the next 3 years. Investing £100,000 in key staff costs to create capacity to deliver savings is the only investment required. This is to address capacity and complexity of the re assessment work that will be required around the raising of eligibility in this area. The direction of travel fits and is in line with the requirements of the new Health Social Care and Well- Being Act.

## Recommendation

The recommendation is that this business plan is seen as a whole system option building on work to date.

## High level Plan for delivery

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

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

## Sign-Off

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

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## 33 & 34 ADULT SOCIAL CARE SERVICE TRANSFORMATION

### The “Equality Initial Challenge”

Name: Julie Boothroyd Service area: Adult Services Date completed: Sept/Oct 2014		Please give a <b>brief description</b> of what you are aiming to do.  Adult social care transformation building on mandate 34 with a reduction in budget of £1.488. This will be achieved by continuing the approach to having ‘what matters’ conversions with people to establish what support is needed to ‘help people live their own lives’ and supporting people with a blended mix of family community and service provision .	
Protected characteristic	Potential <b>Negative</b> impact Please give details	Potential <b>Neutral</b> impact Please give details	Potential <b>Positive</b> Impact Please give details
Age			The approach to assessment and re assessment with people is based on a ‘what matters’ ,not ‘whats wrong’ conversation, we we will be looking to maximize independence with support to people of all ages to ensure they are supported to ‘live thier own lives’
Disability			As above
Marriage + Civil Partnership		x	
Pregnancy and maternity		x	
Race		x	

Religion or Belief		x	
Sex (was Gender)		x	
Sexual Orientation		x	
Transgender		x	
Welsh Language		x	

Please give details about any potential <b>negative impacts</b> .	How do you propose to <b>MITIGATE</b> these <b>negative impacts</b>
➤	➤
➤	➤
➤	➤
➤	➤

**Signed**

**Designation**

**Dated**

## EQUALITY IMPACT ASSESSMENT FORM

What are you impact assessing	Service area
Supporting people and maximizing independence as the approach we will be taking to undertaking assessments that will potentially realise savings from the Adult Services budget	Adult Services
Policy author / service lead	Name of assessor and date
Julie Boothroyd	Julie Boothroyd

### 1. What are you proposing to do?

As a result of the budget mandate process we are looking to reduce the Adult service budget in line with whole authority savings

In order to do this we will be building on the work we have been doing to transform how we deliver support to people who come to Adult Services, this approach looks to maximise people's independence and enable people to find solutions. The outcome of this will see a range of different support being offered to people alongside our services.

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

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

3. Please give details of the negative impact

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

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

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



### The “Sustainability Challenge”

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

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

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

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

➤	➤
➤	➤

## The next steps

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

By undertaking the assessment and reassessment focusing on independence and strengths we are looking to ensure people access a full range of support and can access community support in addition to any paid support needed, as we concentrate on 'what matters' we are able to support people to gain in confidence around accessing wider support both formal and informal.

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

**Signed**

**Dated**

**SUBJECT: Strategic Risk Assessment**

**MEETING: Adults Select Committee**

**DATE: 17<sup>th</sup> December 2014**

**DIVISION/WARDS AFFECTED: All**

**1. PURPOSE:**

- 1.1 To provide select committee members with an overview of the current and future strategic risks facing the authority. This is provided as appendix 1.

**2. RECOMMENDATIONS:**

- 2.1 That members scrutinise the risks logged in appendix 1 to evaluate whether:

- the most significant issues facing the authority over the next three years are captured
- the risks have been assessed proportionately
- the actions are appropriate and likely to mitigate the risks
- there is evidence to suggest that risks may have been omitted

In doing so, members are asked to consider the budget report presented in addition to this report.

- 2.2 That members use the risk log to inform the future work programme of the committee. On the advice of the Scrutiny Manager the risk assessment will be revisited in the New Year for this purpose.

**3. KEY ISSUES:**

- 3.1 The risk assessment ensures that:

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

- 3.2 The risk assessment only covers High and Medium level risks. Lower level operational risks are not registered unless they are projected to escalate within the three years covered. These risks need to be managed and monitored through teams' service plans.

- 3.3 Where strategic risks influence any matters reported to Cabinet and Council for decision, they need to be picked up within these reports to ensure that they are taken

into account. In the same context, select committees also need to take the strategic risks into account in receiving pre Cabinet and Council reports.

- 3.4 A risk management policy was signed off by Cabinet in July 2011. This still provides the basis of risk identification and assessment in the authority and the key points of the policy are picked up in the overview of how the authority manages strategic risks as shown in appendix 2. The policy will be reviewed over the next months to ensure it is still fit for purpose.
- 3.5 Progress on previous years risks has been captured separately in appendix 3. Risks that have been dealt with or which no longer constitute the most pressing risks facing the authority have been closed off, but those that remain live have been carried forward into appendix 1. This ensures that the risk assessment is more concise than in previous years. A 'live' risk log will be maintained on the Hub and will be updated throughout the year as new evidence becomes available.
- 3.6 In 2015 the authority will take on board responsibilities associated with new legislation; these are the Wellbeing of Future Generations Bill and the Social Services and Wellbeing Act. Whereas these offer opportunity, the authority will need to consider any risks associated with delivering them.

#### **4. REASONS:**

- 4.1 To provide the strategic risks facing the authority at the same time as presenting the budget information, to ensure that both are considered together.
- 4.2 To ensure risk assessment forms part of the authority's performance management framework in assuring that the authority is well-run.

#### **5. RESOURCE IMPLICATIONS:**

None

#### **6. SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS:**

Not yet completed.

#### **7. CONSULTEES:**

SLT

#### **8. AUTHORS:**

Policy and Performance Team

#### **9. CONTACT DETAILS:**

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## Whole Authority Strategic Risk Assessment 2014

Ref	Risk (Effect and Event)	Reason why the risk has been identified (evidence) (Cause)	Risk Level		Actions proposed to mitigate risk	Service & Risk Owner	Cabinet Member	Select Committee
	The authority becomes financially unsustainable as a result of reducing budgets and demographic pressures.	<ul style="list-style-type: none"> <li>- Year on-year budget reductions up 4.3% could potentially make the authority unviable with less staff</li> <li>- An ageing population and complexity of demand in children's services will place increased pressure on services</li> <li>- Political pressure to merge local authorities after the Williams Commission could have negative impact on long term thinking</li> <li>- Switching from service provider to demand management approach will require some twin-tracking of programmes and resource</li> </ul>	2014/15	Medium	<ul style="list-style-type: none"> <li>- Assess carefully the impact of the further savings that need to be made post 15/16</li> <li>- Consider how best to use capacity fund and any external funding sources to supplement the change programme required</li> <li>- Ensure that the detailed business cases that will deliver the MTFP are fully costed, stress-tested and managed</li> <li>- Undertake quarterly budget monitoring of savings proposals</li> </ul>	Joy Robson	Phil Murphy	Audit
		2015/16	Medium					
		2016/17	High					
	Uncertainty whether income targets within the 2014-17 Medium Term Financial Plan can be achieved leading to unplanned changes in other services to balance the budget	<ul style="list-style-type: none"> <li>- Ambitious plans and new, more commercial, ways of working carry an inherent risk</li> <li>- Loss of income from swimming pool in Monmouth as a result of school rebuild</li> </ul>	2014/15	Medium	- Deliver the Asset Management Strategy	Joy Robson	Phil Murphy	Audit
		2015/16	High					
		2016/17	High					
	Potential that negative findings from pending	- Cases considered by CSSIW in Spring 2014 identified some	2014/15	Medium	- Evaluate and reflect on our practice to ensure	Simon Burch	Geoff Burrows	Adults CYP



Ref	Risk (Effect and Event)	Reason why the risk has been identified (evidence) (Cause)	Risk Level		Actions proposed to mitigate risk	Service & Risk Owner	Cabinet Member	Select Committee
	CSSIW and Estyn inspections would divert energy from an ambitious transformation programme.	concerns about outcomes - Unable to evidence good performance against some key performance indicators in children's social services - Education services currently remain in special measures	2015/16 2016/17	Medium Medium	that any problems are identified and acted upon	& Sarah Mc-Guinness	Liz Hacket-Pain	
	The authority does not achieve a positive outcome from the corporate assessment because of capacity constraints.	- Self assessment highlighted a number of issues that need to be addressed	2014/15 2015/16 2016/17	Low Medium Medium	- Deliver the action plan emerging from the gap analysis and the Self-Evaluation	Tracey Harry	Peter Fox	Audit Committee
	Potential for significant harm to vulnerable children or adults due to factors outside our control.	- The likelihood of this occurring in a given year is low. However the significant harm that can occur due to factors that are outside our control mean that this will always be a high risk	2014/15 2015/16 2016/17	High High High	- Continually monitor and evaluate process and practice - Ensure that robust systems are in place within the authority to respond to any concerns arising from allegations or organised abuse	Tracy Jelfs	Geoff Burrows	CYP
	Potential that some groups of children are unable to achieve their full potential at school.	- Gap in attainment between 'all pupil' and Free School Meals cohort - Variation in standards across schools	2014/15 2015/16 2016/17	High High High	- Ensure delivery of the actions identified in the Chief Officers annual report	Sarah Mc-Guinness	Liz Hacket Pain	CYP
	Potential that the authority is unable to deliver its new schools	- Capital receipts from disposal of assets are not generating the required income	2014/15 2015/16	High High	-Asset Management Plan implementation -Ensuring resource	Deb Hill-Howell	Phil Murphy	Economy and Development

Ref	Risk (Effect and Event)	Reason why the risk has been identified (evidence) (Cause)	Risk Level		Actions proposed to mitigate risk	Service & Risk Owner	Cabinet Member	Select Committee
	capital programme due to capital receipts not generating the required income or resources having to be diverted to emergency pressures as they arise because of the limited investment in existing assets	<ul style="list-style-type: none"> <li>- Reduction in capital budget</li> <li>- Ambitious 21<sup>st</sup> Century Schools programme and need to provide Welsh medium education</li> <li>- the core programme has been constrained in order to enable the new schools programme to be funded</li> <li>- a number of significant pressures are documented that are not currently funded</li> </ul>	2016/17	High	<ul style="list-style-type: none"> <li>available to maintain sale of assets</li> <li>-Development of the strategic use of Community Infrastructure Levy when available</li> <li>- Further refinement of priority assessments in the property and infrastructure budgets to ensure all pressures have been considered and ranked</li> </ul>		Bob Greenland	
	The Council and County does not have sufficient ICT infrastructure, network coverage and digital skills to support technological advances leading to social and economic disadvantages	<ul style="list-style-type: none"> <li>- The ongoing SRS review has identified scope for improvement and greater realisation of opportunities for its partner bodies.</li> <li>- Broadband notspots remain in the county and despite Monmouthshire being in the next tranche for roll-out of Superfast Cymru; around 4-6% of our most rural areas will not be impacted.</li> <li>- Welfare reform increases requirements for internet access and suitable digital skills for some of the most vulnerable in our society.</li> </ul>	2014/15 2015/16 2016/17	High High Medium	- Deliver the I County digital road map	Peter Davies	Phil Murphy	Economy and Development
	Our Workforce does not have sufficient development opportunities and are not connected to their services objectives to	<ul style="list-style-type: none"> <li>- Our people are central to the success of our council and county.</li> <li>- Continued economic constraint and local government reform can impact on staff morale and service objectives.</li> </ul>	2014/15 2015/16 2016/17	High High Medium	- Engage with staff and communities to finalise the People and Organisational Development Strategy.			Strong Communities

Ref	Risk (Effect and Event)	Reason why the risk has been identified (evidence) (Cause)	Risk Level		Actions proposed to mitigate risk	Service & Risk Owner	Cabinet Member	Select Committee
	drive change, spur innovation and improve performance.	<ul style="list-style-type: none"> <li>- Organisational culture impacts on our ability to address these future challenges and make sustained improvements in areas that require it.</li> <li>- To respond to these challenges we will need to utilise the talent that exists on and outside of our payroll, which will require new ways of working. We will need to provide support and develop these people whether they are inside or outside of our organisation.</li> </ul>			- Once Finalised, take forward the activities in the programme plan of the strategy.			
	Potential that Monmouthshire will not have a prosperous economy that supports enterprise and sustainable growth	<p>Average gross weekly wage levels have declined in the County for three years running to £438 in 2012, the fifth lowest in Wales.</p> <p>A large element of the Monmouthshire workforce are out commuting, enjoying the Monmouthshire lifestyle but working elsewhere resulting in a detrimental effect on the local economy.</p>	2014/15	Medium	<ul style="list-style-type: none"> <li>- Implement the Monmouthshire Business Growth and Enterprise Strategy action plan.</li> <li>- Complete the Vale of Usk Local Development Strategy</li> </ul>			

**Risk Management – A summary of key points**

**Purpose**

The County Council is a large and complex organisation that needs to be looking continuously at how it can be more efficient and effective in everything that it does. Risk management is an indispensable element of corporate governance and good management. The aim of this approach is to anticipate, calculate and manage risks pro-actively in advance rather than having to deal with consequences once risks have happened.

**Information about Risk**

Our approach to risk management is informed by a range of information that flows into and within the organisation throughout the year (see diagram below). The risk log will be updated throughout the year using the latest intelligence, including reports from all regulators including CSSIW and Estyn. It will be made available on the Hub.



## Risk Tolerance

Good governance and accountability does not need to lead to an option of carrying the lowest short-term risk. Sticking with the status quo may carry an opportunity cost, which is the foregone opportunity to use our resources differently to radically improve services. Transforming public services needs innovation and this may carry an uncertainty of outcome and therefore an element of risk. The council's risk tolerance needs to reflect this.

## Describing Risk

Risk need to be recorded in a structured format covering the cause, event and effect. Some examples are below:

Event	Cause	Effect
Risk of...Failure to...Lack of...Loss of...Uncertainty of...Inability to...Delay in...	Because of...Due to...As a result of...	Leads to...and/or...result in...

Cause	Event	Effect
Because of...As a result of...Due to...	An uncertain event may occur	Which would lead to [effect on objective]

## Assessing Risk

Risks are assessed by the level of:

- likelihood of occurrence
- impact/severity of the consequences

Both factors need to be assessed to pin point the seriousness of risks.

The Council uses a 'traffic light' system of Red/Amber/Green associated with High/Medium/Low to record risk.

Impact / Severity	catastrophic	Low	Medium	High	High
	major	Low	Medium	Medium	High
	moderate	Low	Low	Medium	Medium
	minor	Low	Low	Low	Low
		Unlikely	Possible	Likely	Almost Certain
		Likelihood			

## Monitoring Risk

The Risk Register is a living document and must be regularly reviewed and updated. It will be signed off by Cabinet on an annual basis – alongside the medium term financial plan. It will be timetabled for scrutiny 6 months into every business year but can be examined by select committee at any point in time at the determination of the chair and committee members.

## Update on Last Years Strategic Risk Assessment (2013 Version)

Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
1.	A risk that in the continuing climate of economic constraint, more people will become vulnerable and in need, placing ever-increasing demand pressures on services. This will impact the ability to enable people to live safely and independently	<p>This intrinsic risk is present at all times, however, it is exacerbated at this time by continuing macro and micro-level financial and economic pressures.</p> <p>The ageing population is a significant factor with the number of over 85s predicted to increase by 46% by 2020.</p> <p>As a result of external pressures and the unpredictable nature of demand, this risk will remain High.</p>	2013/14	High	<p>The authorities budget reduction from 2015/16 is greater than forecast at 4.3%.</p> <p>Progress has been made with community coordination with early evidence suggesting this, along with integrated health and social care, is helping to manage demand. However pressures remain from an ageing population and more complex needs in Children's Services</p>	Yes
2.	A small group of vulnerable children may be exposed to significant harm	<p>Service delivery in protecting and safeguarding vulnerable children and young people is fundamental and is core work of the authority. In this context there will always be an ever-present risk.</p> <p>The number of looked after children is increasing whereas the number of children on the Child protection register is more stable. However, the combined numbers impact on our overall capacity.</p> <p>Also, the issues are complex due to multi agency input.</p> <p>The impact of society influences this also such as issues of poverty, substance misuse and domestic violence.</p>	2013/14	High	<p>The restructure of children's services carried out in 2013 is now bedding in. There have been reductions in the numbers of children looked after from 110 to 96 and on the child protection register from 52 to 38 over the year to Sept 2014. Due to factors outside our control this will always be a risk for us.</p>	Yes

Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
		<p>In responding to this complexity, the difficulty in recruiting foster carers is diminishing, but the 'Looked After Children' population has continued to increase from 92 in September 2011, to 106 in March 2012 and 113 in September 2012. This group is 113 in 2013, but there is a significant difference in the issues involved. There is evidence of improved outcomes for looked after children as a result of achieving permanency for them which means there is an increase in their "flow" through the system.</p> <p>In relation to fostering care, there is also an impact from the new legislation on children and young people leaving care.</p> <p>Despite significant progress in this area to minimise and mitigate risk, the risk will always remain a high one since the environments in which harm to children could occur are not controlled or managed by the Council.</p>				
3	<p>Risk that changes to welfare benefits is increasing the incidence of poverty and social exclusion across the county.</p> <p>As an associated risk, this could manifest into an increased level of homelessness.</p>	<p>An increase in homelessness.</p> <p>Continued variances in numbers of Job Seekers Allowance claimants.</p> <p>An increase in rent arrears resulting from welfare reforms implementation.</p> <p>An increase in child poverty.</p> <p>About 50% of those registered for housing</p>	2013/14	High	<p>An anti-poverty strategy is being developed, a working group has been convened with key strategic partners to develop a County wide approach to tackling poverty.</p> <p>"Nobody is left behind" continues to be a key focus of the Single Integrated Plan</p> <p>The Local development plan, which guides social, economic and environmental land use</p>	Integrate with risk 4.



Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
		related support require critical assistance.			<p>has been approved. This targets to increase the level of affordable housing built in the County</p> <p>There has been an increased focus on homeless prevention. Homeless applications determined have reduced from 417 (12/13) to 388 (13/14). The 14/15 projection is to reduce further to around 240. Homeless acceptances are falling. Homeless acceptances have reduced from 220 (12/13) to 170 (13/14), with successful homeless prevention increasing.</p> <p>Overall Job Seekers Allowance claimants have reduced in Monmouthshire and are below Wales and Great Britain averages. 18-24 year olds claiming Job seekers allowance is also reducing and below the Wales average but is still above the average for Great Britain.</p> <p>As welfare reform continues there will be an increasing need for benefits to be accessed online, current digital skills and broadband coverage pose a risk to this.</p>	
4	<p>Risk that Monmouthshire will be unable to develop its digital capabilities to meet the significant social and economic challenges in the future.</p> <p>An associated risk is that the Shared Resource Service is not providing the authority with the level of service it</p>	<p>Over 50% of our communities live in population groups of under 2,500.</p> <p>Broadband notspots remain and despite Monmouthshire being in the next tranche for roll-out of Superfast Cymru; around 4-6% of our most rural areas will not be impacted.</p> <p>With the prospect of service cuts and reductions, being digital is vital to bring</p>	2013/14	High	<p>An icounty strategy has been approved which sets out aims for technology development in the long-term both for the council and the county. A Digital Programme Board – aligned to icounty has been setup to oversee delivery and a programme plan for actions is currently being developed to focus on identified need in the County.</p> <p>A Monmouthshire Broadband Mapping Study identifying future opportunities has been</p>	Integrate with risk 3 as this could lead to social exclusion.

Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
	needs to keep up with technological development.	<p>services into the 21<sup>st</sup> century and provide greater access for all.</p> <p>The SRS review has identified scope for improvement and greater realisation of opportunities for its partner bodies.</p> <p>At recent community engagement events, young people vocalised need for greater focus on new digital skills – computer science and coding. In a survey of business leaders polled for Make Things / Do Stuff, digital skills came top as the skills that are most essential to the future success of the UK economy (69 per cent) and over 81 per cent saying digital skills are either important (48 per cent) or very important (33 per cent) to their sector.</p> <p>Business survey conducted by CMC<sup>2</sup> told us that broadband and infrastructure is essential to enterprise start- ups, growth and overall economic resilience.</p> <p>We need more ‘real time’ data in order that decisions can be informed by the most accurate and up-to the minute data and information. We also need to ensure a strong digital leadership.</p> <p>The current Public Sector Broadband Aggregation network (PSBA) does not deliver added value opportunities to our communities.</p>			<p>completed and will be considered by cabinet in Autumn 2014</p> <p>Superfast Cymru have announced work will commence by September 2015 to bring superfast internet speeds to further areas of Monmouthshire.</p> <p>In December 2013, MCC took the lead role in reviewing the SRS looking at governance and accountability; HR, cultural and structural issues, finance ROI and the ‘core service.</p> <p>The review of findings presented in March 2014 were endorsed. Three main parts of the review are being implemented with the first piece of work around finances/ commissioning the core service to be presented in September 2014.</p>	

Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
	Risk around the potential impact on communities, local businesses and council services from global climate changes	<p>Over recent years the UK has had to deal with severe weather conditions. This has impacted on Monmouthshire. We need to increase our resilience against the impact of climate change to enable us to help safeguard communities, businesses and also services provided by the authority.</p> <p>The 2012 Climate Change Risk Assessment for Wales forecasts hotter, drier summers, warmer, wetter winters and more extreme weather events. WG have written to all local authorities asking for evidence of what we are doing around climate change adaptation.</p> <p>This risk assessment looks at the risk if we do not plan against the impact, where we cannot control the risk of severe weather events occurring.</p> <p>The risk should reduce over the next three years as we complete and implement adaptation action plans to enable us to become more prepared.</p>	2013/14	Medium	<p>Council services have completed service based climate change impact assessment in line with Welsh Government guidance. These risk assessments will allow suitable adaptations to be planned in response to the risks identified and have made council services more aware of the range of climate impacts that could affect the service. Confirmation of the action plan requirements from Welsh Government is still required before proceeding.</p> <p>The Council have volunteered to be an early adopter of the Wellbeing of Future Generations bill. This focusses on long term planning of which climate change is an intrinsic part.</p> <p>The risk of severe weather will remain, our response is to ensure we plan against the impact of this which is considered a medium risk.</p>	Remove from strategic risk register and continue to monitor through service improvement plans
6.	The needs and capabilities of individual learners are not sufficiently addressed. Consequently, individual learners do not achieve to their highest potential	<p><b>1. Comparative standards – especially KS3 &amp; 4 are a concern</b></p> <p><b>a. Overall standards</b></p> <p>Whilst standards overall compare well with those of other Welsh counties, they do not compare well with comparable counties in England.</p>	2013/14	High	<p>The risks around education standards, as picked up across the whole entry 6, still feature as high for the authority, particularly in relation to responding to the Estyn inspection, despite significantly improved performance in the summer 2014 results. Actions are being taken to ensure more robust assessment of services' and schools'</p>	Yes – this risk has been captured as a much shortened / encompassing education risk

Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
		<p><b>b. Standards of groups of learners</b> When we compare the performance of specific groups of learners, it does not compare favourably with those in other counties.</p> <p><b>(i) Free School Meals</b> E.g. KS 4 Level 2 including English and Maths: 19th (2012); 22nd (2013)</p> <p><b>(ii) SEN/ALN</b> Important shortcomings were identified: absence of strategy; ineffective resources used for assessment; insufficient data; provision for ASD. Also operational issues: training; the situation around Mounton House; the PRS</p> <p><b>c. Varying standards between schools</b> Standards vary across primary schools from being top in the comparable school family to a position in the bottom quarter. Three secondary schools are in the bottom quartile for KS4 free school meals – one is in the third quartile. In addition, individual school performance varies from year to year.</p>			<p>performance via: service plans self-assessment EAS intelligence Close working with and challenge of schools (LA and EAS) ALN review 21<sup>st</sup> century schools programme The impact being made is evident in many places but we need to ensure this is sustained and improved further as a crucial measure in ensuring the authority is removed from Estyn monitoring.</p>	
		<p>2. The LA's key lever for improving standards and schools has to prove its effectiveness</p> <p>a. A young organisation. Monmouthshire's key lever for school improvement, especially for standards and the quality of teaching and learning, is EAS. The EAS has existed for only 18</p>	2013/14	Medium		
			2014/15	Medium		
			2015/16	Low		

Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
		<p>months and is still embedding processes.</p> <p>b. Effectiveness. The effectiveness of EAS cannot be separated from that of the schools. Feedback on EAS from some schools and evidence of improvement is positive overall. However, there is variability in the overall picture, reflected in the variability in performance within and between schools. The Authority is reliant on the EAS in driving improvements to close the gaps. (E.g. recent ESTYN inspections do not demonstrate a rapid improvement in standards or the quality of leadership in schools; EAS intervention plans for schools are a key instrument in improvement but the process for agreeing, signing off and implementing these has been slow in some cases.)</p> <p>c. Strategic Direction. Welsh Government requirements for regional school improvement services may impact on the quality of EAS provision.</p>				
		<p>3. A major investment to improve teaching and learning (21Century Schools) is at an early stage</p> <p>The 21st Century Schools programme aims to renew teaching approaches and create new school buildings.</p> <p>The risk is that the building of the school is completed without thorough renovation</p>	2013/14	Medium		
			2014/15	Low		
			2015/16	Low		

Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
		of teaching approaches to match the needs and capabilities of individual learners.				
7.	The need to ensure continuity of Welsh Medium Secondary Provision	<p>Monmouthshire has two Welsh Medium Primary Schools with both feeding into Ysgol Gyfun Gwynlliw in Torfaen's area to continue their education through the medium of Welsh.</p> <p>The pressure in Ysgol Gyfun Gwynlliw to accommodate Monmouthshire students from September 2016 has been identified through Monmouthshire's 21st Century Schools programme.</p> <p>Home to school transport and post 16 transport provision are likely to be impacted by decisions within this risk area.</p>	2013/14	Medium	The level of risk associated with managing our position on Welsh medium education depends on how successfully the 21 <sup>st</sup> century schools programme is driving the necessary plans. The last position known is that the work around Welsh medium education has been incorporated into the 21 <sup>st</sup> century schools programme.	Yes – this risk has been picked up through the 21 <sup>st</sup> century school programme risk
		2014/15	High			
		2015/16	High			
8	The need to ensure effective responsibility and accountability in safeguarding children and young people	<p>Substantial shortcomings were identified in the ESTYN inspections of the Council in November 2012. These covered:</p> <p>Lack of a Safeguarding policy; monitoring of update checks was not rigorous enough; there was no formal mechanism to ensure that partners who work with young people have appropriate safeguarding policies and procedures; the need for safeguarding training. The Council has addressed these issues but is aware that safeguarding arrangements need constant attention.</p>	2013/14	Medium	<p>In responding to the outstanding challenge from the Estyn Inspection we have developed a comprehensive reporting schedule and strengthened the whole authority approach by establishing a monthly briefing for Chief Officers, a cross- authority leadership group chaired by the Chief Executive and a forum for the Chairs of Select Committees to discuss Safeguarding and Corporate Parenting issues.</p> <p>Together these elements should:</p> <ul style="list-style-type: none"> <li>ensure an evaluative approach which enables Cabinet, Scrutiny committees and senior officers to answer the</li> </ul>	Yes – this risk has been picked up as part of the Inspection risk
		2014/15	Low			
		2015/16	Low			

Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
					<p>question “how well are children and young people in Monmouthshire being protected from harm and abuse?” and:</p> <ul style="list-style-type: none"> <li>Engage all aspects of the Council and our partners, emphasising that safeguarding is everyone’s business.</li> </ul> <p>The strength of this approach is that leaders now have a high level analysis and overview in the strategic report, whilst also being able to drill down to detailed evidence via the safeguarding report card and operational detail via the service improvement plan.</p>	
9	Risk of not working meaningfully with our communities means we will fail to develop the solutions to the big challenges the county faces over coming years – social, economic and environmental	<p>£23m+ shortfall in finances over the medium-term is a significant challenge. However Monmouthshire has a fantastic natural environment, high levels of strong social capital and is asset-rich. We know from our move into ‘whole place’ planning that community expectations of public service are changing and one size doesn’t fit all. We also know from this process and the recent Monmouthshire Engages events, that there are high numbers of innovatory thinkers who wish to work with us to create value. If we cannot unlock these ideas and encourage the willingness to work meaningfully with us, we run the real risk of being unable to create the kind of vibrancy, viability and resilience needed to withstand future challenges.</p> <p>Ideas have been formulated into thematic groupings for continued work to test</p>	2013/14	Medium	<p>Whole place, a local based framework for area regeneration, continues to be established in Severnside. A project plan and programme board are in place and meet bi-monthly. A town team, made up of local people and businesses, has been established and continues to coordinate local events and activities.</p> <p>A “Better Bryn-y-Cwm” Whole Place plan has been approved, a Town Team has been established and governance arrangements for a programme board are in place. A bid has been submitted for establishing a Business Improvement District.</p> <p>Monmouthshire Engages Roadshows in towns and evening engagements were held in September and October 2014. The purpose of this engagement was threefold: to inform the public of the severity of funding reductions; to understand what services are valued by the</p>	The response to address this risk is now well embedded in the Council’s budget setting process and other community activity such as whole place. This is now more relevant to be incorporated as part of risk 10 which will continue in the 2014/17 risk register.

Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
		suitability and lead officers will soon be making contact with the hundreds of citizens who have expressed a wish to work with us on specific programmes of activity (co-design).			<p>communities and their experiences of using those services are; and, to gather any new ideas on how we can reduce costs to maintain existing levels of service.</p> <p>Communities have told us the three areas of council service ranked as the most important were:</p> <ul style="list-style-type: none"> <li>• Keeping Children Safe (65%)</li> <li>• Education and Skills (63%)</li> <li>• Support for older people and people with disabilities (61%)</li> </ul> <p>The three areas seen as the least important were:</p> <ul style="list-style-type: none"> <li>• Highways and Street Lighting (28%)</li> <li>• Trading Standards and Environmental Health (25%)</li> <li>• Planning and Building Control (25%)</li> </ul> <p><a href="#">Monmouthshire Made open</a>, a social network site that allows ideas to be generated and developed to problems and challenges was launched. Ideas from engagement events have been captured on the site and continued to be developed with residents</p>	
10	Risk of not being able to sustain our priorities and wider service delivery within the current financial situation and the increasing financial challenge ahead	<p>Reframed 2012/13 risk 20.</p> <p>The council has set three main priorities around education, supporting vulnerable people and stimulating enterprise.</p> <p>Tied into this, in reality as we go forward no services can have guaranteed</p>	2013/14	High	<p>The Council set a balanced budget for 2014/15 to deliver services. The Medium Term Financial Plan (MTFP) included 37 budget mandates that were informed by a variety of factors including service redesign and ideas from Monmouthshire engages events held in autumn 2013 and winter 2014.</p> <p>The <a href="#">Medium Term Financial Plan</a> model has</p>	<p>With a further 4.3% budget reduction for 2015/16 and expected continuing financial pressures in future years</p>



Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
		<p>protection.</p> <p>Cabinet agreed to look into 37 areas for potential budget savings in October 2013 to alleviate the financial situation. The authority needs to realise the most impacting ideas from this mandate to deal with the financial challenge now and ahead of us.</p>			<p>been updated for this year's settlement from Welsh Government, a further 4.3% reduction, much more work will be undertaken over the coming months to consider the remaining 3 years of the MTFP and what the future shape of the Authority needs to look like in the light of the emerging financial position. This will be completed in consideration of the Council's key priorities, outcomes and whole authority risk register.</p> <p>The 2015/16 budget gap is now £440k, if all the savings proposals contained in <a href="#">Appendix 4</a> of the report linked are approved. However, this still leaves a gap of £10 million to be found over the following 3 year period. Part of the proposals for 2015/16 include setting aside a budget to provide some capacity to both consider the further options for meeting the gap that will be reported back through Cabinet and select committees and to ensure delivery can be sustained.</p> <p>A restructure of the leadership team has been completed to ensure a focus on the council priorities.</p>	this risk is carried forward to the 2014/17 risk register.
11	Risk posed to revenue and to delivering the capital programme if we do not make optimal use of our surplus assets (which can involve sale / renting /	<p>Anticipated receipts from land, building and asset sales are jeopardised due to declining economic conditions and a crowded marketplace with other public organisations competing to sell assets.</p> <p>Local Development Plan (LDP) and other</p>	2013/14	High	The balance of capital receipts available, allowing for the funding of anticipated overspend at Q1 2014/15, at the end of 2014/15 is forecast to be in line with the 2014/18 MTFP, despite changes in the timing of some significant receipts within this period. It is estimated that net receipts at the end of	Yes
		2014/15	High			
		2015/16	Tbc			

Ref	Risk 2013/14	Reason why identified (evidence)	Risk Levels from 2013/16		Progress & Impact Made	Continued to 2014/17?
	community transfer)	<p>legal processes place limitations on timing of asset sales. This is kept entirely separate to asset disposal policy and process.</p> <p>19% reduction in capital budget allocation.</p> <p>We need to ensure we match fund monies allocated to the 21st Century Schools project.</p>			<p>2017-18 will be circa £2million more than MTFP estimates.</p> <p>There remains a risk that market conditions will impact on forecast sales. Given 21st century schools' aspirations any changes to the forecast capital receipts or further delays in timing pose a risk to meet future capital commitments.</p>	